

FOUNTAIN VALLEY, CALIFORNIA

2018-19

**FISCAL YEAR OPERATING BUDGET,
TEN-YEAR CAPITAL IMPROVEMENT
PROGRAM AND
TWENTY-YEAR FISCAL FORECAST**



LEGISLATIVE BODY:

Mayor Michael Vo
Mayor Pro Temp Steve Nagel
Council Member John Collins
Council Member Larry Crandall
Council Member Cheryl Brothers

Submitted by:
City Manager Rob Houston

BUDGET STAFF

Jason Al-Imam, Director of Finance / City Treasurer
Teresa Gonzalez, Accounting Manager
David Faraone, Budget Analyst
Monica Kerr, Finance Assistant

CITY OF FOUNTAIN VALLEY

RESPONSIBLE SPENDING PLEDGE

The City of Fountain Valley's mission is to deliver cost-effective quality public services to provide a safe and desirable community that enriches its residents and businesses.

The City goals are to:

- Enhance economic development
 - Achieve financial stability
- Attract, develop and retain quality staff within financial constraints
 - Maintain and enhance infrastructure and facilities
 - Enhance community outreach and engagement

The Pledge: The City of Fountain Valley is committed to sound financial policies that maximize the highest level of City services for the people of Fountain Valley. The City Council recognizes the need to protect the City's assets and to ensure long-term financial sustainability.

The City of Fountain Valley, like many cities in California, is experiencing significant financial challenges. This is due to the continued state revenue take-away; dissolution of redevelopment and increased costs which are out of the City's control. The City has taken significant steps to cut costs including permanent staff reductions, reduced benefits, employee pickup of costs, and contracting out services. The City of Fountain Valley is a built out bedroom community, which has limited ability to generate significant new revenues, to cover the cost of a growing structural budget deficit. This has impacted City services.

Therefore, in the event there are any significant increases in the City of Fountain Valley's revenues, we believe that the majority of this money should be used to maintain:

- Essential City services including public safety / 911 emergency response;
- Keep Fire Station 2 open and maintain firefighter / paramedics;
- Police Station and Police officers; restore anti-gang / drug programs;
- Senior and youth programs;
- Streets / sidewalks / roadways and repair storm water systems
- Parks and play equipment; and
- Provide other essential City services.

We also believe, that whenever additional revenue gains are realized, City leadership should seek opportunities to:

- Pay off, pay down, consolidate or refinance the City's outstanding debt;
- Pay down unfunded liabilities; and
- Rebuild and maintain the City's established reserves levels. (Such reserve policies have been adopted to protect the residents of Fountain Valley in the event of a natural disaster or severe economic downturn and for working cash flow and to fund "pay-go" capital projects.)

Finally, the City Council believes this pledge is a clear guide to helping keep Fountain Valley a **"Nice Place to Live"**.

Adopted by the City Council on October 18, 2016. **Ayes:** Nagel, Vo, Collins, Brothers **Noes:** McCurdy

TABLE OF CONTENTS

Introduction	
Users Guide & Introduction to the Budget.....	1
Transmittal Letter from the City Manager.....	5
City Strategic Plan	9
Strategic Ten-Year Financial Plan Overview	13
Directory of Elected Officials.....	15
City Commissions, Committees, & Boards	16
Organizational Chart – Citywide by Function.....	18
Budget Resolution.....	19
Gann Limit Calculation and Resolution.....	21
Utility and City Cost Sharing Calculation and Resolution.....	26
Budget Summary	
Description of Funds	29
Revenue & Expenditure Overview Narrative – All Funds.....	37
Revenue, Expenditure, and Estimated Fund Balance – All Funds.....	40
Continuing Appropriation Schedule – All Funds.....	42
Fund Transfers In & Out – All Funds.....	43
General Fund – Operating Revenue & Expense Analysis and Balance Designation Summary	44
Measure HH Revenue & Expense Summary & Committee Letter	47
General Fund Operating Revenue Detail.....	50
General Fund Operating Expenditures by Department & Program.....	53
General Fund & Internal Service Fund Balance Summary	56
Debt Service Administration.....	58
Full-time Personnel Allocation and Position Control	59
Operating Budget	
Citywide Organizational Chart by Function	63
City Department Expenditure Summary by Program – All Funds	64
Administration (City Clerk / IT / City Council / Attorney for City)	67
Finance & Non-Departmental	77
Fire	85

TABLE OF CONTENTS

Human Resources	91
Planning / Building & Safety / FV Housing Authority	95
Police	103
Public Works	111
Recreation & Community Services	121
Successor Agency	128

Capital Improvement & Replacement Programs	
Annual Capital Improvement & Replacement Programs.....	131
Capital Improvement Projects Funding Summary by Fund and Source.....	134
Capital Replacement - Internal Service Funds.....	136
Information Technology	136
Government Buildings.....	140
Fleet Services	141
Capital Equipment.....	143

Strategic Ten-year Financial, Capital Improvement & Replacement Plans	
Strategic Ten-year Financial Plan Overview	147
All Fund Summaries, Revenue and Expenditure Projections.....	150
Capital Improvement Ten-Year Plan Summary	186
General Fund Ten Year Statement: Capital Plan.....	186
Gas Tax Fund Ten Year: Capital Plan	188
Traffic Improvement Ten Year Statement: Capital Plan.....	190
Pollution Reduction Ten Year Statement: Capital Plan.....	192
Drainage Fund Ten Year Statement: Capital Plan	194
Sewer Fund Ten Year Statement: Capital Plan	196
Water Fund Ten Year Statement: Capital Plan.....	198
Capital Replacement Ten Year Plan (Internal Service Funds).....	200

Twenty-Year Fiscal Forecast	
Twenty-Year Fiscal Forecase	202

Supplemental Information	
Financial and Budget Policies.....	206

TABLE OF CONTENTS

Community Profile.....	230
Acronyms.....	236
Glossary of Terms.....	241

INTRODUCTION

User's Guide to the Budget

A local government budget is a plan to match existing resources with the needs of the community. The functions of local government stem from three levels of policy direction: federal, state and local. Within this intergovernmental system, local government is the workhorse of domestic policy. Local government has the responsibility to provide basic public services such as maintaining streets and roadways, providing traffic management systems, maintaining parks, providing community services, and ensuring public safety. Local government must also fulfill certain state and national policy objectives such as transportation and environmental protection while implementing the expectations and values of its citizens.

For local governments, the primary tool used to coordinate these requirements is the budget. The City of Fountain Valley's Budget provides the residents of Fountain Valley with a plan for matching available resources to the services, goals and objectives specified in Fountain Valley's Strategic Plan.

The guide below is designed to assist readers in understanding the information provided in the FY 2018-19 Budget, as well as how the document is organized. The FY 2018-19 Budget document includes the following:

- Budget Summary
 - Overview of all funds
 - Revenue and Expenditure Detail
- Operating Department Information
 - Department description, accomplishments and goals
 - Functional Charts
 - Department revenues and expenditures including program level information
- Capital Improvement Projects
 - Overview and funding detail
 - Individual Project information
- Strategic Ten-Year CIP, Capital Replacement and Financial Plans
- Supplemental Section
 - Community Profile
 - Financial and Budget Policies
 - Glossary & Acronyms

Introduction

Provides a description of the budget development process, citywide organization chart, and key contacts throughout the City, including elected and appointed officials.

INTRODUCTION

City Manager’s Budget Message

Overview of the budget including a summary of critical economic issues, City Council directed core services, and basic operations and strategic goals for FY 2018-19.

City Strategic Plan

Provides a description of the City’s Strategic Plan development process, including the communities Three Year Goals and the related specific six-month planning objectives.

City Responsible Spending Pledge

City Council adopted policy which outlines the City’s commitment to sound financial spending policies. This pledge specifically identifies where Measure HH – Essential City Services receipts are to be utilized. The focus is on maintaining essential City services and then paying down unfunded liabilities and outstanding debt.

Personnel and Staffing

Summary of funded personnel and staffing changes over three fiscal years, as well as a list of full-time personnel by classification.

Budget Summary

Comprehensive overview of revenues and expenditures for all funds, as well as fund balance projections.

Revenue Estimates

General Fund revenue overview, description of revenue assumptions and methodology used to develop revenue estimates, revenue summary by category, and historical trends.

Expenditure & Service Levels

General Fund expenditure overview, description of items impacting expenditures and methodology used to develop expenditures estimates.

Operating Department Information

Presents summary information on the City’s operating departments:

Administration (includes City Manager, City Council, City Clerk and IT)	Planning / Building & Safety
Finance / Purchasing	Police Department
Fire Department	Public Works
Human Resources	Recreation & Community Services

Department-wide summary information includes strategic goals and functional organizational charts, as well as a summary of staffing, revenues and expenditures over

INTRODUCTION

three fiscal years. Information is further presented at the program level within each department. The expenditures include funds from all revenue sources. Department information includes the General Fund and all Special and Enterprise Funds.

Capital Improvement Program

Overview of the City's Capital Improvement Program, including FY 2015-16 revenues, expenditures and a citywide map highlighting project locations. This section also includes a project description page for each project, detailing its location, classification, expenditures, sustainability feature, and operations and maintenance costs.

Strategic Long-Term Ten-Year CIP, Capital Replacement and Financial Plans

Provides a longer term General Fund projection of revenues and expenditures beyond the current year's short term detailed budget projections. Included in the plan is a ten-year Capital Project and Infrastructure Investment Plan, along with a fleet, capital equipment, government buildings, and technology replacement and rehabilitation funding program.

Financial and Budget Policies

Describes the City's financial objectives and outlines the City's financial management policies that guide the development and administration of the annual operating and capital budgets. Includes a budget calendar, debt limits, and other information.

Community Profile

Provides historical, demographic and statistical information on the City of Fountain Valley, including information on the City's population, educational facilities, recreation and open space, and listing of the top property taxpayers, sales tax producers and employers in the City.

Glossary/Acronyms

Listing of glossary terms and definitions along with a detailed list of commonly used acronyms used throughout the budget document and financial statements as well as links to external websites where additional related information can be found, when appropriate.

CITY MANAGER'S TRANSMITTAL LETTER



TO: Honorable Mayor and Members of the City Council; Community Members; and City Staff

FROM: Rob Houston, City Manager

Introduction

I am proud to present the City of Fountain Valley's Budget for Fiscal Year 2018/19. The General Fund Operating Budget is balanced with a healthy operating surplus of \$5.9 million. Measure HH provides the necessary funding to maintain essential city services and funds capital improvements, pays down debt and restores reserves. The City's fiscal policy is guided by the 20-Year Financial Plan with the goal of being debt free in 2037 when Measure HH sunsets. The City is on a solid path towards long-term fiscal sustainability.

The City uses its Strategic Plan to guide decision-making at all levels of the organization. It allows the City to focus on core values and ensure that every department is working towards common goals. The 3-Year Goals established by the City Council in December 2017 are:

- Enhance economic development
- Achieve financial stability
- Attract, develop and retain quality staff
- Maintain and enhance infrastructure and facilities
- Enhance community outreach and engagement

The Budget for 2018/19 implements the City Council's goals and priorities and allows us to exceptionally serve the community in the manner it deserves and expects. The budget also focuses on the priorities outlined in the Responsible Spending Pledge adopted by the City Council on October 16, 2016, which is related to the successful passage of Measure HH – Essential City Services. The commitment is to maintain essential city services including public safety; senior and youth programs; parks & roadways; other critical city services and paying down debt; unfunded liabilities and rebuilding reserves. This budget meets the City's financial objectives and policies of a balanced operating budget while maintaining prudent operating reserve levels.

CITY MANAGER'S TRANSMITTAL LETTER

Discussion

The Budget for 2018/19 includes approximately \$11.9 million of Measure HH revenue with \$5.3 million committed towards maintaining essential City services. \$550,000 is budgeted for capital improvements related to residential road rehabilitation and park improvements. \$2 million is budgeted for an additional payment to CalPERS, which will save the City approximately \$3 million in interest expense. The balance of Measure HH Funds, at approximately \$4 million, is set aside for reserves.

The Measure HH – Essential City Services Oversight Committee oversees the receipt and expenditure of Measure HH revenues and ensures fiscal accountability and transparency. The Oversight Committee met on April 26, 2018 to review the Proposed Budget of Measure HH Revenues and Expenditures for 2018/19. The Oversight Committee concluded that the budgeted Measure HH revenue and expenses for 2018/19 are consistent with the intent of the Measure HH ballot measure and the Responsible Spending Pledge.

The City's fiscal policy is guided by the 20-Year Financial Plan, which is a comprehensive plan that encompasses the operating and capital needs of the General Fund over the next twenty years. The long-term goal is to achieve fiscal sustainability with a balanced operating budget when Measure HH sunsets in 2037. \$27 million of additional payments will be made to CalPERS over the next twenty years, which is in addition to the \$2.2 million payment made in 2017/18 and is in addition to the amounts required annually by CalPERS. In 2037/38, the City will be debt free. The City's pension liability is expected to be paid off along with the Pension Obligation Bonds and Lease Revenue Bonds.

The twenty year forecast shows that in 2037/38 the annual operating deficit will be \$2.3 million when Measure HH sunsets, which can be eliminated with active management via new revenue sources from economic development. The City is also exploring opportunities for cost savings. For example, in April 2018 the City Council approved a change to the City's liability insurance program that will yield \$612,000 of annual savings.

The Capital Improvement Plan ("CIP") for Fiscal Year 2018/19 totals approximately \$29 million. Projects include, but are not limited to arterial median landscape improvements, traffic improvements, Water and Sewer system improvements and park playground improvements. The CIP continues to provide funding to maintain and enhance the City's infrastructure and facilities.

Conclusion and Final Comments

It is important to highlight again that the General Fund Operating Budget is balanced with a healthy operating surplus of \$5.9 million. Measure HH provides the necessary funding to maintain essential city services and funds capital improvements, pays down debt and restores reserves. The City's fiscal policy is guided by the 20-Year Financial Plan with the goal of being debt free in 2037 when Measure HH sunsets. The City is on a solid path towards long-term fiscal sustainability.

CITY MANAGER'S TRANSMITTAL LETTER

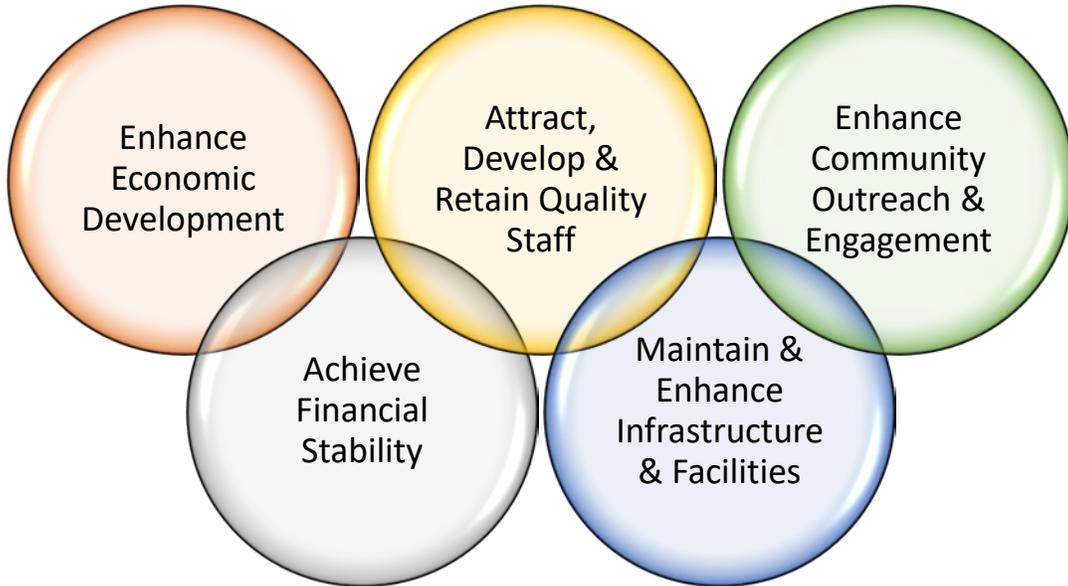
In closing, I would like to express my appreciation to the many City staff members across all of our departments for their active and thoughtful participation in developing this budget and the capital improvement program. I want to thank every employee for their hard work and ongoing dedication and the City Council for its effective policy leadership and support as we work together to ensure Fountain Valley's continued prominence as one of the safest and most desirable places to live and work in the nation. Working hand-in-hand, we will continue our commitment to ensuring public resources are managed as prudently and wisely as possible and will keep Fountain Valley "A Nice Place to Live".

Respectfully submitted,

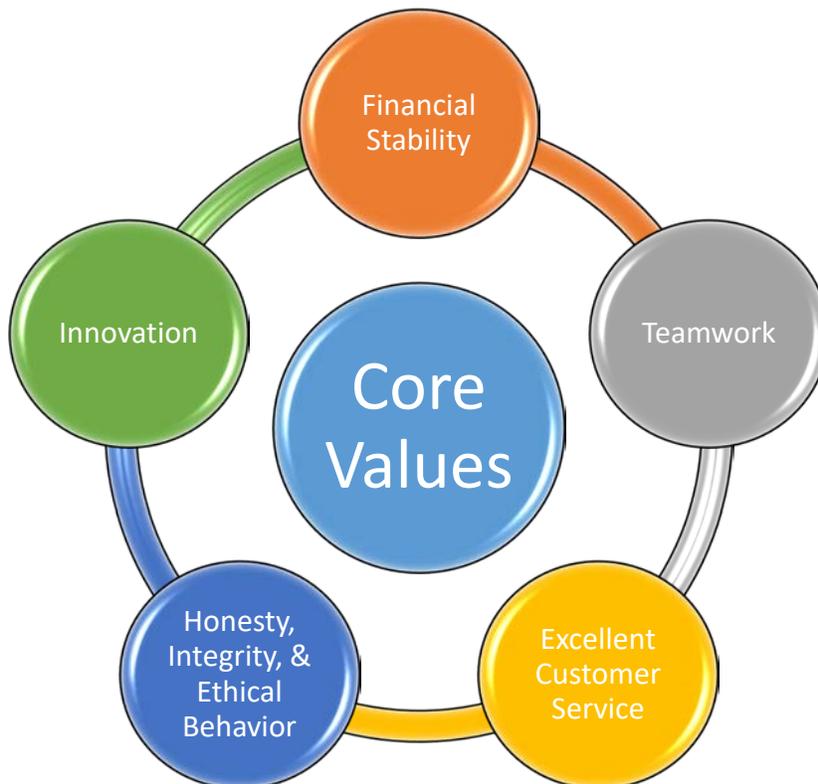


Rob Houston
City Manager

STRATEGIC PLAN



The City of Fountain Valley values . . .



STRATEGIC PLAN

Prior 2017-18 Year City of Fountain Valley Strategic Planning Accomplishments

- Measure HH Plan was adopted
- New businesses
- Celebrated the 60th anniversary
- New fire apparatus
- Amended the wireless ordinance
- Awarded a contract for exterior improvements to the Rec Center
- Police Department initiated a Narcam Program
- Improved coordination between departments to accomplish some tough things we've been working on for awhile
- Completed residential paving in the neighborhood in RD27
- Held the most successful (financially) annual City SummerFest event
- Repaired and restored a damaged historical building in Heritage Park
- Conducted assessment of website and social media
- Recirculated the EIR for the Crossings Plan
- Upgraded the email system to Exchange 2016
- Built stronger relationships with commercial property owners and real estate brokers
- Well-maintained parks
- Good roads
- Began discussions with the Sanitation District and Orange County Transportation Authority on projects that are coming our way
- City participated in the International Council of Shopping Centers to promote Fountain Valley as a destination
- HVAC for the Recreation Center/gymnasium and City Hall
- Resolved homeless encampment in River Trail
- Both fire stations are connected to fiber optics
- Stopped commercial marijuana coming into the city
- Held multiple multicultural events
- Tree lighting ceremony
- New Police Captain
- Promoted a Police Lieutenant
- Successful Open House at the Fire Station
- Continued to emphasize and do a Strategic Plan
- Annual Summer Movie Series at community park
- Emergency repairs to two water wells
- Improved customer satisfaction with planning and building services
- Longevity of our City staff—we hold onto our staff longer than other cities
- Raised over \$30,000 from the community to offset the 60th anniversary costs
- Maintained our status as a Tree City USA
- Produced Fountain Valley newsletter to engage the community on programs and services
- Conducted community focus group on our website usability
- Hired a new Finance Director

STRATEGIC PLAN

- Begun the process of resurrecting the OC
- Held a homeless Town Hall meeting and regularly update on homelessness on the City website
- Improvements at Fountain Plaza
- Improvements at Seaside Terrace
- Hosted a City Hall Open House
- Improved relationships with the development community
- Held our 26th Annual Summer Concert Series, wholly funded with community sponsorships
- Provided twice weekly low-cost meals to seniors
- Management staff are well-educated in their area of expertise
- Fire Department successfully piloted a plan check process for tentative improvements and building
- Fire Department achieved hazardous materials disclosure compliance with Orange County Health Department
- MOU with all bargaining units
- New City Manager
- New police officers—five in the past six months
- Conducted three HH oversight meetings
- 50th anniversary for the Police Department
- Upgraded Sandalwood Storm water Pump Station
- Fire Department successfully responded to multiple master mutual aid incidents (wildland fires)
- Completed and presented to the City Council a Comprehensive Master Plan for Sewer and Water Enterprises
- Retained a consultant for design of median landscaping
- Maintained a good relationship with community nonprofits
- Updated the 20-Year Financial Plan
- Held a 60th Anniversary Parade
- Provided the community with an American Red Cross Water Safety Program
- Passed a balanced budget in June 2017
- Restored the Fire Department Shift Battalion Chief
- Hosted the Special Olympics
- Obtained co-compliance with Prehistoric Pets

STRATEGIC TEN-YEAR FINANCIAL PLAN OVERVIEW

and budgeting in order to forecast and actively communicate challenges and opportunities before they arise. The City Council’s goals are predicated on the understanding that investments of financial, physical and staff resources today ensure the community’s quality of life is preserved and enhanced in the future.

Reflecting current economic conditions and expectations, as well as existing service levels and policies; the Financial Plan, in collaboration with the budget development process, provides an early warning of potential budget challenges from a long-term perspective. The Financial Plan provides short and long-term operating budget outlooks for all appropriated funds, with a focus on those funds that are used to account for the issues of top concern to the community. The purpose of the operating forecast is to identify long-term financial trends, opportunities and imbalances so they can be proactively addressed.

The Financial Plan projects an updated 20-years into the future based on the adopted fiscal year budget and existing budgetary relationships, while the budget is based on an itemized analysis of supply, contract and staffing needs required to meet established service standards and City Council priorities. As a result, the Financial Plan provides a big picture, long-term outlook and the budget a detailed, short-term plan. The Financial Plan also presents a plan to replace equipment, fleet, maintain City buildings and technology infrastructure. Finally, the Financial Plan presents the ten-year Capital Improvement Program (CIP), the City’s investment plan for infrastructure which guides staff in pursuing funding for future projects.

In response to the local, national and global economy, the Financial Plan has focused on strategic allocation of limited resources as the City maintains its traditionally high level of service to the community. The City Council, in the last few years, has emphasized the importance of rebuilding the City’s contingency reserves and the importance of accumulating additional resources for infrastructure rehabilitation purposes. The following diagram highlights the various long-term financial planning phases recommended in a long-term plan.



ORGANIZATION OF THE CITY



CITY DIRECTORY For The City of Fountain Valley, CA



CITY COUNCIL MEMBERS



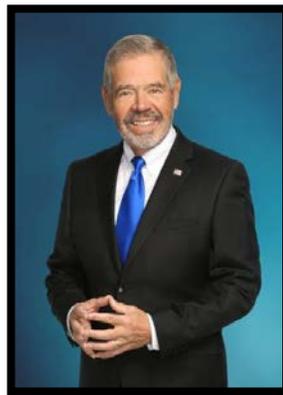
Michael Vo
Mayor



Steve Nagel
Mayor Pro Tem



John Collins
Council Member



Larry Crandall
Council Member



Cheryl Brothers
Council Member

CITY OFFICIALS

- City Manager.....Rob Houston
- Chief of Police.....Kevin Childe
- Director of Finance/Treasurer.....Jason Al-Imam
- Director of Human Resources.....Chelsea Phebus
- Director of Planning/Building & SafetyMatt Mogensen
- Director of Public Works/City Engineer.....Mark Lewis
- Fire Chief.....Tony Coppolino

Council meetings are held on the 1st & 3rd Tuesday of the month at 6:00 p.m. and are located in the City Hall Council Chambers

CITY COMMISSIONS, COMMITTEES & BOARDS



CITY COMMISSIONS, COMMITTEES & BOARDS For The City of Fountain Valley, CA



PLANNING COMMISSION

- Herman Jack Ajamian Chair
- William M. Cameron.....Vice Chair
- Richard Blake.....Commissioner
- Stephen Brown.....Commissioner
- Patrick HarperChair
- Matt Mogensen.....Staff Representative

Planning Commission Meetings are held on the 2nd Wednesday of every month at 6:00 p.m., as needed, in the Fountain Valley Council Chamber

HOUSING & COMMUNITY DEVELOPMENT ADVISORY BOARD

- Tom Nguyen.....Chair
- Susan Saurastri.....Vice Chair
- Stephen Brumm.....Commissioner
- Ramon Galvez-Arango..... Commissioner
- Michael Saffell.....Commissioner
- Michael White.....Commissioner
- Matt Mogensen & Ashlyn Newman.....Staff Representative

Housing & Community Development Advisory Board meetings are held on the 1st Wednesday of each month, at 6:00 p.m. in the Fountain Valley Council Chambers

ADVISORY COMMITTEE FOR THE DISABLED

- Raymond Galvez-Arango.....Chair
- Lawrence Judson.....Vice Chair
- Gary Osterbach.....Chair
- Jon Mayer.....Committee Member
- Anna Nagmay.....Committee Member
- Philip Nisco.....Committee Member
- Gary M. Osterbach.....Committee Member
- Susanne Seiden.....Committee Member
- Jan Werts.....Committee Member
- Nora Webb.....Staff Representative

Advisory Committee for the Disabled meet on the 1st Thursday of odd numbered Months at 6:30 p.m. in City Hall, Conference Room #1

CITY COMMISSIONS, COMMITTEES & BOARDS



CITY COMMISSIONS, COMMITTEES & BOARDS For The City of Fountain Valley, CA



OVERSIGHT BOARD TO THE SUCCESSOR AGENCY

- Cheryl Brothers.....Chair
- Steve Nagel..... Vice Chair
- Brad Gaston.....Board Member
- Matt Mogensen.....Board Member
- Sal Sanchez.....Board Member
- Daniela Thompson.....Board Member
- Rob Houston.....Board Member

MEASURE HH - ESSENTIAL CITY SERVICES OVERSIGHT BOARD

- John Briscoe.....Committee Member
- Margie Drilling.....Committee Member
- Michele Jensen.....Committee Member
- Matt Taylor.....Committee Member
- Jeffery Stone.....Committee Member
- Stephen Schwarz.....Alternate Board Member

Measure HH Committee on meet an as needed basis to review financial documents throughout the year in City Hall, Conference Room #1

City Organizational Chart

Citizens of Fountain Valley

Mayor & City Council

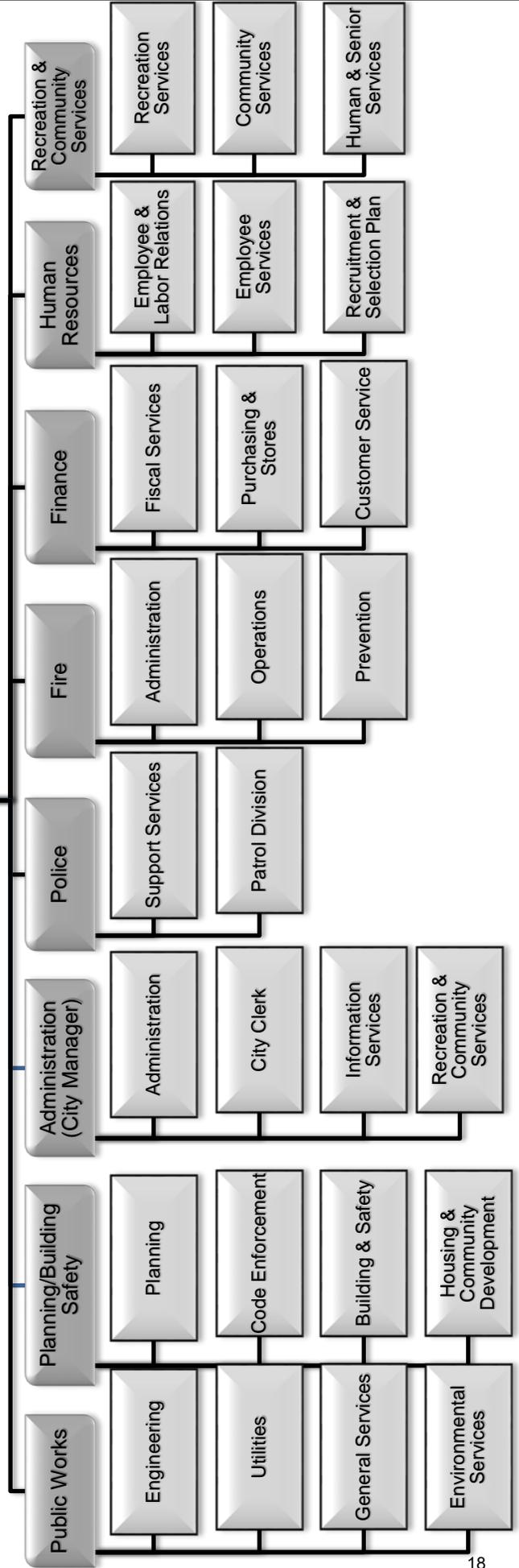
Planning Commission

Housing & Community Development: Advisory Committee

Attorneys for the City

Advisory Committee for the Disabled

City Manager



RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOUNTAIN VALLEY, CALIFORNIA, ADOPTING AN ANNUAL BUDGET AND RELATED DOCUMENTS FOR THE CITY OF FOUNTAIN VALLEY, FOR FISCAL YEAR 2018-19

WHEREAS, the City Manager and Finance Director have, heretofore, presented to the City Council a Proposed Operating Budget for Fiscal Year 2018-19; and

WHEREAS, the Proposed Operating Budget includes the City of Fountain Valley, and information related to the Successor Agency, Housing Authority, and Public Financing Authority; and

WHEREAS, the City Council did hold a public workshop on May 15, 2018, in the Council Chambers of City Hall of said City, in order to review the proposed budget documents for Fiscal Year 2018-19; and

WHEREAS, the City Council did review proposed budget for the Fiscal Year 2018-19.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FOUNTAIN VALLEY, CALIFORNIA DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Said Proposed Operating Budget, as so amended, is hereby adopted as the Operating Budget for the City of Fountain Valley for the fiscal year commencing July 1, 2018 and ending June 30, 2019, and consists of estimated and anticipated expenditures and revenues for that fiscal year.

SECTION 2. The City Council does hereby approve and authorize the salary allocations as presented throughout the various departmental programs; the schedule of Inter-fund transfers, estimated continuing appropriations amounts; 2018-19 Capital Improvement Program expenditures along with the use of Capital Reserve Fund monies; and authorize the identified assigned or committed allocation of the General Fund cash balances.

SECTION 3. The City Council does hereby adopt the ten year Capital Improvement Plan which is consistent with the seven year CIP program submitted to the Orange County Transportation Authority (OCTA) as part of the annual Measure M2 Eligibility process.

SECTION 4. The City Manager or his/her designee, for purposes of administrative necessity in implementing the budget, is hereby authorized to transfer funds between accounts, programs and line item expenditures as long as the transfer does not exceed the total appropriation within a given fund or where such transfer is expressly prohibited in a resolution or ordinance approved by the City Council.

SECTION 5. The Fiscal Year 2018-19 amended Financial & Budget Policies as presented in the 2018-19 Annual Budget are hereby adopted by the City Council. The City Council does hereby adopt a budget that does meet the requirements of the Financial & Budget Policies related to the "Balanced Budget" section of the policies.

SECTION 6. The City Council does hereby adopt Salary and Position Control Schedule.

SECTION 7. That the City Clerk shall certify to the passage and adoption of this Resolution, and enter it into the book of original Resolutions.

PASSED and ADOPTED by the City Council of the City of Fountain Valley at a regular City Council meeting held on this 5th day of June, 2018 by the following vote:

AYES:

NOES:

ABSENT:

Michael Vo, Mayor

ATTEST:

Rick Miller, City Clerk

APPROVED AS TO FORM:

HARPER & BURNS LLP

Colin Burns
Attorneys for the City

GANN APPROPRIATIONS LIMIT

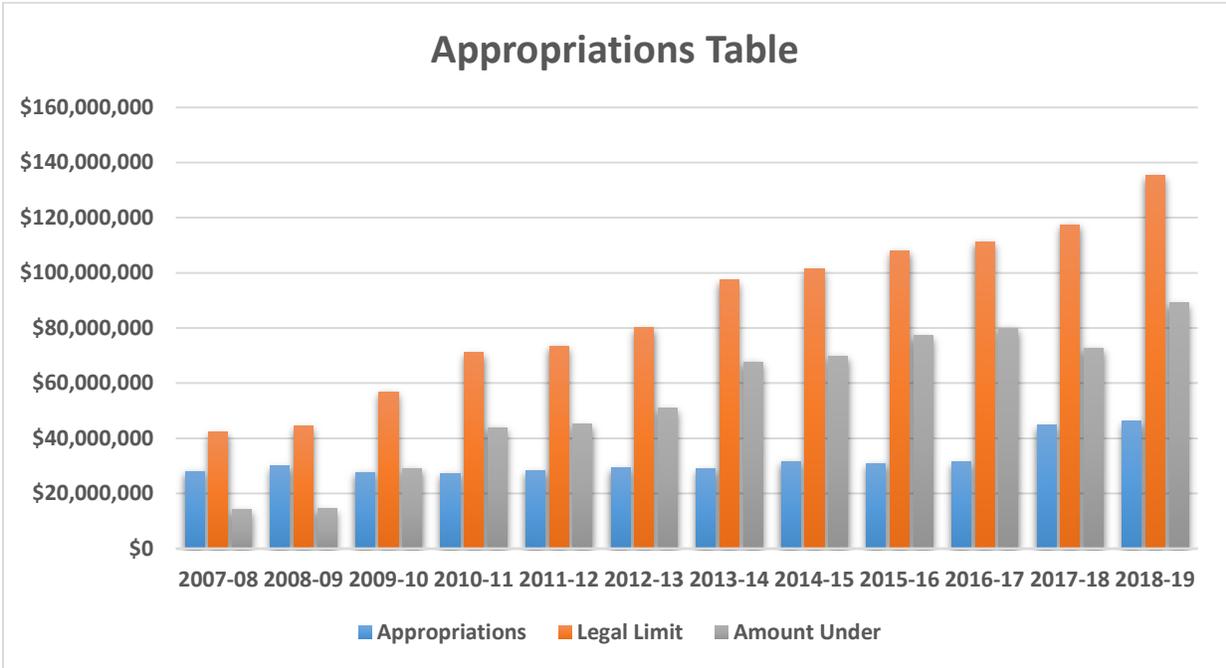
In November 1979 the voters of the State of California approved Proposition 4, commonly known as the “Gann Initiative” or “Gann Limit.” The Proposition created Article XIII B of the State Constitution placing limits on the amount of revenue which can be spent by all entities of government from the “proceeds of taxes.” Proposition 4 became effective for the 1980-81 fiscal year, but the formula for calculating the limit was based on the 1978-79 “base year” revenues, with adjustments being made annually to reflect increase in population and cost of living.

Section 9710 of the California Government Code, added in 1980 by the State Legislature, provides that “each year, the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following year.” In June of 1990 the California Voters approved Proposition 111. Among other things, Proposition 111 provided new adjustment formulas, which make the Appropriations Limit more responsive to local growth issues. Only tax proceeds are subject to the limit. Charges for services, regulatory fees, grants, loans, donations and other non-tax proceeds are not subject to the limit. Proposition 111 also established a requirement for an annual review of Limit calculations. Each year the City Council must adopt by resolution the City’s appropriations limit for the following year. The following is the calculation for the City’s Gann Appropriations Limit for FY2018-19.

Fountain Valley’s annual appropriation limit has been determined in accordance with Article XIII B of the California State Constitution and Section 7902 of the California Government Code. The City will be below its legal appropriations limit by \$81,361,244 using the non-residential new construction figure and county population growth factors.

GANN APPROPRIATIONS LIMIT CALCULATION FY 2018-19	
FY 2017-18 Appropriations Limit (Revised)	\$117,366,022
Population Growth (City or County) = .69%	1.0069
Cost of Living (Per Capita or Non-residential construction growth) = 14.47%	1.1447
FY 2018-19 Appropriations Limit (\$117,366,022 x 1.0069 x 1.1447)	\$135,275,893

GANN APPROPRIATIONS LIMIT



RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOUNTAIN VALLEY, CALIFORNIA APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2018-19

WHEREAS, the State Constitution Article XIII B restricts the appropriations growth rate for cities and other local jurisdictions; and

WHEREAS, the Article XIII B, as amended by Proposition 111, requires cities to calculate their annual appropriations limit by the percentage change in 1) City population growth or county population growth; and 2) California per capita personal income or the increase in non-residential assessed valuation due to new construction; and

WHEREAS, documentation used in the determination of the appropriations limit for fiscal year 2018-19 has been available to the public in the Finance Department for fifteen days prior to this meeting as required by Government Code Section 7910; and

WHEREAS, a summary of this computation is provided in Attachment "A", which is incorporated by reference and attached hereto.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FOUNTAIN VALLEY, CALIFORNIA DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the Appropriations Limit for 2018-19 shall be \$135,275,893, as calculated in Attachment A, and the Appropriations Subject to Limitation in Fiscal Year 2018-19 shall be \$46,125,395 and therefore is \$89,150,498 under the limit.

SECTION 2. That the City of Fountain Valley reserves the right to recalculate said limitation at a future time.

SECTION 3. That the City Clerk shall certify to the passage and adoption of this Resolution, and enter it into the book of original Resolutions.

PASSED and ADOPTED by the City Council of the City of Fountain Valley at a regular City Council meeting held on this 5th day of June, 2018 by the following vote:

AYES:

NOES:

ABSENT:

Michael Vo, Mayor

ATTEST:

Rick Miller, City Clerk

APPROVED AS TO FORM:

HARPER & BURNS LLP

Colin Burns
Attorneys for the City

EXHIBIT A

Appropriations Limit
City of Fountain Valley
Fiscal Year 2018-19

	<u>AMOUNT</u>
Last Year's Limit (2017-18)	\$117,366,022
Adjustment Factors	
1. Population ⁽¹⁾	1.0069
2. Inflation ⁽²⁾	<u>1.1447</u>
Total Adjustment Factor ⁽³⁾	<u>1.1526</u>
Total Adjustments	<u>17,909,871</u>
Appropriations Limit for Fiscal Year 2018-19	<u>\$135,275,893</u>
Appropriations Subject to Limit:	
Proceeds of Taxes	\$46,125,395
Minus Exclusions	<u>-</u>
Appropriations Subject to Limit	\$46,125,395
Fiscal Year 2018-19 Appropriations Limit	135,275,893
Less Appropriations Subject to the Limit	<u>46,125,395</u>
Difference Under the Limit	<u>\$89,150,498</u>

⁽¹⁾The population factor may be based on the change in population of 1) the City; or 2) the County of Orange, as provided by the State of California's Department of Finance. The population factor adopted by the City for the current year appropriation limit represents the change in population of the County of Orange.

⁽²⁾The inflation factor may be based on 1) the change in per capita personal income for the State of California as provided by the State of California's Department of Finance; or 2) the change in assessed valuation due to new nonresidential construction within the City. The inflation factor adopted by the City for the current year appropriation limit represents the change in assessed valuation due to new nonresidential construction within the City, as provided by HdLCoren & Cone.

⁽³⁾The total adjustment factor is calculated by multiplying the population factor by the inflation factor.

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF FOUNTAIN VALLEY, CALIFORNIA, ESTABLISHING PROPERTY RENTAL TERMS AND CHARGES FOR ADMINISTRATIVE SERVICES FOR THE MUNICIPAL WATER & SEWER UTILITIES.

WHEREAS, the proposed 2018-19 budget for the Water & Sewer Funds maintains funding for the operating and capital improvement expenditures of the Water & Sewer Utilities; and

WHEREAS, the City owns and maintains property at various locations throughout the city that are utilized by the Water Utility to locate reservoirs, wells, equipment and facilities; and

WHEREAS, the Water Utility is required to construct and maintain various pipelines and appurtenances for transmitting and distributing water for any and all purposes including mains, lines and pumps necessary or proper therefore, in, along, upon, and under the streets within the City of Fountain Valley; and

WHEREAS, the Water Utility, during the life thereof, will pay to the City an amount in the form of a right-of-way usage fee for the water mains located within the street right-of-way and related maintenance costs; and

WHEREAS, this administrative arrangement which has been in place since 1958 saves money and promises efficiency; and

WHEREAS, the Water Utility will also pay a charge for its use of land located within the City for other appurtenances such as water well pumps, reservoirs, and water operation facilities; and

WHEREAS, administrative services are also provided to the Water & Sewer Utilities; and

WHEREAS, the City has determined that it is in the best interest of the community to charge the Water & Sewer Utilities the amount of \$1,903,238 in 2018-19 for these rights and services; and

WHEREAS, the schedule attached "Exhibit A" is based on substantial evidence establishing that these allocations represent the costs of providing administrative services to the Water & Sewer Utilities.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of the City of Fountain Valley, California, that:

The Schedule attached hereto as Exhibit "A" is approved as the basis for allocating city property and service costs to the Water & Sewer Utilities.

PASSED, APPROVED, AND SIGNED this 5th day of June 2018, at a regular meeting of the City Council of the City of Fountain Valley.

Attest:

Michael Vo, Mayor

Rick Miller, City Clerk

APPROVED AS TO FORM:

HARPER & BURNS LLP

Colin Burns
Attorneys for the City

ATTACHMENT

Exhibit A

EXHIBIT A

**SCHEDULE OF PROPERTY RENTAL TERMS AND CHARGES
ADMINISTRATIVE SERVICES FOR THE MUNICIPAL WATER & SEWER UTILITIES
FISCAL YEAR 2018-2019**

A. PROPERTIES LEASED TO THE WATER UTILITY

<u>FACILITIES SITE</u>	<u>LOCATION</u>	<u>SQUARE FOOTAGE</u>	
1 Reservoir 1	18460 Euclid Street	134,728	
1 City Yard	17300 Mt. Herrmann Street - City Owned	50,000	
1 Well No. 9	Poinsettia Avenue	7,600	
2 Well No. 6	11775 Warner Avenue	12,416	Irregular Lot
2 Well No. 8	11669 Edinger Avenue	19,340	Irregular Lot
	Total	224,084	
1 Rental value	\$0.30 per SF/MO	692,381	
2 Rental value	\$0.25 per SF/MO	95,268	787,649

B. BUILDINGS LEASED TO THE WATER UTILITY

<u>FACILITIES SITE</u>	<u>LOCATION</u>	<u>SQUARE FOOTAGE</u>	
City Yard	17300 Mt. Herrmann Street	19,278	
Rental Fee	\$1.00 per SF/MO		231,336

C. INDIRECT COSTS

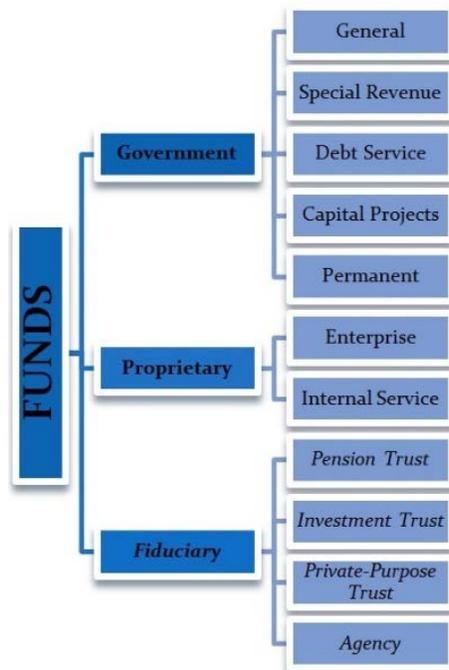
2018/19 Water Fund Expenditures (Less In-Lieu & General Fund Loan Interest)	11,311,293	
2018/19 Sewer Fund Expenditures	813,073	
General Administrative Cost Rate	7.42%	
Total General Administrative Costs		899,628
Municipal Code 14.12.200 Public Fire Protection Credit (2,050 Hydrants @ \$7.50)		(15,375)

TOTAL COST PER AGREEMENT		1,903,238
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DESCRIPTION OF FUNDS

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, segregated for the purpose of carrying on specific activities, or complying with special regulations, restrictions, or limitations. The following provides a description of accounting funds used by the City of Fountain Valley.

The City budget consist of a number of different funds. Each distinct fund contains program expenditures and revenues that relate to the purpose of the fund. The fund categories include Governmental which includes general, special, and debt service and capital project funds. Proprietary funds which include enterprise, and internal service funds; and fiduciary which include agency and trust and funds. Below is a description of most of the City's various funds.



GOVERNMENTAL FUNDS

The measurement focus for governmental funds is on current spendable resources, and as such, the balance sheets for these types of funds include only current assets and current liabilities. Governmental funds are accounted for on a modified accrual basis, thus revenues are recognized when measurable and available, (60 days) and expenditures are recorded when the related liability is incurred.

GENERAL FUND

The General Fund reflects activities conducted within the City that are supported by general taxes and intergovernmental revenue, as well as user fees, fines, rents, and other general revenues that relate to activates within this fund. Some of the program activities supported by the General Fund include Police, Fire, Building and Planning, economic development, and general administration. The General Fund also supports a large portion of the community services activities not covered by user fees, grants and denotations from the Fountain Valley Community Foundation (Separate Non-Profit Corporation from the City).

SPECIAL FUNDS (Restricted)

Special revenue funds are used to account for the proceeds from specific revenue sources, other than trusts or major capital projects that are legally or contractually restricted to expenditures for specific purposes.

DESCRIPTION OF FUNDS

AB2766 - Air Quality Improvement Fund

This fund accounts for the City's programs implementing Assembly Bill (AB) 2766, the California Clean Air Act of 1988. Under the provisions of AB 2766, 40% of the fees imposed by the South Coast Air Quality Management District (SCAQMD) are allocated to local jurisdictions to fund expenditures for the reduction of air pollution from motor vehicles. Past qualifying projects have included the purchase of alternative fuel (CNG) vehicles, acquisition of emission credits pursuant to SCAQMD Rule 2202, and various educational and outreach programs to encourage commuter use of transit and rail systems.

Criminal Diversion (Federal & State Asset Forfeiture / Other Public Safety Grants)

A portion of the revenues for this fund are derived from the enactment of the Uniform Controlled Substance Act, which transfers funds back to agencies on a percentage basis for their participation in narcotic enforcement activities. The Asset Forfeiture fund is the depository for equitable sharing payments received from the Departments of Justice and US Department of the Treasury. These are amounts paid to state and local law enforcement agencies for assistance in forfeiture cases. The Regional Narcotics Suppression Program has served the citizens of Orange County since December 1986. Under state and federal statutes, the City of Fountain Valley receives an equitable share of seized drug funds and real property, along with reimbursement of related overtime expenses in exchange for participating in the program.

By law, these funds may only be spent for law enforcement purposes and are intended to supplement, not supplant, existing funds. Examples of uses of these funds include training, supplies, equipment, and ammunition. Due to the uncertain nature of the timing and amount of forfeitures, and in accordance with fund guidelines, revenues should not be budgeted until actually received. Appropriations are funded by the available fund balance.

This fund also accounts for federal, state and local grants and donations assigned for Public Safety activities. Previously awarded grants include the Urban Area Security Initiative, Avoid the 38, Justice Assistance Grant, Office of Traffic Safety STEP Grant, BSCC County Grant, Every 15 Minutes, and Sobriety Checkpoint Grants.

Citizen Options for Public Safety (COPS/SLESF) - Supplemental Law Enforcement Services Funds Grant

Assembly Bill 3229, Chapter 134, Statue of 1996, established the Citizen's Option for Public Safety (COPS) Program. Per Government Code §§ 30061-30065, compliant cities are allocated a proportionate share of COPS funds by the State, for the exclusive purpose of funding supplemental front line law enforcement services. Proportionate shares are based on population estimates determined by the California Department of Finance. Under the standard grant program allocation, the City of Fountain Valley is eligible to receive the minimum grant amount of \$100,000 each year. Funds from this program

DESCRIPTION OF FUNDS

cannot supplant existing funding and are to be used for one-time items including equipment.

Community Development Block Grant (CDBG)

This fund was established to satisfy legal requirements that Community Development Block Grant (CDBG) funds be segregated from other funds. CDBG funds are used to provide a variety of public service programs throughout the community. A separate staff report is presented to the City Council for budgeting purposes for each Fiscal Year, which may include reprogramming of remaining unused budgeted funds from prior years, repayments to the CDBG Fund for loans previously made, and programming of the new grant revenue and related appropriations.

Gas Tax

The City receives Gas Tax funds from Sections 2103, 2105, 2106, 2107, and 2107.5 of the Streets and Highways Code. State law requires these funds be utilized solely for street-related purposes such as new street construction, rehabilitation, and maintenance. Specific capital projects for street and traffic signal improvements and rehabilitation endeavors are identified in the Capital Improvement Program (CIP) budget.

Beginning with the 2010-11 fiscal year, Section 2103 was added to allocate funds from a new motor vehicle fuel excise tax that replace previous city and county allocations from the Proposition 42 sales tax on gasoline. This is the change known as the “fuel tax swap of 2010.” Section 2103 funds are allocated to cities on a per capita basis and to counties 75% based on the proportion of registered vehicles and 25% based on the proportion of maintained county road miles.

However, the swap created certain revenue effects related to the timing and receipt of revenues. In particular, the law provides that the new excise tax rate be adjusted annually by the BOE to garner an amount of revenues equal to what Prop42 would have provided in the prior year. Thus, the annual Section 2103 funds are always “looking backward” one year. If the Section 2103 amounts generate less than Prop42 would have, the difference will not be made up until the following year.

Housing Authority Fund - *Former Community Development Housing (Redevelopment)*

Twenty percent of Fountain Valley Redevelopment Agency (RDA) tax increment receipts were required to be set aside for affordable housing uses in the project area and, per the redevelopment plan, could also be used for other citywide affordable housing activities. The RDA housing fund accumulated those set aside amounts and accounts for housing related activities. Additional efforts included financial and economic planning in anticipation of affordable housing activities.

In June 2011, the Redevelopment Dissolution Act, AB1x26, was signed by the Governor and later upheld by the California Supreme Court on December 29, 2011. As a result of

DESCRIPTION OF FUNDS

the Court's ruling on the Dissolution Act, all redevelopment agencies in California were dissolved effective February 1, 2012. On January 10, 2012, the City opted out of being the Successor Agency for the Housing functions of the former agency and assigned the Fountain Valley Housing Authority as the successor to the housing assets and activities. The Fountain Valley Housing Authority Fund accounts for the City's Housing activities.

HOME Grant

This fund is used to account for federal HOME Investment Partnership Program Funds which facilitate the development of affordable housing projects in the City.

Local Park Impact Fee

The Subdivision Map Act of the California Government Code requires developers to provide either land or fees to the local municipal government for the purpose of providing or improving recreational facilities in the area of the proposed developer improvements. This legislation is also known as the Quimby Act. The City allocates these funds to various parks and recreation projects in conjunction with the annual CIP budget. The use of these funds are restricted by the area listed in the fund balance. When new projects or new phases to existing projects are budgeted, the funds are transferred to the specific project.

Measure M Fairshare M2

This fund was created to account for the City's share of the Measure M2 one-half cent sales tax approved by Orange County voters and administered by the Orange County Transportation Authority. Funding is allocated to the City for streets, roads and transit projects. Measure M also provides funds for the City's Senior Mobility program.

Road Maintenance & Rehabilitation Program (SB1)

This fund was created to account for the City's share of proceeds from SB 1, the Road Repair and Accountability Act of 2017. The City is schedule to receive these funds for the next 10 years to assist in road maintenance & rehabilitation, congestion relief, and corridor improvements.

Vehicle Abatement Program (SAAV)

The Vehicle Abatement Program (SAAV) administered by Orange County Transportation Authority and authorized through Assembly Bill 4114, sunset during FY 2012-13. The remaining SAAV funds will continue to be expended until depleted.

DEBT SERVICE FUNDS

Debt service funds are used to account for debt service expenditures on general long term debt.

DESCRIPTION OF FUNDS

Fountain Valley Public Finance Authority

This fund is used to account for the debt service payments and construction of certain water improvements associated with the issuance of the 2014 Revenue Bonds, the 2016A Lease Revenue Bonds (Refinanced 2003 COP), and the Clean Energy Renewable Bonds (CREBS).

CAPITAL IMPROVEMENT FUNDS

Capital projects funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds).

Drainage Fund

This fund was established in order to implement the goals and objectives of the master drainage plan and to mitigate water runoff impacts of new development in the drainage area. The drainage development impact fee is needed in order to finance drainage public improvements and to pay for the development's fair share of required improvements.

Traffic Improvement

This fund is a Capital Improvement fund used to account for various public roadway improvements. Revenues are received from transportation impact fees and grants or transfers in from Measure M, Gas Tax, Sewer, or Water funds.

PROPRIETARY FUNDS

Proprietary funds account for operations that are financed and operated in a manner similar to private sector enterprises, in that goods and services are provided to the general public (external users) or other City department (internal users), and the costs are financed or recovered primarily through fees and service charges charged directly to the users of the goods and services.

ENTERPRISE FUNDS

Enterprise funds are used to report activities for which service charges or fees are charged to external users. These funds are used to account for operations that are financed and operated in a manner similar to private sector enterprises. The intent is that the cost of providing the goods and services to the general public (Utility Customers) be paid for through a user rate structure that is appropriate, fair and equitable based on the cost of the commodity.

Water Fund

The City of Fountain Valley established its Municipal Water Department in April of 1962. Its goal is to provide safe, reliable, high quality water to City customers at a reasonable

DESCRIPTION OF FUNDS

rate. The fund accounts for all the activities related to the water operations, including, but not limited to, administration, operations, maintenance, capital acquisition and contraction, financing and related debt service, the production, distribution and storage systems, SCADA, recycled water, capital improvements, meter reading and utility billing processes.

Solid Waste Fund

The City contracts with Republic Services (Formerly Rainbow Environmental Services) to provide residential, commercial waste collection, and recycling. The City utilizes the Water billing process to include the waste collection charges that are then sent to Republic Services. The City collects a fee for each bill sent. Republic also pays the City an annual Road Rehabilitation fee to help the city pay for repairs to public roadway due to the heavy weight of the trash vehicles.

Sewer Fee and Connection Fund

This fund accounts for all activities related to the wastewater collection system which serves Fountain Valley. There is an established sewer fee assessed to every water customer to cover the cost of maintaining, repairing and rehabilitation of the sewer collection system. This fund was also established to meet the goals and objectives of the master plan of sewers of the City and to mitigate wastewater impacts caused by new development within the corporate City limits. In that certain public sewer improvements must be constructed, a sewer connection/annexation fee is established for development within corporate City limits to pay for their improvements. This development impact fee is needed in order to finance the sewer public improvements and to pay for the development's fair share of the required sewer improvements. The City, as a condition to granting the application and furnishing sewer service to a parcel of land, shall charge and collect fees for the purpose of paying for the cost of the system and future replacements and extensions.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to report activities for which service charges or fees are charged to internal users. These funds account for the financing of goods or services provided by one department to another on a cost reimbursement basis. These functions include information services including purchasing and duplication services, government buildings, equipment, fleet, self-insurance and employee services.

Information Technology / Purchasing & Duplication

This fund accounts for the capital acquisition and replacement cost of citywide computers, network equipment, printers, copiers, scanners, telephones, and duplication and mailing equipment. Operating costs include IT, Purchasing and Duplication/Stores staffing and related maintenance and supplies.

DESCRIPTION OF FUNDS

Funding for acquisition and maintenance is provided by charges back to user department. This fund uses those revenues to plan, build and maintain the City's technology infrastructure. In addition, new technologies are evaluated and cost benefit analyses performed on those which might be of greatest value to the City.

Government Buildings

The Government Buildings Fund includes all maintenance, custodial, staffing and equipment costs associated with the operation of City Hall, Recreation & Senior Center, City Yard, Fire and Police Stations. The expenses associated with facility maintenance and operations are recorded in this fund with supporting revenues from the General Fund and other funds that use this service. Revenues are allocated from the departments' budgets based on share of square footage. A portion of the fund balance is reserved to fund capital equipment necessary for the efficient operation of the various City buildings.

Capital Equipment Fund

The Equipment Fund administers the acquisition, replacement and maintenance of furniture, equipment, machines, large tools, other capital equipment not accounted for in IT or government buildings. This fund is financed from charges paid by the departments.

Fleet Services Fund

The Fleet Services Fund is the operating fund that provides for the capital purchase, replacement and maintenance, and fueling for all city vehicles. Public Works manages the City's fleet vehicles. Rental rates are charged to the various user departments and those rates are designed to recover the associated acquisition, replacement, maintenance and fuel costs. Those rental rates, based on this fund's operating budget and costs, are included in each department's budgeted expenditures.

Self-Insurance Fund - (These costs are included in Salary and Benefit section of the operating budget)

The Insurance Fund administers a loss prevention program that protects the City against financial loss from on-the-job injuries; administers the City's general liability risk, property insurance programs, and accounts for workers compensation, unemployment insurance, and long-term disability costs. This fund is financed from self-insurance premiums paid by the departments. The City is a member of the California Joint Powers Insurance Authority (CJPIA) which provides pooled excess property and liability coverage for the City.

Employee Benefits Fund – (These costs are included in Salary and Benefit section of the operating budget)

The Employee Benefits Fund captures the cost associated with employee retirement (CalPERS); retiree medical (OPEB) held in trust with PARS; employee health and dental insurance programs; employer Medicare contributions; life insurance; employee

DESCRIPTION OF FUNDS

assistance program (EAP); and uncompensated absence liability (employee vested vacation and sick leave).

FIDUCIARY FUNDS

Funds that account for resource held in a trustee, custodial or agency capacity for others.

Successor Agency Fund - *Former Community Development (Redevelopment)*

The Fountain Valley Agency for Community Development [Redevelopment Agency (RDA)] was established in 1976 to prepare a redevelopment project area and plan for two specific areas within the City called the City Center and the Industrial Area Redevelopment Projects. Funds were created to account for operations associated with these RDA activities.

In June 2011, the Redevelopment Dissolution Act, AB1x26, was signed by the Governor and later upheld by the California Supreme Court on December 29, 2011. As a result of the Court's ruling on the Dissolution Act, all redevelopment agencies in California were dissolved effective February 1, 2012. On January 10, 2012, the City elected to become the Successor Agency to the RDA to wind down its affairs. A new fund was created to account for the activities of the Successor Agency during the dissolution process.

Developer Agreement / Special Deposit Fund

This fund is used to account for receipts of money that the City is holding in deposit on the behalf of other persons or entities that are to be refunded or forfeited at a future period and time.

OPEB Trust Fund

This fund is used to account for deposits, interest, and withdrawals from the trust that the City established in 2011 to pay for Other Post-Employment Benefits (OPEB). This is a 115 Trust which restricts use of these funds specifically for OPEB payments.

REVENUE AND EXPENDITURE OVERVIEW

The City's policy is to develop a budget for the fiscal current year where projected operating expenditures are within the on-going projected revenues. One-time revenues may be used for one-time costs. The budget process includes evaluating all service programs and identifying the highest priority services that can be funded within projected revenues.

Revenue Overview

The City utilizes many techniques to forecast recurring revenues. These tools allow for multiple variables to be considered in the development of the forecasts, including institutional forecasts; the expert opinion of the City's sales and property tax consultant; various national, state and local economic indicators; and established formulas that measure relationships between revenue categories and growth within the City.

Revenue estimates are developed by the budget manager using a variety of techniques, including trend analysis, judgmental forecasting, and expert opinion. Trend data includes historical fiscal performance and historical and projected data modified for known past, current and anticipated anomalies. Expert opinion includes the Chapman Economic & Business Review; Beacon Economics; Los Angeles Economic Development Corporation (LAEDC) Economic Forecast and Industry Outlook; the City's sales tax and property tax consultant (HdL Coren & Cone); and reports from various state and federal agencies. In the end, forecasts are based on judgment that incorporates information provided by various analytical methods; known and potential legislative and political impacts; and national, state and local conditions expected to affect local revenue sources.

In the Fountain Valley Budget the Operating Revenues of the General Fund are divided into two distinct categories: "General Revenue" and "Functional Revenue."

General Revenue is defined as general taxes, assessments or collections paid by the entire community that do not relate to a specific City service. These include Property Tax, VLF in-lieu property tax, Sales Tax, Transaction Sales Tax (Effective April 2017 to March 2037), Transit Occupancy Tax, and Franchise Taxes and other general revenues. These revenues in turn support services that benefit the entire community such as Public Safety, Community Services, and Support Services including Administration, City Clerk, Finance, and Human Resources.

Functional Revenue is referred to as fee for service revenue because the fees collected are directly related to the cost of providing specific City services. These fees are adjusted annually for increase in costs based on a full cost of service study that is completed every five years.

The large portion of the functional revenues in Building and Planning are one-time development based. Since the City is 98% built-out any increases projected in these revenues are derived from the departments who are reviewing proposed development. Other user revenues include recreations program revenues, fees for specific services provided by Finance, Public

REVENUE AND EXPENDITURE OVERVIEW

Works, Fire and Police.

The fees collected directly support the service provided and are paid by an individual, business, or group that receives the benefit of the service. In this way, services that only benefit certain community members are paid for by those citizens and “general” revenue is reserved for the services that benefit the “general” public. The programs in Fountain Valley that have functional revenue associated with them are: Finance / Community Services / Fire / Planning and Building Safety / Police / Public Works.

Expenditure Overview

The Operating expenditures are broken down into three major categories:

- Salary and Benefits (Includes - Employee Benefits & Self-Insurance Internal Service Funds)
- Internal Service Charges - (General Government Buildings, Vehicle Maintenance, Information Systems, and Capital Equipment)
- Maintenance and Operations – General Operating expenditures
- Debt Service – Principal and Interest payments on outstanding bonds issued to construct critical infrastructure facilities.

First, Finance completes all estimates for salary and benefits for each authorized and funded position at actual step. Benefits are based on the individuals holding each position and ties to the applicable Memorandum of Understanding adopted by City Council. The Internal Service costs associated with Employee Benefits and Self-Insurance costs are calculated and included in the Salary and Benefits totals.

Second, the Internal Service Charges are updated and then spread to each department based on costs related to government buildings, vehicle maintenance, information systems, and capital equipment. Most internal service funds have a detailed list of items that are scheduled to be replaced over a ten year period after the initial purchase.

The appropriate allocation or charge that each program will receive for its share of their operations and equipment replacement funding is determined by each of the Internal Service Fund Managers. Finance then distributes the charges to the many programs contained in the City’s Budget.

Third, maintenance and operations items are determined by each operating department and may include professional services, memberships, training, office supplies, printing, postage, utilities, small tools and equipment.

REVENUE AND EXPENDITURE OVERVIEW

Fourth, debt service is for annual principal and interest payments on municipal bonds which were sold to finance the construction of critical City infrastructure facilities including stormwater pump stations and energy saving solar panels on City buildings.

Transfers-In/Out

Transfers-in next year include overhead and operating reimbursements required between funds. For example the restricted gas tax revenues allow for administrative costs to be allocated against a specific amount of the revenue. The personal and support costs are in the General Fund and thus a transfer of gas tax money is made to this fund each year.

A cost of services study identifies the amount of general City support costs attributable to the water and sewer funds. A reimbursement of these costs is made from these funds back to the general fund. The portion of the rate revenues attributable to overhead support costs are shown as a transfer to the General Fund to reimburse the City for general overhead support.

Conclusion

Financial forecasting is, at best, an inexact science, it is both an art and a science. Many experts and studies offer varied opinions and forecasts, each completely logical and reasonable. Staff has developed revenue estimates based on historical and current trends and forecasts available as of April each year. These estimates take into account what has historically happened to our local and state economy, what the City's projected current revenue and expenditures are, based on mid-year actuals, and, as much as possible, what is likely to happen over the next 14-18 months based on a variety of economic factors.

ESTIMATED FUND BALANCE

Fund No.	Fund Description	Estimated Fund Balance 7/1/2018	Estimated Continuing Approp.	Projected Revenue 2018-19
11	General Fund	36,835,535	6,085,783	57,707,564
Total General Fund		36,835,535	6,085,783	57,707,564
15	Criminal Diversion	533,141		48,000
16	COPS/Supplemental Law	59,718		120,000
22	Road Maintenance & Rehabilitation	323,422		941,712
23	Gas Tax/Street Imp	601,617		1,456,627
24	Traffic Improvement	225,934	1,751,272	154,268
25	Measure M2	2,879,853		1,172,354
26	Pollution Reduction	434,669		74,000
31	Drainage Fund	145,989	3,365,410	3,051,410
34	Abandoned Vehicle Abatement	32,743		
85	Housing Authority	11,808,537		338,200
86	Home Grant	260,155		
87	Community Dev/HUD	-	-	493,302
Total Special Revenue Funds		17,305,778	5,116,682	7,849,873
32	Sewer Assessment	5,158,408		2,326,069
71	Water Utility (Cash Balance)	12,399,078	5,735,873	17,277,296
73	Solid Waste	860,205		3,355,000
Total Enterprise Funds		18,417,691	5,735,873	22,958,365
84/91/92	Successor Agency	846,458		80,000
Total Successor Agency		846,458	-	80,000
Subtotal		73,405,462	16,938,338	88,595,802
61	Information Technology	1,015,474		1,476,923
62	Government Buildings	2,337,131		1,870,593
63	Fleet Services	3,407,232		1,777,575
64	Capital Equipment	1,326,878		343,484
65	Self Insurance	1,710,117		3,183,823
66	Employee Benefits	1,653,877		9,524,416
Total Internal Service Funds		11,450,710	-	18,176,814
98	OPEB Trust Fund	10,700,000		492,200
Total Fiduciary Funds		10,700,000	-	492,200
46	F.V.P.F.A Capital Projects *	3,036,370		14,040
47	F.V.P.F.A Debt Service **	-		1,082,484
Total Others		3,036,370	-	1,096,524
Total All Funds		98,592,542	16,938,338	108,361,340

* 2016A Lease Revenue Bond proceeds transferred out of trustee's construction fund to Drainage Fund for the construction of the Sandalwood Pump Station. Appropriation found in Drainage Fund.

** Debt Service for the 2016A Lease Revenue Bonds and CREBs in the amounts of \$872,500 and \$209,984 respectively. Appropriation found in General Fund.

ESTIMATED FUND BALANCE

Total Available	Transfer In	Transfer Out	Adopted Approp. 2018-19	Estimated Fund Balance 6/30/2019
88,457,316	710,806	7,763,366	47,986,023	33,418,734
88,457,316	710,806	7,763,366	47,986,023	33,418,734
581,141		80,000	17,000	484,141
179,718			113,215	66,503
1,265,134		1,265,134	-	-
2,058,244	1,628,134	413,000	1,924,500	1,348,878
(1,371,070)	3,161,656		1,705,720	84,866
4,052,207		2,701,701	-	1,350,506
508,669		200,000	2,000	306,669
(168,011)	315,000		-	146,989
32,743			8,582	24,161
12,146,737			391,005	11,755,732
260,155				260,155
493,302			493,302	-
20,038,969	5,104,790	4,659,835	4,655,324	15,828,600
7,484,477		228,083	3,106,917	4,149,477
23,940,501		605,344	18,751,747	4,583,410
4,215,205			3,329,500	885,705
35,640,183	-	833,427	25,188,164	9,618,592
926,458			510,000	416,458
926,458	-	-	510,000	416,458
145,062,926	5,815,596	13,256,628	78,339,511	59,282,384
2,492,397			1,692,075	800,322
4,207,724		117,000	2,339,665	1,751,059
5,184,808	250,000		2,336,655	3,098,153
1,670,362	114,000		857,814	926,548
4,893,940			3,183,452	1,710,488
11,178,293	7,194,032		16,828,998	1,543,327
29,627,524	7,558,032	117,000	27,238,659	9,829,897
11,192,200			-	11,192,200
11,192,200	-	-	-	11,192,200
3,050,410			3,050,410	-
1,082,484			1,082,484	-
4,132,894	-	-	4,132,894	-
190,015,545	13,373,628	13,373,628	109,711,064	80,304,481

ESTIMATED CONTINUING APPROPRIATIONS

Fund Account No.	Account Description	FY 2017-2018 Budget	FY 2017-2018 Estimated Actual (Rev)/Exp.	FY 2017-2018 Estimated Cont. Approp.
11	General Fund			
11.4.61632.3.4523	Safety Apparel & Supplies	5,590	1,553	4,037
11.4.GF144.4.4979	Misc Capital Outlay (15/16 Bev. Cont.)	14,693	-	14,693
11.4.GF146.4.4979	Misc Capital Outlay (16/17 Bev. Cont.)	14,416	-	14,416
11.3.GFxx.2.3421	State Grant (17/18 Bev. Cont.)	(14,321)	-	(14,321)
11.4.GFxx.4.4979	Misc Capital Outlay (17/18 Bev. Cont.)	14,321	-	14,321
11.4.GF335.3.4413	General Plan Update	1,259,000	-	1,259,000
11.4.GF163.4.4950	Street Lights (City HVAC & Energy Eff)	1,043,030	-	1,043,030
11.4.GF163.4.4978	Capital Outlay-Solar Construction	2,499,965	2,499,965	-
11.4.GF163.4.4979	Misc Capital Outlay (City HVAC & Energ)	1,900,732	864,165	1,036,567
11.4.GF334.4.4937	Sport Park Roll Gate	10,500	-	10,500
11.4.GF339.4.4979	Recreation Center Rehab.	1,000,000	500,000	500,000
11.4.GF413.4.4935	Citywide Arterial Median Landscape	3,301,153	1,737,613	1,563,540
11.4.GF784.4.4929	City Hall Water Feature	260,000	20,000	240,000
11.4.GF789.4.4929	Vehicle Wash Rack	250,000	-	250,000
11.4.GF790.4.4929	Two-Way Butler Bldg	150,000	-	150,000
11.3.GF915.0.3413	I-405 Improvement	(975,000)	(188,066)	(786,934)
11.4.GF915.1.4311	I-405 Improvement	936,934	150,000	786,934
Total General Fund		11,671,013	5,585,230	6,085,783
15	Criminal Diversion			
15.3.71781.2.3422	Federal Grant - 17/18 OTS Step	(100,000)	(10,000)	(90,000)
15.4.71781.1.4323	Overtime - Sworn	93,192	10,000	83,192
15.4.71781.3.4463	Educational Meeting	2,380	-	2,380
15.4.71781.5.4849	Misc. Equipment	4,428	-	4,428
Total Criminal Diversion Fund		-	-	-
24	Traffic Improvement			
24.4.TI155.4.4936	Signals & Lights - Brookhurst St Sync	100,000	-	100,000
24.4.TI156.4.4936	Signals & Lights - Magnolia St Sync	50,000	-	50,000
24.4.TI233.4.4936	Talbert/Mt Washington Signal	375,000	11,500	363,500
24.4.TI280.4.4936	Signals & Lights - Harbor Blvd Sync	1,225	-	1,225
24.4.TI271.4.4931	Euclid - Slater/Warner	1,134,080	24,800	1,109,280
24.4.TI281.4.4936	PPLT Signal Oper Study	204,361	77,094	127,267
24.4.TI282.3.4413	Local Circulator Study	48,439	48,439	-
Total Traffic Improvement Fund		1,913,105	161,833	1,751,272
26	Pollution Reduction			
26.4.PR603.4.4971	Electric Vehicle Charging Station (4)FVilge/ParknRide	49,147	49,147	-
26.4.PR604.4.4971	Electric Vehicle Charging Station (4)	92,200	92,200	-
Total Pollution Reduction Fund		141,347	141,347	-
31	Drainage			
31.4.DF995.4.4659	Sandalwood Pump Station	2,633,722	2,633,722	-
31.4.DF995.4.4659	Walnut Pump Station	3,500,000	134,590	3,365,410
Total Drainage Fund		6,133,722	2,768,312	3,365,410
32	Sewer Utility			
32.3.SF93x.0.3413	OCTA Utilities Relocation Agreement	(180,000)	(11,511)	(168,489)
32.4.SF93x.1.4311	I-405 Utilities Facilities Relocation	178,489	10,000	168,489
Total Sewer Fund		(1,511)	(1,511)	-
71	Water Utility			
71.4.WU839.4.4979	Residential Median Turf	130,000	-	130,000
71.4.WU846.4.4942	Reservoirs - Res No. 2	5,652,385	46,512	5,605,873
71.3.WU9xx.0.3413	OCTA Utilities Relocation Agreement	(576,000)	(65,094)	(510,906)
71.4.WU9xx.1.4311	I-405 Utilities Facilities Relocation	560,906	50,000	510,906
Total Water Fund		5,767,291	31,418	5,735,873
Total All Funds		25,624,967	8,686,629	16,938,338

FUND TRANSFERS IN & OUT DETAIL

	Transfers Out	Transfers In							Total
		General Fund	Gas Tax	Traffic Improvement	Drainage	ISF Fleet	ISF Equipment	ISF Benefits	
General Fund									
Gas Tax Fund	613,000		613,000						
Traffic Improvement Fund	205,431			205,431					
Drainage Fund	315,000				315,000				
IS - Equipment Fund	84,000						84,000		
IS - Employee Benefit Fund	6,545,935							6,545,935	
Total General Fund	7,763,366	-	613,000	205,431	315,000	-	84,000	6,545,935	7,763,366
Criminal Diversion									
IS - Fleet Fund	50,000					50,000			
IS - Equipment Fund	30,000						30,000		
Total Criminal Diversion	80,000	-	-	-	-	50,000	30,000	-	80,000
Road Maintenance & Rehabilitation									
Gas Tax Fund	945,134		945,134						
Traffic Improvement Fund	320,000			320,000					
Total Gas Tax Fund	1,265,134	-	945,134	320,000	-	-	-	-	1,265,134
Gas Tax Fund									
General Fund	413,000	413,000							
Total Gas Tax Fund	413,000	413,000	-	-	-	-	-	-	413,000
Measure M2 Fund									
General Fund	120,476	120,476							
Traffic Improvement Fund	2,581,225			2,581,225					
Total Measure M2 Fund	2,701,701	120,476	-	2,581,225	-	-	-	-	2,701,701
Pollution Reduction Fund									
IS - Fleet	200,000					200,000			
Total Pollution Reduction Fund	200,000	-	-	-	-	200,000	-	-	200,000
Sewer Assessment Fund									
General Fund	60,330	60,330							
Gas Tax Fund	30,000		30,000						
Traffic Improvement	30,000			30,000					
IS - Employee Benefit Fund	107,753							107,753	
Total Sewer Assessment Fund	228,083	60,330	30,000	30,000	-	-	-	107,753	228,083
Water Utility Fund									
Gas Tax Fund	40,000		40,000						
Traffic Improvement	25,000			25,000					
IS - Employee Benefit Fund	540,344							540,344	
Total Water Utility Fund	605,344	-	40,000	25,000	-	-	-	540,344	605,344
IS - Government Building Fund									
General Fund	117,000	117,000							
Total IS - Government Building Fund	117,000	117,000	-	-	-	-	-	-	117,000
Total All Funds	13,373,628	710,806	1,628,134	3,161,656	315,000	250,000	114,000	7,194,032	13,373,628

GENERAL FUND BALANCE DESIGNATIONS (PROJECTED)

General Fund Balance Analysis 2018-2019

Estimated Beginning Fund Balance 7/1/18		36,835,535
Revenues		
Operating Revenues	56,085,630	
Developer Impact Payments	835,000	
Miscellaneous Reimbursements	786,934	
Transfers-In	710,806	
Total Revenues		58,418,370
Expenditures		
Operating	42,659,606	
Debt Service	1,082,484	
CalPERS UAL Additional funding	2,000,000	
Transfers Out	7,763,365	
Capital	1,457,000	
Capital (OCTA Reimbursable)	786,934	
Capital (Continuing Appropriation)	6,085,783	
Total Expenditures		61,835,172
Surplus/(Deficit)		(3,416,802)
Fund Balance 6/30/19		33,418,734

GENERAL FUND BALANCE DESIGNATIONS (PROJECTED)

Restricted Fund Balance

This is the portion of fund balance that is subject to externally enforceable legal requirements or limitations.

Pension Trust	5,928,800	
Bond Proceeds	126,916	
Developer Impact Fees	1,938,147	
Park Impact Fees	297,266	
Other Restricted Amounts	622,484	
Total Restricted Fund Balance		8,913,613

Committed for Emergencies

13,700,000

This is the portion of fund balance that is committed for natural disasters or financial emergencies. A financial emergency is considered when annual General Fund operating revenues decrease by 5% or more or when annual General Fund operating expenditures increase by 5% or more. The reserve level equates to approximately 55.5% of total sales tax revenue for the fiscal period.

Assigned Fund Balance

This is the portion of fund balance that is intended to be used for specific purposes based on City Council designations.

Economic Development	1,500,000	
Capital Reserves	8,805,121	
Contingency Reserves	500,000	
Total Restricted Fund Balance		10,805,121

Total Projected Fund Balance at 6/30/19

33,418,734

Note:

Contingency Reserves includes amounts not otherwise restricted, committed or assigned and is intended to be used for expenses that surface after the end of the traditional budgeting process. Contingency reserves in excess of \$500,000 are assigned to General Fund Capital Reserves.

GENERAL FUND OPERATING REVENUE & EXPENSE ANALYSIS

General Fund Operating Income/Deficit Analysis

Revenues

General Revenues	50,766,209	
Functional Revenues	5,319,421	
Transfers In	710,806	
Total Operating Revenues		56,796,436

Expenditures

Salaries & Benefits	28,055,745	
Internal Service Charges	6,626,419	
Maintenance & Operations	7,977,443	
Debt Service	1,082,484	
Transfers-Out	7,158,934	
Total Operating Expenditures		50,901,025

Operating Income/(Deficit) All Operating		5,895,412
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2018/19 General Fund Capital

Capital Reserves Analysis

Beg Balance 7/1/18	11,287,109
18/19 Capital Projects	(2,634,597)
18/19 Reserve Replenish	152,608
Ending Balance 6/30/19	8,805,120

General Fund Capital Funding

Walnut Pump Station	315,000
Energy Efficiency	2,079,597
CH Water Feature	240,000
Total	2,634,597

Measure HH Revenue & Expense Summary

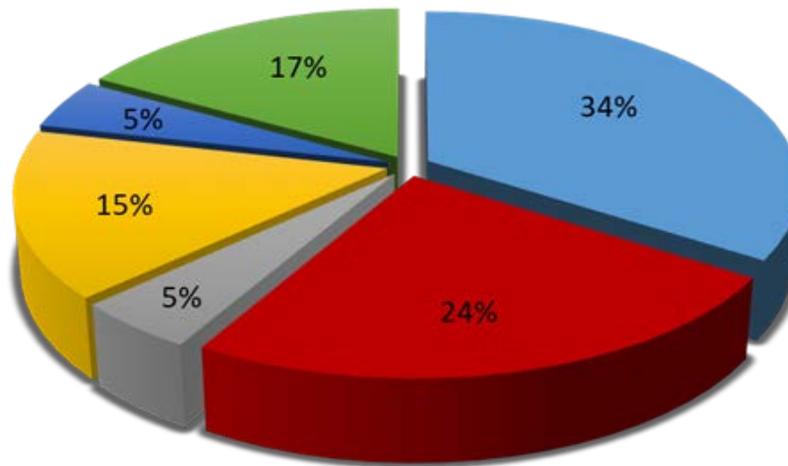
Meeting the HH Spending Pledge

The Proposed Budget for 2018-19 includes approximately \$5.3 million budgeted towards maintaining essential City services. \$550,000 is budgeted for capital improvements related to residential road rehabilitation and park improvements. \$2 million is budgeted for an additional payment to CalPERS, which will save the City approximately \$3 million in interest expense. The balance of Measure HH Funds, at approximately \$4 million, is set aside for reserves. On April 26, 2018, the Measure HH Oversight Committee concluded that the Proposed Measure HH Budget for 2018-19 is consistent with the intent of the Measure HH ballot measure and the Responsible Spending Pledge.

Measure HH Revenue & Expense Summary

Measure HH Revenue	11,900,000
Measure HH Expenditures:	
Essential City Services	
Public Safety	2,886,156
Senior & Youth Programs	557,935
Employee Retention	1,845,909
Total Essential City Services	5,290,000
One-Time Expenses	
Capital Improvements	550,000
Additional Payment to CalPERS	2,000,000
Total One-Time Expenses	2,550,000
Reserves Set-Aside	
Pension Reserves	3,000,000
Increase in Emergency Reserves	700,000
Capital Reserves	360,000
Total Reserve Set-Aside	4,060,000
Total Measure HH Usage	11,900,000

Measure HH Expenditures by Type



- Reserves
- Public Safety
- Senior & Youth Programs
- Employee Retention
- Capital Improvements
- Debt Paydown



April 26, 2018

TO THE HONORABLE CITY COUNCIL:

The Measure HH – Essential City Services Oversight Advisory Committee is pleased to have the opportunity to present to you its comments and conclusions concerning the usage of Measure HH revenues in the City’s proposed annual budget for fiscal year 2018-19.

The Committee was established by the City Council on April 4, 2017 after passage of Measure HH on the November 8, 2016 ballot. One of the provisions of Measure HH was the creation of an Oversight Committee to review and make recommendations to the City Council to ensure that revenues from it are utilized in accordance with the City’s Responsible Spending Pledge.

The Committee met on April 26, 2018 to review the Proposed Budget of Measure HH Revenues and Expenditures for 2018-19. The Committee also reviewed the 20-Year Financial Plan, which sets forth fiscal policy with a long-term goal for fiscal sustainability.

The Proposed Budget for 2018-19 includes approximately \$5.3 million budgeted towards maintaining essential City services. \$550,000 is budgeted for capital improvements related to residential road rehabilitation and park improvements. \$2 million is budgeted for an additional payment to CalPERS, which will save the City approximately \$3 million in interest expense. The balance of Measure HH Funds, at approximately \$4 million, is set aside for reserves.

CONCLUSIONS: The Measure HH Oversight Committee’s conclusion to the City Council is that (based on information presented to the Committee by City Staff) the budgeted revenue and expenses for 2018-19 are consistent with the intent of the Measure HH ballot measure and the Responsible Spending Pledge.

We are thankful for the opportunity to serve and we look forward to continuing to serve the City Council and the residents of our great city.

Respectfully submitted,

CITY OF FOUNTAIN VALLEY MEASURE HH OVERSIGHT COMMITTEE

John Briscoe, Chair
Marjorie Drilling, Vice Chair
Michele Jensen
Jeffrey Stone
Matt Taylor
Stephen Schwartz, Alternate

Attachment:

1. Proposed Budget of Measure HH Revenues and Expenditures for 2018-19

CITY OF FOUNTAIN VALLEY
 PROPOSED BUDGET OF MEASURE HH REVENUES AND EXPENDITURES
 Fiscal Year Ended June 30, 2019

Measure HH Revenues	\$ 11,900,000
Measure HH Expenditures:	
Reoccurring Expenses Incurred on Essential City Services	5,290,000
One-Time Expenses (Capital Projects & Pension Paydown)	2,550,000
Financial Stewardship: Reserves Set-Aside in 18-19	\$ 4,060,000

Measure HH provided necessary funding in Fiscal Year 2018/19 that was used for the following in accordance with the **Responsible Spending Pledge**:

Reoccurring Expenses Incurred on Essential City Services:

Public Safety

Maintain 911 Emergency Response Times & Keep Fire Station No. 2 open.	1,505,236
<i>Without Measure HH, staff would have faced the challenge of closing Fire Station No.2, which would have been a gradual process spanning multiple years. The total cost attributable to 14-full-time equivalents (FTEs) within various classifications assigned to Fire Station No. 2 is \$2,005,236. Measure HH provided funding to keep Fire Station No. 2 open and maintain 911 emergency response times.</i>	
Police and Fire Pension Costs that are Legally Required to be Paid to CalPERS	1,097,268
Staffing Costs for Additional Dispatch and Police Support Services Associated with Organizational Changes Approved by City Council on March 20, 2018	116,652
Police and Fire Training Programs	102,000
Body Worn Cameras	65,000
Total Public Safety	2,886,156

Senior & Youth Programs

Amount associated with the cost to keep the Recreation Center, Community Center & Senior Center open.	557,935
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Employee Retention

Salary and benefit increases	1,845,909
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Total Reoccurring Expenses 5,290,000

One-Time Expenses:

Capital Improvements

Includes \$350,000 for residential road rehab and \$200,000 for park improvements.	550,000
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Additional Payment to CalPERS towards unfunded pension liabilities	2,000,000
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Total One-Time Expenses 2,550,000

Reserves Set-Aside in 18-19:

Pension Reserves

2018-19 Contribution to Pension Trust Fund	3,000,000
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Increase in Emergency Reserves from \$13M to \$13.7M	700,000
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Capital Reserves - Transfer to Fleet Management Internal Service Fund

Set-aside for Fire Apparatus	360,000
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Total Reserves Set-Aside in 18-19 4,060,000

GENERAL FUND OPERATING REVENUE DETAIL

Revenue By Category	2017-18				2018-19		
	Budget	Estimate	+/- Budget	%	Budget	+/- Prior Year	%
Property Tax							
Secured	10,461,000	10,618,894	157,894	1.51%	10,938,000	477,000	4.56%
Residual	892,000	1,420,000	528,000	59.19%	1,445,000	553,000	62.00%
Unsecured	286,000	310,000	24,000	8.39%	310,000	24,000	8.39%
Prior Year	75,000	64,000	(11,000)	-14.67%	64,000	(11,000)	-14.67%
Other	206,000	214,044	8,044	3.90%	220,000	14,000	6.80%
Int/Penalties	22,000	19,000	(3,000)	-13.64%	19,000	(3,000)	-13.64%
Homeowners	64,000	60,220	(3,780)	-5.91%	60,000	(4,000)	-6.25%
Property Transfer	238,000	215,000	(23,000)	-9.66%	219,000	(19,000)	-7.98%
MVLF	5,532,000	5,578,875	46,875	0.85%	5,790,000	258,000	4.66%
Total Property Tax	17,776,000	18,500,032	724,032	4.07%	19,065,000	1,289,000	7.25%
Franchise Fees							
Waste	258,000	258,000	-	0.00%	263,000	5,000	1.94%
Power	554,000	554,000	-	0.00%	565,000	11,000	1.99%
Gas	95,000	95,000	-	0.00%	97,000	2,000	2.11%
Rubbish	393,000	387,000	(6,000)	-1.53%	430,000	37,000	9.41%
PCTV	554,000	554,000	-	0.00%	559,000	5,000	0.90%
Total Franchise Fees	1,854,000	1,848,000	(6,000)	-0.32%	1,914,000	60,000	3.24%
Sales Tax							
Public Safety Sales Tax (Prop 172)	398,000	417,000	19,000	4.77%	423,000	25,000	6.28%
Sales & Use Tax	12,120,000	11,952,141	(167,859)	-1.38%	12,319,000	199,000	1.64%
Sales Transaction Tax (Measure HH)	6,532,345	11,600,000	5,067,655	77.58%	11,900,000	5,367,655	82.17%
Total Sales Tax	19,050,345	23,969,141	4,918,796	25.82%	24,642,000	5,591,655	29.35%
Other Revenues							
Transient Occupancy Tax	1,461,000	1,500,000	39,000	2.67%	1,500,000	39,000	2.67%
Interest Income	401,000	401,000	-	0.00%	597,000	196,000	48.88%
Interest Income (Water Fund Loan)	34,000	34,000	-	0.00%	34,000	-	0.00%
County Net Import Revenue (Landfill)	-	-	-	N/A	48,000	48,000	N/A
Building Rents	695,000	695,000	-	0.00%	695,000	-	0.00%
Bench Ads	125,000	123,000	(2,000)	-1.60%	126,000	1,000	0.80%
Administrative Citations	1,000	1,000	-	0.00%	1,000	-	0.00%
Sale of Surplus Property	1,000	1,000	-	0.00%	1,000	-	0.00%
Damage to City Property	25,000	25,000	-	0.00%	25,000	-	0.00%
Donations	-	-	-	N/A	-	-	N/A
Water Fund - Contribution In Lieu	1,810,000	1,810,000	-	0.00%	1,842,908	32,908	1.82%
Miscellaneous Income	50,000	12,000	(38,000)	-76.00%	12,000	(38,000)	-76.00%
Federal Tax Credit (CREBS)	96,129	89,630	(6,499)	-6.76%	87,301	(8,828)	-9.18%
Vehicle Code Fines	190,000	153,000	(37,000)	-19.47%	176,000	(14,000)	-7.37%
Total Other Revenue	4,889,129	4,844,630	(44,499)	-0.91%	5,145,209	256,080	5.24%
Transfer In							
Gas Tax Fund	433,000	412,000	(21,000)	-4.85%	413,000	(20,000)	-4.62%
Senior Transportation Transfer	83,571	119,287	35,716	42.74%	120,476	36,905	44.16%
Other Funds	-	-	-	N/A	117,000	117,000	N/A
Sewer Fund	71,371	71,371	0	0.00%	60,330	(11,041)	-15.47%
Total Transfer In	587,942	602,658	14,716	2.50%	710,806	122,864	20.90%
Impact Payments							
Developer Impact Payments	707,911	491,000	(216,911)	-30.64%	835,000	127,089	17.95%
Park Impact Payments	-	-	-	N/A	-	-	N/A
Total Impact Payments	707,911	491,000	(216,911)	-30.64%	835,000	127,089	17.95%
Other							
OCTA Reimbursement	-	188,066	188,066	N/A	786,934	786,934	N/A
Total Other	-	188,066	188,066	N/A	786,934	786,934	N/A

GENERAL FUND OPERATING REVENUE DETAIL

Revenue By Category	2017-18				2018-19		
	Budget	Estimate	+/- Budget	%	Budget	+/- Prior Year	%
Total General Revenue:	44,865,327	50,443,527	5,578,200	12.43%	53,098,949	8,233,623	18.35%
Functional Revenue:							
Business License							
Business License Tax	415,000	406,682	(8,318)	-2.00%	415,000	-	0.00%
Permits/Fees	7,000	8,828	1,828	26.11%	7,000	-	0.00%
Penalties	3,500	3,500	-	0.00%	3,500	-	0.00%
Applications	-	1,019	1,019	N/A	-	-	N/A
Total Business License	425,500	420,029	(5,471)	-1.29%	425,500	-	0.00%
Planning & Building							
Zoning/Permits/V. Fees	226,930	264,403	37,473	16.51%	258,310	31,380	13.83%
Permits	688,000	625,000	(63,000)	-9.16%	688,000	-	0.00%
Dev. Review/Plan Check/Insp.	249,650	245,350	(4,300)	-1.72%	249,650	-	0.00%
Total Planning & Building	1,164,580	1,134,753	(29,827)	-2.56%	1,195,960	31,380	2.69%
Police							
P.O.S.T.	2,000	5,000	3,000	150.00%	2,000	-	0.00%
Recovery of Expense	6,000	4,000	(2,000)	-33.33%	6,000	-	0.00%
City Code Fines	325,000	305,000	(20,000)	-6.15%	325,000	-	0.00%
Tow Service	81,500	78,500	(3,000)	-3.68%	81,500	-	0.00%
License/Permits & Penalties	75,000	98,500	23,500	31.33%	75,000	-	0.00%
Service & Other Fees	11,000	9,000	(2,000)	-18.18%	11,000	-	0.00%
Police Auctions	1,000	6,300	5,300	530.00%	1,000	-	0.00%
DEA TFO Reimbursement	5,000	26,317	21,317	426.34%	5,000	-	0.00%
Impounded Vehicle Records Fee	40,000	35,000	(5,000)	-12.50%	40,000	-	0.00%
Report Sales	20,000	20,000	-	0.00%	20,000	-	0.00%
Total Police	566,500	587,617	21,117	3.73%	566,500	-	0.00%
Engineering							
Permits	105,000	327,500	222,500	211.90%	210,000	105,000	100.00%
Engineering Fees	17,500	48,050	30,550	174.57%	14,500	(3,000)	-17.14%
Improvement Inspection Fee	10,000	7,500	(2,500)	-25.00%	10,000	-	0.00%
Landscape Inspection Fee	5,000	3,000	(2,000)	-40.00%	5,000	-	0.00%
Total Engineering	137,500	386,050	248,550	180.76%	239,500	102,000	74.18%
Field Service							
Median Fees	3,000	3,000	-	0.00%	3,000	-	0.00%
Tree Removal Fees	10,000	12,000	2,000	20.00%	10,000	-	0.00%
Storm Water Prevention Fee	114,860	116,405	1,545	1.35%	114,860	-	0.00%
Total Field Services	127,860	131,405	3,545	2.77%	127,860	-	0.00%
Fire							
Other Fire Services	19,000	19,070	70	0.37%	19,000	-	0.00%
False Alarm & Report Fees	7,500	7,500	-	0.00%	7,500	-	0.00%
Emergency Response Fees	1,000	346,542	345,542	34554.20%	1,000	-	0.00%
Paramedic Subscription Fee	130,000	120,000	(10,000)	-7.69%	130,000	-	0.00%
Paramedic Non-Member	250,000	231,000	(19,000)	-7.60%	245,000	(5,000)	-2.00%
Paramedic Impact	203,000	203,000	-	0.00%	203,000	-	0.00%
Medical Supply Reimbursement	60,000	60,000	-	0.00%	60,000	-	0.00%
Paramedic Response Fee	180,000	214,000	34,000	18.89%	200,000	20,000	11.11%
ALS Fees	165,000	230,000	65,000	39.39%	230,000	65,000	39.39%
Fire Inspection / Plan Check Fee	200,000	205,000	5,000	2.50%	200,000	-	0.00%
Fire Permit to Operate	105,000	130,000	25,000	23.81%	105,000	-	0.00%
Hazardous Materials Fee	58,000	58,000	-	0.00%	58,000	-	0.00%
Total Fire	1,378,500	1,824,112	445,612	32.33%	1,458,500	80,000	5.80%
Community Services							

GENERAL FUND OPERATING REVENUE DETAIL

Revenue By Category	2017-18				2018-19		
	Budget	Estimate	+/- Budget	%	Budget	+/- Prior Year	%
Athletic Fees	145,000	149,049	4,049	2.79%	145,000	-	0.00%
Field Rentals	295,000	299,188	4,188	1.42%	295,000	-	0.00%
Other Concessions	20,000	28,307	8,307	41.54%	20,000	-	0.00%
Donations Summerfest	59,582	59,582	-	0.00%	59,582	-	0.00%
Donations Campout	1,000	1,000	-	0.00%	1,000	-	0.00%
Residual Receipts	10,000	10,000	-	0.00%	10,000	-	0.00%
FV Community Foundation	18,000	18,000	-	0.00%	18,000	-	0.00%
Aquatics	60,000	42,000	(18,000)	-30.00%	60,000	-	0.00%
Mile Square Rec. Room Rentals	72,500	56,471	(16,029)	-22.11%	65,500	(7,000)	-9.66%
Community Center Rents	100,000	80,000	(20,000)	-20.00%	100,000	-	0.00%
Drop In Senior Center/Recreation	5,500	3,500	(2,000)	-36.36%	3,500	(2,000)	-36.36%
Newsletter Senior	4,800	11,500	6,700	139.58%	11,500	6,700	139.58%
Donations Center Operations	67,000	67,000	-	0.00%	67,000	-	0.00%
Contract Classes	372,400	369,800	(2,600)	-0.70%	372,400	-	0.00%
Special Events	43,500	46,500	3,000	6.90%	47,000	3,500	8.05%
Senior Transportation Contrib.	20,897	29,822	8,925	42.71%	30,119	9,222	44.13%
Total Community Services	1,295,179	1,271,719	(23,460)	-1.81%	1,305,601	10,422	0.80%
Total Functional Revenues	5,095,619	5,755,685	660,066	12.95%	5,319,421	223,802	4.39%
Total Revenues	49,960,946	56,199,212	6,238,266	12.49%	58,418,370	8,457,425	16.93%

GENERAL FUND OPERATING EXPENDITURES

Department	Personnel Expense	Internal Service Allocation	Operating Expense	Total
Administration				
City Council	68,949	39,725	27,660	136,334
City Manager	199,443	65,993	483,839	749,275
Administrative Services	285,982	46,384	112,310	444,676
Total Administration	554,374	152,102	623,809	1,330,285
City Clerk				
Records Management	119,496	51,003	23,030	193,529
Elections	759	7,708	46,650	55,117
Total City Clerk	120,255	58,711	69,680	248,646
Finance				
Financial Plan/Control	584,161	208,859	398,500	1,191,520
Business License	13,566	3,693	74,950	92,209
Total Finance	597,727	212,552	473,450	1,283,729
Human Resources				
Employee Relations	550,914	55,545	218,344	824,803
Total Human Resources	550,914	55,545	218,344	824,803
Planning/Building				
Planning	477,761	109,348	31,898	619,007
Building	796,285	50,664	22,375	869,324
Total Planning/Building	1,274,046	160,012	54,273	1,488,331
Public Works				
Engineering	243,091	188,883	40,350	472,324
Traffic Engineering	207,027	84,752	2,900	294,679
Construction Inspection	96,477	63,416	380	160,273
Street Lighting	12,952	8,713	559,000	580,665
Total Public Works	559,547	345,764	602,630	1,507,941
Field Services				
Right of Way	154,447	95,730	309,122	559,299
Tree Maintenance	98,385	92,297	280,865	471,547
Park Maintenance	183,160	91,224	538,882	813,266
Concrete Maintenance	297,112	153,702	26,325	477,139
Pavement Maintenance	316,602	157,894	89,950	564,446
Storm Drain Maintenance	365,242	64,830	92,500	522,572
Traffic Control Maintenance	203,000	142,611	214,000	559,611
Street Sweeping	15,595	12,455	320,000	348,050
Recreation Center	180,015	219,464	526,355	925,834
Graffiti Removal	111,244	73,135	10,200	194,579
Total Field Services	1,924,802	1,103,342	2,408,199	5,436,343
Fire				
Fire Suppression	4,707,449	745,725	625,695	6,078,869
Paramedics	2,967,694	286,871	83,280	3,337,845
Fire Prevention	640,614	66,388	60,700	767,702
Fire Reserves	37,250	503	9,485	47,238
Disaster Prep	131,311	25,645	6,545	163,501
Hazardous Materials	125,283	16,580	9,135	150,998
F.I.R.S.T.	16,914	5,817	3,540	26,271
Total Fire	8,626,515	1,147,529	798,380	10,572,424

GENERAL FUND OPERATING EXPENDITURES

Department	Personnel Expense	Internal Service Allocation	Operating Expense	Total
Police				
Patrol	7,615,800	1,226,753	249,300	9,091,853
S.W.A.T.	85,175	16,986	10,173	112,334
Canine	331,886	77,273	10,160	419,319
Traffic	350,539	173,698	276,460	800,697
Investigation	2,522,847	441,660	100,846	3,065,353
Communications	988,423	115,583	26,505	1,130,511
Records Management	509,615	281,774	-	791,389
Range	6,839	5,257	51,425	63,521
Crime Prevention	134,146	22,522	17,850	174,518
Total Police	12,545,270	2,361,506	742,719	15,649,495
Community Services				
Athletics	131,909	200,060	90,155	422,124
Field Operations	124,066	101,525	16,630	242,221
Annual Festivals	34,460	-	44,500	78,960
Aquatics	75,281	36,234	20,025	131,540
Recreation Center	180,439	241,322	32,232	453,993
Community & Senior Center	303,998	240,935	94,290	639,223
Contract Classes	340,706	101,014	49,040	490,760
Special Events	88,173	108,266	46,755	243,194
Senior Transportation	23,263	-	127,332	150,595
Total Community Services	1,302,295	1,029,356	520,959	2,852,610
Non Departmental				
Non Departmental	-	-	1,465,000	1,465,000
Total Non Departmental	-	-	1,465,000	1,465,000
Grand Total	28,055,745	6,626,419	7,977,443	42,659,607

GENERAL FUND & INTERNAL SERVICE FUND BALANCE SUMMARY

	General Fund		Information Services		Government Buildings	
	2017-18 Estimate	2018-19 Budget	2017-18 Estimate	2018-19 Budget	2017-18 Estimate	2018-19 Budget
Beginning Fund Balance	38,020,626	36,835,535	1,324,527	1,015,474	2,537,964	2,337,131
Revenues						
Operating Revenue	54,917,488	56,085,630				
Charges to Departments (ISF)			1,197,721	1,476,923	1,669,929	1,870,593
Grants/Other						
OCTA Reimbursement	188,066	786,934				
Donations						
Developer Impact Payments	491,000	835,000				
Transfers In	602,658	710,806				
Total Revenues	56,199,212	58,418,370	1,197,721	1,476,923	1,669,929	1,870,593
Expenditures						
Operating	43,325,362	42,659,606	1,220,517	1,243,963	1,359,931	1,592,945
Capital (Inc. OCTA Reimbursable)	6,501,256	2,243,934	240,000	448,112	483,574	746,720
Capital/Operating (CA)		6,085,783				
CalPERS UAL Funding/OPEB Trust	3,900,000	2,000,000				
Debt Service	1,040,404	1,082,484				
Transfer Out - Emp. Benefit/Gas Tax	1,908,624	6,545,934	46,257		27,257	
Transfer Out - Other	708,657	1,217,431				117,000
Sub Total Expenditures	57,384,303	61,835,172	1,506,774	1,692,075	1,870,762	2,456,665
Other						
Retrospective Payments						
Sub Total Other	-	-	-	-	-	-
Fire Apparatus Reserve	-	-	-	-	-	-
800 Mhz Replacement	-	-	-	-	-	-
Ending Fund Balance	36,835,535	33,418,734	1,015,474	800,322	2,337,131	1,751,059
Desired Reserve			\$800,000		\$1,750,000	

GENERAL FUND & INTERNAL SERVICE FUND BALANCE SUMMARY

Fleet Management		Capital Equipment		Self Insurance		Employee Benefits		All Funds	
2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19
Estimate	Budget	Estimate	Budget	Estimate	Budget	Estimate	Budget	Estimate	Budget
3,046,046	3,407,232	1,314,144	1,326,878	2,108,007	1,710,117	1,003,303	1,653,877	49,354,618	48,286,245
1,839,802	1,752,575	479,633	343,484	3,177,901	3,183,823	15,526,935	16,604,448	54,917,488	56,085,630
17,138	25,000			6,371				23,891,921	25,231,846
								23,509	25,000
								188,066	786,934
								-	-
	250,000		114,000					491,000	835,000
1,856,940	2,027,575	479,633	457,484	3,184,272	3,183,823	15,526,935	16,718,448	602,658	1,188,806
884,815	985,655			3,413,503	2,893,830	14,876,361	16,828,998	65,080,489	66,204,997
582,500	1,351,000	466,899	857,814					8,274,229	5,647,580
								-	6,085,783
								1,040,404	1,082,484
28,439								2,010,577	6,545,934
								708,657	1,334,431
1,495,754	2,336,655	466,899	857,814	3,413,503	2,893,830	14,876,361	16,828,998	77,114,356	86,901,209
				168,659	289,622			168,659	289,622
-	-	-	-	168,659	289,622	-	-	168,659	289,622
721,849	1,082,773	-	-	-	-	-	-	721,849	1,082,773
-	-	-	109,640	-	-	-	-	-	109,640
2,685,383	2,015,380	1,326,878	816,908	1,710,117	1,710,488	1,653,877	1,543,327	51,464,396	44,056,218
\$2,000,000		\$800,000		\$3,000,000		\$2,000,000			

DEBT SERVICE ADMINISTRATION

As of June 30th, 2018 The City of Fountain Valley and the Successor Agency had a combined total of \$43,057,769 of outstanding Long Term Debt. The debt covers Governmental Activities and Business-Type Activities, which includes Revenue Bonds, Pension Obligation Bonds, Certificates of Participation and Clean Renewable Energy Bonds. A schedule of each outstanding long-term debt, as of June 30th, 2018 is listed below.

Issuance Date	Type of Long Term Debt	Total Outstanding Debt as of 06/30/18
2014	Series 2014A Revenue Bonds - Water Enterprise Fund	12,225,000
2015	Series 2015A Taxable Pension Obligation Bonds	15,995,000
2016	Series 2016A Lease Revenue Bonds	12,030,000
2017	Clean Renewable Energy Bonds	2,807,769
Total Outstanding City Long Term Debt		\$43,057,769

AUTHORIZED EMPLOYMENT LIST

FTE by Department/Division	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
Administration	3	2	2	3.5
City Clerk	2	2	2	1
Finance	10.75	10.75	10.75	9.75
Fire Department	43	43	45	46
Human Resources	4	4	4	4.5
Information Systems	4	4	4	4
Planning & Building	7	7	7	8
Police Department	83	83	85	85.5
Public Works (All)	59	59	58	58
Recreation & Community Services	6	6	6	6
Total FTE by Department/Division	221.75	220.75	223.75	226.25

Administration	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
City Manager	1	1	1	1
Assistant to the CM	1	1	1	1
Management Aide	0	0	0	.5
Executive Assistant to CM	1	0	0	1
Total Administration	3	2	2	3.5

City Clerk	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
City Clerk Administrator	1	1	1	1
Deputy City Clerk	1	1	1	0
Total City Clerk	2	2	2	1

Finance	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
Finance Director	1	1	1	1
Secretary	1	1	1	1
Accounting Manager	1	1	1	1
Budget Analyst	0	0	1	1
Management Analyst	0	0	0	1
Accountant	1	1	0	.75
Accounting Technician II/CSR Lead	0	0	0	1
Accounting Technician II/CSR	4	4	4	2
Accounting Technician II	.75	.75	.75	0
Purchasing Manager	1	1	1	0
Reproduction/Stores Clerk	1	1	1	1
Total Finance	10.75	10.75	10.75	9.75

AUTHORIZED EMPLOYMENT LIST

Fire Department	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
Fire Chief	1	1	1	1
Administrative Assistant	0	0	1	1
Secretary	1	1	0	0
Fire Marshal/Deputy Fire Marshal	1	1	1	1
Emergency Services Manager	0	0	0	1
Battalion Chief	2	2	3	3
Administrative Training Captain	1	1	1	1
Fire Captain	9	9	9	9
Fire Engineer	9	9	9	9
Firefighter/Paramedic	18	18	18	18
Management Aide	0	0	0	1
Administrative Aide	0	0	1	0
Fire Prevention Analyst	1	1	1	1
Total Fire Department	43	43	45	46

Human Resources	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
Human Resources Director	1	1	1	1
Senior Human Resources Analyst	0	0	1	1
Human Resources Analyst	1	1	0	0
Safety & HR Specialist	1	1	1	1
Department Secretary	1	1	1	1
Management Aide	0	0	0	.5
Total Human Resources	4	4	4	4.5

Information Systems	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
Information Systems Manager	1	1	1	1
Information Systems Technicians	3	3	3	3
Total Information Systems	4	4	4	4

Planning & Building	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
Planning & Building Director	1	1	1	1
Planner	1	1	1	1
Administrative Assistant/Secretary	1	1	1	1
Administrative Specialist	1	0	0	0
Code Enforcement Officer	1	2	2	1
Housing Coordinator	0	0	0	1
Housing Analyst/Technician	1	1	1	1
Assistant Planner	1	1	1	1

AUTHORIZED EMPLOYMENT LIST

Senior Planner	0	0	0	1
Total Planning & Building	7	7	7	8

Police Department	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
Police Chief	1	1	1	1
Secretary	1	1	1	2
Division Secretary	.5	.5	.5	0
Crime Analyst	1	1	1	1
Management Analyst	1	1	1	0
Captain	2	2	2	2
Lieutenant	3	3	3	3
Sergeant	10	10	10	10
Senior Police Officer	9	9	9	9
Police Officer	37	37	39	39
Laboratory	1	1	1	1
Support Services Supervisor	1	1	1	2
Police Records	4	3.5	3.5	3
Police Dispatch	7	8	8	8.5
Property Clerk	0	0	0	0
Community Services Officer	4.5	4	4	4
Total Police Department	83	83	85	85.5

Public Works – Admin. & Engineering	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
Director of Public Works	1	1	1	1
Administrative Assistant/Secretary	1	1	1	1
Deputy Director off PW/City Engineer	0	0	1	1
Deputy City Engineer	1	1	0	0
Environmental Services Administrator	1	1	1	1
Engineering Associate	0	0	1	2
Assistant Engineer	2	2	1	0
Engineering Tech III	2	2	2	2
Public Works Inspector	1	1	1	1
Total Public Works – Admin. & Eng.	9	9	9	9

Public Works – General Services	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
Field Services Manager	0	0	1	1
General Services Manager	1	1	0	0
Administrative Specialist	1	1	1	1
Management Analyst	1	1	1	1
Internal Services Supervisor	1	1	1	1

AUTHORIZED EMPLOYMENT LIST

Public Services Supervisor	1	1	1	1
Landscape Inspector	1	1	1	1
Foreman	4	4	4	4
Equipment Operator I & II	1	1	1	1
Irrigation Technician	2	2	2	2
Maintenance Worker II	11	11	11	11
Mechanic	4	4	4	4
Total Public Works – General Services	28	28	28	28

Public Works – Utilities	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
Utilities Manager	1	1	0	0
Water Supervisor	2	2	2	2
Foreman	1	1	1	1
Water Quality Technician	1	1	1	1
Equipment Operator II – Non Certified	1	1	1	1
Water Systems Operator	3	3	3	3
Maintenance Worker II	5	7	7	7
Maintenance Worker II – Non Certified	1	1	1	1
Meter Reader	2	0	0	0
Sewer/Storm Drain Supervisor	1	1	1	1
Equipment Operator I – Storm Drains	1	1	1	1
Equipment Operator II – Sewers	1	1	1	1
Maintenance Worker II – Sewers/Storm	2	2	2	2
Total Public Works – Utilities	22	22	21	21

Recreation & Community Services	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Budget
Community Services Director	0	0	1	1
Community Services Manager	1	1	0	2
Community Services Supervisor	2	2	2	1
Recreation Coordinator	3	3	3	2
Total Recreation & Community Svc.	6	6	6	6

City Organizational Chart

Citizens of Fountain Valley

Mayor & City Council

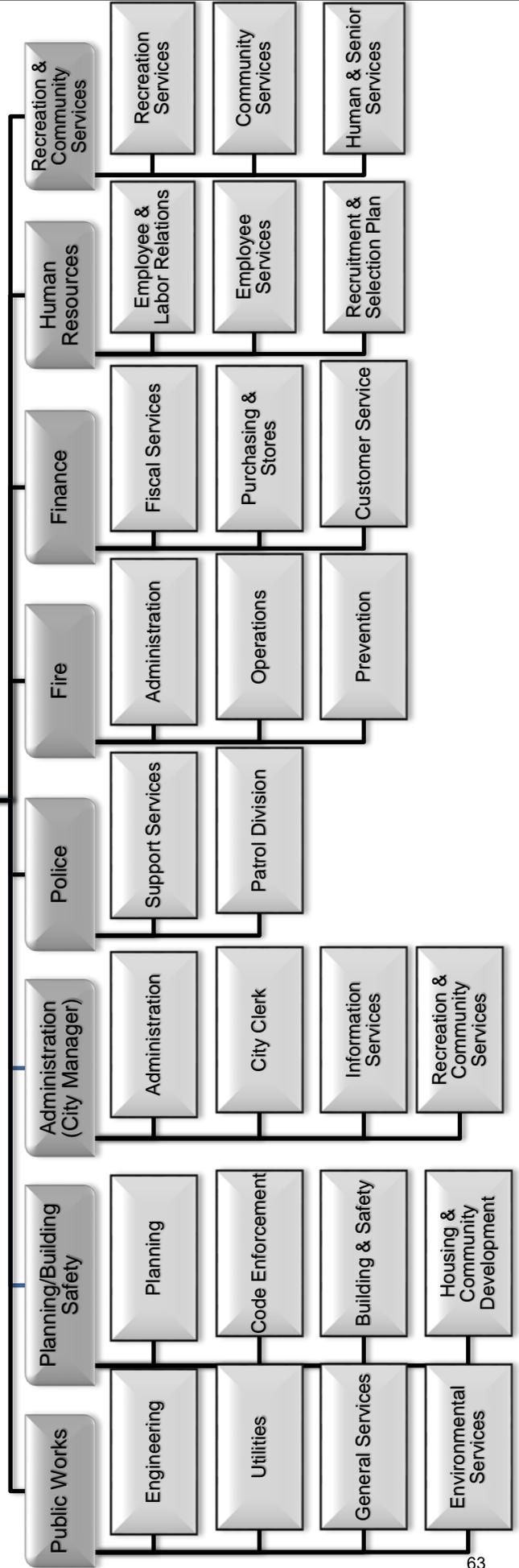
Planning Commission

Housing & Community Development: Advisory Committee

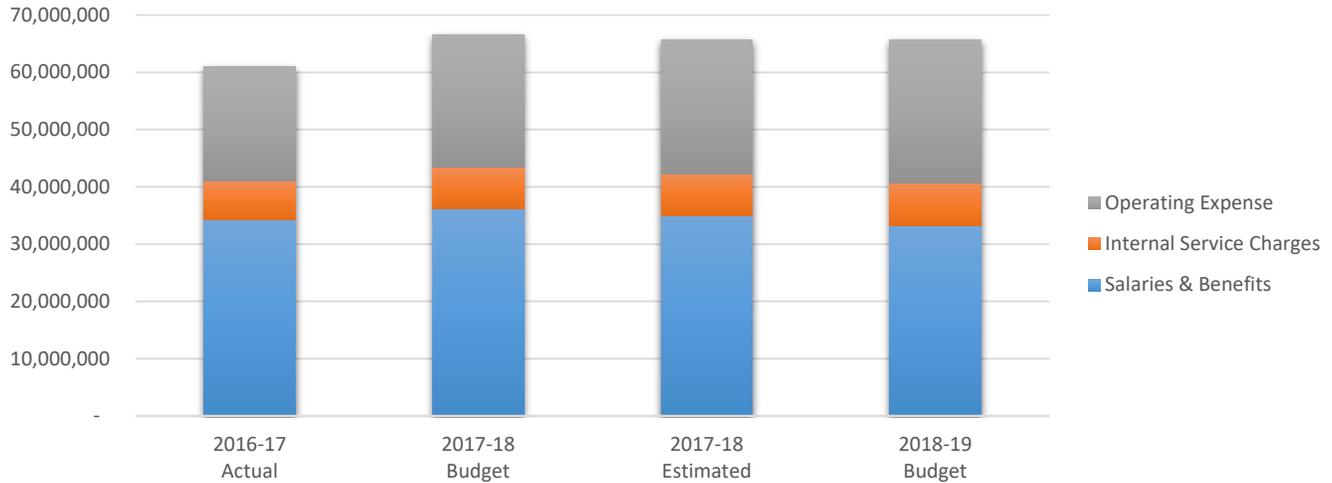
Attorneys for the City

Advisory Committee for the Disabled

City Manager



Department Summary (All Funds)	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Total All Funds				
Salaries & Benefits	34,344,901	36,138,440	35,046,945	33,198,139
Internal Service Charges	6,636,236	7,277,414	7,265,787	7,430,757
Operating Expense	19,959,859	23,102,574	23,428,144	25,093,152
Total All Funds Expenditures	60,940,996	66,518,428	65,740,876	65,722,048
Revenues/Charges to Departments	35,544,284	31,114,083	32,052,851	34,117,460
Total All Funds Revenues	35,544,284	31,114,083	32,052,851	34,117,460



Totals by Department

Administration

Salaries & Benefits	998,074	1,068,315	1,054,789	1,059,683
Internal Service Charges	177,076	212,888	212,888	210,813
Operating Expense	853,463	1,038,148	977,780	1,238,418
Total Administration Expenditures	2,028,613	2,319,351	2,245,457	2,508,914
Revenues/Charges to Departments	998,355	865,960	865,953	1,160,095
Total Administration Revenues	998,355	865,960	865,953	1,160,095

Finance

Salaries & Benefits	1,208,650	1,308,337	1,173,080	1,119,857
Internal Service Charges	196,772	214,109	214,109	226,163
Operating Expense	471,541	552,302	535,745	674,500
Total Finance Expenditures	1,876,963	2,074,748	1,922,934	2,020,520
Revenues/Charges to Departments	1,092,085	1,210,262	1,219,397	1,192,328
Total Finance Revenues	1,092,085	1,210,262	1,219,397	1,192,328

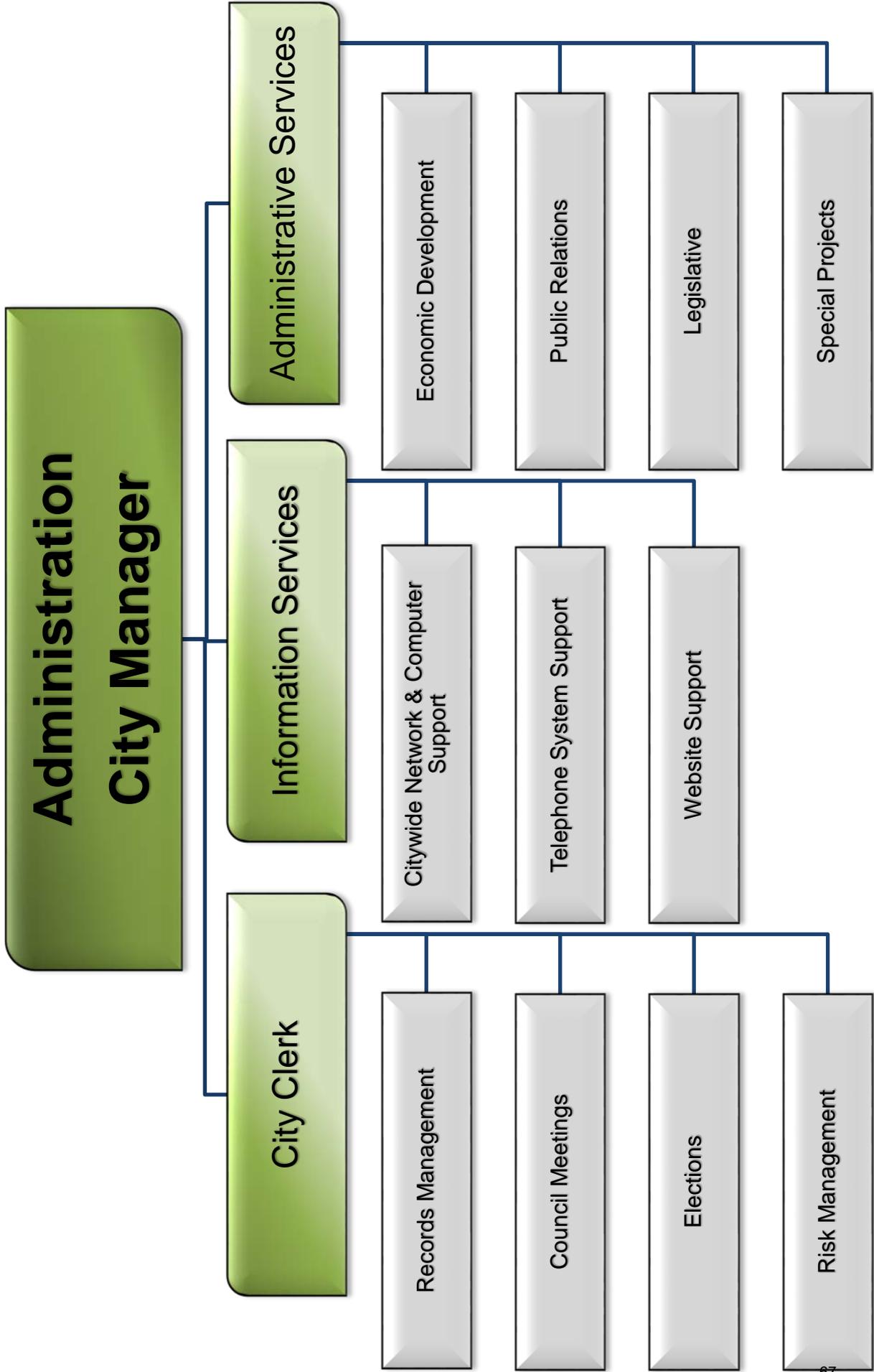
Fire

Salaries & Benefits	8,869,809	9,179,004	10,091,354	8,626,515
Internal Service Charges	970,418	1,115,955	1,115,955	1,147,529
Operating Expense	658,818	739,365	763,227	798,380

Department Summary (All Funds)	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Total Fire Expenditures	10,499,045	11,034,324	11,970,536	10,572,424
Revenues/Charges to Departments	1,726,680	1,378,500	1,824,112	1,458,500
Total Fire Revenues	1,726,680	1,378,500	1,824,112	1,458,500
Human Resources				
Salaries & Benefits	525,785	562,784	399,035	550,914
Internal Service Charges	44,736	56,163	56,163	55,545
Operating Expense	144,046	200,279	218,644	218,344
Total Human Resources Expenditures	714,567	819,226	673,842	824,803
Planning & Building				
Salaries & Benefits	1,449,236	1,597,075	1,476,004	1,604,691
Internal Service Charges	148,631	171,773	171,773	166,566
Operating Expense	240,987	222,115	474,628	609,963
Total Planning & Building Expenditures	1,838,854	1,990,963	2,122,405	2,381,220
Revenues/Charges to Departments	5,461,460	1,502,980	1,503,155	2,027,462
Total Planning & Building Revenues	5,461,460	1,502,980	1,503,155	2,027,462
Police				
Salaries & Benefits	13,698,590	13,908,002	13,263,070	12,658,485
Internal Service Charges	2,093,099	2,278,903	2,278,903	2,361,506
Operating Expense	530,350	683,163	581,305	759,719
Total Police Expenditures	16,322,039	16,870,068	16,123,278	15,779,710
Revenues/Charges to Departments	862,762	701,500	741,127	734,500
Total Police Revenues	862,762	701,500	741,127	734,500
Public Works				
Salaries & Benefits	6,356,914	7,168,690	6,312,321	6,249,682
Internal Service Charges	2,176,529	2,391,057	2,379,430	2,233,279
Operating Expense	15,428,923	17,455,700	17,890,490	18,323,886
Total Public Works Expenditures	23,962,366	27,015,447	26,582,241	26,806,847
Revenues/Charges to Departments	23,330,489	23,701,183	23,961,079	26,038,498
Total Public Works Revenues	23,330,489	23,701,183	23,961,079	26,038,498
Recreation & Community Services				
Salaries & Benefits	1,206,452	1,310,437	1,246,760	1,302,295
Internal Service Charges	828,975	836,566	836,566	1,029,356
Operating Expense	404,788	467,735	488,814	520,959
Total Rec. & Comm. Services Expenditures	2,440,215	2,614,738	2,572,140	2,852,610
Revenues/Charges to Departments	1,495,202	1,378,698	1,391,006	1,426,077
Total Rec. & Comm. Services Revenues	1,495,202	1,378,698	1,391,006	1,426,077

Department Summary (All Funds)	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Non Departmental				
Salaries & Benefits	-	-	-	-
Internal Service Charges	-	-	-	-
Operating Expense	922,139	1,179,283	1,209,283	1,465,000
Total Non Departmental Expenditures	922,139	1,179,283	1,209,283	1,465,000
FV Successor Agency to the FVACD				
Salaries & Benefits	31,391	35,796	30,532	26,017
Internal Service Charges	-	-	-	-
Operating Expense	304,804	564,484	288,228	483,983
Total Successor Expenditures	336,195	600,280	318,760	510,000
Revenues	577,251	375,000	547,022	80,000
Total Successor Revenues	577,251	375,000	547,022	80,000

Administration



ADMINISTRATION

Description / Purpose

The City of Fountain Valley's Administration Department is comprised of the legislative, legal and administrative branches of City government.

Elected at large by the citizens of Fountain Valley to act as their representatives, the City Council functions as the legislative branch of the City. This five member body exercises the legal powers designated to them by the State government code pertaining to general law cities. It is the City Council's responsibility to develop public policies, approve programs, and allocate revenues to meet the needs of the City.

The City Council also functions as the Board for the Successor Agency to the Fountain Valley Agency for Community Development, Fountain Valley Housing Authority and Fountain Valley Public Financing Authority.

Appointed by the City Council, the City Attorney is responsible for the disposition of civil matters related to land use, contracts, agreements and ordinances, as well as the prosecution of misdemeanor criminal offenses committed within the City.

The City Manager is the chief administrative officer of the City and is responsible for the day-to-day activities of all City departments. He interacts with the City Council on matters of policy and procedure, and responds to local issues concerning public safety, community service, transportation, economic development, and other issues that affect quality of life for the citizens of Fountain Valley. The City Manager is also the appointed Executive Director of the Successor Agency to the Fountain Valley Agency for Community Development. As director, he administers the housing and economic development policies set forth by the Agency's Board.

The Council and City Manager are supported by the Administrative Services staff and Information Services staff. Administrative Services is responsible for: Economic Development to promote local businesses and make connections between landlords and prospective quality business tenants, Intergovernmental Relations, which involves the tracking of legislation impacting Fountain Valley at the Federal, State and County levels; Public Information, which includes communication of City policies and programs to the media and various other audiences; and Risk Management, which targets minimization of loss of City assets due to accidents, employee injuries, and third-party injuries. Information Services is responsible for serving all of the city's technological needs and support.

Mission Statement

The mission of the City Manager's Office is to support and enhance the high quality of living in Fountain Valley. This is accomplished through the implementation of City Council policies, investing in the appropriate level of cost effective services and exercising innovation while respecting the community's traditional values of our businesses and residents.

ADMINISTRATION

Status of Major Department Goals From the Prior 2017-18 Fiscal Year

- City Council approved the Economic Development Plan to include the Hotel Incentive and Commercial Property and Business Improvement Programs on January 17, 2017.
- City participated in the International Council for Shopping Centers Conference in Los Angeles to promote the City to retailers, brokers, and developers.
- New businesses opened up in the City (i.e. Vox, Padera, Pedego Electric, United Sports Brands, Café N Te & Tea Lounge, Tropical Smoothie Café, and Simple Home Café).
- Shop, Dine, and Play in FV mobile application is available in Apple and Google Play.
- Promote Warner/Magnolia- Boomers site to developer. Two developers are working closely with the property owner to push a project forward.
- The Planning Commission approved the Fountain Valley Crossings Specific Action Plan Environmental Impact Report.

Other Key Projects Completed During the Fiscal Year Include:

- Recirculated Draft Environmental Impact Report for the Fountain Valley Crossings Specific Plan.
- Educated the community on the City's financial position and maintain essential City services.
- Circulated 12 electronic newsletter to enhance community outreach and engagement.
- Established strong working relationship with commercial property owners, property management services, real estate brokers serving the community, and business prospects through the Annual Broker Summit and maintaining regular communication via telephone or email.
- Hired City Manager and Finance Director
- Established Measure HH Advisory and Oversight Committee
- Assisted Shoppes at Fountain Valley to move forward with retail pads
- Held Homeless Issue Town Hall Meeting and resolved homelessness issue in the Santa Ana River Trail bordering the City limits

2018-19 Department Goals

ADMINISTRATION

- Continue to focus on transparent governance to build trust, gain new ideas, increase community engagement, understand community's needs better, empower citizens, showcase reform, attract citizens to government, boost economy, foster a local government with professionalism, and educate citizens
- Continue to build on existing Strategic Plan to guide the organization to support community goals
- Focus on 405 Fwy Improvement Project and its progress to update the community
- Focus on organization culture and coordinate events/activities to engage employees
- Focus on social media to enhance community outreach and engagement as part of the City's strategic goals
- Focus heavily on economic development: market Shop, Dine and Play in FV Mobile App, the approved Fountain Valley Crossings Specific Plan, under-utilize commercial centers
- Build stronger working relationships with the Vietnamese American Chamber of Commerce and Korean American Chamber of Commerce
- Participate in International Council of Shopping Centers events
- Fill employee vacancy throughout the organization
- Update the community of Measure HH – Essential City Services revenue and expenditure

OFFICE OF THE CITY CLERK

Description / Purpose

The City Clerk's Office is dedicated to accurately recording and archiving the actions of the City Council, Successor Agency to the Successor Agency to the Fountain Valley Agency for Community Development, Fountain Valley Housing Authority and Fountain Valley Public Financing Authority; providing information and support to the public, City Council, City staff and constituents in a timely manner; update and maintain the Fountain Valley Municipal Code; administer City's contracts and the city-wide records management program; receive and process tort claims, subpoenas and summons; as the local filing officer accept statement of economic interest and campaign statements; as the local elections official, in consolidation with the County of Orange, administer the election process in accordance with statutory regulations; and administers the department's budget in a fiscally responsible manner.

Mission Statement

To promote public trust by accurately recording and archiving the legislative actions of the City while providing courteous, professional services in an efficient and fiscally accountable manner.

Other Key Projects Completed During Fiscal Year Include:

- In partnership with the Public Cable Television Authority, Included live streaming video and televised Study Sessions of the City Council/Successor Agency to the Fountain Valley Agency for Community Development meeting

2017-18 Department Goals

- Continue to Update the City's Records Management Program and Retention Schedule
- Legal review of the Fountain Valley Municipal Code
- Administer and provide election services for the November 6, 2018, General Municipal Election

INFORMATION SERVICES

Description / Purpose

The Information Services Division manages the Computer, Telephone and Website & Video surveillance systems of the City. The Division's primary functions include hardware and software selection, procurement, installation, operation, maintenance and eventually e-waste disposal of the computer & technology based elements of the Cities infrastructure. The Division is also responsible for the management and operation of the cities telephone infrastructure, which encompasses over 250 handsets and 3 system servers located in 7 different city buildings. The city Website and new city Mobile App, is viewed by approximately 30,000 visitors monthly and provides information on all aspects of the City. Information Services staff ensures that both these essential services are available 24 hours a day 7 days a week, 365 days a year.

Mission Statement

To provide high quality service 24/7, to all users of the City's computer network, telephone system and Website, while exercising responsible fiscal management of the resources.

Status of Major Goals from the Prior 2017-18 Fiscal Year

- Completed a 2017 City Strategic Objective; to hold a Public Focus Group meeting to review the City's Website content and navigation
- Completed a 2017 City Strategic Objective; to install new Security Video surveillance system for the City Hall and Police Department buildings & parking lots
- Replaced / Upgraded the City's Exchange Mail Server, resulting in better performance, reliability and increased capabilities of the e-mail system
- Replaced / Upgraded the Digital Document Image system Server for the City
- Replaced the Mobile Computer systems in all FVFD Fire Vehicles
- Worked with all City departments to develop organizational strategic plans with an emphasis on interoperability and automation between all departments and city provided services

Other Key Projects Completed During the Fiscal Year Include:

- Information Services Division was awarded the peer reviewed Quality in IT Practices by the Municipal Information Managers Association of California
- Replaced / Upgraded the Domain Controllers for both the City and Police networks, improving performance and network reliability
- Worked with multiple Departments to increase their use of tablet based technologies in order to provide better customer service

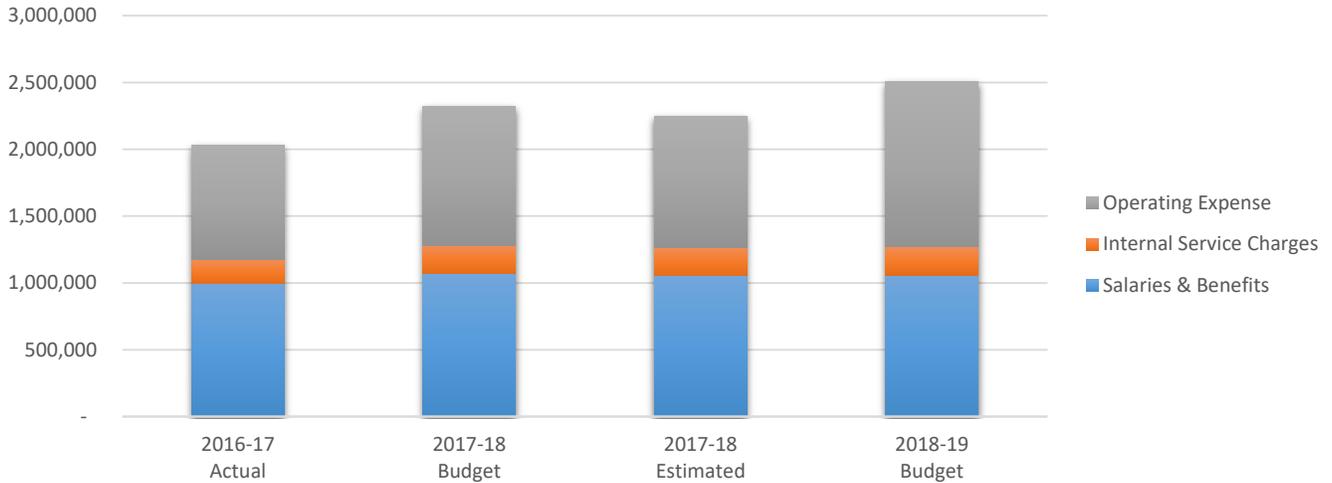
INFORMATION SERVICES

- Replaced / Updated over 40 workstations used in the City networks
- Began working with the Department of Homeland Security to monitor & mitigate cyber threats to the City
- Held employee informational meetings, to provide employees with information on technology subjects and receive their input on potential future projects

2018-19 Department Goals

- Continue to provide the highest quality technology services to the City, striving to maintain 100% availability of all critical network resources
- Adoption and Completion of the City Strategic Goals with other Departments
- Continue IS strategies & employee training that enhance our Cybersecurity
- Continue Community & Business Outreach efforts of the City Strategic Objectives, via the City Website, Mobile App & Social Media
- Continue IS strategies that maintain or reduce overall capital and operating costs

Administration	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Total Administration (All Funds)				
Salaries & Benefits	998,074	1,068,315	1,054,789	1,059,683
Internal Service Charges	177,076	212,888	212,888	210,813
Operating Expense	853,463	1,038,148	977,780	1,238,418
Total Administration Expenditures	2,028,613	2,319,351	2,245,457	2,508,914
Revenues/Charges to Departments	998,355	865,960	865,953	1,160,095
Total Administration Revenues	998,355	865,960	865,953	1,160,095



General Fund

City Council

Salaries & Benefits	112,206	108,771	105,089	68,949
Internal Service Charges	28,887	42,562	42,562	39,725
Operating Expense	395,785	32,880	28,280	27,660
Program Expenditures	536,878	184,213	175,931	136,334

City Manager

Salaries & Benefits	186,036	197,022	176,721	199,443
Internal Service Charges	57,635	69,280	69,280	65,993
Operating Expense	1,450	9,400	9,400	483,839
Program Expenditures	245,121	275,702	255,401	749,275

Administrative Services

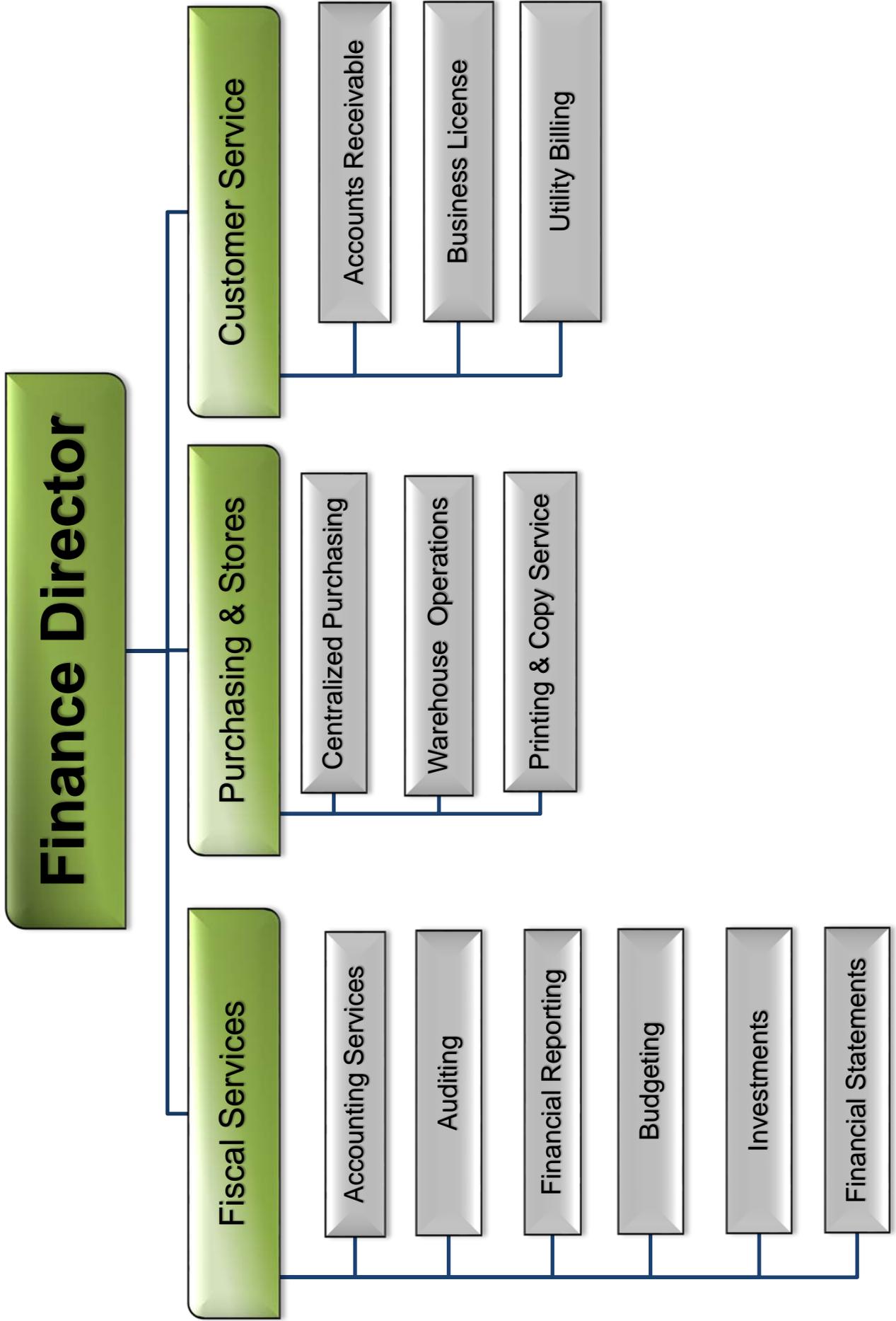
Salaries & Benefits	203,912	212,338	229,266	285,982
Internal Service Charges	40,054	46,469	46,469	46,384
Operating Expense	5,146	487,988	438,388	112,310
Program Expenditures	249,112	746,795	714,123	444,676

Records Management

Salaries & Benefits	95,810	140,381	115,016	119,496
Internal Service Charges	43,698	47,144	47,144	51,003
Operating Expense	8,738	23,030	5,950	23,030

Administration	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Program Expenditures	148,246	210,555	168,110	193,529
Elections				
Salaries & Benefits	10,071	-	-	759
Internal Service Charges	6,802	7,433	7,433	7,708
Operating Expense	39,712	6,650	1,500	46,650
Program Expenditures	56,585	14,083	8,933	55,117
General Fund Totals				
Salaries & Benefits	608,035	658,512	626,092	674,629
Internal Service Charges	177,076	212,888	212,888	210,813
Operating Expense	450,831	559,948	483,518	693,489
Fund Expenditures	1,235,942	1,431,348	1,322,498	1,578,931
Other Funds				
Information Processing (Internal Service)				
Salaries & Benefits	390,039	409,803	428,697	385,054
Internal Service Charges	-	-	-	-
Operating Expense	402,632	478,200	494,262	544,929
Program Expenditures	792,671	888,003	922,959	929,983
Revenues/Charges to Departments	998,355	865,960	865,953	1,160,095
Program Revenues	998,355	865,960	865,953	1,160,095
Total Other Funds				
Salaries & Benefits	390,039	409,803	428,697	385,054
Internal Service Charges	-	-	-	-
Operating Expense	402,632	478,200	494,262	544,929
Other Fund Expenditures	792,671	888,003	922,959	929,983
Department Charges	998,355	865,960	865,953	1,160,095
Other Fund Revenues	998,355	865,960	865,953	1,160,095

Finance Department



FINANCE DEPARTMENT

Description / Purpose

The Finance Department manages the fiscal operations of the City and maintains financial records in conformance with generally accepted accounting principles and in compliance with State and Federal laws. The Department's primary functions include maintaining effective systems for financial planning, disbursement control, revenue administration, accounting and reporting, cash management, long-term debt administration, successor agency accounting, purchasing, investing and utility billing.

The Finance Department is divided into the Fiscal & Accounting Services Division, whose purpose it is to develop, enhance, and manage a sound financial structure, enabling the City and Successor Agency to provide quality services to the community while effectively controlling and monitoring the receipt and disbursement of public funds. Processes include annual Budget and Capital Improvement Plan; Comprehensive Annual Financial Report (CAFR); payroll; accounts payable; regular financial reports and accounting functions. The Purchasing/Warehouse Division procures equipment, supplies, and services at the most competitive prices, for all City departments, while remaining within State and municipal procurement regulations and guidelines. The Customer Service Division collects funds to support the operations of the City's water, sewer, and storm drain systems along with collecting funds for contracted refuse collection via a lock box process. Processes business licenses and false alarm permits; invoices for damages to City property and collects required City fees.

Mission Statement

The Finance Department is dedicated to sustaining financial strength & viability through fiscally sound financial management; insuring the highest level of customer service while providing efficient, value added services that maximize the City's financial resources and public trust.

Status of Major Department Goals from the Prior 2017-18 Fiscal Year

- This past year the City was awarded a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association for the second year in a row. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting and is a significant accomplishment for the City of Fountain Valley. (*Strategic Issue: Fiscal Stability / Transparency*)
- Worked with the City Manager on updating the City's 20-Year Financial Plan, which provides a solid foundation for long-term fiscal sustainability. (*Strategic Issue: Fiscal Stability*)
- Coordinated with the Measure HH Oversight Committee on the development of a "report card" to document their review of the audited activity for fiscal year 2016-17 and the budgeted information for fiscal years 2017-18 and 2018-19. (*Strategic Issue: Fiscal Stability*)

FINANCE DEPARTMENT

- Updated the City's General Fund Reserve Policy to better reflect the changing needs of the City due to Measure HH revenues. (*Strategic Issue: Fiscal Stability*)
- Established and funded an Other Post-Employment Benefit (OPEB) Trust with California Employers' Retiree Benefit Trust (CERBT), which allows for investment diversification and maximizes investment returns. (*Strategic Issue: Fiscal Stability*)
- Established and funded a Pension Trust with Public Agency Retirement Services (PARS). Funds have been set-aside in the pension trust, which may be used to offset volatility in pension costs in future years. (*Strategic Issue: Fiscal Stability*)
- Made an additional payment of \$2.2 million to CalPERS in 2017/18 to pay down a portion of the City's unfunded pension liability, which will save the City \$3.9 million over 30 years. (*Strategic Issue: Fiscal Stability*)
- Worked with other City departments and the City Manager on the citywide organizational assessment. (*Organizational Value: Teamwork*)
- Updated the City's Purchasing Policies to reflect best practices and to ensure compliance with federal laws and regulations. (*Strategic Issue: Fiscal Stability / Teamwork*)

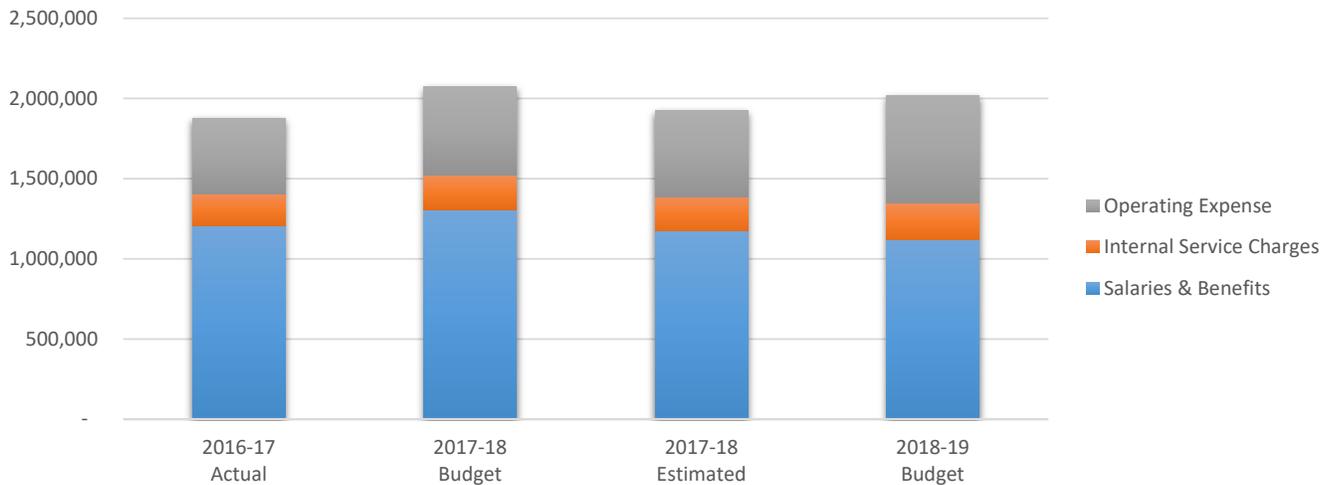
2018-19 Department Goals

- Implement department reorganization approved in March of 2018. The reallocation of staff duties will better serve the City, residents, and reporting agencies. (*Strategic Issues: Fiscal Stability / Teamwork*)
- Begin a needs assessment of the City's Financial & Utility software system with the goal of selecting a new software vendor within 12-18 months. (*Strategic Issue: Fiscal Stability / Transparency*)
- Development of a City budget document that would be eligible for the CSMFO and/or GFOA Budget Awards Program. (*Strategic Issue: Fiscal Stability / Transparency*)
- Continue to develop and refine the City's CAFR document to meet the requirements of the GFOA Certificate of Achievement for Excellence in Financial Reporting. (*Strategic Issue: Fiscal Stability / Transparency*)
- Transition/implement (to) a new online HDL Business License system. This will leverage our current relationship with HDL Sales & Property Tax Services by identifying potential revenue loss by identifying unlicensed businesses. (*Strategic Issue: Fiscal Stability*)

FINANCE DEPARTMENT

- Meet as scheduled with the Measure HH Oversight Committee to provide status of Transaction Tax revenue & spending in accordance with the City's Spending Pledge. (*Strategic Issue: Fiscal Stability*)
- Work with the City Manager and the departments on the development of a balanced budget for Fiscal Year 2019/20 that continues to reflect the City Council's and staff's commitment to provide quality services that meet the needs of the residents of Fountain Valley in a cost effective and efficient manner. (*Strategic Issue: Fiscal Stability*)

Finance	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Total Finance (All Funds)				
Salaries & Benefits	1,208,650	1,308,337	1,173,080	1,119,857
Internal Service Charges	196,772	214,109	214,109	226,163
Operating Expense	471,541	552,302	535,745	674,500
Total Finance Expenditures	1,876,963	2,074,748	1,922,934	2,020,520
Revenues/Charges to Departments	1,092,085	1,210,262	1,219,397	1,192,328
Total Finance Revenues	1,092,085	1,210,262	1,219,397	1,192,328



General Fund

Financial Services

Salaries & Benefits	506,976	501,667	464,594	584,161
Internal Service Charges	152,549	169,652	169,652	208,859
Operating Expense	309,182	351,690	351,690	398,500
Program Expenditures	968,707	1,023,009	985,936	1,191,520

Business License

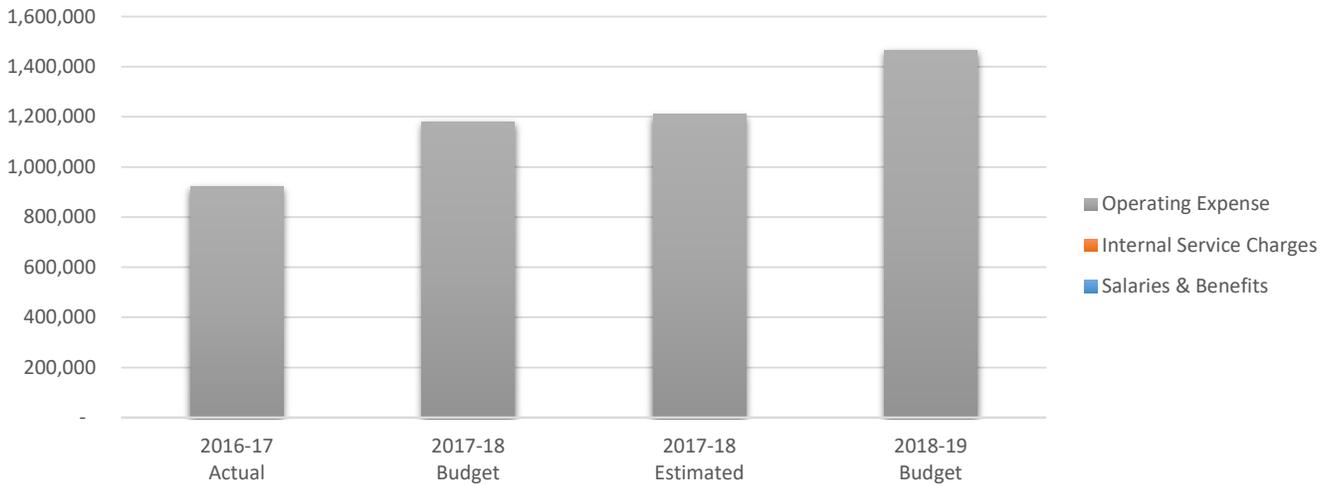
Salaries & Benefits	105,615	142,270	131,723	13,566
Internal Service Charges	32,167	32,830	32,830	3,693
Operating Expense	1,604	2,950	2,950	74,950
Program Expenditures	139,386	178,050	167,503	92,209
Revenues	442,092	425,500	420,029	425,500
Program Revenues	442,092	425,500	420,029	425,500

General Fund Totals

Salaries & Benefits	612,591	643,937	596,317	597,727
Internal Service Charges	184,716	202,482	202,482	212,552
Operating Expense	310,786	354,640	354,640	473,450
General Fund Expenditures	1,108,093	1,201,059	1,153,439	1,283,729
Revenues	442,092	425,500	420,029	425,500
General Fund Revenues	442,092	425,500	420,029	425,500

Finance	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Other Funds				
Utility Billing (Water Fund)				
Salaries & Benefits	334,631	348,022	337,710	278,350
Internal Service Charges	12,056	11,627	11,627	13,611
Operating Expense	105,815	126,700	122,600	130,850
Program Expenditures	452,502	486,349	471,937	422,811
Revenues	282,852	453,000	467,600	450,000
Program Revenues	282,852	453,000	467,600	450,000
Purchasing/Stores (Internal Service Fund)				
Salaries & Benefits	261,428	316,378	239,053	243,780
Internal Service Charges	-	-	-	-
Operating Expense	54,940	70,962	58,505	70,200
Program Expenditures	316,368	387,340	297,558	313,980
Revenues/Charges to Departments	367,141	331,762	331,768	316,828
Program Revenues	367,141	331,762	331,768	316,828
Total Other Funds				
Salaries & Benefits	596,059	664,400	576,763	522,130
Internal Service Charges	12,056	11,627	11,627	13,611
Operating Expense	160,755	197,662	181,105	201,050
Other Fund Expenditures	768,870	873,689	769,495	736,791
Revenues	649,993	784,762	799,368	766,828
Other Fund Revenues	649,993	784,762	799,368	766,828

Non-Departmental	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Total Non-Departmental (All Funds)				
Salaries & Benefits	-	-	-	-
Internal Service Charges	-	-	-	-
Operating Expense	922,139	1,179,283	1,209,283	1,465,000
Total Non-Departmental Expenditures	922,139	1,179,283	1,209,283	1,465,000



General Fund

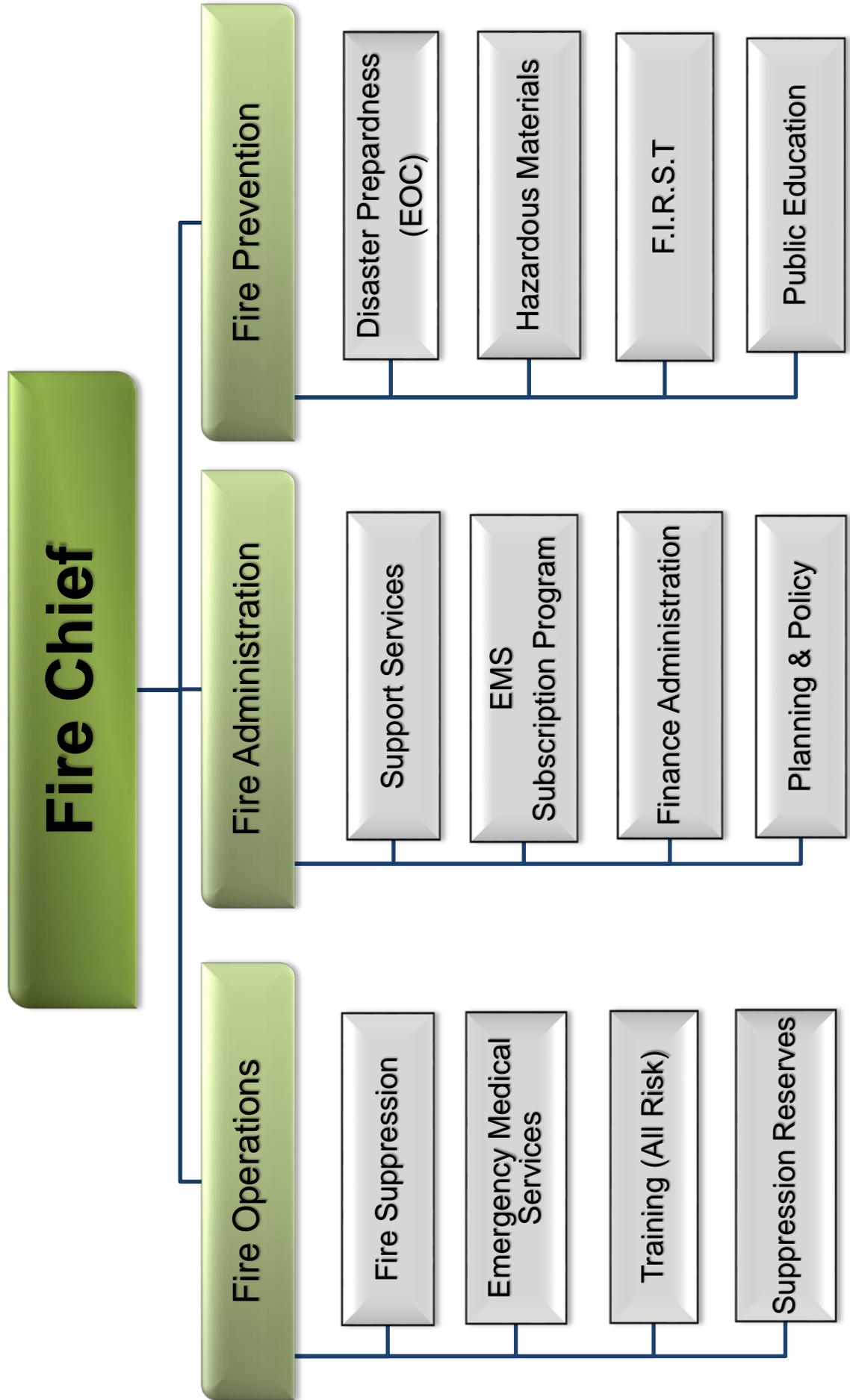
Non-Departmental

Salaries & Benefits	-	-	-	-
Internal Service Charges	-	-	-	-
Operating Expense	922,139	1,179,283	1,209,283	1,465,000
Program Expenditures	922,139	1,179,283	1,209,283	1,465,000

General Fund Totals

Salaries & Benefits	-	-	-	-
Internal Service Charges	-	-	-	-
Operating Expense	922,139	1,179,283	1,209,283	1,465,000
Fund Expenditures	922,139	1,179,283	1,209,283	1,465,000

Fire Department



FIRE DEPARTMENT

Description / Purpose

The fire department provides the citizens and visitors of Fountain Valley with outstanding service aimed to safeguard both their wellbeing and property. The 45 full-time men and women and approximately 20 part-time and volunteer employees of the Fountain Valley Fire Department strive to deliver high quality emergency medical services, fire suppression, fire prevention, disaster preparedness and public safety education services. The fire department operates from two fire stations that collectively respond annually to approximately 7000 all-risk emergency responses.

To maintain a constant state of readiness, the fire department staffs two advanced life support engine companies, one advanced life support truck company, and one battalion commander 24 hours a day. These assets ensure that the fire department delivers fast and effective emergency response, as well as responsive and beneficial services to our customers in all non-emergency settings. Additionally, the department maintains automatic and mutual aid agreements with our surrounding agencies, which provide both additional resources and maintains fiscal responsibility.

Fire suppression, emergency medical services, and fire prevention make up the core functions of the fire department. Fire suppression resources provide an all-risk response to structure fires, emergency medical services, traffic collisions, wildland mutual aid, hazardous material calls, technical rescue operations, swift water rescue operations, and public service responses. To provide the community with the highest level of emergency medical services, all department personnel are trained to the level of basic life support providers, with two personnel on each apparatus trained to the level of advanced life support (paramedic). Additionally, the department's paramedic program is supported by an emergency medical services manager that ensures all department personnel receive the required training and oversight needed to provide the highest level pre-hospital care to the community. Under the direction of the fire chief, the fire marshal manages all fire prevention activities. The fire prevention bureau is responsible for plan review and inspection of all new development in the city, and coordinates both annual fire inspections of local businesses and the Hazardous Materials Disclosure/Business Emergency Plan Program. The bureau also manages citywide disaster preparedness, fire prevention education, the hazardous materials program, and the Fire Inspection Reserve Senior Taskforce (FIRST).

Mission Statement

The Fountain Valley Fire Department is committed to providing the highest quality all-risk emergency response, fire prevention, education, and emergency medical services to the residents and visitors within the community.

FIRE DEPARTMENT

Status of Major Department Goals from the Prior 2017-18 Fiscal Year

- Fire crews responded throughout the State of California on eight mutual aid wildland fires.
- Successfully completed Certified Unified Participating Agencies (CUPA) program evaluation
- Hired three employees, one on the floor and two in paramedic school
- Promoted Firefighter/Paramedic Mike Echlan to Captain and Captain Bryan McKay to Battalion Chief

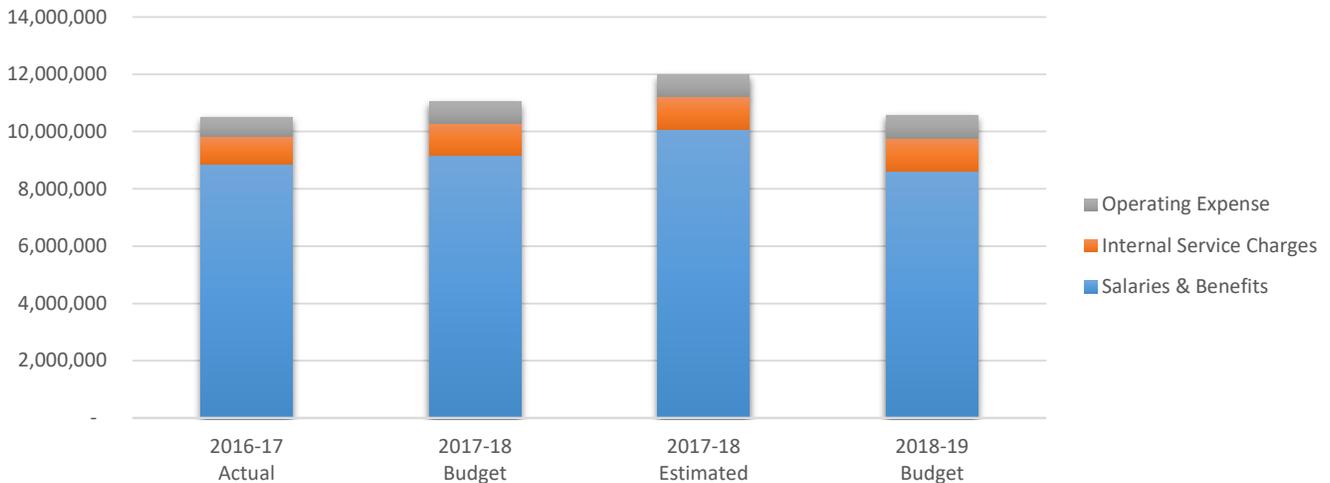
Other Key Projects Completed for the Fiscal Year Include:

- Analyzed and created an apparatus preventative maintenance program that reduces out-of-service time.

2018/19 Department Goals:

- Research and explore the efficacy of installing an Emergency Vehicle Preemption (EVP) System in the City of Fountain Valley that would reduce response time to emergency incidents. Implement development plan and make recommendation to council for consideration.
- Continue to research the possibility of upgrades to both fire stations within the city. Remodels would provide a multi-purpose space for training, meetings, and project collaboration, and a more efficient call alert system. Additionally, the upgrades would accommodate a gender diverse workforce.
- Increase the fire departments non-emergency community relations by partnering with other community organizations to develop programs that provide home safety and fire prevention services, such as home smoke detector installation programs.
- Further develop the disaster preparedness program by implementing a mix of volunteers, such as CERT, and fire department employees to share the disaster preparedness responsibilities.
- Provide excellent emergency and non-emergency services to the community, the visitors, and people outside of Fountain Valley during automatic/mutual aid responses by ensuring our staff has the knowledge and equipment required to complete their mission. Furthermore, staff is dedicated to promoting excellence by embracing challenges of the future and progressing the people and the standard operating procedures within the fire department to adapt to future demands.
- Present RMS plan to council for their consideration within the FY 2018/19 budget, and implement the plan if approved.

Fire Department	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Total Fire Department (All Funds)				
Salaries & Benefits	8,869,809	9,179,004	10,091,354	8,626,515
Internal Service Charges	970,418	1,115,955	1,115,955	1,147,529
Operating Expense	658,818	739,365	763,227	798,380
Total Fire Department Expenditures	10,499,045	11,034,324	11,970,536	10,572,424
Revenues	1,726,680	1,378,500	1,824,112	1,458,500
Total Fire Department Revenues	1,726,680	1,378,500	1,824,112	1,458,500



General Fund

Suppression

Salaries & Benefits	5,028,774	5,131,974	5,751,762	4,707,449
Internal Service Charges	625,406	721,934	721,934	745,725
Operating Expense	546,021	611,680	604,340	625,695
Program Expenditures	6,200,201	6,465,588	7,078,036	6,078,869
Revenues	232,336	27,500	373,112	27,500
Program Revenues	232,336	27,500	373,112	27,500

Paramedics

Salaries & Benefits	2,962,861	2,968,274	3,355,562	2,967,694
Internal Service Charges	252,993	278,812	278,812	286,871
Operating Expense	80,737	83,280	78,372	83,280
Program Expenditures	3,296,591	3,330,366	3,712,746	3,337,845
Revenues	1,140,932	988,000	1,058,000	1,068,000
Program Revenues	1,140,932	988,000	1,058,000	1,068,000

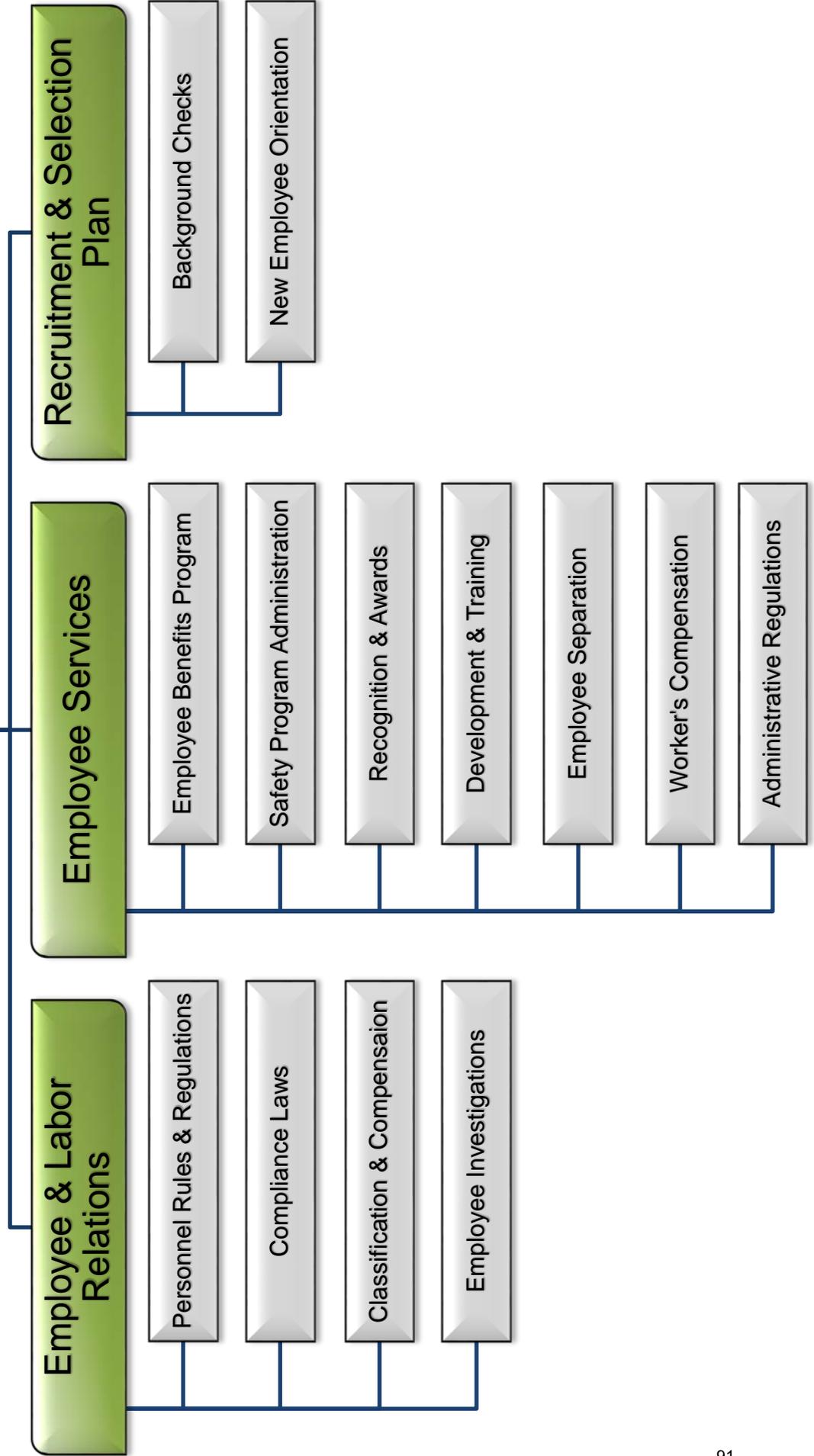
Prevention

Salaries & Benefits	643,308	730,697	689,001	640,614
Internal Service Charges	54,142	65,880	65,880	66,388
Operating Expense	11,185	15,700	58,790	60,700
Program Expenditures	708,635	812,277	813,671	767,702
Revenues	297,335	305,000	335,000	305,000

Fire Department	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Program Revenues	297,335	305,000	335,000	305,000
Reserves				
Salaries & Benefits	23,611	43,957	33,834	37,250
Internal Service Charges	463	407	407	503
Operating Expense	5,220	9,485	5,755	9,485
Program Expenditures	29,294	53,849	39,996	47,238
Disaster Preparedness				
Salaries & Benefits	99,013	148,675	123,868	131,311
Internal Service Charges	18,728	26,976	26,976	25,645
Operating Expense	5,305	6,545	5,270	6,545
Program Expenditures	123,046	182,196	156,114	163,501
Hazardous Materials				
Salaries & Benefits	94,015	135,360	118,229	125,283
Internal Service Charges	13,714	16,301	16,301	16,580
Operating Expense	7,041	9,135	8,180	9,135
Program Expenditures	114,770	160,796	142,710	150,998
Revenues	56,077	58,000	58,000	58,000
Program Revenues	56,077	58,000	58,000	58,000
F.I.R.S.T.				
Salaries & Benefits	18,227	20,067	19,098	16,914
Internal Service Charges	4,972	5,645	5,645	5,817
Operating Expense	3,309	3,540	2,520	3,540
Program Expenditures	26,508	29,252	27,263	26,271
General Fund Totals				
Salaries & Benefits	8,869,809	9,179,004	10,091,354	8,626,515
Internal Service Charges	970,418	1,115,955	1,115,955	1,147,529
Operating Expense	658,818	739,365	763,227	798,380
General Fund Expenditures	10,499,045	11,034,324	11,970,536	10,572,424
Revenues	1,726,680	1,378,500	1,824,112	1,458,500
General Fund Revenues	1,726,680	1,378,500	1,824,112	1,458,500

Human Resources

Human Resources Director



HUMAN RESOURCES DEPARTMENT

Description / Purpose

The Human Resources Department's primary role is to provide responsive professional human resources management assistance to City departments. Through the labor and employee relations functions, the Department oversees the City's labor relations with its 7 recognized bargaining units and non-represented employees. The Human Resources Department also administers the employee relations process including grievance resolution and discipline and ensures the City is in compliance with applicable Federal, State and local laws.

In the area of Employee Services, the Human Resources Department provides a variety of employee services including maintenance of the City's classification and compensation plan, administration of the employee benefit programs providing health, life insurance and long-term disability benefits. Administers the Workers' Compensation program providing injured employees with timely and quality medical care and treatment facilitating an early recovery and return to work. The Department provides an extensive employee training program tailored to meet the needs of the employees and administers the employee performance evaluation program. Also provided is the employee safety program ensuring the safety and well-being of City employees and the employee recognition program including service milestones and exceptional performance.

The Human Resources Department takes the lead in the recruitment process to administer the application, testing, and pre-employment processes. Working in conjunction with other departments, we strive to attract, hire and retain qualified individuals and place them in positions with responsibilities that allow them to maximize their skills, knowledge and talents.

Mission Statement

To provide excellent and highly responsive professional services to all customers; sustain cooperative working relationships; provide accurate and timely information; deliver innovative and timely services and to provide leadership in all personnel and employment matters; attract and retain a highly talented and qualified workforce to meet the needs of the organization and help to provide a safe work environment.

Status of Major Department Goals From the Prior 2017-18 Fiscal Year

- Provided on-going support and resources to City Departments on personnel issues including employee discipline, conflict, injuries, etc.
- Completed negotiations and reached agreements with all 7 bargaining units resulting in new 3 year agreements. Implemented the new Memorandums of Understanding.
- Successfully completed the reporting requirements under the Affordable Care Act.

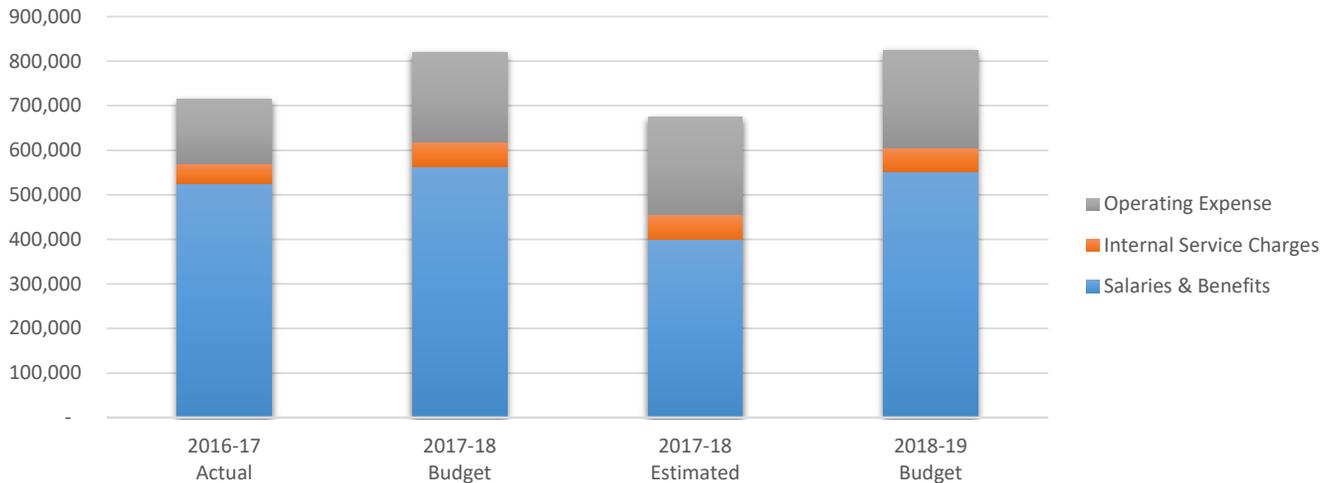
HUMAN RESOURCES DEPARTMENT

- Successfully coordinated 17 safety trainings, 14 supervisory trainings and several other courses to help promote employee development and increase individual and organizational productivity and enrichment.
- Continued update and maintenance of the City's classification and compensation system, including reclassification studies, creation of new positions, etc.

2018-19 Department Goals

- Continue to deliver Human Resources services and programs that add value for our prospective employees, active employees and retirees.
- Continue efforts to expand our social media presence in order to attract qualified, diverse and talented individuals to the organization.
- Improve employee retention by leading efforts to create a great work climate, improve morale, and support the talent development of employees.
- Continue implementation and administration of the Affordable Care Act.
- Assess and evaluate the City's safety program needs and draft and/or update policies and procedures to ensure compliance with applicable laws.
- Continue to assess and provide a variety of training programs to continue to develop employees to be more effective in their current position but also to develop employees for future opportunities.
- Maintain the City's health benefits program and ensure that benefits are meeting employee needs and providing quality and value.

Human Resources	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Total Human Resources (All Funds)				
Salaries & Benefits	525,785	562,784	399,035	550,914
Internal Service Charges	44,736	56,163	56,163	55,545
Operating Expense	144,046	200,279	218,644	218,344
Total Human Resources Expenditures	714,567	819,226	673,842	824,803



General Fund

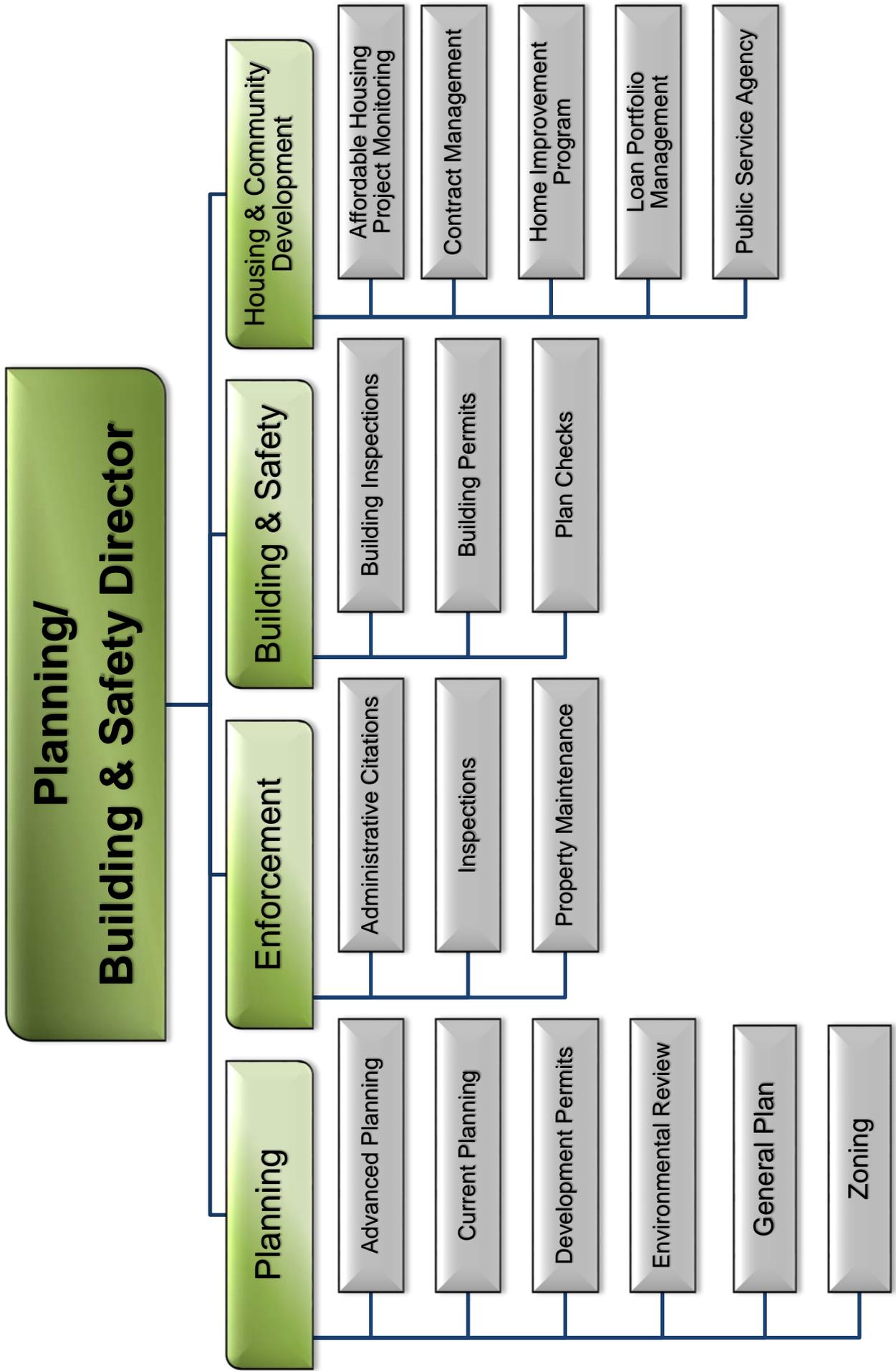
Employee Relations

Salaries & Benefits	525,785	562,784	399,035	550,914
Internal Service Charges	44,736	56,163	56,163	55,545
Operating Expense	144,046	200,279	218,644	218,344
Program Expenditures	714,567	819,226	673,842	824,803

General Fund Totals

Salaries & Benefits	525,785	562,784	399,035	550,914
Internal Service Charges	44,736	56,163	56,163	55,545
Operating Expense	144,046	200,279	218,644	218,344
Fund Expenditures	714,567	819,226	673,842	824,803

Planning/Building & Safety Department



PLANNING /BUILDING & SAFETY

Description/Purpose

The purpose of the Planning/ Building Department is to proactively enhance and protect the public's health, safety, and welfare through the built environment of the City, while also providing for fair housing, public service funding, neighborhood enhancement and affordable housing opportunities for the residents. The Department is comprised of Current Planning, Advanced Planning, Building & Safety, Code Enforcement, and Housing and Community Development.

Current Planning provides professional staff support to the City Council and Planning Commission. In this role Planning Staff processes applications through compiling background data, providing municipal code and policy review, documenting environmental compliance, providing staff recommendations, and preparing conditions of approval for proposed projects. This function is also responsible for zoning code administration and ensuring that all proposed projects comply with local, state and federal laws and are consistent with the goals and objectives of the General Plan. Finally, the Current Planning function of the Department provides development project coordination between City departments and assists project applicants with navigating the permit and entitlement processes of the City.

The Advanced Planning function of the Department coordinates the long-range planning and development of the City through the maintenance of the General Plan, specific plans, annexations, and environmental documentation. This function also includes the monitoring of local and regional growth/air quality programs and ensures the City is in compliance with Federal, State, and local legislation.

Under the direction of the Planning/ Building Director, the Building & Safety Division ensures that the construction of all buildings and structures within the City are built in compliance with applicable codes and standards. This division is responsible for permit issuance, plan review, and inspections.

Code Enforcement ensures compliance with municipal and other related codes, including property maintenance, housing, zoning, public nuisances, and business license. This function of the Department achieves compliance through identifying code violations, working with violators to correct infractions, issuing citations and assisting the City Attorney in prosecutions when necessary.

The Housing and Community Development function of the City includes the administration of the City's Community Development Block Grant (CDBG) Program and Housing Authority functions. Responsibilities of the CDBG Program include administering a contract for Fair Housing Services, oversight of Public Service Agency Grant recipients, code enforcement in low/moderate income census tracts of the City, the Neighborhood Revitalization Program, a Lead Based Paint Hazard abatement program, and preparing the City's Five-Year Consolidated Plan and annual Action Plans. The Housing Authority programs of the Department include the maintenance of the City's Housing Element,

PLANNING /BUILDING & SAFETY

affordable housing loan administration, affordable housing development and administration of the City's affordable housing monies.

Mission Statement

The Planning/Building Department promotes high quality development, economic vitality, neighborhood preservation and the protection of the public health, safety and welfare. To fulfill this mission, department staff provides professional guidance and technical assistance to the residential, business and development community.

Status of Major Department Goals From the Prior 2017-18 Fiscal Year

- **Enhance the aesthetic characteristics of the City:**
 - Awarded a Fountain Valley Business Beautification Recognition Award
 - Continued to work with existing commercial centers and other businesses to improve aesthetics and achieve high quality projects
 - Prosecuted public nuisance cases to gain compliance
 - Abated 1,871 property maintenance violations through code enforcement
 - Provided 4 single family residential loans, 11 single family residential grants, 4 single family residential rebates, and 7 lead based paint hazard testing grants through the Home Improvement Program
- **Increase advanced planning efforts:**
 - Continued to seek additional funding sources for a new comprehensive General Plan Update
 - Present a final draft Fountain Valley Crossings Specific Plan to the Planning Commission and City Council
 - Completed 2 updates to modernize the City's zoning code
 - Approved an Accessory Dwelling Unit Ordinance
- **Prepare for future affordable housing opportunities:**
 - Identified an affordable housing developer and approved an agreement to produce 60 affordable units
- **Increase community engagement:**
 - Held community meetings regarding topics such as the Fountain Valley Crossings Specific Plan project
 - Continued to enhance the Department's webpages and utilize interactive features of the new City website
 - Attended Chamber of Commerce and other community events to distribute information on Planning Department Projects

2018-19 Department Goals

- **Enhance the aesthetic characteristics of the City:**
 - Continue to work with existing commercial centers and other businesses to improve aesthetics and achieve high quality projects
 - Prosecute public nuisance cases to gain compliance
 - Abate property maintenance violations through code enforcement efforts
 - Continue to market the City's Home Improvement Program
- **Increase advanced planning efforts:**
 - Develop a multi-year plan to bring the City's General Plan and Zoning Code up to date
 - Continue to seek funding sources for a new comprehensive General Plan Update
 - Identify and address opportunities for the modernization of the zoning code
- **Prepare for future affordable housing opportunities:**
 - Partner with an affordable housing developer and provide a 60-unit affordable housing project
- **Increase community engagement:**
 - Hold community meetings to educate residents and businesses on topics of interest
 - Continue to enhance the Department's webpages and utilize interactive features of the new City website
 - Attend community events to distribute information on Planning Department Projects

HOUSING AUTHORITY

Description / Purpose

The Fountain Valley Housing Authority (FVHA) was named the “Housing Successor” to the dissolved Fountain Valley Agency for Community Development.

Strict state regulations have required the FVHA to discontinue the affordable housing programs previously offered to City residents. The FVHA currently monitors the asset portfolio from past programs and administers all the statutory requirements.

The FVHA is currently in an Exclusive Negotiating Agreement with C & C Development for a 60 - unit affordable workforce apartment complex in the Harbor Boulevard South Island Specific Plan area. The FVHA and City Council approved the specific plan to incentivize developers to build affordable housing for the benefit of lower income residents in the community.

Mission Statement

To provide timely and quality service to customers that need assistance with housing needs utilizing internal and external sources to accomplish the goal.

Status of Major Goals from the Prior 2017-18 Fiscal Year

- Monitored all “Successor Agency” housing assets to ensure compliance with State Law
- Provided loan administration tasks such as loan payoffs or loan subordination agreement to current affordable housing loan customers
- Educated staff regarding ongoing changes in State Law regarding the dissolution of redevelopment agencies as it refers to affordable housing
- Worked with other City Departments to make sure all accounting and reporting is compliant under new State Regulation
- Completed the sale of the Authority owned 3.9 acre parcel at 11360 Warner Avenue and deposited the proceeds into the LMIHF
- Began negotiations with an affordable housing developer for a 60 unit low and very - low income affordable housing apartment complex

Other Key Projects Completed During Fiscal Year Include:

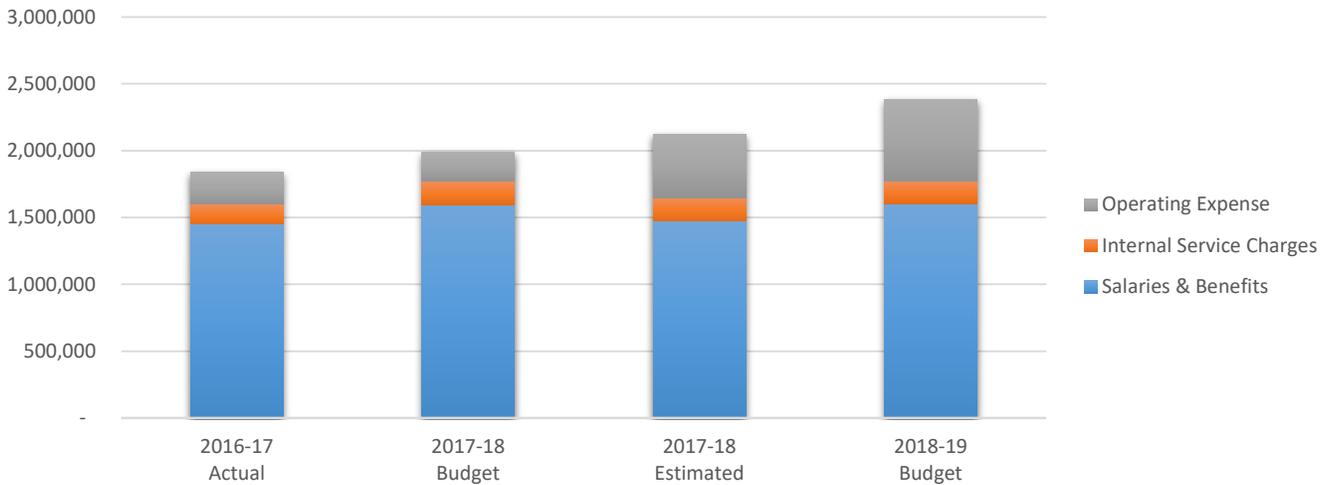
- Timely completion of the Housing Authority Annual Plan
- Timely completion of the newly required Housing Successor Annual Plan
- Timely completion of newly required state reports beginning in 2019.

HOUSING AUTHORITY

2018-19 Department Goals

- Manage city interest in the development of the affordable housing project in Harbor Boulevard South Island from planning stage to occupancy.
- Monitor all “Successor Agency” housing assets to ensure compliance with State Law
- Perform loan administration tasks such as loan payoffs or loan subordination agreement to current affordable housing loan customers
- Educate staff regarding ongoing changes in State Law regarding the dissolution of redevelopment agencies as it refers to affordable housing
- Educate staff on new housing regulations and new reporting requirements for 2019
- Work with other City Departments to make sure all accounting and reporting is compliant under new State Regulation
- Determine the best utilization of the funds of the FVHA to provide additional affordable housing.

Planning & Building	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Total Planning & Building (All Funds)				
Salaries & Benefits	1,449,236	1,597,075	1,476,004	1,604,691
Internal Service Charges	148,631	171,773	171,773	166,566
Operating Expense	240,987	222,115	474,628	609,963
Total Planning & Building Expenditures	1,838,854	1,990,963	2,122,405	2,381,220
Revenues	5,461,460	1,502,980	1,503,155	2,027,462
Total Planning & Building Revenues	5,461,460	1,502,980	1,503,155	2,027,462



General Fund

Planning

Salaries & Benefits	483,369	515,367	433,695	477,761
Internal Service Charges	97,053	115,286	115,286	109,348
Operating Expense	28,862	24,990	29,075	31,898
Program Expenditures	609,284	655,643	578,056	619,007
Revenues	289,391	226,930	264,403	258,310
Program Revenues	289,391	226,930	264,403	258,310

Building

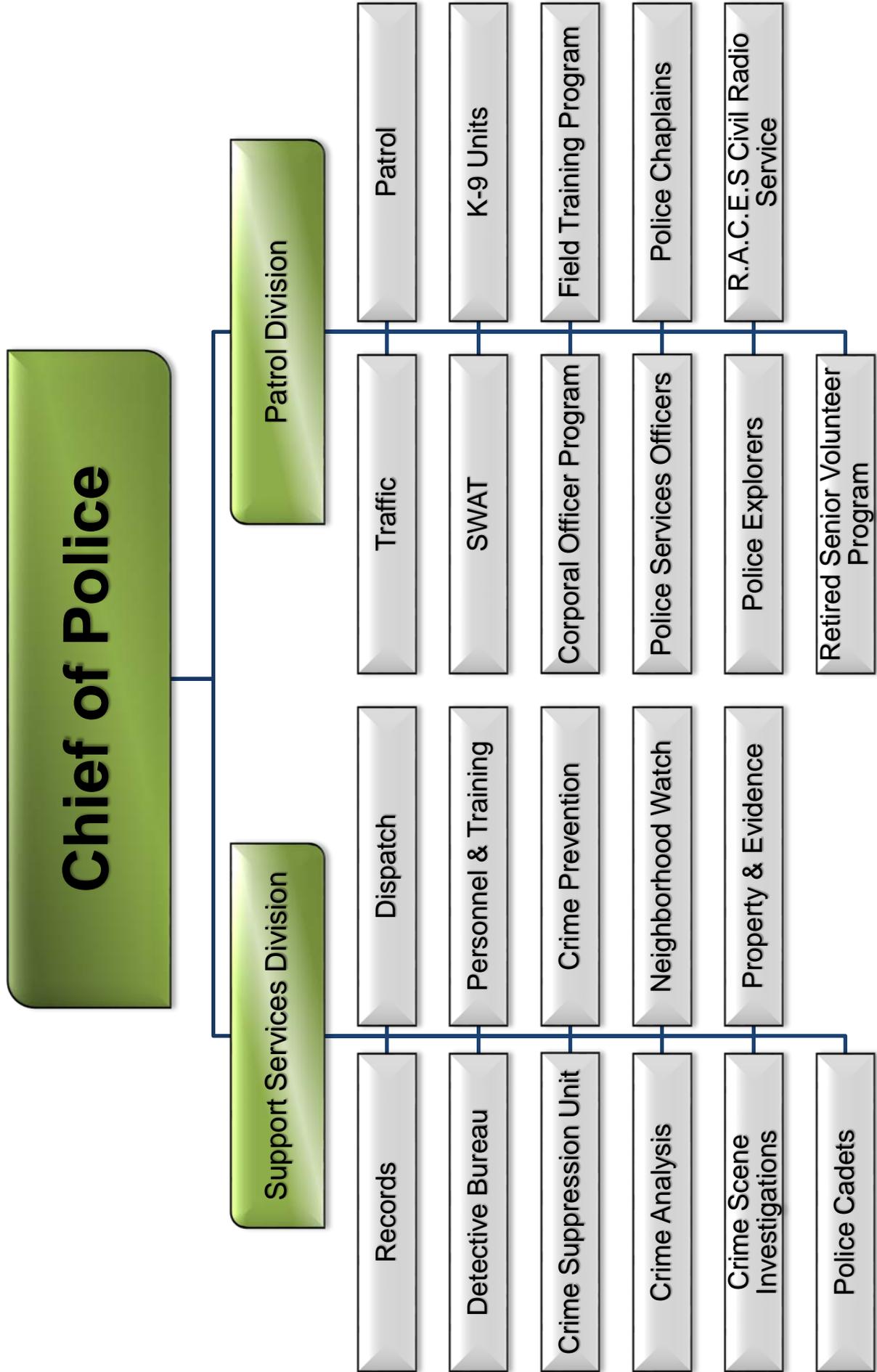
Salaries & Benefits	778,877	849,428	812,942	796,285
Internal Service Charges	44,304	51,115	51,115	50,664
Operating Expense	33,959	22,375	20,630	22,375
Program Expenditures	857,140	922,918	884,687	869,324
Revenues	965,067	937,650	870,350	937,650
Program Revenues	965,067	937,650	870,350	937,650

General Fund Totals

Salaries & Benefits	1,262,246	1,364,795	1,246,637	1,274,046
Internal Service Charges	141,357	166,401	166,401	160,012
Operating Expense	62,821	47,365	49,705	54,273
General Fund Expenditures	1,466,424	1,578,561	1,462,743	1,488,331
Revenues	1,254,457	1,164,580	1,134,753	1,195,960

Planning & Building	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
General Fund Revenues	1,254,457	1,164,580	1,134,753	1,195,960
Other Funds				
Abandoned Vehicle				
Salaries & Benefits	12,777	14,960	6,148	8,582
Internal Service Charges	-	-	-	-
Operating Expense	-	-	-	-
Fund Expenditures	12,777	14,960	6,148	8,582
Revenues	-	200	-	-
Fund Revenues	-	200	-	-
Fountain Valley Housing Authority (FVHA)				
Salaries & Benefits	79,205	217,320	116,513	144,701
Internal Service Charges	7,274	5,372	5,372	6,554
Operating Expense	5,359	174,750	319,675	239,750
Fund Expenditures	91,838	397,442	441,560	391,005
Revenues	3,847,553	338,200	150,000	338,200
Fund Revenues	3,847,553	338,200	150,000	338,200
Community Development Block Grant (CDBG)				
Salaries & Benefits	95,008	-	106,706	177,362
Internal Service Charges	-	-	-	-
Operating Expense	172,807	-	105,248	315,940
Fund Expenditures	267,815	-	211,954	493,302
Revenues	359,449	-	218,402	493,302
Fund Revenues	359,449	-	218,402	493,302
Total Other Funds				
Salaries & Benefits	186,990	232,280	229,367	330,645
Internal Service Charges	7,274	5,372	5,372	6,554
Operating Expense	178,166	174,750	424,923	555,690
Total Other Funds Expenditures	372,430	412,402	659,662	892,889
Revenues	4,207,002	338,400	368,402	831,502
Total Other Fund Revenues	4,207,002	338,400	368,402	831,502

Police Department



POLICE DEPARTMENT

Description/Purpose

The Fountain Valley Police Department partners with the community to promote public safety to the residents, businesses and visitors of the City. Headed by the Police Chief, the Department is organized into two divisions: the Patrol Division and the Support Services Division. Both Divisions share the responsibility for the prevention, detection and investigations of crime.

The Patrol Division includes uniformed Patrol Officers, Traffic Officers, Police Services Officers, K-9 Officers, S.W.A.T. Team Members, Field Training Program and Senior Officer Program.

The Patrol Division consists of 30 uniformed Police Officers, 6 Sergeants and 2 Lieutenants who provide service to the community 24 hours a day, 365 days a year. Uniformed Patrol Officers are first responders and as such are the City's first line of defense against the criminal element. Using a data-driven approach to crime and traffic safety, or COMPSTAT, Patrol personnel focus on locations and times where crime is likely to occur. By analyzing crime data and identifying emerging crime and traffic safety trends, Officers are better positioned to focus our crime-fighting and safety-promoting efforts.

The Traffic Bureau consists of 1 Sergeant and 1 Motor Officer who are committed to promoting the safest and most efficient traffic flow throughout our City. Traffic Officers regularly conduct DUI checkpoints and saturation patrols throughout the year to keep our streets safe.

The Police Services Officers (PSOs) are non-sworn employees who assist Patrol and Traffic Officers in the field. PSO's duties include taking crime and traffic collision reports, traffic control, conducting CSI and issuing parking citations. This way, PSOs free up sworn personnel to concentrate on crime fighting and traffic safety.

Two K-9 Officers and their partners undergo extensive training prior to being assigned to Patrol. K-9 Officers and their partners are used to track and locate hidden suspects, apprehend fleeing felons or locate hidden firearms and narcotics.

We are members of the West County Special Weapons and Tactics (SWAT) Team, a regional effort serving the cities of Cypress, Los Alamitos, Westminster, Seal Beach and Fountain Valley. West County SWAT consists of Tactical Officers, Crisis Negotiators and Tactical Dispatchers. The Tactical Officers Unit is comprised of tactical paramedics, containment, react/entry and long range marksmen. This group of specially trained and highly skilled personnel are utilized where needed to deal with high-risk incidents, such as barricaded suspects, active shooters, hostage situations and to serve high-risk search and/or arrest warrants. The goal of the Team is to resolve these incidents peacefully.

POLICE DEPARTMENT

Field Training Officers provide the primary training for newly hired Officers. This intensive four-month process prepares the individual to work as a solo beat Officer.

Our Senior Officer Program is designed to develop more experienced Officers for future leadership positions and to serve as supervisors in the absence of a Sergeant.

The Support Services Division includes the Records Bureau, Dispatch Center, Detective Bureau, Crime Suppression Unit, CSI Unit, Crime Analyst, Property and Evidence Unit, Personnel and Training and Crime Prevention.

The Records Bureau consists of 5 Records Specialists, 5 Cadets and 1 Community Services Officer. These personnel are responsible for maintaining arrest records, crime reports, traffic citations and collision reports, electronically filing arrest reports for court, complying with Public Records Act requests, transmitting required crime reporting to the Department of Justice and assisting the public.

Our Dispatch Center consists of 10 Dispatchers and is staffed 24 hours a day, 365 days per year. Police Dispatchers are the first person one speaks to when dialing 911. We annually process approximately 83,500 phone calls and approximately 45,900 incidents. These incidents include Officer-initiated activities, responding to public requests for assistance and other activities entered into our Computer Aided Dispatch system. Dispatchers frequently provide referrals, offer solutions or educate the caller, which alleviates the need for Police response.

The Detective Bureau is led by a Lieutenant and consists of General Investigations, Crime Suppression Unit, Crime Analysis, Court Liaison, Crime Scene Investigations and Property and Evidence.

General Investigations is staffed by 1 Sergeant, a Court Liaison and 5 Detectives assigned to conduct secondary investigations involving crimes against people, property crimes, fraud or sex crimes. The Detectives solve crimes through crime analysis, the use of crime databases, follow-up interviews and the results of CSI. The Court Liaison assists as the communication link between the Department and Courts.

The Crime Suppression Unit (CSU) is staffed by 1 Sergeant and 4 Detectives. CSU's responsibilities include surveillance and tracking repeat offenders, impacting emerging crime trends such as narcotics violations, vice and gang and graffiti crimes.

The Crime Analyst identifies emerging crime patterns and trends, conducting in-depth crime trend analysis and tracking repeat offenders that live in or frequent the City. The Crime Analyst develops intelligence information to assist Detectives in identifying crime suspects and helps Police supervision identify where Police resources should be focused to apprehend or thwart criminals.

POLICE DEPARTMENT

The Crime Scene Investigations Technician responds to crime scenes and documents, collects and conducts forensic analysis of evidence needed to solve crimes.

The Property and Evidence Clerk maintains the integrity of approximately 5,000 pieces of new evidence each year. This evidence is used to assist in the prosecution of criminal cases.

The Personnel and Training Sergeant is responsible for the recruitment and hiring of Department personnel, and managing the extensive background investigation, polygraph, psychological and medical screening processes. The Personnel and Training Sergeant is responsible for ensuring our personnel maintain State-mandated training and supervises Crime Prevention, which includes our volunteer programs, Neighborhood Watch and Retired Senior Volunteers.

Other volunteer programs include Police Chaplains, Radio Amateur Civil Emergency Service (R.A.C.E.S.) and Police Explorers. Together all of these volunteers play a vital role, providing a way for the Department to connect with the community.

The different attributes of these Divisions are designed to complement and strengthen the capabilities of the entire Department team, as they work together to fulfill the Police Department Mission of protecting life and safeguarding property.

Mission Statement

Members of the Fountain Valley Police Department will demonstrate the Courage to protect life and property in our community. Our Duty is to provide the highest quality of service in a fair, impartial and ethical manner. Our Commitment is to take a leadership role in providing for public safety and quality of life in a manner that will preserve the public trust.

Status of Major Department Goals From the Prior 2017-18 Fiscal Year

- Increased Our Interaction with the Public
 - Improved our effectiveness through social media by creating Instagram and Twitter accounts
- Improved Our Recruitment for All Positions
 - Increased recruitment efforts
 - Utilized PD Investigator to complete background investigations
 - Improved/shortened time to complete background investigations
- Selected and installed new surveillance system at City Hall and the Police Department

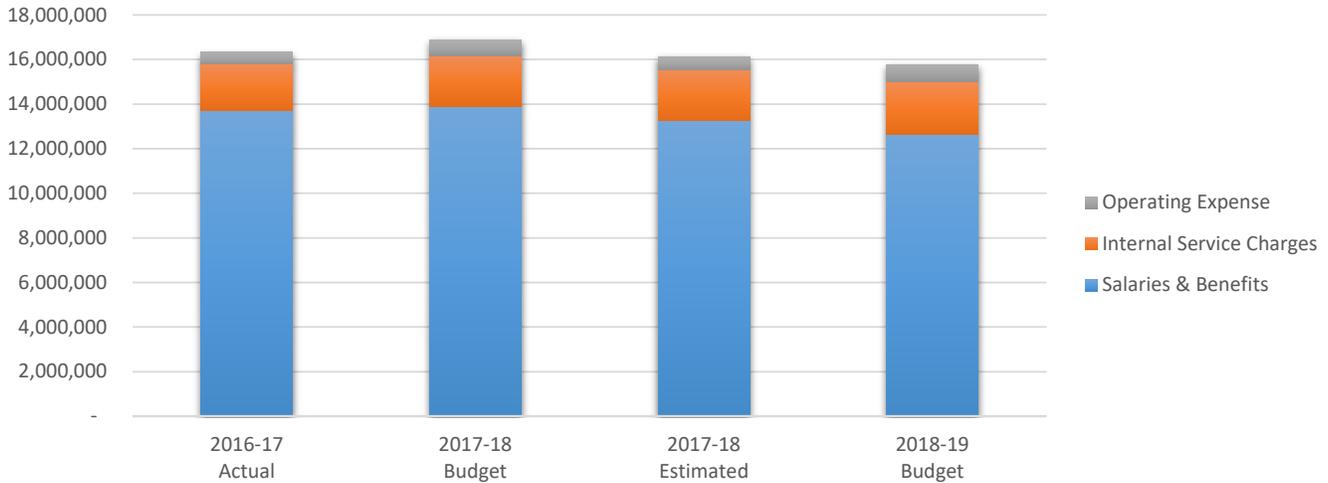
POLICE DEPARTMENT

- Upgraded Dispatch 9-1-1 telephone and audio log systems by utilizing State 9-1-1 funds (in-progress)
- Remodeled Dispatch radio consoles and furniture using a combination of State 9-1-1 and City Capital Replacement funds (in-progress)
- Selected and purchased a new Department duty handgun (training in progress)
- Celebrated the Police Department 50th Anniversary
- Implemented 3/12 work schedule for Patrol Officers

2018-19 Department Goals

- Hire Police Officers
- Train new Captain, Lieutenant, Sergeant and Corporal
- Remodel men's and women's locker rooms/bathrooms
- Purchase and deploy body worn cameras
- Re-establish Crime Suppression Unit
- Re-establish Traffic Motor Officer Unit

Police Department	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Total Police Department (All Funds)				
Salaries & Benefits	13,698,590	13,908,002	13,263,070	12,658,485
Internal Service Charges	2,093,099	2,278,903	2,278,903	2,361,506
Operating Expense	530,350	683,163	581,305	759,719
Total Police Department Expenditures	16,322,039	16,870,068	16,123,278	15,779,710
Revenues	862,762	701,500	741,127	734,500
Total Police Department Revenues	862,762	701,500	741,127	734,500



General Fund

Patrol

Salaries & Benefits	7,954,451	8,175,119	7,702,279	7,615,800
Internal Service Charges	1,072,146	1,190,027	1,190,027	1,226,753
Operating Expense	118,952	193,330	162,920	249,300
Program Expenditures	9,145,549	9,558,476	9,055,226	9,091,853
Revenues	10,521	8,000	9,000	8,000
Program Revenues	10,521	8,000	9,000	8,000

S.W.A.T.

Salaries & Benefits	98,506	95,621	103,276	85,175
Internal Service Charges	14,617	16,891	16,891	16,986
Operating Expense	6,909	8,977	10,173	10,173
Program Expenditures	120,032	121,489	130,340	112,334

Canine

Salaries & Benefits	365,776	385,312	452,035	331,886
Internal Service Charges	75,323	75,323	75,323	77,273
Operating Expense	10,160	10,160	10,200	10,160
Program Expenditures	451,259	470,795	537,558	419,319

Traffic

Salaries & Benefits	415,384	411,377	438,832	350,539
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Police Department	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Internal Service Charges	145,671	164,271	164,271	173,698
Operating Expense	225,987	252,886	207,196	276,460
Program Expenditures	787,042	828,534	810,299	800,697
Revenues	401,600	406,500	383,500	406,500
Program Revenues	401,600	406,500	383,500	406,500
Investigation				
Salaries & Benefits	3,136,268	3,046,402	2,809,039	2,522,847
Internal Service Charges	379,729	428,963	428,963	441,660
Operating Expense	72,257	105,030	102,713	100,846
Program Expenditures	3,588,254	3,580,395	3,340,715	3,065,353
Revenues	237,632	92,000	140,117	92,000
Program Revenues	237,632	92,000	140,117	92,000
Communications				
Salaries & Benefits	1,015,924	1,038,647	989,394	988,423
Internal Service Charges	98,279	112,502	112,502	115,583
Operating Expense	20,033	26,505	18,105	26,505
Program Expenditures	1,134,236	1,177,654	1,120,001	1,130,511
Records				
Salaries & Benefits	459,956	483,054	492,042	509,615
Internal Service Charges	283,340	262,880	262,880	281,774
Operating Expense	-	-	-	-
Program Expenditures	743,296	745,934	754,922	791,389
Revenues	67,685	60,000	55,000	60,000
Program Revenues	67,685	60,000	55,000	60,000
Crime Prevention				
Salaries & Benefits	149,586	157,301	161,967	134,146
Internal Service Charges	19,912	21,809	21,809	22,522
Operating Expense	15,648	17,850	10,030	17,850
Program Expenditures	185,146	196,960	193,806	174,518
Range				
Salaries & Benefits	7,448	8,130	8,224	6,839
Internal Service Charges	4,082	6,237	6,237	5,257
Operating Expense	42,481	51,425	42,968	51,425
Program Expenditures	54,011	65,792	57,429	63,521
General Fund Totals				
Salaries & Benefits	13,603,299	13,800,963	13,157,088	12,545,270
Internal Service Charges	2,093,099	2,278,903	2,278,903	2,361,506
Operating Expense	512,427	666,163	564,305	742,719
General Fund Expenditures	16,208,825	16,746,029	16,000,296	15,649,495

Police Department	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Revenues	717,438	566,500	587,617	566,500
General Fund Revenues	717,438	566,500	587,617	566,500

Other Funds

Criminal Diversion

Salaries & Benefits	311	-	-	-
Internal Service Charges	-	-	-	-
Operating Expense	17,923	17,000	17,000	17,000
Fund Expenditures	18,234	17,000	17,000	17,000
Revenues	16,000	15,000	8,510	48,000
Fund Revenues	16,000	15,000	8,510	48,000

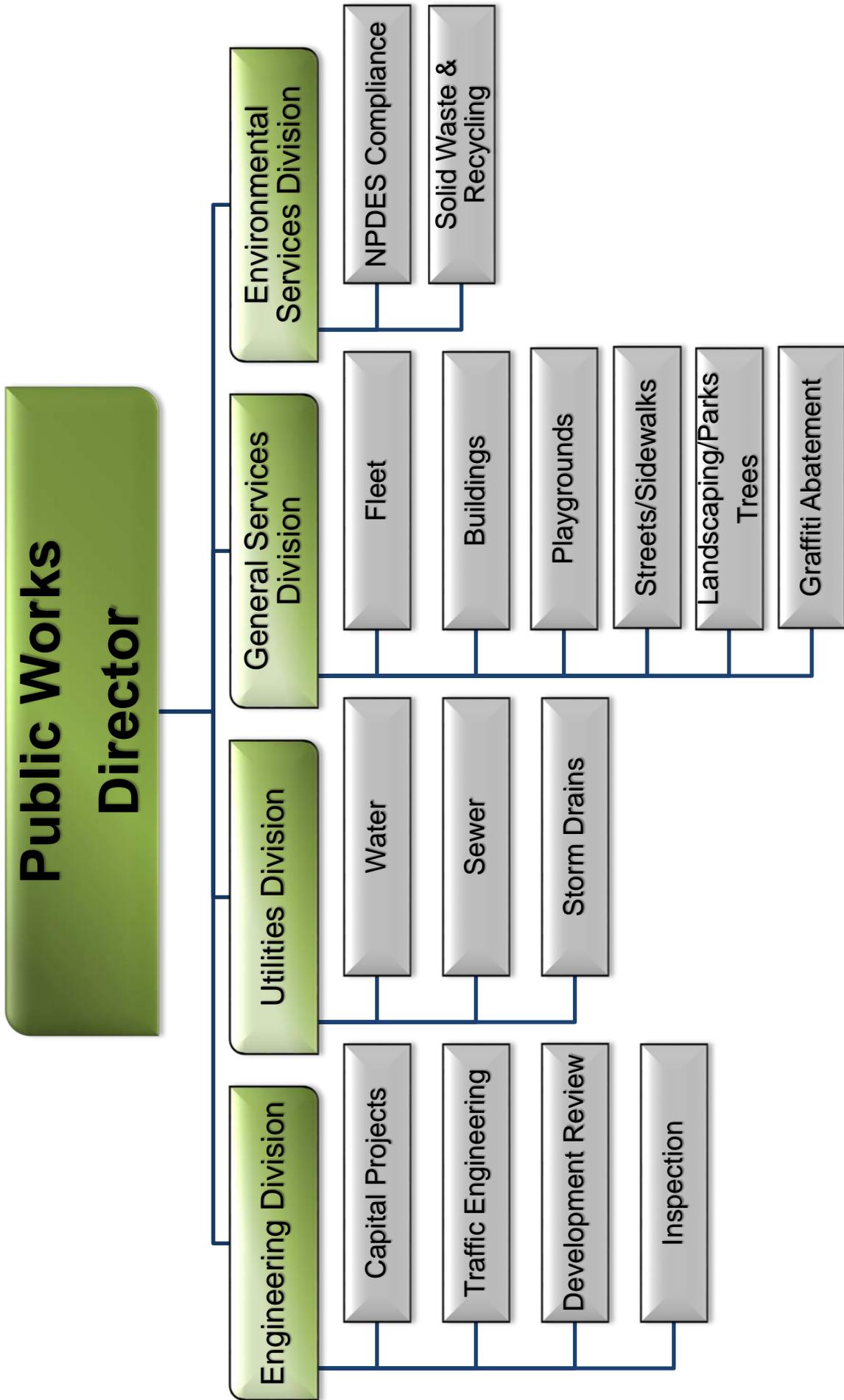
COPS/Supplemental Law

Salaries & Benefits	94,980	107,039	105,982	113,215
Internal Service Charges	-	-	-	-
Operating Expense	-	-	-	-
Fund Expenditures	94,980	107,039	105,982	113,215
Revenues	129,324	120,000	145,000	120,000
Fund Revenues	129,324	120,000	145,000	120,000

Total Other Funds

Salaries & Benefits	95,291	107,039	105,982	113,215
Internal Service Charges	-	-	-	-
Operating Expense	17,923	17,000	17,000	17,000
Total Other Funds Expenditures	113,214	124,039	122,982	130,215
Revenues	145,324	135,000	153,510	168,000
Total Other Fund Revenues	145,324	135,000	153,510	168,000

Public Works Department



PUBLIC WORKS

Description / Purpose

The Public Works Department provides a wide range of services essential to the community including the funding, planning, design, construction, operation and maintenance of:



Public Works also provides support to many internal City Departments and plays an integral part in a variety of community activities.

The Public Works Department employs 58 dedicated professionals in three (3) Department Divisions under the general supervision of the Director of Public Works, including Engineering Services, Field Services and Environmental Services.

Engineering Division:

The Public Works Engineering Division is led by the Deputy Public Works Director/City Engineer and is comprised of a dedicated staff of six engineering and inspection professionals which manage operate and facilitate the City's multi-million dollar Capital Improvement Program (CIP), Traffic Engineering Program, Development Review, permitting and Plan Check, ADA Coordination and Grant Fund Management. The Engineering Division is responsible for the planning, grant funding, design and construction of the City's CIP which includes arterial roadway rehabilitation, residential roadway rehabilitation, collector streets and industrial streets rehabilitation, sewer rehabilitation, sidewalk improvements, intersection and roadway capacity improvements, landscape/hardscape beautification, park and playground equipment improvements and traffic engineering. Engineering also manages development review and transportation planning efforts to ensure compliance with local, State and Federal engineering standards. This year, projects included the Crossings Specific Plan and it's EIR and Traffic Study, Fountain Valley Square, Warner Plaza, Welbrook Assisted Living, Fountain Valley Shops and several Accessible Dwelling Unit Improvement projects. Engineering also functions as the central point of contact for ADA compliance for public facilities and leads the State Disadvantage Business Enterprise (DBE) Program compliance.¹¹²

PUBLIC WORKS

The Engineering Division manages the City's state-of-the-art Traffic Management Center (TMC) and maintains the City's traffic signal network of 54 traffic signals, 18 miles of traffic signal fiber optics, inter-agency cooperative efforts with OCTA, OCSD, OCWD and neighboring cities.

The Engineering Division aggressively pursues and secures competitive Federal, State and County grant funding for City CIP projects including Measure "M", Federal ARRA, TEA, SSARP, ATP, CDBG, Prop 1B, and other State and Federal grant opportunities.

Field Services:

Field Services is led by the Field Services Manager and is comprised of the Utilities Division and General Services Division.

The Utilities Division includes the Water Division and Sewer/Storm Drain Division and is comprised of a dedicated staff of twenty-three water and sewer/storm drain professionals which manage and facilitate the City's multi-million dollar Water Fund, Water Capital Improvement Program, Sewer Fund and Storm Drain Maintenance Program.

The Water Division is responsible for maintaining the City's potable water system to ensure the safe and effective delivery of water to the City's residential and commercial customers. The division's programs include Water Distribution System Maintenance & Construction, Water Meter Maintenance & Repair, Water Meter Reading, Customer Service, Water Conservation, Cross Connection Control Program, Water Quality & Treatment, and Water Production Operations.

The Water Division also maintains a reclaimed water distribution system as part of the Green Acres Project (GAP) from OCWD.

The Sewer/Storm Drain Division is responsible for providing sewer and storm water collection service to all areas within the City boundaries. The division's programs include Sewer Maintenance & Construction, CCTV Inspections and Storm Drain Maintenance & Construction. The proper maintenance of these important City infrastructure components is a significant part of the City's public safety responsibility. The division is also responsible for providing services to maintain compliance with State required NPDES storm water regulations.

The General Services Division includes the Internal Services Division and Public Services Division and consists of a staff of twenty-six dedicated maintenance professionals that provide street, parks, public landscape, facilities and fleet maintenance services to the City of Fountain Valley.

The Internal Services Division is responsible for Fleet and Equipment Maintenance & Repair, Vehicle, Fuel & Oil Procurement, Government Building Maintenance & Repair, Playground Inspection, Maintenance & Repair, Indoor & Outdoor Lighting Maintenance & Repair, and Custodial Maintenance.

PUBLIC WORKS

The Public Services Division is responsible for Asphalt & Concrete Maintenance & Repair, Street Sweeping, Sign Maintenance & Repair, Graffiti Removal Program, Parks and Civic Facilities Landscape Maintenance, Fountain Valley Sports Park Landscape Maintenance, Median & Open Space Landscape Maintenance, Arterial Sidewalk Sweeping and Weed Removal, and Tree Trimming & Urban Forest Management.

Environmental Services Division:

The Environmental Services Division is administered by the Environmental Services Administrator where this division safeguards the community's environmental resources and ensures compliance with state and federal regulatory mandates for controlling water pollution, resource management, and energy efficiency.

Programs administered include:

- The Federal Clean Water Act for water pollution prevention and protection of local water resources (National Pollutant Discharge Elimination System – NPDES)
- The California Global Warming Solutions Act (AB 32) for reduction of greenhouse gas emissions
- Resource management (AB 939, AB 341, AB 1826, and AB 1521) for material reuse, recycling, and disposal
- State General Waste Discharge Requirements (GWDR) for sewer maintenance, overflow response, and reporting; and
- Administration of Air Quality Management District (AQMD) requirements for airborne pollutant regulations/clean air mandates, public education and regulatory compliance

The Environmental Services Division also manages special contracts and programs including the City's waste disposal and recycling contract, bus shelter maintenance, used oil collection program, beverage container recycling grant, and Neighborhood Cleanup events.

Mission Statement

Enriching Quality of Life and Building a Stronger Community through Clean Water, Safe Roads, Beautiful Parks and Accessible Public Facilities.

Status of Major Department Goals From the Prior 2017-18 Fiscal Year

- Provided quality drinking water to the community
- Maintained safe roads for the community and motoring public
- Provided and maintain beautiful parks for the community
- Maintained all City sidewalks, pathways and trails for the community
- Maintained and operated the City's vast sewer network
- Maintained and operated the City's vast drainage network

PUBLIC WORKS

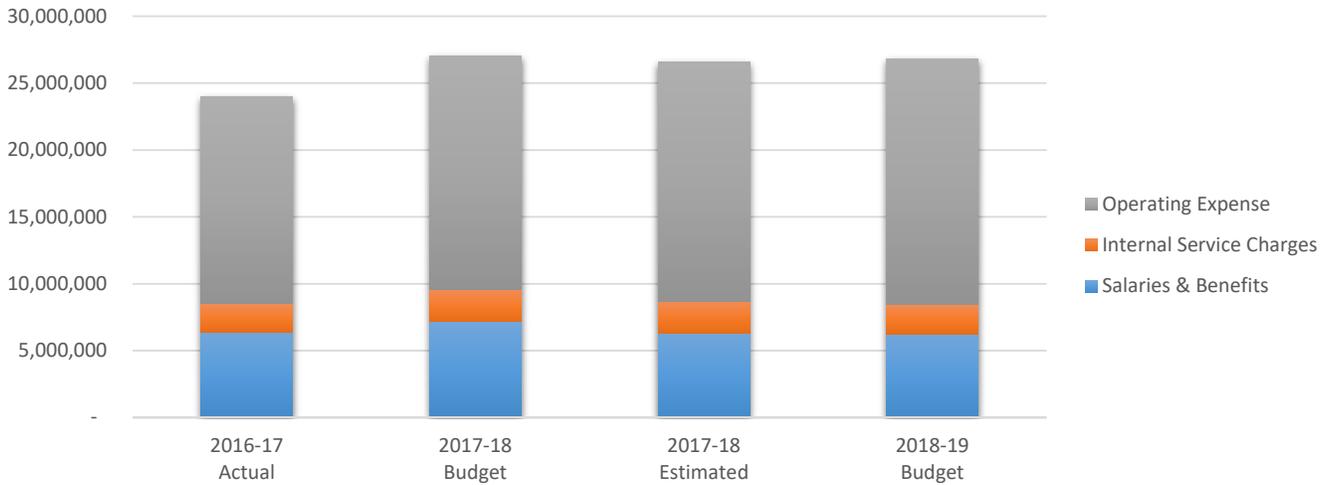
- Maintained the City's fleet of vehicles including Public Works, Fire, Police, Administration, Community Services, Planning and Pool vehicles
- Managed and operated all 54 traffic signals citywide via the Traffic Management Center
- Maintained all City Buildings
- Communications 800MHZ Upgrades
- Awarded the Citywide Arterial Median Landscape Project Design Contract
- Awarded the Construction Contract for the Exterior Improvements to Recreation Center Building.
- Completed Sports Park Field Renovation
- Completed Sports Park Playground Rubber Surfacing Rehabilitation
- Completed Residential Roadway Rehabilitation in the area of G2
- Completed Pavement Rehabilitation Harbor- SCL to NCL
- Completed Pavement Rehabilitation Edinger- NCL to SAR
- Completed Design for the Installation of Electric Vehicle Charging Stations Project
- Completed Rehabilitation of Sandalwood Pump Station
- Completed Sewer Manhole Rehabilitation in various locations
- Completed Sewer Structural Improvements in various locations
- Completed Design of Reservoir No. 2 Rehabilitation
- Completed Design for City's Well No. 10 Rehabilitation Improvement Project
- Completed Design for City's Well No. 12 Rehabilitation Improvement Project
- Completed Phase I of Pipeline Condition Assessments
- Completed Ellis Avenue Siphon Replacement Project
- Completed the City's Water Rate Study Project
- Completed the Water System Fiber Optic Network (SCADA)
- Complete the City's Water SCADA Fiber Management Program
- Completed Installation of Calsense Irrigation Timers
- Completed the Regional Traffic Signal Synchronization along Edinger Ave
- Completed the Regional Traffic Signal Synchronization along Warner Ave
- Completed the Regional Traffic Signal Synchronization along Talbert Ave
- Completed the Regional Traffic Signal Synchronization along Euclid Street
- Completed the Regional Traffic Signal Synchronization along Harbor Blvd
- Completed the Design of the Talbert-Mt. Washington Traffic Signal
- Completed the city's Local Circulator Study
- Completed the design of the Pavement Rehabilitation Improvements on Euclid Street from Slater Avenue to Warner Avenue
- Completed the fiber optic connections to Fire Station 1 and Fire Station 2
- Completed the Sports Park Playground Resurfacing in various locations

PUBLIC WORKS

2018-19 Department Goals

- Complete 800MHZ Upgrades
- Complete the Design of the School Area ADA Pedestrian Ramps
- Complete Residential Roadway Rehabilitation in the area of H2
- Complete the City's Pavement Management Yearly Planning
- Complete restriping in various locations
- Completed Sports Park Field Renovation
- Installation of one Audible Pedestrian Signal
- Complete the Regional Traffic Signal Synchronization along Magnolia Street
- Complete the Regional Traffic Signal Synchronization along Brookhurst
- Complete the Citywide Protected Permissive Left Turn traffic signal Study
- Complete the construction of the Pavement Rehabilitation Improvements on Euclid Street from Slater Avenue to Warner Avenue
- Drainage GIS mapping
- Complete the Construction Improvements for the City's Recreation Center Exterior Rehab Project
- Complete the Design of City's Sewer Structural Improvement Project in Various areas
- Complete the City's Electric Vehicle Charging Station Improvement Project
- Begin the Construction of City's Reservoir No. 2 Rehabilitation Improvement Project
- Complete the City's Residential Median Turf Conversion Project
- Complete the City's Arterial Median Landscape Project No. 1
- Complete the City's Annual Fire Hydrant Replacement Project
- Complete the Construction of the Talbert-Mt. Washington Traffic Signal
- Complete the design and construction of the Fire Station 2 Butler building

Public Works	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Total Public Works (All Funds)				
Salaries & Benefits	6,356,914	7,168,690	6,312,321	6,249,682
Internal Service Charges	2,176,529	2,391,057	2,379,430	2,233,279
Operating Expense	15,428,923	17,455,700	17,890,490	18,323,886
Total Public Works Expenditures	23,962,366	27,015,447	26,582,241	26,806,847
Revenues/Charges to Departments	23,330,489	23,701,183	23,961,079	26,038,498
Total Public Works Revenues	23,330,489	23,701,183	23,961,079	26,038,498



General Fund

Engineering

Salaries & Benefits	286,034	257,599	217,021	243,091
Internal Service Charges	167,400	185,113	185,113	188,883
Operating Expense	68,152	40,350	36,150	40,350
Program Expenditures	521,586	483,062	438,284	472,324
Revenues	283,242	122,500	375,550	224,500
Program Revenues	283,242	122,500	375,550	224,500

Traffic Engineering

Salaries & Benefits	251,434	204,759	206,139	207,027
Internal Service Charges	74,846	83,082	83,082	84,752
Operating Expense	1,739	2,900	2,495	2,900
Program Expenditures	328,019	290,741	291,716	294,679

Construction Inspection

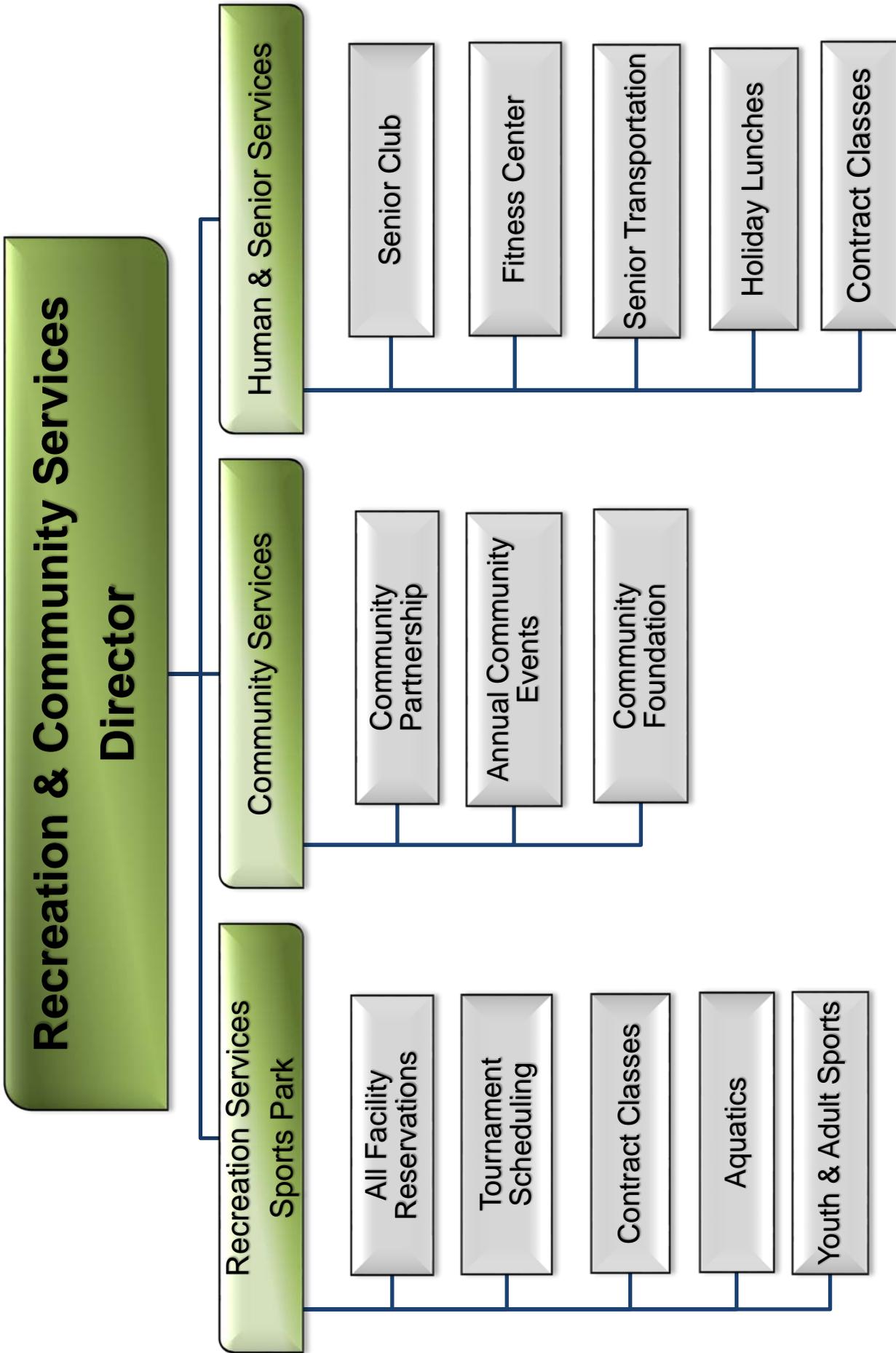
Salaries & Benefits	101,666	111,117	150,950	96,477
Internal Service Charges	56,626	65,416	65,416	63,416
Operating Expense	159	380	380	380
Program Expenditures	158,451	176,913	216,746	160,273
Revenues	23,085	15,000	10,500	15,000
Program Revenues	23,085	15,000	10,500	15,000

Public Works	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Street Lighting				
Salaries & Benefits	6,832	15,586	15,772	12,952
Internal Service Charges	8,424	8,759	8,759	8,713
Operating Expense	501,418	559,000	525,000	559,000
Program Expenditures	516,674	583,345	549,531	580,665
Right of Ways				
Salaries & Benefits	169,159	189,239	158,846	154,447
Internal Service Charges	86,607	104,130	104,130	95,730
Operating Expense	282,646	280,109	285,020	309,122
Program Expenditures	538,412	573,478	547,996	559,299
Revenues	3,954	3,000	3,000	3,000
Program Revenues	3,954	3,000	3,000	3,000
Tree Maintenance				
Salaries & Benefits	78,555	75,554	47,480	98,385
Internal Service Charges	82,299	100,674	100,674	92,297
Operating Expense	310,394	271,491	263,350	280,865
Program Expenditures	471,248	447,719	411,504	471,547
Revenues	20,717	10,000	12,000	10,000
Program Revenues	20,717	10,000	12,000	10,000
Park Maintenance				
Salaries & Benefits	269,931	279,371	249,112	183,160
Internal Service Charges	93,468	99,233	99,233	91,224
Operating Expense	432,993	488,882	483,604	538,882
Program Expenditures	796,392	867,486	831,949	813,266
Concrete Maintenance				
Salaries & Benefits	269,954	292,554	268,617	297,112
Internal Service Charges	154,174	170,287	170,287	153,702
Operating Expense	15,316	26,325	25,950	26,325
Program Expenditures	439,444	489,166	464,854	477,139
Pavement Maintenance				
Salaries & Benefits	274,542	304,166	273,941	316,602
Internal Service Charges	162,322	175,255	175,255	157,894
Operating Expense	82,190	89,725	83,400	89,950
Program Expenditures	519,054	569,146	532,596	564,446
Storm Drain Maintenance				
Salaries & Benefits	426,990	437,514	422,035	365,242
Internal Service Charges	59,220	71,673	71,673	64,830
Operating Expense	70,049	92,500	82,050	92,500
Program Expenditures	556,259	601,687	575,758	522,572
Revenues	155,335	114,860	116,405	114,860
Program Revenues	155,335	114,860	116,405	114,860

Public Works	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Traffic Control				
Salaries & Benefits	257,297	294,218	288,917	203,000
Internal Service Charges	143,876	159,695	159,695	142,611
Operating Expense	206,741	214,000	206,450	214,000
Program Expenditures	607,914	667,913	655,062	559,611
Street Sweeping				
Salaries & Benefits	5,472	13,366	12,808	15,595
Internal Service Charges	10,766	12,694	12,694	12,455
Operating Expense	302,261	308,000	306,271	320,000
Program Expenditures	318,499	334,060	331,773	348,050
Recreation Center				
Salaries & Benefits	126,230	145,414	160,541	180,015
Internal Service Charges	245,137	241,890	241,890	219,464
Operating Expense	443,900	518,600	508,577	526,355
Program Expenditures	815,267	905,904	911,008	925,834
Graffiti Removal				
Salaries & Benefits	71,918	110,539	63,656	111,244
Internal Service Charges	89,419	75,293	75,293	73,135
Operating Expense	6,631	5,200	9,350	10,200
Program Expenditures	167,968	191,032	148,299	194,579
General Fund Totals				
Salaries & Benefits	2,596,014	2,730,996	2,535,835	2,484,349
Internal Service Charges	1,434,584	1,553,194	1,553,194	1,449,106
Operating Expense	2,724,589	2,897,462	2,818,047	3,010,829
General Fund Expenditures	6,755,187	7,181,652	6,907,076	6,944,284
Revenues	486,333	265,360	517,455	367,360
General Fund Revenues	486,333	265,360	517,455	367,360
Other Funds				
Pollution Reduction				
Salaries & Benefits	731	774	784	669
Internal Service Charges	-	-	-	-
Operating Expense	-	2,000	-	2,000
Fund Expenditures	731	2,774	784	2,669
Revenues	76,483	72,000	73,000	74,000
Fund Revenues	76,483	72,000	73,000	74,000

Public Works	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Government Buildings (Internal Service)				
Salaries & Benefits	463,529	550,714	551,921	535,912
Internal Service Charges	-	-	-	-
Operating Expense	808,119	1,001,824	835,267	1,057,033
Fund Expenditures	1,271,648	1,552,538	1,387,188	1,592,945
Revenues/Charges to Departments	1,591,349	1,569,272	1,669,929	1,870,593
Fund Revenues	1,591,349	1,569,272	1,669,929	1,870,593
Fleet Management (Internal Service)				
Salaries & Benefits	464,076	513,854	422,796	509,818
Internal Service Charges	4,398	28,407	28,407	20,437
Operating Expense	362,607	587,900	433,612	455,400
Fund Expenditures	831,081	1,130,161	884,815	985,655
Revenues/Charges to Departments	1,925,045	1,953,802	1,856,940	2,027,575
Fund Revenues	1,925,045	1,953,802	1,856,940	2,027,575
Sewer Fund				
Salaries & Benefits	593,718	614,385	605,150	515,512
Internal Service Charges	258,326	243,989	243,989	213,227
Operating Expense	102,767	92,200	75,723	84,334
Fund Expenditures	954,811	950,574	924,862	813,073
Revenues	2,018,434	2,080,457	2,078,419	2,157,580
Fund Revenues	2,018,434	2,080,457	2,078,419	2,157,580
Water Fund				
Salaries & Benefits	2,238,846	2,757,967	2,195,835	2,203,422
Internal Service Charges	479,221	565,467	553,840	550,509
Operating Expense	8,434,755	9,649,314	10,502,841	10,489,290
Fund Expenditures	11,152,822	12,972,748	13,252,516	13,243,221
Revenues	13,995,268	14,535,292	14,540,336	16,316,390
Fund Revenues	13,995,268	14,535,292	14,540,336	16,316,390
Solid Waste				
Salaries & Benefits	-	-	-	-
Internal Service Charges	-	-	-	-
Operating Expense	2,996,086	3,225,000	3,225,000	3,225,000
Fund Expenditures	2,996,086	3,225,000	3,225,000	3,225,000
Revenues	3,237,577	3,225,000	3,225,000	3,225,000
Fund Revenues	3,237,577	3,225,000	3,225,000	3,225,000
Total Other Funds				
Salaries & Benefits	3,760,900	4,437,694	3,776,486	3,765,333
Internal Service Charges	741,945	837,863	826,236	784,173
Operating Expense	12,704,334	14,558,238	15,072,443	15,313,057
Total Other Funds Expenditures	17,207,179	19,833,795	19,675,165	19,862,563
Revenues	22,844,156	23,435,823	23,443,624	25,671,138
Total Other Fund Revenues	22,844,156	23,435,823	23,443,624	25,671,138

Recreation & Community Services Department



RECREATION AND COMMUNITY SERVICES

Description / Purpose

The Recreation & Community Services Department facilitates community enrichment by providing quality programs, services, and recreation opportunities that create positive and memorable experiences. The Department heightens the quality of life and sense of place for Fountain Valley residents by organizing and implementing over 18 major community events while also promoting health and wellness through a variety of athletic leagues and programs. In addition to physical benefits, the Recreation and Community Services Department fosters human development with its summer aquatics programs and camps, Human and Senior Services, and recreational opportunities.

The Recreation and Community Services Department operates the City of Fountain Valley Recreation Center and Sports Park and The Center at Founders Village Senior and Community Center. These facilities service over 425,000 patrons annually and support economic and community development by hosting regional and national community events and athletic tournaments.

The Department engages the community through progressive collaborations with local businesses, service organizations, educational and athletic school groups, and nonprofit organizations. Through these collaborations, programs, and services the Recreation and Community Services Department is truly a catalyst for creating community in Fountain Valley!

Parks Make Life Better in Fountain Valley!

Mission Statement

The Fountain Valley Recreation and Community Services Department, in collaboration with our community partners, enriches lives by providing quality programs, human services and recreational opportunities that create positive and memorable experiences.

Status of Major Department Goals From the Prior 2017-18 Fiscal Year

- City of Fountain Valley 60th Anniversary Celebration 1957 – 2017
 - Completed – The City Council approved the creation of an Ad Hoc committee, 60th anniversary logo, and provided specific direction on celebrations and community engagement tools to highlight the City's 60th anniversary. Events included the 60th Anniversary Celebration Parade and the Hyundai Fireworks Spectacular.
- Provide the community an annual anniversary celebration (Summerfest) to promote community togetherness and sense of place
 - Completed (*Annually*) – The City in conjunction with a volunteer committee board provide the community with a 4 day anniversary celebration. The 2017 event generated over \$110,000 in revenue through sponsorship, vendors, food/drink sales, and carnival riders.

RECREATION AND COMMUNITY SERVICES

- Provided the community a comprehensive sponsorship packet in collaboration with the Fountain Valley Community Foundation promoting progressive collaborations between public, private and nonprofit organizations
 - Completed (*Annually*) – In conjunction with the Fountain Valley Community Foundation, the Recreation and Community Services Department offered sponsorship opportunities to over 18 community events
- Maximize field use in conjunction with established maintenance needs creating a safe playing environment
 - Completed (*Annually*) – Established a yearly field closure schedule for maintenance and renovation, and assist Public Works in adhering to a turf/soil study provided by a professional field consultant
- Further develop ridership for the Senior “Hop On” Transportation program Completed (*Annually*) – The Senior Transportation program hit an all-time high in ridership in FY 17-18 highlight by over 690 individual trips in January 2018.

Other Key Projects Completed During Fiscal Year Include:

- Facilitated over 500 recreational classes and programs for over 4,200 community participants
- Provided meals two days per week to serve over 9,000 meals to the senior community
- Reorganized the staffing structure of the Recreation & Community Services Department to provide for sustainable programs and services to enhance the quality of life in Fountain Valley
- Transitioned the Department's internally hosted recreation software system to a cloud based hosted solution (RecTrac 3.1) limiting capital replacement cost and staff resources
- Generated over \$50,000 in sponsorship, donations, and revenues to offset the cost of special events at the Senior Center
- Maintained professional collaborations with Huntington Beach Adult School and Coastline Community College to provide educational programs to the senior community
- Provided jurisdictional support services to the County of Orange for the annual Tet Festival at Mile Square Regional Park
- Maintained professional collaborations with Fountain Valley Regional

RECREATION AND COMMUNITY SERVICES

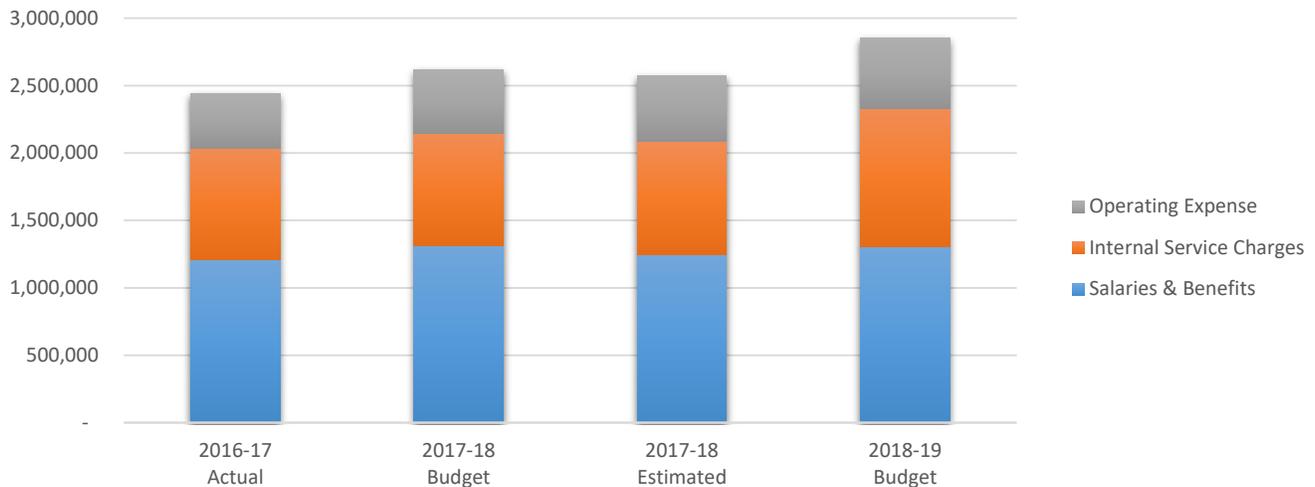
Hospital, Orange Coast Memorial Medical Center, and other local health care agencies to provide educational and health related programs to the senior community

- Provided affordable transportation to over 700 seniors living in Fountain Valley who are no longer able to provide their own transportation
- Facilitate sponsorship funding of over \$43,500 to successfully implement over 18 major community events including the Easter Egg Hunt, Concerts in the Park, Senior Expo, and the Annual Tree Lighting ceremony
- Provided to the community a complete American Red Cross water safety swim program at Fountain Valley High School.
- Provided field space for youth and adult user groups ranging from AYSO, Little League, Pony, and Girls Fastpitch to local and national adult and youth tournaments.

2018-19 Department Goals

- Collaborate with the community partners to provide over 18 major community events annually - Annually (*Strategic Issue: Enhance Community Outreach and Engagement*)
- Develop a multicultural community event to showcase and engage the current demographic of the Fountain Valley community - (*Strategic Issue: Enhance Community Outreach and Engagement*)
- Continue to facilitate a professional relationship with the Fountain Valley Community Foundation through collaboration on select special events, class scholarships and as a Board of Directors representative - Annually (*Strategic Issue: Achieve financial stability/Outreach and Engagement*)
- Provide to the community a wide variety of Recreational and Human Service programs/classes for all ages - Annually (*Strategic Issue: Enhance Community Outreach and Engagement*)
- Continue to collaborate with local hospitals and medical centers to provide educational and health related programs to our senior community - Annually (*Strategic Issue: Enhance Community Outreach and Engagement*)
- Develop a funding strategy to address the annual increases to California's Minimum Wage through revenue enhancements - Annually (*Strategic Issue: Achieve financial stability*)
- Further develop ridership for the Senior "Hop On" Transportation program - Annually (*Strategic Issue: Enhance Community Outreach and Engagement*)

Recreation & Community Services	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Total Recreation & Community Services (All Funds)				
Salaries & Benefits	1,206,452	1,310,437	1,246,760	1,302,295
Internal Service Charges	828,975	836,566	836,566	1,029,356
Operating Expense	404,788	467,735	488,814	520,959
Total Recreation & Community Services Ex	2,440,215	2,614,738	2,572,140	2,852,610
Revenues	1,495,202	1,378,698	1,391,006	1,426,077
Total Recreation & Community Services Re	1,495,202	1,378,698	1,391,006	1,426,077



General Fund

Athletics

Salaries & Benefits	115,311	130,697	122,164	131,909
Internal Service Charges	164,804	161,011	161,011	200,060
Operating Expense	76,903	90,155	84,753	90,155
Program Expenditures	357,018	381,863	367,928	422,124
Revenues	167,874	145,000	149,049	145,000
Program Revenues	167,874	145,000	149,049	145,000

Field Operations

Salaries & Benefits	132,678	123,616	127,727	124,066
Internal Service Charges	80,965	83,271	83,271	101,525
Operating Expense	16,040	16,630	16,430	16,630
Program Expenditures	229,683	223,517	227,428	242,221
Revenues	397,774	315,000	327,495	315,000
Program Revenues	397,774	315,000	327,495	315,000

Annual Festivals

Salaries & Benefits	27,185	34,427	25,646	34,460
Internal Service Charges	-	-	-	-
Operating Expense	50,335	44,500	44,500	44,500
Program Expenditures	77,520	78,927	70,146	78,960
Revenues	94,669	88,582	88,582	88,582

Recreation & Community Services	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Program Revenues	94,669	88,582	88,582	88,582
Aquatics				
Salaries & Benefits	57,744	72,164	57,874	75,281
Internal Service Charges	29,458	38,004	38,004	36,234
Operating Expense	12,408	20,025	16,881	20,025
Program Expenditures	99,610	130,193	112,759	131,540
Revenues	30,618	60,000	42,000	60,000
Program Revenues	30,618	60,000	42,000	60,000
Recreation & Tennis Center				
Salaries & Benefits	162,034	177,636	168,246	180,439
Internal Service Charges	192,650	192,799	192,799	241,322
Operating Expense	14,151	18,695	16,848	32,232
Program Expenditures	368,835	389,130	377,893	453,993
Revenues	91,454	72,500	56,471	65,500
Program Revenues	91,454	72,500	56,471	65,500
Community & Senior Center				
Salaries & Benefits	275,452	319,964	308,710	303,998
Internal Service Charges	192,981	197,857	197,857	240,935
Operating Expense	64,954	103,190	87,199	94,290
Program Expenditures	533,387	621,011	593,766	639,223
Revenues	147,278	177,300	162,000	182,000
Program Revenues	147,278	177,300	162,000	182,000
Contract Classes				
Salaries & Benefits	336,373	340,423	329,032	340,706
Internal Service Charges	81,416	79,217	79,217	101,014
Operating Expense	43,491	49,040	48,371	49,040
Program Expenditures	461,280	468,680	456,620	490,760
Revenues	437,316	372,400	369,800	372,400
Program Revenues	437,316	372,400	369,800	372,400
Special Events				
Salaries & Benefits	78,802	89,042	85,584	88,173
Internal Service Charges	86,701	84,407	84,407	108,266
Operating Expense	63,172	43,500	46,500	46,755
Program Expenditures	228,675	216,949	216,491	243,194
Revenues	43,150	43,500	46,500	47,000
Program Revenues	43,150	43,500	46,500	47,000
Senior Transportation				
Salaries & Benefits	20,873	22,468	21,777	23,263

Recreation & Community Services	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Internal Service Charges	-	-	-	-
Operating Expense	63,334	82,000	127,332	127,332
Program Expenditures	84,207	104,468	149,109	150,595
Revenues	85,069	104,416	149,109	150,595
Program Revenues	85,069	104,416	149,109	150,595
General Fund Totals				
Salaries & Benefits	1,206,452	1,310,437	1,246,760	1,302,295
Internal Service Charges	828,975	836,566	836,566	1,029,356
Operating Expense	404,788	467,735	488,814	520,959
General Fund Expenditures	2,440,215	2,614,738	2,572,140	2,852,610
Revenues	1,495,202	1,378,698	1,391,006	1,426,077
General Fund Revenues	1,495,202	1,378,698	1,391,006	1,426,077

SUCCESSOR AGENCY

Description / Purpose

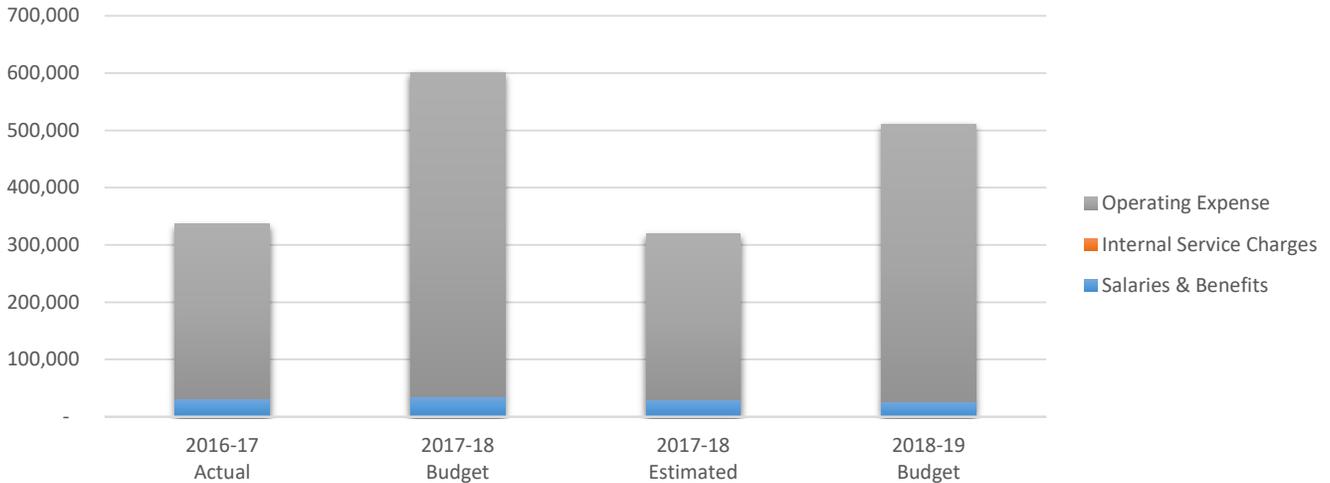
The activities for the Successor Agency are directly tied to the dissolution of Redevelopment under ABx1 26 effective February 2012. Ongoing dissolution activities are now linked to the semi-annual Recognized Obligation Payment Schedule (ROPS) which must be approved by the Oversight Board and the California Department of Finance (DOF).

The 2018-19 ROPS schedules (July 1, 2018 through June 30, 2019) were approved by Department of Finance on April 6, 2018. The 2019-20 ROPS are due to DOF by February 1, 2019 and are estimates which will be subject to DOF final approval.

The Successor budget reflects the actual and projected activities for the 2018-19 fiscal year which include ROPS 2018-19 DOF approved items:

DESCRIPTION	AMOUNT
OPA Fry's	\$250,000
Palm Island Development Agreement	\$100,000
Administration (Legal, Staffing)	\$160,000
TOTAL	\$560,000

FV Successor Agency to the FVACD	2016-17 Actual	2017-18 Budget	2017-18 Estimated	2018-19 Budget
Total Successor Agency				
Salaries & Benefits	31,391	35,796	30,532	26,017
Internal Service Charges	-	-	-	-
Operating Expense	304,804	564,484	288,228	483,983
Total Successor Agency Expenditures	336,195	600,280	318,760	510,000
Revenues	577,251	375,000	547,022	80,000
Total Successor Agency Revenues	577,251	375,000	547,022	80,000



Successor Agency Fund

Successor Agency

Salaries & Benefits	31,391	35,796	30,532	26,017
Internal Service Charges	-	-	-	-
Operating Expense	304,804	564,484	288,228	483,983
Program Expenditures	336,195	600,280	318,760	510,000
Revenues	577,251	375,000	547,022	80,000
Program Revenues	577,251	375,000	547,022	80,000

Successor Fund Total

Salaries & Benefits	31,391	35,796	30,532	26,017
Internal Service Charges	-	-	-	-
Operating Expense	304,804	564,484	288,228	483,983
Fund Expenditures	336,195	600,280	318,760	510,000
Revenues	577,251	375,000	547,022	80,000
Fund Revenues	577,251	375,000	547,022	80,000

ANNUAL CAPITAL PROGRAMS

Introduction

The Ten-Year Strategic Financial Plan includes forecasting for both major capital public improvements and the annual capital replacement and/or maintenance of government buildings, equipment, fleet, and IT technology. This section looks at the current fiscal years capital projects and Internal Service Fund replacement needs.

Capital Projects

Each year as part of the regular budget process, the Capital Improvement Plan is updated allowing the City to re-evaluate its priorities and needs each subsequent year based upon the most current revenue and cost projections. Current fiscal year capital projects are requested by the departments based on the updated CIP. The requests are reviewed and evaluated by the City Manager's Office to ensure the City's priorities are in sync with current infrastructure needs, financial capacity of the city, and impact the projects will have on the City's operating budget. The funding is ultimately approved by the City Council as part of the budget adoption.



Funding for approved current capital projects are appropriated within the current fiscal year budget. For any multi-year projects that are not completed at fiscal year-end then a continuing appropriation for the unspent balance will be included in the next budget. In general, the Capital Program budget provides funding for infrastructure construction and rehabilitation, while the operating budget and other special funds provide funding for routine infrastructure maintenance. The Capital project budget functions as an extension of the City's ten-year long-term capital improvement plan.

Types of Capital Improvement Projects

Fountain Valley places a high priority on infrastructure construction, improvements and rehabilitation and maintenance. Projects are selected, planned and designed emphasizing practices that prevent deterioration and costly remediation efforts. This strategy extends the useful life of infrastructure improvements and provides long-term savings.

Improvements: Plans to improve specific areas each year. This may include such projects as signal upgrades, road widening, ADA compliant updates, or other public improvements.

Rehabilitation: Plans to manage rehabilitation concentrate on specific areas each year, enabling cost management through economies of scale. This permits the City to pay for current maintenance and rehabilitation, while anticipating and planning for future needs.

ANNUAL CAPITAL PROGRAMS

Fountain Valley spends millions of dollars each year for preventive maintenance, including storm drain inspection and cleaning; graffiti and litter removal; mowing; tree trimming; and regular upkeep of traffic signals. Proper attention to preventive maintenance extends the useful life of the City's assets and prevents expensive structural problems.

New Construction: New construction projects preserve and enhance the City's ability to serve the community and sustain Fountain Valley's growth.

Annual Capital Replacement Expenditures (ISF)



All city assets related to government buildings; equipment, tools, office furniture; information technology; and rolling fleet are listed in a ten-year replacement or maintenance schedule utilizing Internal Service Funds for each asset category. An annual review and update of the City's needs have been completed and the Fiscal Year 2016-17 reflects those capital replacement items that need to be purchased.

Budget Detail – Annual Capital Improvement Projects & Capital Replacement

Fiscal Year 2018-19 Capital Improvement Project Expenditures:

Expenditures consist of non-routine capital infrastructure improvements, rehabilitation projects, new construction and continuing appropriations from multi-year projects. Due to the long construction periods of most significant CIP projects, capital expenditures tend to span several years, and consequently, a line item of \$18.5 million has been incorporated in the table to account for continuing appropriations and represent 17 of the 48 projects listed in the CIP budget table. These continuing projects are re-evaluated annually during the fiscal year-end review process.

The Fiscal Year 2018-19 budget funds 48 projects totaling \$29.4 million as detailed in Table 1. Eighteen of which are part of the City's infrastructure rehabilitation program; three projects are classified as new construction or design and eight are improvements to existing infrastructure. These projects allow the City to continue to focus on the City Council's strategic goal of *"maintain and enhance infrastructure and facilities"* by allocating funding for infrastructure and rehabilitation projects to maintain the City's aesthetics and preserve its infrastructure assets at a high level.

ANNUAL CAPITAL PROGRAMS

Table 1 - Capital Improvement Project Expenditures

CIP – Carryover (Continuing Appropriation)	\$18,490,039
CIP – Improvements	4,437,423
CIP – Rehabilitation	6,025,406
CIP – New Construction	420,000
CIP Total	\$29,372,868

Fiscal Year 2018-19 Annual Capital Replacement Expenditures:

The Fiscal Year 2018-19 budget continues to carry out the ten year replacement program. Capital Equipment includes FD cardiac monitors, SCBA harnesses, turn-out gear, fire suppression equipment, 800 MHz radio replacement, PD virtual training simulator, body worn cameras, and field PD Brazos devices. Included in Information technology will be the regular change out of older computer workstations, printers; and Fire Station #2 phone system rehab. Fleet services will replace several trucks, four police cars, two field support motorcycle, skip loader, backhoe, and other related equipment. Government building rehabilitation includes senior center exterior painting, roll up doors at sports field, PD/FD standby generators and other related building improvements.

Table 2 - Annual Capital Replacement Expenditures - Internal Service Funds

Capital Equipment – (Office Furniture / Tools / Other)	\$857,814
Information Technology (Computers / Servers)	448,112
Fleet (Vehicles)	1,351,000
Government Buildings	746,720
Routine Capital Expenditures Total	\$3,403,646

CAPITAL PROJECTS FUNDING ANALYSIS

FY 2018-2019

Proj #	Project Name	C/A	Total	11	11	11	11	11	11
				General Fund Capital	General Fund Operating	General Plan Maint.	Economic Dev.	Park In-Lieu	Developer Impact
Estimated Beginning Balance 7/1/18				\$ 11,287,109	\$ -	\$ 278,294	\$ 2,500,000	\$ 407,766	\$ 1,798,343
General Fund 11									
11 GF163	Facilities HVAC & Energy Efficiency Systm.	Y	2,079,597	2,079,597					
11 GF334	Sports Park Roll Gates	Y	10,500					10,500	
11 GF339	Recreation Center Rehab	Y	500,000						
11 GF403	Park Improvements - Annual		200,000		200,000				
11 GF413	Citywide Arterial Median Landscape	Y	1,563,540						695,196
11 GF784	City Hall Water Feature	Y	240,000	240,000					
11 GF789	Vehicle Wash Rack - Corporate Yard	Y	250,000						
11 GF790	Two-bay Butler Building - Fire	Y	150,000						
11 GF915	I-405 Improvement		786,934						
11 GF335	General Plan Update	Y	1,259,000			259,000	1,000,000		
11 GF999	Sports Park Bleacher Shade Structures		80,000					80,000	
11 GF999	Sports Park Pickleball Outdoor Courts		20,000					20,000	
11 GF999	Fire Station No. 1 Remodel		750,000						
11 GF999	Police Locker Room/Showers Remodel		180,000						
11 GF999	Recreation Center Interior Remodel		187,000						
11 GF999	City Hall Interior Remodel		100,000						
11 GF999	Security Cameras System - Yard, Fire, Rec Ctr		80,000						
11 GF999	Fire Station Gates		60,000						
General Fund Projects			8,496,571	2,319,597	200,000	259,000	1,000,000	110,500	695,196
Gas Tax 23									
23 GT005	Pavement Management		30,000						
23 GT010	Restriping - Various Locations		50,000						
23 GT020	School Area Signage		30,000						
23 GT021	Audible Pedestrian Signals		12,500						
23 GT101	Administration		2,000						
23 GT229	Residential Roadway Rehabilitation		1,800,000		350,000				
Gas Tax Projects			1,924,500	0	350,000	0	0	0	0
Traffic Imp 24									
24 TI155	Brookhurst Traffic Signal Synchronization	Y	100,000						
24 TI156	Magnolia Traffic Signal Synchronization	Y	50,000						
24 TI160	Citywide Traffic Signal Timing Maint		30,000						
24 TI233	Signal Talbert/Mt Washington	Y	363,500						
24 TI267	Citywide Signal Communication Maint.		35,000						
24 TI271	Euclid - Slater/Warner	Y	1,300,000						
24 TI999	Newhope - Talbert/Warner		1,450,000						
24 TI280	Harbor Blvd Traffic Signal Synchronization	Y	1,225						
	PPLT Protective Permissive Traffic Signal	Y							
24 TI281	Operations Study		127,267						
Traffic Improvement Fund Projects			3,456,992	0	0	0	0	0	0
Drainage 31									
31 DF996	Walnut Pump Station	Y	3,365,410	315,000					
Drainage Fund Projects			3,365,410	315,000	0	0	0	0	0
Sewer 32									
32 SF616	Sewer GIS Mapping		35,000						
32 SF617	Sewer Manhole Rehab		65,000						
32 SF620	Sewer Improvements Annual		2,000,000						
32 SF93X	I-405 Utility Facilities Relocation		168,489						
Sewer Fund Projects			2,268,489	0	0	0	0	0	0
Water 71									
71 WU703	Well Site No. 6		300,000						
71 WU705	Hydrant Replacement		30,000						
71 WU708	Water Conservation		100,000						
71 WU709	Pipeline Condition Assessment		300,000						
71 WU711	Pipeline Replacement		1,300,000						
71 WU839	Residential Median Turf Conversion	Y	130,000						
71 WU842	GIS Update		40,000						
71 WU846	Reservoir No. 2	Y	7,000,000						
71 WU825	Chlorine Generators		150,000						
71 WU9XX	I-405 Utility Facilities Relocation		510,906						
Water Fund Projects			9,860,906	0	0	0	0	0	0
Total Projects			29,372,868	2,634,597	550,000	259,000	1,000,000	110,500	695,196
Revenues/Add Reserves				152,608		27,000			835,000
Estimated Reserve Balance 6/30/19				\$ 8,805,120		\$ 46,294	\$ 1,500,000	\$ 297,266	\$ 1,938,147

TEN YEAR CAPITAL REPLACEMENT SCHEDULE

Fund 61: Information Processing

Project	2018-19
Computer Room	
City Hall Racks	
FOUNTAIN VALLEY DOMAIN	
PC-WS Info Svcs Mgr. DC0108	2,000
Printer-HP3600N	1,200
Laptop-IS Dept	3,000
PC-WS-Info Svcs Tech DC12	4,400
PC-WS-Info Svcs Tech DC14	1,500
Network Servers & Equipment	
Svr-Trfc Data Base	3,500
Svr-FVAdmin	3,000
Svr-FV GIS14	3,500
Svr-Climatec HVAC System	5,700
Svr-Appassure Backup	7,200
Cisco 2950 (3)Switches - FV	11,600
Router - Cisco 1600R City Hall Ph. Rm.	1,500
Svr-AD64 Voice Mail Svr	3,500
Svr-SEVEN Call Svr	9,300
Digital Signage Equipment-City Hall	6,600
Switch Cisco 3560 Data Center	9,000
Scanner-Laserfiche - Fijitsu	6,500
Public Laserfich Project	21,910
FVPD Rack	
FV POLICE DOMAIN	
Cisco 2950 (3)Switches- PD	11,600
Svr-CADONE - Spillman	14,500
Svr-CADTWO - Spillman	14,500
Svr-CADMAP - Spillman	7,000
Svr-COPLINK15	3,500
Svr-Appassure Backup	9,000
Router-Cisco 2811 w/ WAN to OCSD	4,300
Router - Cisco 4300 PD NAT	4,300
Firewall-PA-500	16,000
TMC Room - City Hall	
Svr-Dell TMC #1 (Video)	3,500
Svr-Dell TMC #2 (Signal Detection)	3,500
Laptop- Panasonic (Rugged) Signal Control	5,500
Total Computer Room	202,110
Finance/Utility Billing	
PC-WS-Div. Scrtty CH1083	900
PC-WS-Accountant CH1081	900
PC-WS-Payroll CH1082	900
PC-WS-Temp(Rear) CH1078	900
Printer - Receipt and Cash Drawer	1,200
Printer - HP 3015 - Water Billing	1,200
Printer - HP 2300 - Payroll	1,200
Printer - HP 2300 - Finance Accounting	1,200
Bar Code Readers (4)	1,300
Total Finance/Utility Billing	9,700
Business License	
PC-WS-BL Clerk Typist CH1019	900
Printer - HP4015dn - Business License	2,000
Total Business License	2,900
Personnel	
PC-WS-Manager CH1002	900
PC-WS-Analyst CH1003	900
PC-WS-Div. Sec CH1004	900

TEN YEAR CAPITAL REPLACEMENT SCHEDULE

Fund 61: Information Processing

Project	2018-19
PC-WS-Aide CH1005	900
PC-WS-Safety & HR CH1006	900
Laptop-Personnel CH1030W8	1,300
Scanner-Fitjitsu	1,750
Total Personnel	7,550
City Clerk	
PC-WS-City Clerk CH1026	900
PC-WS-CC Digital Recorder CH1100	6,600
PC-WC-Council Chamber # 2 CH1101	900
Scanner Laserfiche	4,500
Total City Clerk	12,900
Purchasing	
Printer-Dell3765 Copier/Fax/Scan	2,200
Total Purchasing	2,200
Community Services	
PC-WS-SC PC CS2015	900
Laptop-RC-Pool CS2016	1,200
PC-WS-CS Back Office CS2017	900
Printer-MP161 Copier/Printer/Fax/Scanner	1,900
Printer-HP4650 SC LaserJet Color	3,500
Printer-HP400 SC 1870	1,200
Total Community Services	9,600
Planning/HCD	
Laptop-Planning Director CH1074	3,500
Printer-HP4000PL	1,200
Printer-HP LaserJet 3015tn	1,700
PC-WS Laserfiche Scan Station CH1057	900
Scanner-Laserfiche Fijitsu 5530	2,500
Printer-HP LaserJet 3015tn	1,700
Total Planning/HCD	11,500
Fire	
PC-WS-FIRST CH4007	900
PC-WS-Sta 2 / Lib1 CH4040	900
Laptop-HB Training facility CH4036	2,500
Printer-Ricoh 1515 Fire Sta #1	2,200
Printer-Ricoh 1515 Fire Sta #2	2,200
Printer-HP452dn - BC Office Sta #1	400
PC-WS Plan Check	3,000
PC-WS Plan Check	3,000
PC-WS- Sta1 FireMap CH4024	3,000
Total Fire	18,100
Public Works - Engineering	
Printer-HP4550N-Color LaserJet	900
Plotter-HP DesignJet T1200	9,000
Large Format Oce, Printer/Scan/Copier	15,000
Printer-HP2025dn- Div Sec	600
Total Public Works - Engineering	25,500
Public Works - City Yard	
PC-WS-Sign Shop CY3104	900
Printer-HP3015n-Sign Shop	500
PC-WS-Internal Svcs Sup CY3232	900
PC-WS-Foreman Traffic CY3248	900
PC-WS-Landscape Inspector CY3244	900
PC-WS-Sewer & Storm Super. CY3245	900
Printer-HP452 Sewer	1,200
PC-WS-Special Projects Mgr CY3207	900
PC-WS-Utilities Mgr CY3209	900

TEN YEAR CAPITAL REPLACEMENT SCHEDULE

Fund 61: Information Processing

Project	2018-19
Printer-HP1200 Laserjet (Eng. Analyzer)	400
PC-WS-Distribution Supervisor CY3221	900
PC-WS-Foreman Water CY3204	900
PC-WS-Mechanics CY3102	900
PC-WS-Fleet Foreman CY3103	900
PC-WS-Foreman Rec Center CY3247	900
PC-WS-Public Svcs Super CY3236	900
PC-WS-Foreman Gvt Bldg CY3226	900
Switch-Cisco 2950 24 port	1,200
Total Public Works - City Yard	15,900
Police (Asset Seizure)	
PC-WS-FVPD Lt's Ofc. FV 85	900
PC-WS-Det. Persons Crimes FV 48	900
PC-WS-Sgt's Office FV 36	900
PC-WS-FVPD Lt's Ofc FV 17	900
PC-WS-Support Capt FV 8	900
PC-WS-Traffic FV 32	900
PC-WS-School Resource Ofcr FV 42	900
PC-WS-Locator FV 64	900
PC-WS-Traffic LT FV 59	900
PC-WS-Watch Com FV 79	900
PC-WS-Det Fraud S. FV 43	900
PC-WS-Det Fraud N. FV 44	900
PC-WS-Det Sex Crime FV 45	900
PC-WS-Det Prop N. FV 46	900
PC-WS-SIU Sgt FV 97	900
PC-WS-SIU FV 49	900
PC-WS-Opns Capt FV 3	900
PC-WS-Sgt's Office FV 37	900
PC-WS-Sgt's Office FV 35	900
PC-WS-Det. Assist FV 62	900
Printer-HP 452dn - Rept Write FV 87	1,700
Printer-HP LaserJet 3015tn - Detectives	700
Printer-HP LaserJet 3015 Watch Com	400
Printer-HP LaserJet 1200 Support Capt	400
Printer-HP LaserJet 1200 Opns Capt	400
Printer-HP LaserJet 3765 Opns. Secretary	400
Printer-HP LaserJet 1200 Det. Lt's Office	400
Printer-HP 1200 Lt's Office	400
Printer-HP LaserJet 1200 Lt's Office	400
Printer-HP LaserJet 1200 Lt's Office	400
Printer-HP LaserJet 3015 Property Room	400
Printer-HP LaserJet 1200 Traffic Sgt's Office	400
Printer-HP 4100N Detective's Secretary	1,700
Printer-HP 3015n SIU Office	1,700
Printer-HP 3015n Records	1,700
Total Police (Asset Seizure)	29,500
Police	
Monitor-Acer AL 1914 19" LCD Dispatch 1	1,500
Monitor-Acer AL 1914 19" LCD Dispatch 2	1,500
Monitor-Acer AL 1914 19" LCD Dispatch 3	1,500
PC-WS-Spillman	1,500
PC-WS-C.O.P. FV 14	900
PC-WS-Det. MUGS FV 66	900
PC-WS-P&T FV 12	900
PC-WS-SIU Sgt's Office FV 57	900
PC-WS-CSO Det. Assist Desk FV 47	900

TEN YEAR CAPITAL REPLACEMENT SCHEDULE

Fund 61: Information Processing

Project	2018-19
PC-WS-Records FV 71	900
PC-WS-Traffic Bureau FV 28	900
PC-WS-Traffic back desk FV 30	900
PC-WS-Court Liaison FV 63	900
PC-WS-Det Sgt FV 58	900
PC-WS-Laserfiche FV 514	900
Scanner-Laserfiche	6,352
Scanners (7)-Records	7,000
PC-WS-FVPD Digital Lab FV 54	6,100
PC-WS-Property Rm FV 34	2,000
PC-WS-Traffic Bureau FV 26	900
PC-WS-Traffic Bureau FV 31	900
PC-WS-Traffic Bureau Sgt. FV 29	900
PC-WS-Comp Forensic Lab FV 55	3,500
PC-WS-Video Editing Workstation FV 52	3,500
PC-WS-ID Card & Door Access FV 500	1,500
PC-WS-Tracker System	2,000
Evidence Bar Code System Hardware	6,400
Laptop-MDC Mgt.	3,500
PC-WS-SIU Office FV 50	900
PC-WS-SIU Office FV 51	900
Laptop - Dell - Detective's (Property Rm.)	1,200
Laptop - Dell - SIU (Property Rm)	1,200
PC-WS TMC PD Traffic Video Pos # 1	900
PC-WS TMC PD Traffic Video Pos # 2	900
PC-WS EOC PD Traffic Video from TMC	900
Printer-HP 4550N Crime Lab	2,700
Printer-HP 3015n Dispatch	1,700
Printer-HP 3015n Records	1,700
Printer-Ricoh 171 Records	1,800
Printer-Dell 3765 Division Secretary	1,800
Printer-Dell 3765 Chief Secretary	2,100
Printer-Ricoh 1515 Traffic Bureau	2,100
Total Police	81,252
Total Computers & Printers	428,712
Duplicating/Mail/Stores	
Reproduction Room/ Ricoh Priport JP5000	12,000
Binder, Comb	2,100
Binder, Wire	1,900
Copy Board/ Display Panels	1,400
Laminators - 1	500
Drill	1,500
Total Duplicating/Mail/Stores	19,400
Total Information Processing	448,112

TEN YEAR CAPITAL REPLACEMENT SCHEDULE

Fund 62: Government Buildings

Project	2018-19
City Hall	
Interior Paint	4,000
Exterior Stucco/Painting	20,000
Total City Hall	24,000
Senior/Community Center	
Painting (Exterior)	45,000
Water Heater	4,500
Doors-Dividing	10,000
Shades	6,000
Total Senior/Community Center	65,500
Fields/Field Restrooms	
Baseball Windscreens	3,000
Benches (5)	5,400
Painting (Interior)	2,000
Field Restrooms Partitions	6,000
Roofs (4)	16,000
Total Fields/Field Restrooms	32,400
Neighborhood Parks	
Los Alamos - Basketball Court - Resurfacing	6,500
Ellis - Tennis Courts - Resurfacing	20,000
Ellis - Basketball Court - Resurfacing	7,000
Stonecress - Basketball Court - Resurfacing	9,500
Helm Park - Basketball Court - Resurfacing	6,500
Total Neighborhood Parks	49,500
Recreation Center	
Bleachers	25,000
Curtains	3,220
Painting (Interior)	5,000
Outdoor Basketball Courts-Resurfacing	30,000
Outdoor Racquetball Courts-Resurfacing	3,500
Total Recreation Center	66,720
Tennis Center	
Roof	5,000
Tennis Court R&R	105,000
Total Tennis Center	110,000
City Yard	
Painting (Interior)	1,600
Doors/Rollup/Overhead	165,000
Total City Yard	166,600
Fire Station #1	
Alert System - 911	5,000
Paint (Interior)	11,000
Roof	20,000
Total Fire Station #1	36,000
Fire Station #2	
Alert System - 911	5,000
Paint (Interior)	7,000
Roof	24,000
Generator-Standby	50,000
Total Fire Station #2	86,000
Police Facility	
Generator-Standby	110,000
Total Police Facility	110,000
Total Government Buildings	746,720

TEN YEAR CAPITAL REPLACEMENT SCHEDULE

Fund 63 Fleet Management

Project	2018-19
City Hall	
Recreation & Community Services	
Honda Civic (Hybrid)	40,000
Pool	
Honda Civic (Hybrid)	40,000
Honda Civic (Hybrid)	40,000
Honda Civic (Hybrid)	40,000
Total City Hall Cars	160,000
Fire Department	
Fire Services	
EOC Trailer	12,000
Total Fire Department	12,000
Police Department	
Patrol & Enforcement	
Patrol & Enforcement Annual Replacement (4 Vehicles Annually \$44,000 each)	176,000
Police Department-Investigation	
Ford Taurus	26,000
Police Department-Field Support	
Ford Ranger	15,000
PD - Field Support - Motorcycles	
Honda	29,500
Honda	29,500
Drug Enforcement (Seizures)	
SWAT Truck	130,000
Total Police Department	406,000
Public Works	
Fleet/Government Buildings	
Ford F250 W/Air Compressor	38,000
Ford F250 W/Air Compressor	38,000
Hydraulic Lift Trailer	21,000
Total Fleet /Government Buildings	97,000
Concrete Maintenance	
Ford 350 Flatbed, W/lift Gate	41,000
Total Concrete Maintenance	41,000
Pavement/Asphalt Maintenance	
Ingersoll-Rand Roller- Diesel	60,000
Freightliner Heater Patch Truck Diesel	115,000
Ford F250 Service Truck	36,000
Total Pavement/Asphalt Maintenance	211,000
Streets/Traffic/Graffiti	
Solortech Message Board	25,000
Ford F-450 Crew Cab	56,000
Total Streets/Traffic/Graffiti	81,000
Trees/Public R-O-W	
Bean Sprayer	12,000
Total Trees/Public R-O-W	12,000
Park/Civic Facilities	
Pesticide Truck 4x4 Ford Ranger	33,000
Total Park/Civic Facilities	33,000
Recreation Center	
Ford F250 Serv Truck W/Aux Diesel Tank	36,000
Tilt Trailer for Small Equipment	9,000
Dosko Root Cutter	10,000
Total Recreation Center Management	55,000

TEN YEAR CAPITAL REPLACEMENT SCHEDULE

Fund 63 Fleet Management

Project	2018-19
Utilities	
Water Management	
Flemming Backhoe Trailer	15,000
Ingersoll-Rand Air Compressor	18,000
John Deer 410G Backhoe - Diesel	170,000
Honda Civic (Hybrid)	40,000
Total Water Management	243,000
Total Utilities	243,000
Total Public Works	530,000
Total All Fleet	1,351,000

TEN YEAR CAPITAL REPLACEMENT SCHEDULE

Fund 64: Equipment

Project	2018-19
City Hall	
Council Sound System	3,100
Wireless Microphone (Council)	700
Furniture	
Furniture / Lobby (City Hall)	2,500
Furniture / Lobby (Inner Council)	2,500
Furniture / Lobby (Outer Council)	2,500
Furniture - Dept Managers	6,000
Chairs - Managers (39)	1,000
Furniture - Council	35,000
Furnishings - Sml Conference Rooms (3)	6,000
Furnishings - Lrg Conference Rooms (2)	4,000
Refrigerator/ Employee Lounge	1,700
Workstations - General Staff	41,120
Chairs - Staff	1,700
Total City Hall	107,820
Police	
Brazos Devices (32)	49,500
Teletrac Units /GPS	2,600
RACES	1,166
Fingerprint Fax -1	5,000
Ballistic Vests	4,500
S.W.A.T. Vests	4,400
Canines (2 w/alternating yrs)	14,000
Firearms	1,000
Body Wire Equipment	7,600
Digital Camera (3)	1,838
Body Worn Cameras/Tasers Program	96,000
Furniture	
Furnishings	11,650
Chairs - Staff (27)	1,000
Chairs - Managers (30)	1,000
Furniture / Lobby (3)	1,650
Workstations	
Total Police	202,904
Paramedics	
Zoll Chargers (2)	3,000
Cardiac Monitors (4)	119,000
Suction Units (3)	3,000
Total Paramedics	125,000
Disaster Preparedness	
EOC Equipment	2,700
Total Disaster Preparedness	2,700
Suppression	
Nozzles	40,000
Rescue Saws (3)	3,550
Chain Saws (3)	2,500
Scott Breathing App / Bottles (26)(8)	6,500
Holmaltro Extraction System (2)	52,000
Ballistic Vests (24) Staggered Replacement	5,500
SCBA Harnesses (25)	108,030
SCBA Air Filling Station	41,000

TEN YEAR CAPITAL REPLACEMENT SCHEDULE

Fund 64: Equipment

Project	2018-19
Turn-Out Gear (2,750 per set x 5)	13,750
Total Suppression	272,830
Fire Station # 1	
Furnishings	6,000
Appliances	2,550
Total Fire Station # 1	8,550
Fire Station # 2	
Furnishings	3,000
Appliances	2,400
Total Fire Station # 2	5,400
Total Fire	414,480
Public Works-Field Services	
Field Services	
Furnishings	3,000
Power Tools-Facilities	2,500
Total Field Services	5,500
Rec Center Maintenance	
Remote Control-Irrigation (3)	2,000
Roto tiller (1)	2,100
Hedge Trimmers (1)	400
Chain Saws -020-7 (4 Rec. 2 Civ. 1 ROW)	1,600
Total Rec Center Maintenance	6,100
Parks/Civic	
Hedge Trimmers (2)	650
Pole Saws (2)	2,000
Total Parks/Civic	2,650
Concrete Maintenance	
Jack Hammer	2,000
Total Concrete Maintenance	2,000
Sewer Maintenance	
Blowers	1,000
Generator	3,000
Tri-Pod Winch	6,000
Total Sewer Maintenance	10,000
Fleet Operations	
Parts Bead Blaster (2)	10,500
Small Equipment Lift	1,400
Total Fleet Operations	11,900
Total Field Services	38,150
Water	
3" Dbl. Diaphragm Pump (air)	2,900
Tool Box (2) Roll Away - Craftsman	1,200
Pipe/Cable Loc. (shallow) - Radio	5,500
Roto-Hammer & Bits - Milwaukee	1,200
Grinder (1/2 HP) - Craftsman	2,000
Welder Gas Combo Multi-Process	3,000
Hoist System #9000	6,000
Total Water	21,800
Recreation & Community Services	
Recreation Center	
Staff Chairs	500
Backpack Blowers (2)	1,000
String Trimmers (2)	1,000

TEN YEAR CAPITAL REPLACEMENT SCHEDULE

Fund 64: Equipment

Project	2018-19
Snow Cone Machine	860
Furnishings	1,500
Refrigerator	2,500
Piano	5,000
Total Recreation Center	12,360
Senior Center	
Staff Chairs	500
Bar Stools (Senior Center) (20)	2,600
Card Tables (Senior Center) (28)	2,000
Events Cabinet	1,500
Tables/Chairs	7,000
Furniture Misc.	3,000
Weight Machine, Chest Press, LF	2,400
Weight Machine, Chest Press, LF	2,400
Weight Machine, Multi Station, LF	4,200
Weight Machine, Pullover	1,600
Refrigerator, 20 cu ft Frigidaire	1,100
Microwave, Commercial, Panasonic	500
Piano	7,000
P/A Sound System	10,000
Stage, Portable	2,000
Projection Screen, 12' Auditorium	1,500
Projection Screen, 10' Lecture Room	1,000
Bingo Equipment	10,000
Total Senior Center	60,300
Total Recreation & Community Services	72,660
Total Equipment	857,814

TEN-YEAR STRATEGIC FINANCIAL PLAN CAPITAL IMPROVEMENT & REPLACEMENT PLAN

Introduction

The Ten-Year Strategic Financial Plan includes forecasting for all City funds and future major capital public improvements and capital replacement and/or maintenance of government buildings, equipment, fleet, and IT technology. Each year this plan is reviewed and updated to reflect to most current needs of the community and the organization.

Ten-Year Strategic Financial Plan

Long-term financial planning combines financial forecasting with strategizing. It is a highly collaborative process that considers future scenarios and helps governments navigate



challenges. Long-term financial planning works best as part of an overall strategic plan. Financial and expenditures over a long-term period, using assumptions about economic conditions, future spending scenarios, and other salient variables. Long-term financial planning is the process of aligning financial capacity with long-term service objectives.

Financial planning uses forecasts to provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability in light of the government's service objectives and financial challenges.

It is important to have a comprehensive long-term financial planning process because it stimulates discussion and engenders a long-range perspective for decision makers. It is used as a tool to identify financial challenges early; it stimulates long-term and strategic thinking; it can give consensus on long-term financial direction; and it is useful for communications with internal and external stakeholders.

Capital Improvement Projects & Annual Capital Replacement Purchases

Capital Improvements are the building, upgrading, or replacement of city infrastructure such as residential and arterial streets, bridges, traffic signals, storm drain systems and drainage channels, parks and public service providing facilities.

Infrastructure improvements are considered capital improvement projects when the expected life of the asset spans multiple years (in excess of two years) and expenditures are at least \$50,000. These significant non-routine capital expenditures are

TEN-YEAR STRATEGIC FINANCIAL PLAN

CAPITAL IMPROVEMENT & REPLACEMENT PLAN

accounted for as capital projects within the CIP special funds. Equipment, operating and maintenance costs are identified for inclusion in future operating budgets.

In contrast, routine capital purchases of new vehicles, computer hardware and other equipment are largely accounted for in internal service funds, such as the Information Technology, Government Buildings, Fleet Management and Equipment Funds. These assets are capitalized when the initial individual cost is \$5,000 or more with an estimated useful life greater than two years. The estimated useful lives applied to property, plant, equipment and infrastructure assets ranges from three to 62 years.

Capital Improvement Plan

The Capital Improvement Program (CIP) is a component of the Ten-Year Strategic Financial Business Plan. This long range capital forecast, identifies major public improvements to the City's infrastructure that will be required to be replaced, improved, or maintained over the next ten years. The CIP is important for planning and managing Fountain Valley's development, as well as maintaining existing infrastructure.

The City places a high priority on infrastructure construction, rehabilitation, and maintenance efforts to ensure its streets, landscaping, and facilities are built, maintained, and rehabilitated according to best practices and promote environmental sustainability. Emphasizing rehabilitation and effective maintenance practices minimizes deterioration and costly remediation efforts, thereby extending the useful life of infrastructure improvements and providing long-term savings. During the development of the CIP, capital projects affecting public health and safety, and/or legal mandates receive the highest priority. Emphasis is also placed on capital projects maintaining service levels or preventing deterioration of facilities.



Planning for capital improvements is an ongoing process. As the City's infrastructure condition and needs change, capital programs and priorities must be adjusted. New construction may be required to accommodate increased demand or replace aging facilities while existing infrastructure requires periodic rehabilitation, replacement or other improvements to protect the City's investments.

The plan provides cost estimates for each project and identifies funding sources with consideration given to ongoing resources. Because priorities can change, projects included in outward planning years serve as a guide for future capital investments and are not guaranteed for funding. Funds are not appropriated for CIP projects beyond the

TEN-YEAR STRATEGIC FINANCIAL PLAN

CAPITAL IMPROVEMENT & REPLACEMENT PLAN

current fiscal year.

The City has developed several master plans for infrastructure development, management, and maintenance. These include a pavement management plan, water master plan, sewer master plan, and drainage master plan. These plans chart a course to address immediate needs as well as long term planning and funding requirements for maintaining and upgrading infrastructure needs in these areas to sustain the community demands.

Capital Replacement Plan

The Capital Replacement Plan is a component of the Ten-Year Strategic Financial Plan. All city assets related to government buildings; equipment, tools, office furniture; information technology; and rolling fleet are listed in a ten-year replacement or maintenance schedule for each asset category. The Internal Service Funds related to capital replacement consist of:

Information Technology: Accounts for the capital acquisition and replacement cost of citywide computers, network equipment, printers, copiers, scanners, telephones, and duplication and mailing equipment.

Government Buildings: Accounts for the replacement, repair or maintenance and capital equipment necessary for the efficient operation of the various City buildings.



Capital Equipment: Administers the acquisition, replacement and maintenance of furniture, equipment, machines, large tools, and other capital equipment not accounted for in IT or government buildings.

Fleet Services: Provides for the capital purchase, replacement and maintenance of all city vehicles.

These Internal Service Funds were established to finance and account for all existing and newly acquired capital items. The finance policy requires that funding include the operations, maintenance and replacement costs of each city asset. These costs are then charged back to the various operating departments and programs, based on a ten year timeline, so that the true cost of providing services to the community are very transparent. This methodology allows for the full recovery of revenues back into the Internal Service Funds to cover the cost of replacing each asset over the projected life of that asset.

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

General Fund	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Fund Balance	36,835,535	33,418,733	37,355,288	38,656,668
Revenues				
Operating Revenues				
General Revenues	50,766,209	51,412,798	50,256,605	49,197,258
Functional Revenues	5,319,421	5,323,000	5,323,000	5,323,000
Total Operating Revenues	56,085,630	56,735,798	55,579,605	54,520,258
Other Revenues				
Miscellaneous Reimbursements	786,934	-	-	-
Developer/Park Impact Payments	835,000	-	-	-
Total Other Revenues	1,621,934	-	-	-
Transfers In				
Gas Tax Fund	413,000	450,000	450,000	450,000
Government Buildings	117,000	-	-	-
Measure M2	120,476	80,000	80,000	80,000
Sewer Fund	60,330	60,330	60,330	60,330
Total Transfers In	710,806	590,330	590,330	590,330
Total Revenues	58,418,370	57,326,128	56,169,935	55,110,588
Expenditures				
Wages/Benefits/Insurance				
Wages	17,392,397	17,945,561	18,304,118	18,669,846
Other Wages (Overtime/Special Pays)	3,942,771	3,982,199	4,022,021	4,062,241
Benefits	5,722,087	5,874,048	6,092,433	6,099,211
Insurance	998,489	948,565	901,137	856,080
Total Wages/Benefits/Insurance	28,055,745	28,750,372	29,319,708	29,687,378
Internal Services				
Information Services	1,376,908	1,323,532	1,415,759	1,337,289
Government Buildings	1,777,579	1,671,998	1,741,608	1,780,794
Fleet Services	1,455,284	1,591,176	1,790,631	1,701,100
Capital Equipment	300,068	293,648	199,779	316,461
Self Insurance	1,716,580	1,295,700	1,321,614	1,348,046
Total Internal Services	6,626,419	6,176,054	6,469,392	6,483,689
Operations & Maintenance				
Departmental	6,512,443	6,452,505	6,527,268	6,517,404
Solar & Energy Savings	-	(491,796)	(506,287)	(521,247)
Non-Departmental	1,465,000	1,349,600	1,360,405	1,371,419
Total Operations & Maintenance	7,977,443	7,310,309	7,381,386	7,367,576
Debt Service				
2016A Lease Revenue Bonds	872,500	873,775	869,675	867,750
2017 CREBS	209,984	223,698	224,247	224,742
Total Debt Service	1,082,484	1,097,473	1,093,922	1,092,492

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

General Fund	2018-2019	2019-2020	2020-2021	2021-2022
Capital				
Capital (OCTA Reimbursement)	2,243,934	-	-	-
Capital - Continuing Appropriations	<u>6,085,783</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital	8,329,717	-	-	-
Measure HH Spending Pledge				
OPEB ARC Funding	-	-	-	-
OPEB Additional Funding	-	-	-	-
CalPERS UAL Additional Funding	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
Total Capital	2,000,000	2,000,000	2,000,000	2,000,000
Transfers Out				
Gas Tax	613,000	620,890	654,017	662,387
Traffic Improvement	205,431	-	-	-
Drainage Fund	315,000	-	-	-
Equipment Fund	84,000	-	-	-
Employee Benefit Fund	<u>6,545,934</u>	<u>7,434,476</u>	<u>7,950,130</u>	<u>8,428,740</u>
Total Transfers Out	7,763,365	8,055,366	8,604,147	9,091,127
Total Expenditures	61,835,172	53,389,574	54,868,555	55,722,262
Surplus/(Deficit)	(3,416,801)	3,936,554	1,301,380	(611,674)
Reserves				
Restricted	2,984,813	2,857,897	2,857,897	2,857,897
Committed for Emergencies	13,700,000	13,937,000	13,101,000	12,314,000
Pension Reserves	5,928,800	7,551,525	9,248,895	11,024,344
Economic Development Reserves	1,500,000	1,500,000	1,500,000	1,500,000
Capital Reserves	8,805,120	11,008,866	11,448,876	9,848,753
Contingency Reserve	500,000	500,000	500,000	500,000
Ending Fund Balance	33,418,733	37,355,288	38,656,668	38,044,994

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
38,044,994	38,083,628	38,563,090	39,965,909	41,565,809	43,299,190
50,428,754	51,702,087	53,019,251	54,133,241	55,023,051	55,670,675
<u>5,323,000</u>	<u>5,323,000</u>	<u>5,323,000</u>	<u>5,323,000</u>	<u>5,323,000</u>	<u>5,323,000</u>
55,751,754	57,025,087	58,342,251	59,456,241	60,346,051	60,993,675
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
450,000	450,000	450,000	450,000	450,000	450,000
-	-	-	-	-	-
80,000	80,000	80,000	80,000	80,000	80,000
<u>60,330</u>	<u>60,330</u>	<u>60,330</u>	<u>60,330</u>	<u>60,330</u>	<u>60,330</u>
590,330	590,330	590,330	590,330	590,330	590,330
56,342,084	57,615,417	58,932,581	60,046,571	60,936,381	61,584,005
19,042,889	19,423,393	19,811,507	20,207,383	20,611,177	21,023,046
4,102,863	4,143,892	4,185,331	4,227,184	4,269,456	4,312,151
6,107,781	6,156,431	6,167,380	6,217,992	6,231,391	6,284,042
<u>813,276</u>	<u>829,541</u>	<u>846,132</u>	<u>863,055</u>	<u>880,316</u>	<u>897,922</u>
30,066,810	30,553,257	31,010,350	31,515,614	31,992,340	32,517,161
1,532,742	1,436,319	1,508,193	1,513,359	1,650,501	1,437,343
1,820,862	1,861,831	1,903,722	1,946,556	1,990,353	2,035,136
1,735,122	1,769,824	1,628,238	1,660,803	1,577,763	1,845,983
193,629	436,079	192,637	399,755	294,862	101,774
<u>1,375,007</u>	<u>1,402,507</u>	<u>1,430,557</u>	<u>1,459,169</u>	<u>1,488,352</u>	<u>1,518,119</u>
6,657,362	6,906,560	6,663,349	6,979,641	7,001,831	6,938,355
6,592,491	6,582,954	6,658,368	6,649,160	6,724,906	6,716,030
(536,693)	(552,639)	(569,104)	(586,104)	(603,657)	(621,780)
<u>1,032,646</u>	<u>1,044,091</u>	<u>1,055,757</u>	<u>1,067,649</u>	<u>990,771</u>	<u>1,003,129</u>
7,088,444	7,074,405	7,145,021	7,130,705	7,112,020	7,097,379
872,650	871,650	864,950	862,550	864,250	864,950
<u>225,178</u>	<u>225,554</u>	<u>225,866</u>	<u>226,113</u>	<u>226,290</u>	<u>226,395</u>
1,097,828	1,097,204	1,090,816	1,088,663	1,090,540	1,091,345

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	2,000,000	2,000,000
-	-	-	-	-	-
<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>	<u>-</u>
2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
671,009	679,889	689,036	698,457	708,161	718,155
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,721,998</u>	<u>8,824,639</u>	<u>8,931,190</u>	<u>9,033,592</u>	<u>9,298,108</u>	<u>9,571,380</u>
9,393,007	9,504,528	9,620,226	9,732,048	10,006,269	10,289,536
56,303,450	57,135,954	57,529,762	58,446,671	59,203,000	59,933,776
38,634	479,463	1,402,819	1,599,900	1,733,381	1,650,229
2,857,897	2,857,897	2,857,897	2,857,897	2,857,897	2,857,897
12,807,000	13,320,000	13,852,000	14,268,000	14,553,000	14,699,000
12,881,464	14,824,011	16,855,916	18,981,288	19,854,427	20,767,731
1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
7,537,267	5,561,182	4,400,096	3,458,624	4,033,866	4,624,792
500,000	500,000	500,000	500,000	500,000	500,000
38,083,628	38,563,090	39,965,909	41,565,809	43,299,190	44,949,419

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Water Fund	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	12,399,078	4,583,410	4,012,336	5,110,789
Revenues				
Water Revenue				
Operating Revenue	16,766,390	17,681,061	18,823,245	20,092,132
Total Water Revenue	16,766,390	17,681,061	18,823,245	20,092,132
Other Revenue				
Water Revenue Bonds	-	-	-	-
Government Agencies (OCTA)	510,906	-	-	-
Total Other Revenue	510,906	-	-	-
Total Revenues	17,277,296	17,681,061	18,823,245	20,092,132
Expenditures				
Operating				
Operating	13,666,032	14,260,135	14,717,792	15,122,880
Total Operating	13,666,032	14,260,135	14,717,792	15,122,880
Capital				
Capital	4,125,033	2,620,000	1,540,000	3,875,000
Capital (CA)	5,735,873	-	-	-
Total Capital	9,860,906	2,620,000	1,540,000	3,875,000
Debt Service				
Principal Loan Payment	314,000	-	-	-
Principal Debt Service (FVPFA)	535,000	555,000	580,000	600,000
Total Debt Service	849,000	555,000	580,000	600,000
Transfers Out				
Employee Benefit Fund (OPEB)	540,344	640,000	710,000	776,000
Section 115 Trust	111,682	112,000	112,000	112,000
Gas Tax Fund	40,000	40,000	40,000	40,000
Traffic Improvement Fund	25,000	25,000	25,000	25,000
Total Transfers Out	717,026	817,000	887,000	953,000
Total Expenditures	25,092,964	18,252,135	17,724,792	20,550,880
Fund Balance	4,583,410	4,012,336	5,110,789	4,652,040

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
4,652,040	7,817,922	9,247,485	10,911,369	13,115,193	15,246,100
<u>21,432,949</u>	<u>22,359,152</u>	<u>23,324,500</u>	<u>24,334,923</u>	<u>25,394,307</u>	<u>26,498,620</u>
21,432,949	22,359,152	23,324,500	24,334,923	25,394,307	26,498,620
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
21,432,949	22,359,152	23,324,500	24,334,923	25,394,307	26,498,620
<u>15,743,067</u>	<u>16,400,589</u>	<u>17,110,615</u>	<u>17,861,099</u>	<u>18,654,400</u>	<u>19,493,296</u>
15,743,067	16,400,589	17,110,615	17,861,099	18,654,400	19,493,296
880,000	2,880,000	2,830,000	2,480,000	2,780,000	3,030,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
880,000	2,880,000	2,830,000	2,480,000	2,780,000	3,030,000
-	-	-	-	-	-
<u>630,000</u>	<u>595,000</u>	<u>625,000</u>	<u>655,000</u>	<u>690,000</u>	<u>725,000</u>
630,000	595,000	625,000	655,000	690,000	725,000
837,000	877,000	918,000	958,000	962,000	990,000
112,000	112,000	112,000	112,000	112,000	112,000
40,000	40,000	40,000	40,000	40,000	40,000
<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
1,014,000	1,054,000	1,095,000	1,135,000	1,139,000	1,167,000
18,267,067	20,929,589	21,660,615	22,131,099	23,263,400	24,415,296
7,817,922	9,247,485	10,911,369	13,115,193	15,246,100	17,329,425

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Refuse Fund	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	860,205	885,705	910,705	935,705
<u>Revenues</u>				
Refuse Revenues				
Refuse Billing	<u>3,355,000</u>	<u>3,250,000</u>	<u>3,250,000</u>	<u>3,250,000</u>
Total Refuse Revenues	3,355,000	3,250,000	3,250,000	3,250,000
Total Revenues	3,355,000	3,250,000	3,250,000	3,250,000
<u>Expenditures</u>				
Operating				
Operating	<u>3,329,500</u>	<u>3,225,000</u>	<u>3,225,000</u>	<u>3,225,000</u>
Total Operating	3,329,500	3,225,000	3,225,000	3,225,000
Total Expenditures	3,329,500	3,225,000	3,225,000	3,225,000
Fund Balance	885,705	910,705	935,705	960,705

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
960,705	985,705	1,010,705	1,035,705	1,035,705	1,060,705
<u>3,250,000</u>	<u>3,250,000</u>	<u>3,250,000</u>	<u>3,250,000</u>	<u>3,250,000</u>	<u>3,250,000</u>
3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000
3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000
<u>3,225,000</u>	<u>3,225,000</u>	<u>3,225,000</u>	<u>3,225,000</u>	<u>3,225,000</u>	<u>3,225,000</u>
3,225,000	3,225,000	3,225,000	3,225,000	3,225,000	3,225,000
3,225,000	3,225,000	3,225,000	3,225,000	3,225,000	3,225,000
985,705	1,010,705	1,035,705	1,060,705	1,060,705	1,085,705

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Road Maintenance & Rehabilitation (SB1)	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	323,422	-	-	-
Revenues				
Special Revenues				
Road Maintenance & Rehabilitation Allocation	941,712	1,000,000	1,000,000	1,000,000
Total Special Revenues	941,712	1,000,000	1,000,000	1,000,000
Other Revenues				
Interest	-	-	-	-
Total Other Revenues	-	-	-	-
Total Revenues	941,712	1,000,000	1,000,000	1,000,000
Expenditures				
Transfers Out				
Gas Tax Fund	945,134	1,000,000	1,000,000	-
Traffic Improvement Fund	320,000	-	-	1,000,000
Total Transfers Out	1,265,134	1,000,000	1,000,000	1,000,000
Total Expenditures	1,265,134	1,000,000	1,000,000	1,000,000
Fund Balance	-	-	-	-

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
-	-	-	-	-	-
<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	-	-	-
-	-	-	-	-	-
1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-
-	-	-	-	-	-
<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-
1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-
-	-	-	-	-	-

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Gas Tax Fund	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	601,617	1,348,878	1,550,236	1,322,253
<u>Revenues</u>				
HUT Allocation				
Gas Tax - Section 2103	434,766	250,000	250,000	250,000
Gas Tax - Section 2105	326,489	325,000	325,000	325,000
Gas Tax - Section 2106	211,904	200,000	200,000	200,000
Gas Tax - Section 2107	413,000	425,000	425,000	425,000
Total HUT Allocation	1,386,159	1,200,000	1,200,000	1,200,000
Other Income				
Interest / Other	6,000	13,000	15,000	13,000
SB1 Loan Repayment	64,468	64,468	-	-
Recovery of Expense	-	226,000	-	-
Total Other Income	70,468	303,468	15,000	13,000
Transfers In				
Road Maint & Rehab (SB!)	945,134	1,000,000	1,000,000	-
Sewer Fund	30,000	30,000	30,000	30,000
Water Fund	40,000	40,000	40,000	40,000
General Fund	613,000	620,890	654,017	662,387
Total Transfers In	1,628,134	1,690,890	1,724,017	732,387
Total Revenues	3,084,761	3,194,358	2,939,017	1,945,387
<u>Expenditures</u>				
Capital				
Capital Projects	1,924,500	2,568,000	2,742,000	2,697,000
Total Capital	1,924,500	2,568,000	2,742,000	2,697,000
Transfers Out				
General Fund	413,000	425,000	425,000	425,000
Total Transfers Out	413,000	425,000	425,000	425,000
Total Expenses	2,337,500	2,993,000	3,167,000	3,122,000
Fund Balance	1,348,878	1,550,236	1,322,253	145,640

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
145,640	420,649	677,538	950,574	1,231,030	1,553,191
250,000	250,000	250,000	250,000	250,000	250,000
325,000	325,000	325,000	325,000	325,000	325,000
200,000	200,000	200,000	200,000	200,000	200,000
<u>425,000</u>	<u>425,000</u>	<u>425,000</u>	<u>425,000</u>	<u>425,000</u>	<u>425,000</u>
1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
1,000	4,000	6,000	9,000	11,000	14,000
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,000	4,000	6,000	9,000	11,000	14,000
-	-	-	-	-	-
30,000	30,000	30,000	30,000	30,000	30,000
40,000	40,000	40,000	40,000	40,000	40,000
<u>671,009</u>	<u>679,889</u>	<u>689,036</u>	<u>698,457</u>	<u>708,161</u>	<u>718,155</u>
741,009	749,889	759,036	768,457	778,161	788,155
1,942,009	1,953,889	1,965,036	1,977,457	1,989,161	2,002,155
<u>1,242,000</u>	<u>1,272,000</u>	<u>1,267,000</u>	<u>1,272,000</u>	<u>1,242,000</u>	<u>1,297,000</u>
1,242,000	1,272,000	1,267,000	1,272,000	1,242,000	1,297,000
<u>425,000</u>	<u>425,000</u>	<u>425,000</u>	<u>425,000</u>	<u>425,000</u>	<u>425,000</u>
425,000	425,000	425,000	425,000	425,000	425,000
1,667,000	1,697,000	1,692,000	1,697,000	1,667,000	1,722,000
420,649	677,538	950,574	1,231,030	1,553,191	1,833,346

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Traffic Improvement Fund	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	225,934	84,866	-	-
Revenues				
Special Revenues				
OCTA/AHRP	-	-	-	-
Grants/Other	132,268	1,000,000	-	-
Total Special Revenues	132,268	1,000,000	-	-
Other Revenues				
Transportation Impact Fee	20,000	20,000	20,000	20,000
Interest	2,000	1,000	-	-
Total Other Revenues	22,000	21,000	20,000	20,000
Transfers In				
General Fund	205,431	-	-	-
Road Maint & Rehab. Allocation	320,000	-	-	1,000,000
Measure M2	2,581,225	1,904,134	1,790,000	790,000
Pollution Reduction Fund	-	-	-	-
Sewer Fund	30,000	30,000	30,000	30,000
Water Fund	25,000	25,000	25,000	25,000
Total Transfers In	3,161,656	1,959,134	1,845,000	1,845,000
Total Revenues	3,315,924	2,980,134	1,865,000	1,865,000
Expenditures				
Capital				
Capital Projects	3,456,992	3,065,000	1,865,000	1,865,000
Total Capital Projects	3,456,992	3,065,000	1,865,000	1,865,000
Total Expenditures	3,456,992	3,065,000	1,865,000	1,865,000
Fund Balance	84,866	-	-	-

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
20,000	20,000	20,000	20,000	20,000	20,000
-	-	-	-	-	-
20,000	20,000	20,000	20,000	20,000	20,000
-	-	-	-	-	-
1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-
790,000	890,000	890,000	890,000	990,000	1,990,000
140,000	-	-	140,000	-	-
30,000	30,000	30,000	30,000	30,000	30,000
25,000	25,000	25,000	25,000	25,000	25,000
1,985,000	1,945,000	1,945,000	2,085,000	2,045,000	2,045,000
2,005,000	1,965,000	1,965,000	2,105,000	2,065,000	2,065,000
2,005,000	1,965,000	1,965,000	2,105,000	2,065,000	2,065,000
2,005,000	1,965,000	1,965,000	2,105,000	2,065,000	2,065,000
2,005,000	1,965,000	1,965,000	2,105,000	2,065,000	2,065,000
-	-	-	-	-	-

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Measure M2 Fund	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	2,879,853	1,350,506	554,657	(103,324)
Revenues				
Special Revenues				
Measure M2 Fairshare	1,060,354	1,094,285	1,126,019	1,154,170
Measure M2 Competitive/Regional	-	-	-	-
Measure M2 Environmental	-	-	-	-
Measure M2 Senior Transportation	83,000	80,000	80,000	80,000
Total Special Revenues	1,143,354	1,174,285	1,206,019	1,234,170
Other Revenues				
Interest	29,000	14,000	6,000	-
Total Other Revenues	29,000	14,000	6,000	-
Total Revenues	1,172,354	1,188,285	1,212,019	1,234,170
Expenditures				
Transfers Out				
Traffic Improvement	2,581,225	1,904,134	1,790,000	790,000
General Fund - Senior Mobility	120,476	80,000	80,000	80,000
Total Transfers Out	2,701,701	1,984,134	1,870,000	870,000
Total Expenditures	2,701,701	1,984,134	1,870,000	870,000
Fund Balance	1,350,506	554,657	(103,324)	260,846

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
260,846	674,204	1,037,585	1,453,821	1,926,907	2,357,916
1,200,358	1,246,381	1,296,236	1,348,086	1,402,009	1,458,089
-	-	-	-	-	-
-	-	-	-	-	-
<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
1,280,358	1,326,381	1,376,236	1,428,086	1,482,009	1,538,089
<u>3,000</u>	<u>7,000</u>	<u>10,000</u>	<u>15,000</u>	<u>19,000</u>	<u>24,000</u>
3,000	7,000	10,000	15,000	19,000	24,000
1,283,358	1,333,381	1,386,236	1,443,086	1,501,009	1,562,089
790,000	890,000	890,000	890,000	990,000	1,990,000
<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
870,000	970,000	970,000	970,000	1,070,000	2,070,000
870,000	970,000	970,000	970,000	1,070,000	2,070,000
674,204	1,037,585	1,453,821	1,926,907	2,357,916	1,850,006

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Pollution Reduction	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	434,669	306,669	377,669	449,669
Revenues				
Special Revenues				
SCAQMD	70,000	70,000	70,000	70,000
Grants - EV Charging Stations	-	-	-	-
Total Special Revenues	70,000	70,000	70,000	70,000
Other Revenues				
Interest	4,000	3,000	4,000	4,000
Total Other Revenues	4,000	3,000	4,000	4,000
Total Revenues	74,000	73,000	74,000	74,000
Expenditures				
Operating				
Operating	669	1,000	1,000	1,000
Training & Website Updates	1,331	1,000	1,000	1,000
Total Operating	2,000	2,000	2,000	2,000
Capital				
Capital Projects (CA)	-	-	-	-
Total Capital	-	-	-	-
Transfers Out				
Transfer Out (OPEB)	-	-	-	-
Transfer Out (Traffic Improvement)	-	-	-	-
Transfer Out (Fleet)	200,000	-	-	-
Total Transfers Out	200,000	-	-	-
Total Expenditures	202,000	2,000	2,000	2,000
Fund Balance	306,669	377,669	449,669	521,669

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
521,669	421,669	493,669	566,669	500,669	513,169
70,000	70,000	70,000	70,000	70,000	70,000
-	-	-	-	-	-
70,000	70,000	70,000	70,000	70,000	70,000
5,000	4,000	5,000	6,000	5,000	5,000
5,000	4,000	5,000	6,000	5,000	5,000
75,000	74,000	75,000	76,000	75,000	75,000
1,000	1,000	1,000	1,000	1,000	1,000
1,000	1,000	1,000	1,000	1,000	1,000
2,000	2,000	2,000	2,000	2,000	2,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
140,000	-	-	140,000	-	-
33,000	-	-	-	60,500	125,000
173,000	-	-	140,000	60,500	125,000
175,000	2,000	2,000	142,000	62,500	127,000
421,669	493,669	566,669	500,669	513,169	461,169

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Drainage Fund	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	145,989	146,989	137,989	138,989
<u>Revenues</u>				
Development Fees				
Development Fees	1,000	1,000	1,000	1,000
Total Development Fees	1,000	1,000	1,000	1,000
Other Revenues				
Interest	-	-	-	-
Total Other Revenues	-	-	-	-
Transfers In				
General Fund (Capital Reserves)	315,000	-	-	-
Transfers In-(FVPFA)	3,050,410	-	-	-
Total Transfers In	3,365,410	-	-	-
Total Revenues	3,366,410	1,000	1,000	1,000
<u>Expenditures</u>				
Capital				
Drainage GIS Mapping	-	10,000	-	10,000
Environmental Catch Basin Inserts	-	-	-	-
Sandalwood Pump Station	-	-	-	-
Walnut Pump Station	3,365,410	-	-	-
Total Capital	3,365,410	10,000	-	10,000
Total Expenditures	3,365,410	10,000	-	10,000
Fund Balance	146,989	137,989	138,989	129,989

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
129,989	130,989	121,989	122,989	113,989	114,989
<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
1,000	1,000	1,000	1,000	1,000	1,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,000	1,000	1,000	1,000	1,000	1,000
-	10,000	-	10,000	-	10,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	10,000	-	10,000	-	10,000
-	10,000	-	10,000	-	10,000
130,989	121,989	122,989	113,989	114,989	105,989

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Sewer Fund	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	5,158,408	4,149,477	3,736,601	2,950,495
Revenues				
Sewer Revenues				
Sewer Fee	2,071,080	2,154,027	2,240,189	2,329,796
Late Charges/Penalties	14,000	14,000	14,000	14,000
Sewer Assessments	500	500	500	500
Sewer Connection	20,000	5,000	5,000	5,000
Total Sewer Revenues	2,105,580	2,173,527	2,259,689	2,349,296
Other Revenues				
OCTA Utility Agreements	168,489	-	-	-
Interest	52,000	41,000	37,000	29,000
Total Other Revenues	220,489	41,000	37,000	29,000
Total Revenues	2,326,069	2,214,527	2,296,689	2,378,296
Expenditures				
Operating				
Operating	813,073	813,073	837,465	862,589
Total Operating	813,073	813,073	837,465	862,589
Capital				
Capital Projects	2,268,489	1,540,000	1,955,000	1,240,000
Total Capital	2,268,489	1,540,000	1,955,000	1,240,000
Transfers Out				
General Fund	60,330	60,330	60,330	60,330
Employee Benefit Fund	107,753	129,000	145,000	160,000
Employee Benefit Fund (PERS Trust)	25,355	25,000	25,000	25,000
Gas Tax Fund	30,000	30,000	30,000	30,000
Traffic Improvement Fund	30,000	30,000	30,000	30,000
Total Transfers Out	253,438	274,330	290,330	305,330
Total Expenditures	3,335,000	2,627,403	3,082,795	2,407,919
Fund Balance	4,149,477	3,736,601	2,950,495	2,920,872

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
2,920,872	2,874,563	2,930,289	2,960,433	3,089,415	3,203,702
2,422,988	2,495,678	2,570,548	2,647,664	2,727,094	2,808,907
14,000	14,000	14,000	14,000	14,000	14,000
500	500	500	500	500	500
5,000	5,000	5,000	5,000	5,000	5,000
2,442,488	2,515,178	2,590,048	2,667,164	2,746,594	2,828,407
-	-	-	-	-	-
28,000	28,000	28,000	28,000	28,000	29,000
28,000	28,000	28,000	28,000	28,000	29,000
2,470,488	2,543,178	2,618,048	2,695,164	2,774,594	2,857,407
888,467	915,121	942,574	970,852	999,977	1,029,977
888,467	915,121	942,574	970,852	999,977	1,029,977
1,310,000	1,245,000	1,310,000	1,250,000	1,315,000	1,250,000
1,310,000	1,245,000	1,310,000	1,250,000	1,315,000	1,250,000
60,330	60,330	60,330	60,330	60,330	60,330
173,000	182,000	190,000	200,000	200,000	200,000
25,000	25,000	25,000	25,000	25,000	25,000
30,000	30,000	30,000	30,000	30,000	30,000
30,000	30,000	30,000	30,000	30,000	30,000
318,330	327,330	335,330	345,330	345,330	345,330
2,516,797	2,487,451	2,587,904	2,566,182	2,660,307	2,625,307
2,874,563	2,930,289	2,960,433	3,089,415	3,203,702	3,435,803

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

FV Housing Authority Fund	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	11,790,567	11,737,762	11,631,027	11,510,210
Revenues				
Loan Revenues				
Loan Proceeds	112,000	120,000	120,000	120,000
Total Loan Revenues	112,000	120,000	120,000	120,000
Other Revenues				
Interest	226,200	176,000	174,000	173,000
Total Other Revenues	226,200	176,000	174,000	173,000
Total Revenues	338,200	296,000	294,000	293,000
Expenditures				
Operating				
Operating (Housing Programs)	391,005	402,735	414,817	427,262
Total Operating	391,005	402,735	414,817	427,262
Transfers Out				
Employee Benefit Fund (OPEB)	-	-	-	-
Total Transfers Out	-	-	-	-
Total Expenditures	391,005	402,735	414,817	427,262
Fund Balance	11,737,762	11,631,027	11,510,210	11,375,948

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
11,375,948	11,226,868	11,061,586	10,880,706	10,682,819	10,467,506
<u>120,000</u>	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>
120,000	120,000	120,000	120,000	120,000	120,000
<u>171,000</u>	<u>168,000</u>	<u>166,000</u>	<u>163,000</u>	<u>160,000</u>	<u>157,000</u>
171,000	168,000	166,000	163,000	160,000	157,000
291,000	288,000	286,000	283,000	280,000	277,000
<u>440,080</u>	<u>453,282</u>	<u>466,880</u>	<u>480,887</u>	<u>495,313</u>	<u>510,173</u>
440,080	453,282	466,880	480,887	495,313	510,173
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
440,080	453,282	466,880	480,887	495,313	510,173
11,226,868	11,061,586	10,880,706	10,682,819	10,467,506	10,234,333

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

FV Successor for the FVACD	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	846,458	416,458	-	-
<u>Revenues</u>				
Property Tax Revenues				
Property Tax Trust Funds	80,000	18,542	435,000	-
Total Property Tax Revenues	80,000	18,542	435,000	-
Total Revenues	80,000	18,542	435,000	-
<u>Expenditures</u>				
Operating				
Operating	160,000	160,000	160,000	-
Palm Island	100,000	100,000	100,000	-
Fry's OPA	250,000	175,000	175,000	-
Total Operating	510,000	435,000	435,000	-
Total Expenditures	510,000	435,000	435,000	-
Fund Balance	416,458	-	-	-

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

ISF - Information Processing	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	1,015,474	800,322	800,322	800,322
Revenues				
Department Charges				
Information Services	1,160,095	1,022,142	1,093,368	1,032,766
Duplicating / Stores / Mail	316,828	397,500	425,199	401,631
Total Department Charges	1,476,923	1,419,642	1,518,566	1,434,398
Total Revenues	1,476,923	1,419,642	1,518,566	1,434,398
Expenditures				
Operating				
Information Services	929,983	939,283	958,068	977,230
Duplicating / Stores / Mail	313,980	317,155	323,498	329,968
Total Operating	1,243,963	1,256,438	1,281,566	1,307,198
Capital				
Information Services	428,712	163,204	237,000	127,200
Duplicating / Stores / Mail	19,400	-	-	-
Capital - (CA)	-	-	-	-
Total Capital	448,112	163,204	237,000	127,200
Transfer Out				
Employee Benefit Fund (OPEB)	-	-	-	-
Employee Benefit Replenishment	-	-	-	-
Total Transfers Out	-	-	-	-
Total Expenditures	1,692,075	1,419,642	1,518,566	1,434,398
Fund Balance	800,322	800,322	800,322	800,322

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
800,322	800,322	800,322	800,322	800,322	800,322
1,183,711	1,109,245	1,164,753	1,168,742	1,274,655	1,110,036
460,332	431,373	452,960	454,511	495,699	431,681
1,644,044	1,540,618	1,617,713	1,623,253	1,770,354	1,541,717
1,644,044	1,540,618	1,617,713	1,623,253	1,770,354	1,541,717
996,774	1,016,710	1,037,044	1,057,785	1,078,941	1,100,520
336,567	343,299	350,165	357,168	364,311	371,597
1,333,342	1,360,008	1,387,209	1,414,953	1,443,252	1,472,117
310,702	176,110	230,504	208,300	327,102	69,600
-	4,500	-	-	-	-
-	-	-	-	-	-
310,702	180,610	230,504	208,300	327,102	69,600
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,644,044	1,540,618	1,617,713	1,623,253	1,770,354	1,541,717
800,322	800,322	800,322	800,322	800,322	800,322

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

ISF - Government Buildings	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	2,337,131	1,751,059	1,751,059	1,751,059
Revenues				
Department Charges				
Charges to Departments	1,870,593	1,759,443	1,660,085	1,810,241
Total Department Charges	1,870,593	1,759,443	1,660,085	1,810,241
Total Revenues	1,870,593	1,759,443	1,660,085	1,810,241
Expenditures				
Operating				
Operating	1,592,945	1,606,343	1,642,485	1,679,441
Total Operating	1,592,945	1,606,343	1,642,485	1,679,441
Capital				
All Government Buildings	746,720	153,100	17,600	130,800
Capital - (CA)	-	-	-	-
Total Capital	746,720	153,100	17,600	130,800
Transfer Out				
Employee Benefit Fund (OPEB)	-	-	-	-
General Fund	117,000	-	-	-
Total Transfers Out	117,000	-	-	-
Total Expenditures	2,456,665	1,759,443	1,660,085	1,810,241
Fund Balance	1,751,059	1,751,059	1,751,059	1,751,059

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
1,751,059	1,751,059	1,751,059	1,751,059	1,751,059	1,751,059
<u>1,734,329</u>	<u>2,117,966</u>	<u>1,989,473</u>	<u>2,331,109</u>	<u>1,905,674</u>	<u>2,459,828</u>
1,734,329	2,117,966	1,989,473	2,331,109	1,905,674	2,459,828
1,734,329	2,117,966	1,989,473	2,331,109	1,905,674	2,459,828
<u>1,717,229</u>	<u>1,755,866</u>	<u>1,795,373</u>	<u>1,835,769</u>	<u>1,877,074</u>	<u>1,919,308</u>
1,717,229	1,755,866	1,795,373	1,835,769	1,877,074	1,919,308
17,100	362,100	194,100	495,340	28,600	540,520
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
17,100	362,100	194,100	495,340	28,600	540,520
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
1,734,329	2,117,966	1,989,473	2,331,109	1,905,674	2,459,828
1,751,059	1,751,059	1,751,059	1,751,059	1,751,059	1,751,059

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

ISF - Fleet Management	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	3,407,232	3,098,153	3,459,153	3,820,153
Revenues				
Department Charges				
Charges to Departments	1,752,575	1,916,156	1,726,836	1,708,391
Total Department Charges	1,752,575	1,916,156	1,726,836	1,708,391
Other Revenue				
Sale of Surplus Property	25,000	15,000	15,000	15,000
Total Other Revenue	25,000	15,000	15,000	15,000
Transfers In				
Pollution Reduction	250,000	-	-	-
Total Transfers In	250,000	-	-	-
Total Revenues	2,027,575	1,931,156	1,741,836	1,723,391
Expenditures				
Operating				
Operating	985,655	972,656	1,001,836	1,031,891
Total Operating	985,655	972,656	1,001,836	1,031,891
Capital				
Other City	578,000	424,500	235,000	1,376,000
Public Works	530,000	88,000	-	154,500
Utilities	243,000	85,000	144,000	-
Capital - (CA)	-	-	-	-
Total Capital	1,351,000	597,500	379,000	1,530,500
Transfer Out				
Employee Benefit Fund (OPEB)	-	-	-	-
Employee Benefit Replenishment	-	-	-	-
Total Transfers Out	-	-	-	-
Total Expenditures	2,336,655	1,570,156	1,380,836	2,562,391
Fire Apparatus Reserve	1,082,773	1,443,697	1,804,622	965,546
Fund Balance	2,015,380	2,015,456	2,015,531	2,015,607

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
2,981,153	2,592,153	2,675,153	2,758,153	2,841,153	2,924,153
<u>1,769,848</u>	<u>1,843,733</u>	<u>2,282,075</u>	<u>1,632,903</u>	<u>1,873,245</u>	<u>1,270,132</u>
1,769,848	1,843,733	2,282,075	1,632,903	1,873,245	1,270,132
<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>
15,000	15,000	15,000	15,000	15,000	15,000
<u>33,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,500</u>	<u>125,000</u>
33,000	-	-	-	60,500	125,000
1,817,848	1,858,733	2,297,075	1,647,903	1,948,745	1,410,132
<u>1,062,848</u>	<u>1,094,733</u>	<u>1,127,575</u>	<u>1,161,403</u>	<u>1,196,245</u>	<u>1,232,132</u>
1,062,848	1,094,733	1,127,575	1,161,403	1,196,245	1,232,132
836,000	312,000	787,500	365,000	264,500	368,500
275,000	25,000	299,000	38,500	25,000	184,500
33,000	344,000	-	-	380,000	142,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,144,000	681,000	1,086,500	403,500	669,500	695,000
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
2,206,848	1,775,733	2,214,075	1,564,903	1,865,745	1,927,132
576,471	658,824	741,176	823,529	905,882	388,235
2,015,682	2,016,329	2,016,977	2,017,624	2,018,271	2,018,918

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

ISF - Capital Equipment	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	1,326,878	926,548	1,026,548	1,126,548
<u>Revenues</u>				
Department Charges				
Charges to Departments	343,484	336,135	504,799	342,395
Total Department Charges	343,484	336,135	504,799	342,395
Transfers In				
Asset Seizure	30,000	-	-	-
Police Department Donations	65,000	-	-	-
Senior Donations	-	-	-	-
Fire Donations	19,000	-	-	-
Total Transfers In	114,000	-	-	-
Total Revenues	457,484	336,135	504,799	342,395
<u>Expenditures</u>				
Capital				
Capital Equipment	857,814	236,135	404,799	242,395
Total Capital	857,814	236,135	404,799	242,395
Total Expenditures	857,814	236,135	404,799	242,395
800Mhz Reserve	109,640	209,640	309,640	409,640
Fund Balance	816,908	816,908	816,908	816,908

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
1,226,548	1,326,548	1,426,548	1,526,548	1,626,548	1,726,548
<u>551,325</u>	<u>376,600</u>	<u>333,375</u>	<u>735,055</u>	<u>278,225</u>	<u>1,575,850</u>
551,325	376,600	333,375	735,055	278,225	1,575,850
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
551,325	376,600	333,375	735,055	278,225	1,575,850
451,325	276,600	233,375	635,055	178,225	1,475,850
<u>451,325</u>	<u>276,600</u>	<u>233,375</u>	<u>635,055</u>	<u>178,225</u>	<u>1,475,850</u>
451,325	276,600	233,375	635,055	178,225	1,475,850
509,640	609,640	709,640	809,640	909,640	1,009,640
816,908	816,908	816,908	816,908	816,908	816,908

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

ISF - Self Insurance	2018-2019	2019-2020	2020-2021	2021-2022
Beginning Balance	1,710,117	1,710,488	1,960,488	2,215,488
Revenues				
Department Charges				
Insurance Rebate / Misc Inc.	-	-	-	-
Workers' Compensation	1,100,915	990,824	891,741	802,567
Long Term Disability	76,876	78,414	80,766	83,189
Unemployment / Emp. Assist.	18,893	19,270	19,849	20,444
Property / Liability	1,987,139	1,500,000	1,530,000	1,560,600
Total Department Charges	3,183,824	2,588,508	2,522,356	2,466,801
Total Revenues	3,183,824	2,588,508	2,522,356	2,466,801
Expenditures				
Workers' Compensation	1,100,915	990,824	891,741	802,567
Long Term Disability	76,595	78,414	80,766	83,189
Unemployment / Emp. Assist.	18,803	19,270	19,849	20,444
Property / Liability	1,987,139	1,250,000	1,275,000	1,300,500
Transfer Out (Employee Benefit)	-	-	-	-
Total Expenditures	3,183,452	2,338,508	2,267,356	2,206,701
Fund Balance	1,710,488	1,960,488	2,215,488	2,475,588

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
2,475,588	2,740,890	3,011,498	3,287,519	3,569,059	3,856,231
-	-	-	-	-	-
818,619	834,991	851,691	868,725	886,099	903,821
85,685	88,256	90,903	93,630	96,439	99,333
21,057	21,689	22,340	23,010	23,700	24,411
1,591,812	1,623,648	1,656,121	1,689,244	1,723,029	1,757,489
2,517,173	2,568,584	2,621,055	2,674,609	2,729,267	2,785,054
2,517,173	2,568,584	2,621,055	2,674,609	2,729,267	2,785,054
818,619	834,991	851,691	868,725	886,099	903,821
85,685	88,256	90,903	93,630	96,439	99,333
21,057	21,689	22,340	23,010	23,700	24,411
1,326,510	1,353,040	1,380,101	1,407,703	1,435,857	1,464,574
-	-	-	-	-	-
2,251,871	2,297,976	2,345,035	2,393,068	2,442,096	2,492,139
2,740,890	3,011,498	3,287,519	3,569,059	3,856,231	4,149,145

CAPITAL IMPROVEMENT TEN YEAR PLAN - GENERAL FUND

				2018-2019	2019-2020
Project	Proj #	%	Reserve/Source		
General Fund Projects					
Sports Park Bleacher Shade Structures	GF999	100%	Park In-Lieu	80,000	-
Sports Park Pickleball Outdoor Courts	GF999	100%	Park In-Lieu	20,000	-
Fire Station No. 1 Remodel	GF999	100%	98 TAB Proceeds	750,000	-
Police Locker Room/Showers Remodel	GF999	100%	98 TAB / ISF Gov't. Build.	180,000	-
Recreation Center Interior Remodel	GF999	100%	98 TAB / ISF Gov't. Build.	187,000	-
City Hall Interior Remodel	GF999	100%	98 TAB Proceeds	100,000	-
Security Cameras System - Yard, Fire, Rec Ctr	GF999	100%	98 TAB Proceeds	80,000	-
Fire Station Gates	GF999	100%	98 TAB Proceeds	60,000	-
I-405 Improvement	GF915	100%	OCTA Reimbursable	786,934	-
Total General Fund Projects				2,243,934	-
Non-Departmental					
Park Improvements	GF403	100%	Operating	200,000	200,000
Total Non-Departmental				200,000	200,000
Continuing Appropriations				6,052,637	-
Total				8,496,571	200,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - GAS TAX

Gas Tax		2018-2019	2019-2020
Project	Project #		
Residential Roadway Rehabilitation			
Administration-Miscellaneous	101	2,000	2,000
Pavement Management	005	30,000	70,000
Residential Roadway Rehabilitation	229	<u>1,800,000</u>	<u>1,700,000</u>
Total Residential Rehabilitation		1,832,000	1,772,000
Traffic Control			
Restriping-Various Locations	010	50,000	-
School Area Signage	020	30,000	-
Audible Pedestrian Signals	021	<u>12,500</u>	<u>-</u>
Total Traffic Control		92,500	-
Arterial Roadway Rehabilitation			
Heil-Magnolia/Brookhurst	999	-	-
Heil-Euclid/Harbor	999	-	-
Collector Streets	999	-	250,000
Industrial Streets	999	-	250,000
City Facility Asphalt Paving	999	<u>-</u>	<u>-</u>
Total Arterial Roadway Rehabilitation		-	500,000
ADA Projects			
School Area ADA Pedestrian Ramps	228	<u>-</u>	<u>296,000</u>
Total ADA Project		-	296,000
Total Gas Tax Projects		1,924,500	2,568,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - GAS TAX

2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
40,000	70,000	40,000	70,000	40,000	70,000	40,000	70,000
<u>1,700,000</u>	<u>1,600,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>
1,742,000	1,672,000	1,242,000	1,272,000	1,242,000	1,272,000	1,242,000	1,272,000
-	25,000	-	-	25,000	-	-	25,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	25,000	-	-	25,000	-	-	25,000
-	500,000	-	-	-	-	-	-
-	500,000	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,000,000</u>	<u>-</u>						
1,000,000	1,000,000	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,742,000	2,697,000	1,242,000	1,272,000	1,267,000	1,272,000	1,242,000	1,297,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - TRAFFIC IMPROVEMENT

Traffic Improvement			2018-2019	2019-2020
Project	Proj #	Type		
Pavement Rehabilitation				
Newhope - Talbert/Warner	999	Rehab.	1,450,000	
Euclid Street - Slater to Warner	TI271	Rehab.	1,300,000	
Arterial Rehabilitation Project	999	Rehab.		1,800,000
Total Pavement Rehabilitation			\$ 2,750,000	\$ 1,800,000
Signal & Signage				
Citywide Signal Retiming	029	SIG		
Citywide Traffic Signal Timing Maintenance	160	SIG	30,000	30,000
Citywide Signal Communication Maintenance	267	SIG	35,000	35,000
PPLT Conversion Study	281	SIG	127,267	
Talbert & Mt. Washington Signal		SIG	363,500	
Magnolia Bike Corridor	999	BIKE		1,200,000
Brookhurst Street Signal Synchronization	155	TSSP	100,000	
Magnolia Avenue Signal Synchronization	156	TSSP	50,000	
Harbor Boulevard Traffic Signal Synchronization	280	TSSP	1,225	
Total Signal & Signage			\$ 706,992	\$ 1,265,000
Total Traffic Improvement Projects			\$ 3,456,992	\$ 3,065,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - TRAFFIC IMPROVEMENT

2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
1,800,000	1,800,000	1,800,000	1,900,000	1,900,000	1,900,000	2,000,000	2,000,000
\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,900,000	\$ 1,900,000	\$ 1,900,000	\$ 2,000,000	\$ 2,000,000
		140,000			140,000		
30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
\$ 65,000	\$ 65,000	\$ 205,000	\$ 65,000	\$ 65,000	\$ 205,000	\$ 65,000	\$ 65,000
\$ 1,865,000	\$ 1,865,000	\$ 2,005,000	\$ 1,965,000	\$ 1,965,000	\$ 2,105,000	\$ 2,065,000	\$ 2,065,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - POLLUTION REDUCTION

Pollution Reduction	2018-2019	2019-2020
Project	Proj #	Type
Electric Vehicle Charging Stations Project #1	999	-
Electric Vehicle Charging Stations Project #2	999	-
Total Pollution Reduction		\$ - \$ -

CAPITAL IMPROVEMENT TEN YEAR PLAN - POLLUTION REDUCTION

2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CAPITAL IMPROVEMENT TEN YEAR PLAN - DRAINAGE

Drainage			2018-2019	2019-2020
Project	Proj #	Source		
Sandalwood Pump Station	995	GF	-	-
Walnut Pump Station	996	GF	3,365,410	-
Drainage GIS Mapping	657	GF	-	10,000
Total Drainage Projects			3,365,410	10,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - DRAINAGE

2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	<u>10,000</u>	-	<u>10,000</u>	-	<u>10,000</u>	-	<u>10,000</u>
-	10,000	-	10,000	-	10,000	-	10,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - SEWER

Sewer			2018-2019	2019-2020
Project	Proj #	Source		
Sewer Manhole Rehabilitation	617	SF	65,000	
Sewer Master Plan	615	SF		
Sewer GIS Mapping	616	SF	35,000	40,000
I-405 Utility Facilities Relocation	XXX	SF	168,489	
Structural Improvements	620	SF	<u>2,000,000</u>	<u>1,500,000</u>
Total Sewer Projects			2,268,489	1,540,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - SEWER

2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
65,000		65,000		65,000		65,000	
350,000	-						
40,000	40,000	45,000	45,000	45,000	50,000	50,000	50,000
<u>1,500,000</u>	<u>1,200,000</u>						
1,955,000	1,240,000	1,310,000	1,245,000	1,310,000	1,250,000	1,315,000	1,250,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - WATER

Water	2018-2019	2019-2020
Projects		
Rehabilitation Projects		
Well Site No. 6	300,000	
Well Site No. 8		700,000
Well Site No. 9		
Well Site No. 10		
Well Site No. 11		
Well Site No. 12		
Reservoir No. 2	7,000,000	
Condition Assessment	300,000	300,000
Pipeline Replacement	1,300,000	1,300,000
Annual Meter Replacement		
Hydrant Replacement	30,000	30,000
Chlorine Generators	150,000	150,000
New Facility Projects		
Additional Source of Supply		
Other Programs/Projects		
Water Conservation	100,000	100,000
Residential Median Turf Conversion	130,000	
GIS Update	40,000	40,000
Rate Study		
Water Delivery (SCADA)		
Master Plan		
Urban Water Management Plan		
I-405 Utility Facilities Relocation	510,906	-
Total Water Projects	9,860,906	2,620,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - WATER

2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
							250,000
		250,000				300,000	
				250,000			
500,000			250,000				
							300,000
300,000							
			2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
		300,000	300,000	300,000	300,000	300,000	300,000
30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
150,000	150,000	150,000	150,000				
	3,500,000						
100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
45,000	45,000 50,000	50,000	50,000	50,000	50,000	50,000	50,000
				100,000			
350,000 65,000							
-	-	-	-	-	-	-	-
1,540,000	3,875,000	880,000	2,880,000	2,830,000	2,480,000	2,780,000	3,030,000

CAPITAL PURCHASE PLAN TEN YEAR - BY ISF FUND

Fund	Description	2018-2019	2019-2020
61	Information Processing	448,112	163,204
62	Government Buildings	746,720	153,100
63	Fleet Management	1,351,000	597,500
64	Capital Equipment	<u>857,814</u>	<u>236,135</u>
Total ISF Capital Purchase Plan		3,403,646	1,149,939

CAPITAL PURCHASE PLAN TEN YEAR - BY ISF FUND

2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
237,000	127,200	310,702	180,610	230,504	208,300	327,102	69,600
17,600	130,800	17,100	362,100	194,100	495,340	28,600	540,520
379,000	1,530,500	1,144,000	681,000	1,086,500	403,500	669,500	695,000
404,799	242,395	451,325	276,600	233,375	635,055	178,225	1,475,850
1,038,399	2,030,895	1,923,127	1,500,310	1,744,479	1,742,195	1,203,427	2,780,970

TWENTY YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

General Fund	20 Year Summary	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
Beginning Balance	36,835,535	36,835,535	33,418,733	37,355,288	38,656,668	38,044,994	38,083,628	38,563,090	39,965,909
Revenues									
General Revenues	850,296,480	38,866,209	39,393,798	38,958,605	38,577,258	39,383,754	40,215,087	41,073,251	41,829,241
1.00% Sales Tax (Voter)	228,506,000	11,900,000	12,019,000	11,298,000	10,620,000	11,045,000	11,487,000	11,946,000	12,304,000
Functional Revenues	106,446,421	5,319,421	5,323,000	5,323,000	5,323,000	5,323,000	5,323,000	5,323,000	5,323,000
Developer/Park Impact Payments	835,000	835,000	-	-	-	-	-	-	-
Grant Funds	-	-	-	-	-	-	-	-	-
Miscellaneous Reimbursements	786,934	786,934	-	-	-	-	-	-	-
Transfers In	11,927,076	710,806	590,330	590,330	590,330	590,330	590,330	590,330	590,330
Total Revenues	1,198,797,911	58,418,370	57,326,128	56,169,935	55,110,588	56,342,084	57,615,417	58,932,581	60,046,571
Expenditures									
Operating									
Wages/Benefits/Insurance									
Wages	427,211,049	17,392,397	17,945,561	18,304,118	18,669,846	19,042,889	19,423,393	19,811,507	20,207,383
Other Wages (Overtime/Special Pays)	86,815,890	3,942,771	3,982,199	4,022,021	4,062,241	4,102,863	4,143,892	4,185,331	4,227,184
CalPERS NC Rate	68,937,264	2,739,515	2,906,389	3,139,612	3,161,154	3,184,415	3,247,681	3,273,175	3,338,257
Other Benefits	56,901,223	2,982,572	2,967,659	2,952,821	2,938,057	2,923,366	2,908,750	2,894,206	2,879,735
Insurance	18,863,149	998,489	948,565	901,137	856,080	813,276	829,541	846,132	863,055
Total Wages/Benefits/Insurance	658,728,576	28,055,745	28,750,372	29,319,708	29,687,378	30,066,810	30,553,257	31,010,350	31,515,614
Internal Services									
Information Services	29,349,403	1,376,908	1,323,532	1,415,759	1,337,289	1,532,742	1,436,319	1,508,193	1,513,359
Government Buildings	37,497,290	1,777,579	1,671,998	1,741,608	1,780,794	1,820,862	1,861,831	1,903,722	1,946,556
Fleet Services	33,727,222	1,455,284	1,591,176	1,790,631	1,701,100	1,735,122	1,769,824	1,628,238	1,660,803
Capital Equipment	5,402,738	300,068	293,648	199,779	316,461	193,629	436,079	192,637	399,755
Self Insurance	28,709,018	1,716,580	1,295,700	1,321,614	1,348,046	1,375,007	1,402,507	1,430,557	1,459,169
Total Internal Services	134,685,671	6,626,419	6,176,054	6,469,392	6,483,689	6,657,362	6,906,560	6,663,349	6,979,641
Operations & Maintenance									
Departmental	135,186,613	6,512,443	6,452,505	6,527,268	6,517,404	6,592,491	6,582,954	6,658,368	6,649,160
Non-Departmental	22,506,528	1,465,000	1,349,600	1,360,405	1,371,419	1,032,646	1,044,091	1,055,757	1,067,649
Total Operations & Maintenance	157,693,141	7,977,443	7,802,105	7,887,673	7,888,823	7,625,137	7,627,044	7,714,125	7,716,809
Other Outflows									
Ongoing									
Capital (inc. OCTA Reimbursable)	2,243,934	2,243,934	-	-	-	-	-	-	-
Continuing Appropriations	6,085,783	6,085,783	-	-	-	-	-	-	-
Debt Service (Annual)	20,636,363	1,082,484	1,097,473	1,093,922	1,092,492	1,097,828	1,097,204	1,090,816	1,088,663
Solar & Energy Project Savings	(12,329,540)	-	(491,796)	(506,287)	(521,247)	(536,693)	(552,639)	(569,104)	(586,104)
Transfers Out	188,828,178	7,763,365	8,055,366	8,604,147	9,091,127	9,393,007	9,504,528	9,620,226	9,732,048
Total Ongoing	205,464,718	17,175,566	8,661,042	9,191,782	9,662,372	9,954,141	10,049,093	10,141,938	10,234,607
Payoffs									
OPEB ARC Funding	6,000,000	-	-	-	-	-	-	-	-
CalPERS UAL (Additional Pay down)	27,229,061	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total Payoffs	33,229,061	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total Other Outflows	238,693,779	19,175,566	10,661,042	11,191,782	11,662,372	11,954,141	12,049,093	12,141,938	12,234,607
Total Expenditures	1,189,801,168	61,835,172	53,389,574	54,868,555	55,722,262	56,303,450	57,135,954	57,529,762	58,446,671
Surplus/(Deficit)		(3,416,802)	3,936,554	1,301,380	(611,674)	38,634	479,463	1,402,819	1,599,900
Reserves:									
Restricted		2,984,813	2,857,897						
Committed for Emergencies		13,700,000	13,937,000	13,101,000	12,314,000	12,807,000	13,320,000	13,852,000	14,268,000
Pension Reserves		5,928,800	7,551,525	9,248,895	11,024,344	12,881,464	14,824,011	16,855,916	18,981,288
Economic Development Reserves		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Capital Reserves		8,805,120	11,008,866	11,448,876	9,848,753	7,537,267	5,561,182	4,400,096	3,458,624
Contingency Reserves		500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Fund Balance	45,832,278	33,418,733	37,355,288	38,656,668	38,044,994	38,083,628	38,563,090	39,965,909	41,565,809

TWENTY YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	2035-2036	2036-2037	2037-2038
41,565,809	43,299,190	44,949,419	46,769,099	50,289,637	52,181,948	51,940,250	52,292,254	53,357,067	55,230,747	57,799,683	48,132,299
42,473,051	42,994,675	43,530,108	43,937,343	43,370,374	42,859,195	43,633,798	44,432,176	45,256,324	45,966,233	46,546,000	47,000,000
12,550,000	12,676,000	12,930,000	13,059,000	12,275,000	11,539,000	12,001,000	12,481,000	12,980,000	13,369,000	10,027,000	-
5,323,000	5,323,000	5,323,000	5,323,000	5,323,000	5,323,000	5,323,000	5,323,000	5,323,000	5,323,000	5,318,000	5,318,000
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
590,330	590,330	590,330	590,330	590,330	590,330	590,330	590,330	590,330	590,330	590,330	590,330
60,936,381	61,584,005	62,373,438	62,909,673	61,558,704	60,311,525	61,548,128	62,826,506	64,149,654	65,248,563	62,481,330	52,908,330
20,611,177	21,023,046	21,443,153	21,871,662	22,308,741	22,754,562	23,209,299	23,673,131	24,146,240	24,628,811	25,121,033	25,623,100
4,269,456	4,312,151	4,355,272	4,398,825	4,442,813	4,487,241	4,532,114	4,577,435	4,623,209	4,669,441	4,716,136	4,763,297
3,366,055	3,433,032	3,473,101	3,522,438	3,573,391	3,625,972	3,680,197	3,736,078	3,793,630	3,852,871	3,913,816	3,976,484
2,865,336	2,851,010	2,836,754	2,822,571	2,808,458	2,794,416	2,780,443	2,766,541	2,752,709	2,738,945	2,725,250	2,711,624
880,316	897,922	915,881	934,198	952,882	971,940	991,379	1,011,206	1,031,430	1,052,059	1,073,100	1,094,562
31,992,340	32,517,161	33,024,162	33,549,694	34,086,285	34,634,131	35,193,432	35,764,391	36,347,218	36,942,127	37,549,335	38,169,067
1,650,501	1,437,343	1,453,194	1,460,823	1,474,552	1,480,431	1,494,746	1,490,946	1,496,409	1,495,230	1,493,418	1,477,709
1,990,353	2,035,136	1,853,044	1,860,590	1,879,450	1,893,234	1,904,478	1,912,839	1,917,940	1,919,362	1,916,643	1,909,272
1,577,763	1,845,983	1,675,593	1,697,623	1,708,268	1,700,032	1,699,925	1,696,405	1,689,063	1,695,146	1,698,580	1,710,662
294,862	101,774	272,869	270,149	267,799	274,602	270,416	278,094	262,296	269,262	256,212	252,347
1,488,352	1,518,119	1,435,565	1,407,464	1,418,640	1,428,343	1,436,372	1,442,509	1,446,509	1,448,104	1,446,998	1,442,862
7,001,831	6,938,355	6,690,265	6,696,650	6,748,709	6,776,641	6,805,936	6,820,794	6,812,217	6,827,104	6,811,850	6,792,852
6,724,906	6,716,030	6,792,111	6,783,571	6,859,989	6,851,789	6,928,548	6,920,691	6,997,794	6,990,283	7,067,735	7,060,573
990,771	1,003,129	1,015,726	1,028,567	1,041,657	1,055,002	1,068,605	1,082,473	1,096,609	1,111,021	1,125,712	1,140,689
7,715,677	7,719,159	7,807,836	7,812,138	7,901,646	7,906,791	7,997,153	8,003,163	8,094,404	8,101,304	8,193,447	8,201,262
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
1,090,540	1,091,345	1,091,074	1,094,625	1,091,994	1,093,178	1,091,947	1,093,523	1,089,328	1,088,841	979,087	-
(603,657)	(621,780)	(640,493)	(659,816)	(679,769)	(700,371)	(721,645)	(743,793)	(766,622)	(790,157)	(809,040)	(828,528)
10,006,269	10,289,536	10,580,914	10,895,844	10,517,527	10,842,854	10,829,300	10,823,614	10,699,429	10,510,407	8,194,974	2,873,697
10,493,152	10,759,101	11,031,495	11,330,653	10,929,752	11,235,660	11,199,602	11,173,345	11,022,135	10,809,092	8,365,021	2,045,169
2,000,000	2,000,000	2,000,000	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	11,229,061	-
2,000,000	2,000,000	2,000,000	-	11,229,061	-						
12,493,152	12,759,101	13,031,495	11,330,653	10,929,752	11,235,660	11,199,602	11,173,345	11,022,135	10,809,092	19,594,082	2,045,169
59,203,000	59,933,776	60,553,759	59,389,134	59,666,393	60,553,223	61,196,123	61,761,693	62,275,974	62,679,627	72,148,714	55,208,351
1,733,381	1,650,229	1,819,679	3,520,539	1,892,311	(241,698)	352,005	1,064,813	1,873,680	2,568,936	(9,667,384)	(2,300,021)
2,857,897	2,857,897	2,857,897	2,857,897	2,857,897	2,857,897	2,857,897	2,857,897	2,857,897	2,857,897	2,857,897	2,857,897
14,553,000	14,699,000	14,993,000	15,143,000	14,234,000	13,381,000	13,916,000	14,473,000	15,052,000	15,503,000	15,500,000	15,500,000
19,854,427	20,767,731	21,723,046	22,722,307	23,767,533	24,860,839	26,004,438	27,200,642	28,451,871	25,907,787	11,956,667	12,506,674
1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
4,033,866	4,624,792	5,195,155	7,566,434	9,322,519	8,840,514	7,513,920	6,825,528	6,868,979	11,531,000	15,817,735	12,967,707
500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
43,299,190	44,949,419	46,769,099	50,289,637	52,181,948	51,940,250	52,292,254	53,357,067	55,230,747	57,799,683	48,132,299	45,832,278

TWENTY YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

General Fund	20 Year Summary	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
General Fund Transfers In									
32 Sewer Fund		60,330	60,330	60,330	60,330	60,330	60,330	60,330	60,330
62 Government Buildings		117,000	-	-	-	-	-	-	-
23 Gas Tax - HUT Section 2107		413,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
25 Measure M2		-	-	-	-	-	-	-	-
25 Measure M2 - Senior Mobility		120,476	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Total Transfers In	11,927,076	710,806	590,330						
General Fund Transfers Out:									
23 Gas Tax Fund (Curb/Gutter/Sdwlk)		350,000	350,000	375,000	375,000	375,000	375,000	375,000	375,000
23 Gas Tax - Rainbow Disposal		263,000	270,890	279,017	287,387	296,009	304,889	314,036	323,457
24 Traffic Improvement Fund		205,431	-	-	-	-	-	-	-
31 Drainage Fund		315,000	-	-	-	-	-	-	-
64 Equipment Fund		84,000	-	-	-	-	-	-	-
66 Employee Benefit Fund - UAL Fixed Payment		4,035,413	4,856,705	5,306,853	5,723,335	5,945,118	5,977,786	6,009,848	6,041,487
66 Employee Benefit Fund - POB		975,027	1,019,244	1,061,372	1,099,772	1,147,162	1,192,690	1,242,366	1,287,944
66 Employee Benefit Fund - OPEB Charge		1,535,494	1,558,526	1,581,904	1,605,633	1,629,717	1,654,163	1,678,976	1,704,160
Total Transfers Out	188,828,178	7,763,365	8,055,366	8,604,147	9,091,127	9,393,007	9,504,528	9,620,226	9,732,048
Non Departmental									
Mike Thompson's Sales Tax Sharing		405,000	350,000	350,000	350,000	-	-	-	-
County of Orange - Annual Animal Care		495,000	504,900	514,998	525,298	535,804	546,520	557,450	568,599
County of Orange - New Shelter Cost		89,000	89,000	89,000	89,000	89,000	89,000	89,000	89,000
Annual Playground Equipment		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Annual Playground Rubber Resurfacing		35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Annual Sports Park Fields		75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Annual Park Project		200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Fire Department Records Management System		71,000	-	-	-	-	-	-	-
800 MHz		70,000	70,700	71,407	72,121	72,842	73,571	74,306	75,049
Total Non Departmental	22,506,528	1,465,000	1,349,600	1,360,405	1,371,419	1,032,646	1,044,091	1,055,757	1,067,649
Other Ongoing Obligations									
Pension Trust Contribution		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total Ongoing Obligations		2,000,000							
Solar & Energy Project Savings:									
Federal Subsidy (Inc. in Revenue)		-	-	-	-	-	-	-	-
Energy Efficiency Savings		-	(360,955)	(371,925)	(383,270)	(395,004)	(407,139)	(419,690)	(432,671)
Solar Savings		-	(130,841)	(134,362)	(137,977)	(141,689)	(145,500)	(149,414)	(153,433)
Utility Incentive		-	-	-	-	-	-	-	-
Total Savings		-	(491,796)	(506,287)	(521,247)	(536,693)	(552,639)	(569,104)	(586,104)
Net Solar & Energy Project Savings		-	(491,796)	(506,287)	(521,247)	(536,693)	(552,639)	(569,104)	(586,104)
Total Other Ongoing		2,000,000	1,508,204	1,493,713	1,478,753	1,463,307	1,447,361	1,430,896	1,413,896
CalPERS UAL Trust (115)									
Beginning Balance	2,800,000	2,800,000	5,928,800	7,551,525	9,248,895	11,024,344	12,881,464	14,824,011	16,855,916
Pension Inflow/Outflow	-	3,000,000	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000
Interest	-	128,800	272,725	347,370	425,449	507,120	592,547	681,905	775,372
Projected CalPERS UAL Trust Balance	2,800,000	5,928,800	7,551,525	9,248,895	11,024,344	12,881,464	14,824,011	16,855,916	18,981,288
OPEB Trust									
Beginning Balance	10,700,000	10,700,000	11,192,200	11,707,041	12,245,565	12,808,861	13,398,069	14,014,380	14,659,041
OPEB ARC	-	-	-	-	-	-	-	-	-
OPEB Funding (Additional)	-	-	-	-	-	-	-	-	-
Interest OPEB (Additional)	-	492,200	514,841	538,524	563,296	589,208	616,311	644,661	674,316
Projected OPEB Trust Balance	10,700,000	11,192,200	11,707,041	12,245,565	12,808,861	13,398,069	14,014,380	14,659,041	15,333,357
General Fund Capital Projects									
Park Improvements (Non-Departmental)		200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Median Drought Tolerant Landscape		-	-	-	-	-	-	-	-
I-405 Improvement (Reimbursed from OCTA)		786,934	-	-	-	-	-	-	-
Sports Park Bleacher Shade Structures		80,000	-	-	-	-	-	-	-
Sports Park Pickleball Outdoor Courts		20,000	-	-	-	-	-	-	-
Fire Station No. 1 Remodel		750,000	-	-	-	-	-	-	-
Police Locker Room/Showers Remodel		180,000	-	-	-	-	-	-	-
Recreation Center Interior Remodel		187,000	-	-	-	-	-	-	-
City Hall Interior Remodel		100,000	-	-	-	-	-	-	-
Security Cameras System - Yard, Fire, Rec Ctr		80,000	-	-	-	-	-	-	-
Fire Station Gates		60,000	-	-	-	-	-	-	-
Other Capital Items		-	-	-	-	-	-	-	-
Total General Fund Capital Projects		2,443,934	200,000						
Total Pension Paid									
CalPERS NC Rate		2,739,515	2,906,389	3,139,612	3,161,154	3,184,415	3,247,681	3,273,175	3,338,257
UAL Fixed Payment		4,035,413	4,856,705	5,306,853	5,723,335	5,945,118	5,977,786	6,009,848	6,041,487
Pension Obligation Bonds		975,027	1,019,244	1,061,372	1,099,772	1,147,162	1,192,690	1,242,366	1,287,944
CalPERS UAL (Additional Pay down)		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
CalPERS Trust (115)		3,000,000	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000
Total by Year		12,749,955	12,132,338	12,857,838	13,334,262	13,626,695	13,768,157	13,875,389	14,017,688
Cumulative Total		12,749,955	24,882,293	37,740,131	51,074,393	64,701,088	78,469,245	92,344,634	106,362,323

TWENTY YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	2035-2036	2036-2037	2037-2038
60,330	60,330	60,330	60,330	60,330	60,330	60,330	60,330	60,330	60,330	60,330	60,330
-	-	-	-	-	-	-	-	-	-	-	-
450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
-	-	-	-	-	-	-	-	-	-	-	-
80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
590,330											
375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000
333,161	343,155	353,450	364,054	374,975	386,224	397,811	409,745	422,038	434,699	447,740	461,172
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
6,226,221	6,420,684	6,626,304	6,844,842	7,078,469	7,329,868	7,239,589	7,154,582	6,948,684	6,680,648	5,364,820	-
1,342,165	1,395,028	1,444,156	1,503,214	853,219	888,359	925,547	964,563	1,005,188	1,042,313	-	-
1,729,723	1,755,668	1,782,003	1,808,734	1,835,865	1,863,402	1,891,354	1,919,724	1,948,520	1,977,747	2,007,414	2,037,525
10,006,269	10,289,536	10,580,914	10,895,844	10,517,527	10,842,854	10,829,300	10,823,614	10,699,429	10,510,407	8,194,974	2,873,697
-	-	-	-	-	-	-	-	-	-	-	-
579,971	591,571	603,402	615,470	627,780	640,335	653,142	666,205	679,529	693,120	706,982	721,122
-	-	-	-	-	-	-	-	-	-	-	-
25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
-	-	-	-	-	-	-	-	-	-	-	-
75,800	76,558	77,324	78,097	78,878	79,667	80,463	81,268	82,081	82,901	83,730	84,568
990,771	1,003,129	1,015,726	1,028,567	1,041,657	1,055,002	1,068,605	1,082,473	1,096,609	1,111,021	1,125,712	1,140,689
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
(446,097)	(459,983)	(474,345)	(489,200)	(504,565)	(520,457)	(536,894)	(554,075)	(571,805)	(590,103)	(608,986)	(628,474)
(157,560)	(161,797)	(166,148)	(170,616)	(175,204)	(179,914)	(184,751)	(189,718)	(194,817)	(200,054)	(200,054)	(200,054)
(603,657)	(621,780)	(640,493)	(659,816)	(679,769)	(700,371)	(721,645)	(743,793)	(766,622)	(790,157)	(809,040)	(828,528)
(603,657)	(621,780)	(640,493)	(659,816)	(679,769)	(700,371)	(721,645)	(743,793)	(766,622)	(790,157)	(809,040)	(828,528)
(603,657)	(621,780)	(640,493)	(659,816)	(679,769)	(700,371)	(721,645)	(743,793)	(766,622)	(790,157)	(809,040)	(828,528)
18,981,288	19,854,427	20,767,731	21,723,046	22,722,307	23,767,533	24,860,839	26,004,438	27,200,642	28,451,871	25,907,787	11,956,667
873,139	913,304	955,316	999,260	1,045,226	1,093,307	1,143,599	1,196,204	1,251,230	1,308,786	(3,852,871)	(15,142,877)
19,854,427	20,767,731	21,723,046	22,722,307	23,767,533	24,860,839	26,004,438	27,200,642	28,451,871	25,907,787	11,956,667	12,506,674
15,333,357	18,038,692	20,868,471	23,828,421	24,924,529	26,071,057	27,270,325	28,524,760	29,836,899	31,209,397	32,645,029	34,146,700
2,000,000	2,000,000	2,000,000	-	-	-	-	-	-	-	-	-
705,334	829,780	959,950	1,096,107	1,146,528	1,199,269	1,254,435	1,312,139	1,372,497	1,435,632	1,501,671	1,570,748
18,038,692	20,868,471	23,828,421	24,924,529	26,071,057	27,270,325	28,524,760	29,836,899	31,209,397	32,645,029	34,146,700	35,717,449
200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
200,000											
3,366,055	3,433,032	3,473,101	3,522,438	3,573,391	3,625,972	3,680,197	3,736,078	3,793,630	3,852,871	3,913,816	3,976,484
6,226,221	6,420,684	6,626,304	6,844,842	7,078,469	7,329,868	7,239,589	7,154,582	6,948,684	6,680,648	5,364,820	-
1,342,165	1,395,028	1,444,156	1,503,214	853,219	888,359	925,547	964,563	1,005,188	1,042,313	-	-
-	-	-	-	-	-	-	-	-	-	11,229,061	-
-	-	-	-	-	-	-	-	-	(3,852,871)	(15,142,877)	-
10,934,441	11,248,744	11,543,562	11,870,494	11,505,078	11,844,199	11,845,332	11,855,223	11,747,502	7,722,961	5,364,820	3,976,484
117,296,763	128,545,508	140,089,070	151,959,564	163,464,642	175,308,841	187,154,174	199,009,396	210,756,898	218,479,859	223,844,679	227,821,164

FINANCIAL & BUDGET POLICIES

One of the chief responsibilities of the City of Fountain Valley to its residents is the care of public funds. These budget and financial management policies are designed to ensure the fiscal stability of the City of Fountain Valley and guide the development and administration of the annual operating and capital improvement budgets through wise and prudent management of municipal finances, while providing for the adequate funding of the services desired by the public and the maintenance of public facilities.



Objectives

The City's financial objectives address revenues, cash management, expenditures, debt and risk management, capital needs, and budgeting and management. Specific objectives are:

- To protect the policy-making ability of the City Council by ensuring important policy decisions are not dictated by financial problems or emergencies
- To assist City management by providing accurate and timely information on financial conditions
- To provide sound principles to guide the fiscal decisions of the City Council and City management
- To provide essential public and capital facilities and prevent their deterioration
- To set forth operational principles that minimize the cost of government and financial risk, to the extent consistent with services desired by the public
- To enhance the policy-making ability of the City Council by providing accurate information on program costs
- To employ revenue policies that seek to prevent undue or unbalanced reliance on one or a relatively few revenue sources; and,
- To implement a system of internal controls that ensures the legal and appropriate use of all City funds

FINANCIAL & BUDGET POLICIES

ACCOUNTING AND REPORTING POLICIES

Accounting and Annual Reporting Policies

The City's Comprehensive Annual Financial Report (CAFR) presents the government and its component units (entities for which the government is considered to be financially accountable) financial and operating activities. The City's blended component units, although legally separate entities, are, in substance, part of the City's operations and financial data from these units are combined with data of the City. The City's financial statements and accounting records are maintained in accordance with the recommendations of the Governmental Accounting Standards Board (GASB).

The government-wide financial statements report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, normally supported by taxes and inter-governmental revenues, are reported separately from business-type activities that rely, to a significant extent, on fees and charges for support.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Direct expenses have not been eliminated from the functional categories; indirect expenses and internal payments have been eliminated.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues available

FINANCIAL & BUDGET POLICIES

if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

Taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and are therefore recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered measurable and available only when the City receives cash.

The City reports the following governmental fund types:

- Special Revenue Funds account for proceeds of specific revenue sources that are legally restricted or otherwise designated for specific purposes
- Debt Service Funds account for the accumulation of resources for and the payment of principal and interest on general long-term debt
- Capital Projects Funds account for financial resources used for the acquisition or construction of infrastructure and major capital facilities

The City reports the following proprietary funds:

- The Water Utility Fund accounts for the activities of the City's water operations.
- The Sewer Utility Fund accounts for the fees and services for sewer activities.
- The Solid Waste Fund accounts for the fees and services for trash disposal.

Additionally, the City reports the following fund types:

- Internal Service Funds account for operations that provide services to other departments of the City on a cost reimbursement basis. These services include self-insurance (liability/workers compensation); acquisition, replacement and maintenance of the City's vehicle fleet & equipment; mail, telephone, duplicating & strategic IT technology equipment; government building maintenance and operations; and employee benefits
- The Other Post-Employment Benefit (OPEB) Trust Fund accounts for the resources set-aside for pre-funding OPEB obligations
- Agency Funds are used to account for various activities in which the City acts as an agent, not as a principal. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations
- Successor Agency activity is accounted for in a Private-Purpose Trust Fund

FINANCIAL & BUDGET POLICIES

Audit and Financial Reporting

Each year an audit will be conducted by an independent Certified Public Accountant Firm (CPA Firm). The selection of the independent CPA Firm shall be in conformance with the City's professional services bidding procedures. Generally, the City shall request bids for audit services no less frequently than every five years. The CPA Firm shall provide the City Council with an Audit Communication Letter addressing significant findings of the auditors in conjunction with their opinion on the City's Comprehensive Annual Financial Report. These reports shall be submitted to the City Council within 60 days of receipt of the report.

During the annual budget process, the City will make available a preliminary year end, unaudited, General Fund fund balance. It should be recognized, however, that the balance provided is subject to both unforeseen financial transactions of a material nature and subject to findings of the independent audit. An audit verified year-end balance will be available by the end of December and will be included within the year-end financial analysis report.

The City will use generally accepted accounting principles in preparing its annual financial statements, and will strive to meet the requirements of the GFOA's Award for Excellence in Financial Reporting program.

Budget and Ten-year Strategic Financial Plan Administration & Reporting

Each year the City will use an annual budget and ten-year strategic financial plan which emphasizes both short and long-range planning and effective program management. The Council will formally review the City's financial condition, and amend appropriations or revenues if necessary, after six months of operations are completed each fiscal year.

LONG RANGE FINANCIAL PLANNING POLICIES

The City's fiscal policy is guided by the 20-Year Financial Plan, which is a comprehensive plan that encompasses the long-term operating and capital needs of the General Fund. The long-term goal is to achieve fiscal sustainability with a balanced operating budget when Measure HH sunsets in 2037. \$27 million of additional payments are projected to be made to CalPERS over the next twenty years, which is in addition to the \$2.2 million payment made in 2017/18 and is in addition to the amounts required annually by CalPERS. In 2037/38, the City will be debt free. The City's pension liability is expected to be paid off along with the Pension Obligation Bonds and Lease Revenue Bonds.

The twenty year forecast shows that in 2037/38 the annual operating deficit will be \$2.3 million when Measure HH sunsets, which can be eliminated with active management via new revenue sources from economic development. The City is also exploring opportunities for cost savings. For example, in April 2018 the City Council approved a change to the

FINANCIAL & BUDGET POLICIES

City's liability insurance program that will yield \$612,000 of annual savings. Due to Measure HH and strong fiscal stewardship, the City is on a solid path towards long-term fiscal sustainability.

BUDGET POLICIES

Budget Policy Summary

The City develops an annual Operating Budget according to legal and policy direction and includes the following:

- Prepare budgets for all funds of the City
- Adopt budgets that are balanced as to resources and appropriations
- Adopt budgets that do not exceed state constitutional limits
- Adopt budgets prior to the beginning of the fiscal year in which they are to take effect
- Allow adjustments to the budget with proper approvals
- Utilize encumbrances of appropriations as a budgetary control technique
- Adopt budgets by City resolution
- Exercise budget controls at the department level

Balanced Budget

The City will maintain a balanced budget prior to the beginning of each fiscal year. This means that:

- Operating revenues should fully cover operating expenditures, including debt service and debt service coverage requirements
- Ending fund balance (or working capital in enterprise funds) should meet minimum policy levels. Under this policy, it is allowable for total expenditures to exceed revenues in a given year; however, in this situation, beginning fund balance can only be used to fund capital improvement plan projects, or other "one-time" non-recurring expenditures

Budget Process

The City of Fountain Valley operates on a fiscal year basis, starting July 1 and ending June 30. The budget is prepared by the Finance Department with the support of each operating department under the direct supervision of the City Manager.

FINANCIAL & BUDGET POLICIES

The Finance Department is responsible for coordinating all revenue estimates contained in the budget. Estimates are reached by analyzing revenue history; national and local economic trends and indices; and development patterns in our local economy. Revenue projections used in the context of the annual budget are based on conservative assumptions to assure the City has adequate financial resources to meet its obligations and complete all programs approved by the City Council within the course of the fiscal year. When appropriate, these assumptions and specific program allocations are adjusted during the fiscal year.

The Finance Department coordinates the development of the expenditure and internal service budgets with the support of each operating department and the City Manager.

Budget Adoption

The proposed budget is presented to the City Council and community in public workshop meetings in May and June for review, public input, and deliberation. After providing opportunities for public review and discussion at City Council workshops and City Council meetings, the budget is adopted by the City Council prior to June 30 at either a regular or special City Council meeting. After adoption, the budget may be amended by the City Council.

Budget Structure:

Operations Budget: The Operations Budget, or General Fund budget, is the City's annual fiscal blueprint. The Operations Budget is a guide for the receipt and disbursement of funds used to provide daily, routine public services to the community. The Operations Budget outlines the many municipal services, programs and projects provided by the City during the fiscal year. It also identifies specific General Fund revenue estimates and expenditures necessary to implement services to the community.

Special Funds Budget: Special Funds are used to account for revenues and expenditures that are restricted by law or set aside for a special purpose. Each fund can be classified into one of six categories: Committed or Assigned General Fund Reserve, Special (Restricted), Capital Project, Debt Service, Enterprise, Internal Service, or Trust and Agency Funds.

Capital Improvement Program Budget: The CIP budget details the acquisition, construction or rehabilitation of major capital facilities and infrastructure within the current fiscal year. The CIP budget is used to account for the receipt and disbursement of funds for specific CIP projects. For many projects, revenue resources and expenditures may extend over several years and continuing appropriations will be a part of the annual budget to track multi-year capital projects. In addition, the City will update the ten-year Capital Improvement Plan each budget year. However, the adoption of the plan does not authorize the funding for projects beyond the current fiscal year.

FINANCIAL & BUDGET POLICIES

Budget Administration

The Council may amend or supplement the budget at any time after its adoption by majority vote of the Council members. The City Manager has the authority to make administrative adjustments to the budget as long as those changes will not have a significant policy impact nor affect authorized year-end fund balances.

Each operating department will be responsible for the bottom-line budget within each fund. In addition, each department will insure that adequate funds are available within each expenditure line item before a purchase is made. Departments are required to complete a budget transfer form and get approval to move budgeted money from one operating line item to another within the same fund. Only the City manager is authorized to transfer budgeted money from/to salaries, internal service or capital line items within the same fund.

Financial Reporting

On a regular basis, the Finance Department will evaluate financial performance relative to the adopted and adjusted budget, and prepare and present reports to the City Manager, City Department Directors and Managers. The purpose of these reports is as follows:

- Provide an early warning of potential concerns and problems
- Identify, investigate and correct accounting errors
- Evaluate and explain significance of on-going variances
- Give decision makers time to consider actions that may be needed if major deviations in budget-to-actual expenditures or revenues become evident

General Fund Budgeting

The basic format of the budget shall identify programs within organizational structures. Programs are defined as specific services provided to the public, other departments, or other organizations. All assumptions, transfers and other relevant budget data shall be clearly stated.

The City will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses, such as postponing expenditures, accruing future years' revenues, or rolling over short-term debt. Where possible, the budget and subsequent status reports will integrate performance measurement and productivity indicators.

In instances where specific activities/purchases are authorized by the City Council in a certain fiscal year and remain incomplete and/or unexpended, revenues and/or fund balance may be carried forward, at City Council's discretion, into the next fiscal year to support such activities/purchases through the continuing appropriation authorization.

FINANCIAL & BUDGET POLICIES

Provisions will be made for adequate maintenance of the capital plant and equipment and for orderly rehabilitation and replacement within available revenue and budgetary limits. To show true cost of services, revenues and expenditures will be budgeted and accounted for directly in the appropriate fund. Costs for services provided by Special Funds to General Fund activities will be budgeted as an expense in the General Fund and as revenue to the Special Fund.

Budgetary and accounting procedures will conform to Generally Accepted Accounting Principles (GAAP) for governmental agencies.

Special Fund Budgeting

The term “Special Funds” shall be used to identify all funds other than the General Fund (011), inclusive of the following fund types: General Reserve, Special Revenue, Capital Projects, Debt Service, Enterprise, and Internal Service Funds. Special Funds shall be created when legally required, requested by the City Council, or to facilitate internal accounting and financial reporting procedures.

The annual budget for each Special Fund shall be prepared in conjunction with the General Fund budget and shall be submitted to the City Council for adoption prior to the beginning of the fiscal year. Special Funds budgetary and accounting procedures will conform to GAAP.

Activities of the Special Funds shall be reported to the City Council on a regular basis consistent with General Fund reporting responsibilities. To show true cost of services, revenues and expenditures will be budgeted and accounted for directly in the appropriate fund. Costs for services provided between funds will be budgeted as an expense in the fund receiving the services and as revenue to the fund providing the services.

REVENUE MANAGEMENT POLICIES

Introduction

The City utilizes the following policies to govern its operations and methods regarding revenues that are used for operations.

Sources of Revenue

The City will strive to maintain a diversified and stable revenue system to provide protection from short-run fluctuations in any single revenue source to promote consistent service levels.

Intergovernmental assistance shall be used to finance only those capital improvements that are consistent with the capital improvement plan and local government priorities, and

FINANCIAL & BUDGET POLICIES

whose operation and maintenance costs have been included in Operating Budget forecasts.

Programs and services funded by restricted revenue will be clearly designated as such. Restricted revenue shall only be used for the purposes legally permissible and in a fiscally responsible manner. Restricted revenues shall be used prior to unrestricted revenue as legally permissible.

The City shall develop and maintain methods of forecasting future revenues and expenditures. These methods shall project the City's future revenues and expenditures through a variety of methods including, but not limited to, forecasts of the economy and future development of the City.

The portion of revenue from development fees that supports citywide overhead costs shall be classified as a General Purpose Revenue and identified as General Fund Revenue Transfers-In and be used to offset General Fund overhead costs.

Revenue Collection

The City shall strive to improve its tax collection rate through legislative initiative and advocacy at the state level and cooperative effort at the county level.

Revenue Projection

The City will estimate General Fund revenues using an objective and analytical process, as well as documenting and maintaining specific assumptions. In instances where there is uncertainty as to assumptions, conservative revenue projections shall be provided.

Fees and Cost Recovery

User fees and charges shall be established at a level related to the direct and indirect cost of providing the service, wherever possible. The City will recalculate the full cost of activities supported by user fees to identify the impact of inflation and other cost increases. Fees shall be adjusted where appropriate to reflect these increases.

Development process costs and related administrative expense shall be totally offset by development fees, wherever possible.

In setting user fees and cost recovery levels, the following factors will be considered:

Community-Wide versus Special Benefit: The level of user fee cost recovery should consider the community-wide versus special service nature of the program or activity. The use of general-purpose revenues is appropriate for community-wide services, while user fees are appropriate for services that are of special benefit to easily identified individuals or groups.

Service Recipient versus Service Driver: After considering community-wide versus special benefit of the service, the concept of service recipient versus service driver should also be considered. For example, it could be argued that the applicant is not the beneficiary

FINANCIAL & BUDGET POLICIES

of the City's development review efforts: the community is the primary beneficiary; however, the applicant is the driver of development review costs, and as such, cost recovery from the applicant is appropriate.

Effect of Pricing on the Demand for Services: The level of cost recovery and related pricing of services can significantly affect the demand and subsequent level of services provided. At full cost recovery, this has the specific advantage of ensuring that the City is providing services for which there is genuinely a market that is not overly-stimulated by artificially low prices.

Conversely, high levels of cost recovery will negatively impact the delivery of services to lower income groups. This negative feature is especially pronounced, and works against public policy, if the services are specifically targeted to low income groups.

Feasibility of Collection and Recovery: Although it may be determined that a high level of cost recovery may be appropriate for specific services, it may be impractical or too costly to establish a system to identify and charge the user. Accordingly, the feasibility of assessing and collecting charges should also be considered in developing user fees, especially if significant program costs are intended to be financed from that source.

Grants and Federal Funds

The City shall aggressively pursue all grant opportunities; however, before accepting grants, the City will consider the current and future implications of both accepting and rejecting the monies, including:

- The amount of matching funds required
- In-kind services to be provided
- Requirements for reporting, earmarking and level of effort requirements
- The related operating expenses; and
- Length of grant and consequential disposition of service (i.e. is the City obliged to continue the services after the grant has ended)

Gifts, Bequests and Donations to the City

- Gifts and donations will be evaluated to determine what, if any, obligations are to be placed upon the City. Gifts and bequests will be considered as “over and above” basic City appropriations.
- Gifts, donations and/or bequests given to the City for the use of any of its departments or divisions and accepted shall be solely for the purpose intended by the donor. Unrestricted gifts will be expended on the recommendation of the related commission or other advisory board.
- Gifts, donations and bequests shall be recorded in accordance with the Generally Accepted Accounting Principles.

FINANCIAL & BUDGET POLICIES

Development Fee Deferrals

Recognizing some fees are collected in advance of the work being performed and revenue collected in the prior year funds current expenses, a budget and accounting methodology for the recognition and deferral of Development Fees is necessary. By recognizing and deferring Development Fees on an established basis, the revenue activity will be more accurate relative to the revenue budget.

The Development Fee deferred revenues from the prior fiscal year will be recognized and posted to the appropriate current year revenue accounts during the new fiscal year. Beginning in April of each fiscal year, Community Development and Public Works staff will provide an estimate by the tenth of the month to Fiscal Services for the fee amount and accounts collected during the month that should be deferred to the next fiscal year.

Fiscal Services will process journal entries recognizing prior year deferred revenues and deferring appropriate current year revenues as appropriate. At the end of each fiscal year, the total amount deferred will be reallocated to the next fiscal year based on this procedure.

The development revenue and deferral policies are recognized in the City's budget model.

EXPENDITURE POLICIES

The City will maintain a level of expenditures which will provide for the public well-being and safety of the residents of the community.

Council approval is required before expending General Fund or contingency reserves.

Unexpended expenditures budgeted in one fiscal year are not automatically carried over into the next budget year. In some specific instances where the purpose for which the expenditure was budgeted has not been completed it may be reauthorized through the continuing appropriations process. Multi-year CIP projects that are under construction will be carried into the next fiscal year utilizing the continuing appropriations process.

Staffing

The budget will fully appropriate the resources needed for authorized regular staffing and will limit programs to the regular staffing authorized. The City Council will annually approve an Authorized Position Control Schedule. Operating expenditure budgets which have been changed solely as the result of Council approved labor agreements need not be re-approved by the Council.

Staffing and contract service cost ceilings will limit total expenditures for regular employees, temporary, part-time employees, and independent contractors hired to provide operating and maintenance services.

FINANCIAL & BUDGET POLICIES

Overtime Management

Overtime should be used only when necessary and when other alternatives are not feasible or cost effective.

All overtime must be pre-authorized by a department head or delegate unless it is assumed pre-approved by its nature. For example, overtime that results when an employee is assigned to standby and/or must respond to an emergency or complete an emergency response.

Departmental Operating Budgets should reflect anticipated annual overtime costs and departments will regularly monitor overtime use and expenditures and will be held accountable for such expenditures.

When considering the addition of regular or temporary staffing, the use of overtime as an alternative will be considered. The department will take into account:

- The duration that additional staff resources may be needed
- The cost of overtime versus the cost of additional staff
- The skills and abilities of current staff
- Training costs associated with hiring additional staff

Overtime which is the result of emergency response such as Fire Strike Teams or mutual aid which is reimbursable from another government agency is not subject to the above requirements. However, such expenses and the resulting reimbursements require City Council approval.

Measure HH – Essential City Services – Responsible Spending Pledge

The City of Fountain Valley is committed to sound financial policies that maximize the highest level of City services for the people of Fountain Valley. The City Council recognizes the need to protect the City's assets and to ensure long-term financial sustainability.

On October 16, 2016, the City Council adopted the Responsible Spending Pledge. The commitment is to maintain essential city services including public safety; senior and youth programs; parks & roadways; other critical city services and paying down debt; and rebuilding reserves.

The Responsible Spending Pledge sets forth that in the event there are any significant increases in the City of Fountain Valley's revenues, we believe that the majority of this money should be used to maintain:

- Essential City services including public safety & 911 emergency response;
- Keep Fire Station 2 open and maintain firefighter & paramedics;
- Police Station and Police officers; restore anti-gang & drug programs;

FINANCIAL & BUDGET POLICIES

- Senior and youth programs;
- Streets, sidewalks, & roadways and repair storm water systems;
- Parks and play equipment; and
- Provide other essential City services.

We also believe, that whenever additional revenue gains are realized, City leadership should seek opportunities to:

- Pay off, pay down, consolidate or refinance the City's outstanding debt;
- Pay down unfunded liabilities; and
- Rebuild and maintain the City's established reserves levels.

Finally, the City Council believes this pledge is a clear guide to helping keep Fountain Valley a "**Nice Place to Live**".

INVESTMENT POLICIES

The City has adopted a formal Investment Policy that is reviewed annually and approved by City Council. Below is an overview of some of the policies related to investing City funds.

Goals

- The City of Fountain Valley's Investment Policy is intended to provide specific criteria for the prudent investment of City funds. The goal is to enhance the economic status of the City while protecting pooled funds and meeting daily cash flow demands.
- The Investment Policy is in conformance with all federal, state and local laws governing the investment of monies under the control of the City Treasurer.
- The Investment Policy applies to the City's Pooled Investment Portfolio, which includes all cash and investments under the direct oversight of the treasurer and include the following funds:
 - General Fund
 - Capital Project
 - Debt Service Trust & Agency
 - Proprietary (Enterprise / Internal Service)
 - Special Revenue
 - Other Funds (which may be created)
 - Reserve Funds
- Financial assets held and invested by trustees or fiscal agents are subject to and governed according to the regulations established by the State of California pertaining to local agencies as wells as any relative bond indentures or trust agreements.

FINANCIAL & BUDGET POLICIES

Delegation of Authority

- The Fountain Valley Municipal Code and the authority granted by City Council assign the responsibility of investing unexpended cash to the City Treasurer which is usually the Director of Finance.
- The City Treasurer may delegate daily investment activity, such as carrying out the treasurer's investment instructions, confirming treasury transactions and other routine activities.
- Investments with a maturity of greater than five years must be approved by the City Council.

Prudence

- The treasurer operates the City's pooled cash investment program under § 53600.3 of the California Government Code, applicable state laws, and a Prudent Investor Rule. This affords a broad spectrum of investment opportunities so long as the investment is deemed prudent and permissible by the State of California, various bond indentures and the City's Annual Investment Policy. The treasurer strives to invest 100% of idle funds.

Treasury Objectives

- The City will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities.
- The Treasurer maintains a diversified portfolio to accomplish the primary objectives in the following order of priority: safety, liquidity and yield.

Maximum Maturities

- Maturities of investments will be selected based on liquidity requirements to minimize interest rate risk and maximize earnings. Current and expected yield curve analysis will be monitored and the portfolio will be invested accordingly.
- In no event will securities with maximum maturities beyond four years exceed 40% of the portfolio's total carrying cost at the time of purchase.

Portfolio Reporting

On a quarterly basis, or as otherwise requested by the City Manager, the City Treasurer shall provide to the City Council a report indicating each of the City's investments. The report shall include a statement certifying the ability of the City to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may not, be available. The investment portfolio report shall include market information for all investments.

FINANCIAL & BUDGET POLICIES

Authorized Investments

The City is governed by the California Government Code, §§ 53600 et seq. Within the context of these limitations, and based on the cost at time of purchase. A more detailed list of authorized investments are in the adopted Investment Policy.

FUND BALANCE POLICY

To maintain the City's credit rating and meet seasonal cash flow shortfalls, economic downturns or a local disaster, the budget shall provide for an anticipated fund balance for general government and enterprise fund types. Fund balance shall be exclusive of all restrictions, commitments, and assignments not available for use in emergencies and contingencies.

There are almost always important limitations on the purpose for which all or a portion of the resources of a governmental fund can be used. The forces of these limitations can vary significantly, depending upon their source. Therefore, the various components of fund balance are designed to indicate, "...the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund can be spent." Fund balance is categorized in five classifications, depicting the relative strength of the spending constraints placed on the purposes for which the resources can be used. The five classifications are:

Non-spendable: amounts not in spendable form or are required to be maintained intact (inventories, prepaid items, endowment)

Restricted: portions of fund balance that reflect resources subject to externally enforceable legal restrictions. Amounts constrained to specific purposes by their providers, through constitutional provisions, or by enabling legislation (bond proceeds, Pension Trust Fund assets, Measure M, creditors, grantors, restricted donations or contributions)

Committed: amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority (City Council), and remains binding unless removed in the same manner

Assigned: amounts a government intends to use for a specific purpose; intent can be expressed by the governing body, or by an official or body to which the governing body delegates the authority (year-end encumbrances, infrastructure and rehabilitation funding)

Unassigned: amounts available for any purpose; reported only in the General Fund

The following sets forth the Fund Balance Policy for the General Fund, which is subject to periodic review by the City Council.

FINANCIAL & BUDGET POLICIES

Pension Reserves– \$5,928,800

The City has established a Section 115 Pension Trust Fund to set aside pension reserves in an irrevocable trust fund. The Pension Trust Fund may be used to offset volatility in pension contributions. In Fiscal Year 2017/18, the City funded the Pension Trust with an initial contribution of \$2.8 million. The 2018/19 Budget reflects an additional projected contribution of \$3 million. The projected balance at June 30, 2019 is \$5,928,800, which includes estimated investment earnings.

Emergency Reserves – \$13,700,000

The reserve for emergencies shall be maintained at \$13.7 million unless the City Council declares an emergency for natural disasters or financial emergencies. A financial emergency is considered when annual General Fund operating revenues decrease by 5% or more or when annual General Fund operating expenditures increase by 5% or more. The targeted reserve level of \$13.7 million equates to approximately 55% of total sales tax revenue and is reviewed annually. This reserve addresses a number of risk factors including natural disasters, budget stabilization, revenue source stability, expenditure volatility and liquidity.

Economic Development Reserves – \$1,500,000

One of the City's 3-Year Strategic Plan Goals is to enhance economic development. In 2014 \$2.5 million was set-aside for Economic Development. \$1,000,000 has been budgeted in Fiscal Year 2018/19 to be spent on the General Plan. The available unappropriated balance for Economic Development Reserves is \$1,500,000.

General Fund Capital Reserves – \$8,805,121

The City has significant capital improvement expenditures that can be funded on a pay-go basis without the issuance of debt. Specific projects will continue to be identified by staff and may be presented to the City Council during the budget process or throughout the year as capital needs arise. The estimated reserve balance at June 30, 2019 is \$8,805,121.

Contingency Reserves – \$500,000

Contingency reserves includes spendable amounts not otherwise restricted, committed or assigned and is intended to be used for expenses that surface after the end of the traditional budgeting process. Contingency reserves in excess of \$500,000 are assigned to General Fund Capital Reserves.

Internal Service Funds

Fleet Management: The City has established and maintains a Fleet Management Fund to provide for the timely replacement of vehicles and related equipment with an individual replacement cost of \$15,000 or more. The amount retained in this fund, coupled with the annual contributions received by it from any source, shall be adequate to fully fund the

FINANCIAL & BUDGET POLICIES

replacements approved in the ten-year Financial Plan on any given year. Currently, the desired reserve fund balance is \$2,000,000.

Information Services Fund: The City has established an Information Services Fund to provide for the timely replacement of information technology, both hardware and software. The amount retained in this fund, coupled with annual contributions received by it from any source, shall be adequate to fully fund the improvements included in the ten-year schedule. The City has a long term objective of maintaining a minimum reserve fund balance of at least \$800,000.

Government Buildings Fund: The City has established a Government Buildings fund for the purpose of financing the cost of improvements city-owned, general government building and structures. The amount retained in this fund, coupled with annual contributions received by it from any source, shall be adequate to fully fund the improvements included in the ten-year schedule. The City has a long term objective of maintaining a minimum reserve balance of \$1,750,000.

Capital Equipment Fund: The City has established a Capital Equipment Fund for the purpose of financing the replacement cost of equipment and furniture utilized by city departments. The amount retained in this fund, coupled with annual contributions received by it from any source, shall be adequate to fully fund the improvements included in the ten-year schedule. The City has a healthy fund balance derived with the long term objective of maintaining a minimum fund balance of at least \$800,000.

Employee Benefits: Reserves will be maintained at a level to cover the cost of ongoing employee benefits during each fiscal year. The City policy is to maintain \$2,000,000 reserve to cover long-term obligations.

Self-Insurance: Reserves will be maintained at a level which, together with purchased insurance policies, adequately protect the City. The City will strive to maintain a reserve of \$3,000,000 to cover future obligations.

CAPITAL IMPROVEMENT POLICIES

The City utilizes the following policies to govern its Capital Improvement Program and the use of special funds that address community capital project needs.

Ten-Year Capital Improvement Program

The City Manager shall develop and maintain a ten-year projection of capital improvement projects based on the General Plan, Specific Plans, and on City Council approved projects. The ten-year projection shall be presented as part of the annual update to the City's Ten-year Strategic Financial Plan. The Capital Improvement Program (CIP) should be tied to projected revenue and expenditure constraints. Future planning should consider periods of revenue surplus and shortfall, and adjust projects and programs accordingly. The ten-

FINANCIAL & BUDGET POLICIES

year projection shall include new capital projects, rehabilitation needs and long-term maintenance.

Capital Improvement Program -- Current Fiscal Year Appropriation

The current fiscal year CIP budget details the projected costs of acquisition, construction or rehabilitation of major capital facilities and infrastructure. The CIP Project Fund is used to track the receipt and disbursement of funds for specific CIP projects. For many projects, revenue resources and expenditures may extend over several years and continuing appropriations will be a part of the annual budget to track multi-year capital projects.

Accordingly, project appropriations are generally made when contracts are awarded. If project costs at the time of bid award are less than the budgeted amount, the balance will be unappropriated and returned to fund balance or allocated to another project. If project costs at the time of bid award are greater than budget amounts, five basic options are available:

- Eliminate the project
- Defer the project for consideration to the next Financial Plan period
- Re-scope or change the phasing of the project to meet the existing budget
- Transfer funding from another specified, lower priority project
- Appropriate additional resources as necessary from fund balance

The City's CIP projects are budgeted on an annual basis. As a result, monies are allocated to projects in the fiscal year the funding sources are identified, available and approved by Council. Annual appropriations for capital projects are contained in the appropriate special funds budget.

Ten-Year Capital Improvement Plan

The City will update the ten-year Capital Improvement Plan each budget year. However, the adoption of the ten-year plan does not authorize the funding of projects identified within the ten-year plan beyond the current fiscal year.

The City's capital improvement plan will recognize the borrowing limitation of not only the City but also the debt tolerance (direct and overlapping debt) of the City as a whole. The adopted annual budget shall contain a ten-year summary projection of revenues and expenditures, which specifies the revenue sources and anticipated allocation schedule for the ten-year CIP. This multi-year plan shall be updated on an annual basis. Individual capital improvement projects shall include a projected cost amount for City administration, whereby project estimates reflect the total cost of the project.

The City also has a long-term ten-year Strategic Financing Plan which identifies CIP projects and related rehabilitation items for a total of ten years. The goal of the long-term plan is to allow for the identification of potential funding including grants, state and federal funds, rate review of enterprise funds and other financing opportunities.

FINANCIAL & BUDGET POLICIES

Capital Improvement Funding

Within the limitation of existing law, various funding sources may be utilized for capital improvements. Capital projects shall not be dictated by the nature of funding available except to the extent that the projects meet an initial test required to achieve City goals and to the extent that projects must be placed in priority in order to utilize outside funding. The City shall actively pursue outside funding sources for all capital improvement projects.

CIP Budget Carryover

Unexpended project balances shall be carried forward to future fiscal years to complete the intent of the original budget, contingent upon approval by the City Council. The annual budget shall identify the "Continuing Appropriation" balance that will be carried over to complete each specific multi-year project.

Upon completion of each capital project, unspent funds shall be reported to the City Council through the year-end budget report. The City Manager shall provide recommendations to redirect the use of unspent capital project funds in the year-end report and the annual budget.

CIP Funding Criteria

The City will use the following criteria to evaluate pay-as-you-go versus long-term financing (pay-as-you-use) in funding capital improvements:

Factors Favoring - Pay-As-You-Go Financing

- Current revenues and adequate fund balances are available or project phasing can be accomplished
- Existing debt levels adversely affect the City's credit rating
- Market conditions are unstable or present difficulties in marketing

Factors Favoring - Long Term Financing (Pay-As-You-Use)

- Revenues available for debt service are deemed sufficient and reliable so that long-term financings can be marketed with investment grade credit ratings
- The project securing the financing is of the type, which will support an investment grade credit rating
- Market conditions present favorable interest rates and demand for City financings
- A project is mandated by state or federal requirements, and resources are insufficient or unavailable
- The project is immediately required to meet or relieve capacity needs and current resources are insufficient or unavailable

FINANCIAL & BUDGET POLICIES

- The life of the project or asset to be financed is 10 years or longer
- Vehicle leasing when market conditions and operational circumstances present favorable opportunities

In no case shall projects incur a funding deficit without the approval of the City Council.

ENTERPRISE FUND FEES AND RATE STRUCTURE

Water, Solid Waste and Sewer: The City will set fees and rates at levels which fully cover the total direct and indirect costs—including operations, capital outlay, and debt service—of the following enterprise programs: water, solid waste, and sewer.

Ongoing Rate Review: The City will review and adjust enterprise fees and rate structures as required to ensure that they remain appropriate and equitable.

City Services: In accordance with long-standing practices, the City will treat the water, solid waste and sewer funds in the same manner as if they were privately owned and operated. This means assessing reasonable charges that are reimbursed to the City for the use of City owned facilities, equipment, vehicles and other related services to fully recover these costs.

Enterprise Fund Debt Capacity: The City will set enterprise fund rates at levels needed to fully cover debt service requirements as well as operations, maintenance, administration and capital improvement costs. The ability to afford new debt for enterprise operations will be evaluated as an integral part of the City's rate review and setting process.

APPROPRIATIONS LIMIT

The Council will annually adopt a resolution establishing the City's appropriations limit calculated in accordance with Article XIII-B of the Constitution of the State of California, §7900 of the State of California Government Code, and any other voter approved amendments or state legislation that affect the City's appropriations limit.

The supporting documentation used in calculating the City's appropriations limit and projected appropriations subject to the limit will be available for public and Council review at least 10 days before Council consideration of a resolution to adopt an appropriations limit. The Council will generally consider this resolution in connection with final approval of the budget.

The City will strive to develop revenue sources, both new and existing, which are considered non-tax proceeds in calculating its appropriations subject to limitation.

FINANCIAL & BUDGET POLICIES

The City will annually review user fees and charges and report to the Council the amount of program subsidy, if any, that is being provided by the General or Enterprise Funds.

The City will actively support legislation or initiatives sponsored or approved by League of California Cities which would modify Article XIII-B of the Constitution in a manner which would allow the City to retain projected tax revenues resulting from growth in the local economy for use as determined by the Council.

The City will seek voter approval to amend its appropriation limit at such time that tax proceeds are in excess of allowable limits.

DEBT POLICIES

Debt Financing

Debt financing shall generally be limited to one-time capital improvement projects and only under the following circumstances:

- When the project's useful life will exceed the term of the financing;
- When project revenue or resources will be sufficient to service the debt; and
- When the project will benefit the residents of Fountain Valley.

Debt financing shall not be considered appropriate for:

- Investment leveraging purposes,
- Current operating and maintenance expenses except for issuing short-term instruments such as revenue anticipation notes or tax anticipation notes; and
- Any recurring purpose (except as indicated above).

Debt Management

- The City will not obligate the General Fund to secure long-term financings except when marketability can be significantly enhanced.
- An internal feasibility analysis will be prepared for each long-term financing which analyzes the impact on current and future budgets for debt service and operations this analysis will also address the reliability of revenues to support debt service.
- The City will generally conduct financings on a competitive basis. However, negotiated financings may be used due to market volatility or the use of an unusual or complex financing or security structure.
- The City will seek an investment grade rating (Baa/BBB or greater) on any direct debt and will seek credit enhancements such as letters of credit or insurance when necessary for marketing purposes, availability and cost-effectiveness.

FINANCIAL & BUDGET POLICIES

- The City will monitor all forms of debt annually coincident with the City's Financial Plan preparation and review process and report concerns and remedies, if needed, to the Council.
- The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations.
- The City will maintain good, ongoing communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus (Official Statement).

Debt Refinancing

General Guidelines: Periodic reviews of all outstanding debt will be undertaken to determine refinancing opportunities. Refinancing will be considered (within federal tax law constraints) under the following conditions:

- There is a net economic benefit;
- It is needed to modernize covenants that are adversely affecting the City's financial position or operations; and
- The City wants to reduce the principal outstanding in order to achieve future debt service savings, and it has available working capital to do so from other sources.

Standards for Economic Savings: In general, refinancing for economic savings will be undertaken whenever net present value savings of at least five percent (5%) of the refunded debt can be achieved.

- Refinancing that produce net present value savings of less than five percent will be considered on a case-by-case basis, provided that the present value savings are at least three percent (3%) of the refunded debt.
- Refinancing with savings of less than three percent (3%), or with negative savings, will not be considered unless there is a compelling public policy objective.

Legal Debt Margin

Under state law, the City has a legal debt limitation not to exceed 15% of the total adjusted assessed valuation of taxable property within City boundaries. In accordance with California Government Code § 43605, only the City's general obligation bonds are subject to that legal debt limit. The City has no outstanding general obligation bonds.

FINANCIAL & BUDGET POLICIES

CONTRACTING FOR SERVICES

General Policy Guidelines

Contracting with the private sector for the delivery of services provides the City with a significant opportunity for cost containment and productivity enhancements. As such, the City is committed to using private sector resources in delivering municipal services as a key element in our continuing efforts to provide cost-effective programs.

Private sector contracting approaches under this policy include construction projects, professional services, outside employment agencies and ongoing operating and maintenance services.

In evaluating the costs of private sector contracts compared with in-house performance of the service, indirect, direct, and contract administration costs of the City will be identified and considered.

Whenever private sector providers are available and can meet established service levels, they will be seriously considered as viable service delivery alternatives using the evaluation criteria outlined below.

For programs and activities currently provided by City employees, conversions to contract services will generally be made through attrition, reassignment or absorption by the contractor.

Evaluation Criteria

Within the general policy guidelines stated above, the cost-effectiveness of contract services in meeting established service levels will be determined on a case-by-case basis using the following criteria:

- Is a sufficient private sector market available to competitively deliver this service and assure a reasonable range of alternative service providers?
- Can the contract be effectively and efficiently administered?
- What are the consequences if the contractor fails to perform, and can the contract reasonably be written to compensate the City for any such damages?
- Can a private sector contractor better respond to expansions, contractions or special requirements of the service?
- Can the work scope be sufficiently defined to ensure that competing proposals can be fairly and fully evaluated, as well as the contractor's performance after bid award?
- Does the use of contract services provide us with an opportunity to redefine service levels?

FINANCIAL & BUDGET POLICIES

- Will the contract limit our ability to deliver emergency or other high priority services?
- Overall, can the City successfully delegate the performance of the service but still retain accountability and responsibility for its delivery?

COMMUNITY PROFILE

About the City of Fountain Valley

The City of Fountain Valley is a well-planned, urban community, which includes a balance of land use and City services. It is located in the heart of Orange County just minutes from points of interest such as Disneyland, Knott's Berry Farm, the beach and world class shopping. The City is geographically located just north of Huntington Beach, Costa Mesa and Newport Beach, and is just south of Santa Ana and Anaheim. Fountain Valley is served by the San Diego (405) freeway and offers convenient access to three major airports.



The City of Fountain Valley was incorporated June 13, 1957, and became the 21st City in the County of Orange. Since its incorporation in 1957 and throughout its rich history, the City of Fountain Valley has been known as “A Nice Place to Live”. Residents of the City have adopted this motto thanks to the well maintained streets and parkways, 18 parks, wide range of recreation programs for all ages, great weather and overall quality of life. Business also consider Fountain Valley to be a “Nice Place to do Business” as well.

The City is comprised of 9.8 square miles with vibrant commercial areas, neighboring residential communities, recreational facilities, beaches, high profile corporate headquarters and small entrepreneurial and retail businesses.

Governance

The City Council consists of five members elected by the community at large. Council terms are for four years. Elections are held every two years, at which time either two or three members are elected. Every year, from the current Council Members, elect a Mayor and Mayor Pro Tempore who serve for one year. The City Council also serves as the governing bodies for the Successor Agency, Public Finance Authority and the Housing Authority. The community imposed term limits on council members who may not serve more than three consecutive full terms. The City Council chooses a City Manager who is responsible for managing the day-to-day operations of the City and implementing the policies set by the City Council.

History

Long before the Santa Ana River banks were lined with concrete, the land that is now Fountain Valley was saturated with peat bogs and willow thickets. Early settlers dug deep wells at a distance from the banks of the unpredictable river to reach the water that was draining down from the higher ground above. The pressure of the water created an upward flow in these wells (known as Artesian Wells) and fountains of water spurted from the openings. Today a beautiful fountain in front of City Hall reminds us how Fountain Valley got its name.

COMMUNITY PROFILE

The Tongva (“People of the Earth”) were the first inhabitants of the land and it was Tongva Native Americans who paddled out from the shore of what is now San Pedro to greet explorer, Cabrillo, in 1542.

From the time of Cabrillo’s arrival until 1822 California remained under Spanish rule. In 1797 Governor Pedro Fages gave an ex-soldier named Manuel Nietos a 29,000 acre

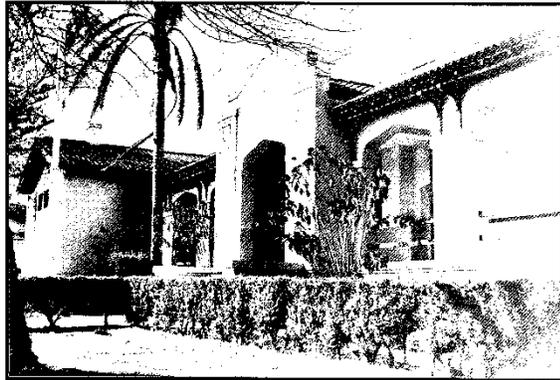
land grant that encompassed today’s cities of Fountain Valley, Westminster, Garden Grove, and northern Huntington Beach. The land became known as Las Bolsas (“The Pockets”) because it was primarily marshland with just pockets of solid ground.

In 1834, after Mexico gained independence from Spain, Alta California governor, Jose Figueroa, gave the land to Nieto’s heirs and a number of other groups and individuals. At the end of the Mexican-American War in 1848, Mexico ceded all of Alta California to the United States and Rancho Las Bolsas was sold at a public auction soon after California became the 31st U.S. state in 1850. Abel Stearns bought the entire parcel of land for \$15,000 and renamed it The Stearns Ranch Company. Stearns was a cattle rancher and as he bought more and more land, he became the largest land owner in California. His fortune soon changed, however, when the Santa Ana River flood of 1861 wiped out his cattle industry. The great flood was followed by severe drought and in 1862 Stearns sold the Rancho to The Los Angeles and San Bernardino Land Company. Families moved in one by one which necessitated business and services. The first school house was near Garfield and Florida streets in the City of Huntington Beach and a large building named

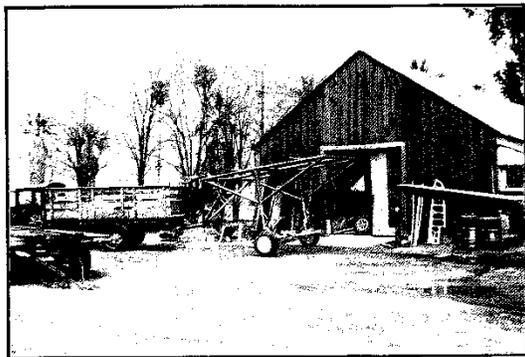
Sycamore Hall was built and utilized as a meeting place. Soon more and more buildings were erected as settlers migrated to what was often referred to as the “Gospel Swamps” because of the lively spirituals held there.

With this pivotal series of events, the rapid development of the Santa Ana Valley began.

The fantastic growth rate which Fountain Valley experienced in the



First Fountain Valley City Hall
1962 — 1964. Built in 1920 as Fountain Valley Elementary School.



Wardlow Blacksmith Shop 1915
Operated by James Ray Wardlow. Photo taken about 1947 then operated by Lloyd and Floyd Wardlow.

COMMUNITY PROFILE

1960's, which could easily have wreaked havoc with the planning of most cities, took place within the framework of a Master Plan adopted before any development had begun. Unlike many communities, Fountain Valley's Master Plan did not have to play "catch up" with existing developments. It is for this reason that Fountain Valley has often been referred to as Orange County's best-planned community.

Climate

Fountain Valley, CA climate is warm during summer when temperatures tend to be in the 70's and cool during winter when temperatures tend to be in the 50's. The warmest month of the year is August with an average maximum temperature of 84.20 degrees Fahrenheit, while the coldest month of the year is December with an average minimum temperature of 46.00 degrees Fahrenheit.

The annual average precipitation at Fountain Valley is 13.84 Inches. Rainfall in is fairly evenly distributed throughout the year. The wettest month of the year is January with an average rainfall of 3.18 Inches.

Population & Education

According to the 2014 Census at the benchmark, and updated in 2017 through the California Department of Finance, Fountain Valley's population is 56,709.

Fountain Valley is also a well educated population. According to the 2014 Census, and updated in 2017 through the American Community Survey Department of the US Census bureau, of those over 25 years, 90% graduated from high school and 38% have a Bachelor's degree or higher with the median household income of \$81,825.

Community Services

On the Westside of Mile Square Park the City owns and operates a fifty-five acre Recreation Center and Sports Park. This facility, newly expanded and renovated in 2008, contains a Recreation Center building with an indoor gym and community rooms. Outdoors are racket ball and tennis courts, 15 ball/soccer fields, 3 dedicated softball fields. There is a walking trail, playground for children, and great lawn for community events such as the Annual Egg Hunt, Concerts in the Park, Summerfest, Classic Car Show, and the annual Christmas Tree Lighting Ceremony. The City also has a dedicated Senior Center called "The Center at Founders Village" located on Bushard Street. The center offer an array of programs, services and classes focused on the community's senior population.

The City of Fountain Valley has partnered with "The Fountain Valley Community Foundation", a non-profit group, to help support many of the special events that are held by the City throughout the year. The Foundation also holds several events that are funded fully by the donations that are raised throughout the year from residents and business community members.



COMMUNITY PROFILE

Housing and Families

There were a total of 19,536 households in Fountain Valley according to the 2001-2015 American Community Survey 5-year survey through the US Census Bureau. Over 68% of the city’s housing units are owner occupied and 32% were renters. Vacancy rates are very low at less than 2.3% of the total households. More than three quarters of these households are family households.



The median sale price of a home in Fountain Valley is \$779,000. This represents a 04% increase over the prior year.

	FOUNTAIN VALLEY		ORANGE COUNTY	
Type	2015	Percent	2015	Percent
Single Family Detached	12,753	65.%	541,827	51%
Single Family Attached	1,890	10%	127,018	12%
Multi-Family (2-4 units)	792	4%	94,828	9%
Multi-Family (5 + units)	3,747	19%	270,755	25%
Mobile Homes	355	2%	29,846	3%
Total	19,536	100%	1,064,642	100%

Sources: U.S. Census Bureau

Education

Fountain Valley has excellent public and private schools. This is one of the reasons why families and businesses choose to live in the city. The Fountain Valley School District was founded around 1898 with the first school being Fountain Valley School on Bushard and Talbert. There are nine elementary schools, two middle schools (6-8), and one K-8 alternative school. Coastline Community College and three major universities are within 20 minutes of Fountain Valley.



Health Care

Fountain Valley is fortunate to have two fully accredited and respected health facilities within its city boundaries. Fountain Valley Regional Hospital with 400 beds and Orange Coast Memorial Hospital with 230 beds to provide the quality health care citizens need.

COMMUNITY PROFILE

Places of Interest

Fountain Valley is located in Orange County and is 30 miles southeast of Los Angeles, 400 miles south of San Francisco and 90 miles northeast of San Diego.

Within our City limits there are many places of interest to visit. The City boasts of 20 neighborhood/community parks, a fifty-five acre recreation center with tennis, basketball and racquetball courts, a gymnasium, the Kingston Boys & Girls club, a public library, a bowling alley, miniature golf course, roller skating and a performing arts center. Fountain Valley also has beautiful Miles Square Park, with hiking trails, picnic areas and fishing along with three 18-hole golf courses.

One of the City’s greatest amenities is Mile Square Regional Park. Miles Square is an urban park with a total of 640 acres of beautiful land. Within the park’s boundaries are three regulation golf courses, two regulation soccer fields, baseball & softball diamonds, an archery range and a wilderness area. There are also two fishing lakes; concession operated bike and paddle boat operations, and a wide expanse of picnic areas as well as numerous picnic shelters. Within a driving distance of 30 minutes there are also many activities to enjoy.

Places of Interest	Approximate Drive Time
Disneyland	20 minutes
Knott’s Berry Farm	30 minutes
John Wayne Airport	15 minutes
Long Beach Municipal Airport	20 minutes
Huntington Beach	10 minutes
Newport Beach	15 minutes
Anaheim Convention Center / Honda Center / Angel Stadium / Artic Transportation Hub	20 minutes

Major Employers

Fountain Valley’s strong economic climate is reflected in the fact that many companies have chosen to locate their business or headquarters here including Hyundai Motor America. Over 5,000 service, retail, and industrial businesses call the City “A Nice Place to do Business”.

In partnership with the Fountain Valley Chamber of Commerce and the Agency for Community Development, the City values a strong and varied business community. The City offers free Business Resources and Services to assist our businesses in realizing their highest potential in the good times and to assist them in the tough times.



COMMUNITY PROFILE

Employer	Number of Employees
Fountain Valley Regional Hospital	1816
Memorial Health Services	1493
Orange Coast Memorial Medical	1061
Hyundai Motor America, Inc.	1034
Kingston Technology Corporation	620
Antech Diagnostics, Inc..	325
Costco Wholesale #411	322
Surefire, Inc.	287
Ceridian Tax Services, Inc.	270
Sam's Club #6615	218
Spec Services, Inc.	194
Manor Care	192

Major Property Tax Payers

The City of Fountain Valley has a diverse property tax base with the 10 largest taxpayers constituting less than 11% of the total property tax revenues. Significant investments in the City have recently been made by Hyundai Motor America and Yakult USA.

RANK	TOP 10 TAX PAYERS BASED ON NET VALUES 2017-18
1	HYUNDAI MOTOR AMERICA COMPANY
2	FOUNTAIN VALLEY REGIONAL HOSPITAL
3	ORANGE COST MEMORIAL MEDICAL CENTER
4	BEXAEW The HAVENS, LP
5	JKS-CMFV, LLC
6	MEMORIAL HEALTH SERVICES
7	SHEA CENTER CRYSTAL SPRINGS, LLC
8	YAKULT USA, INC.
9	FOUNTAIN VALLEY SENIOR HOUSING, LLC
10	US MILENIUM, LP

Source: HDL Coren & Cone

ACRONYMS

ABC	Alcoholic Beverage Control
ACC-OC	Association of California Cities – Orange County
AD	Assessment District
ADA	Americans with Disabilities Act
ADT	Average Daily Trips
AHFP	Arterial Highway Financing Program
AQMD	Air Quality Management District
AQMP	Air Quality Management Plan
AP	Accounts Payable
AR	Administrative Regulation (Internal City Policies)
BOE	Board of Equalization
CAD	Computer Aided Dispatch System
CAFR	Comprehensive Annual Financial Report
CAL-ID	California’s automated fingerprinting identification system
CAL-OES	California Office of Emergency Services
CBO	Chief Building Official
CC	City Council
CDBG	Community Development Block Grant
CEQA	California Environmental Quality Act
CERT	Community Emergency Response Training
CFD	Community Facilities District
CIP	Capital Improvement Program
CJPIA	California Joint Powers Insurance Authority

ACRONYMS

CMP	Congestion Management Plan
CMTA	California Municipal Treasures Association
CNG	Compressed Natural Gas
COPS	Community Oriented Policing Services
CPI	Consumer Price Index
CREB's	Clean Renewable Energy Bonds
CSMFO	California Society of Municipal Finance Officers
CUP	Conditional Use Permit
D.A.R.E.	Drug Abuse Resistance Program
DOF	California Department of Finance
E/FTC	Eastern/Foothill Transportation Corridor
EECBG	Energy Efficiency and Conservation Block Grant
EEMP	Environmental Enhancement and Mitigation Program
EIR	Environmental Impact Report
ERAF	Education Revenue Augmentation Fund
FHCOC	Fair Housing Council of Orange County
FEMA	Federal Emergency Management Agency
FTE	Full-Time Equivalent
FVFA	Fountain Valley Financing Authority (Terminate in 2017)
FVPFA	Fountain Valley Public Financing Authority
FPPC	Fair Political Practices Commission
GASB	Governmental Accounting Standards Board
GDP	Gross Domestic Product

ACRONYMS

GFOA	Government Finance Officers Association
GIS	Geographical Information System
GMA	Growth Management Area
GMP	Growth Management Program
GPA	General Plan Amendment
GSP	Gross State Product
HOME	Federal Home Investment Partnership Program
HSIP	Highway Safety Improvement Program
HUD	U.S. Department of Housing and Urban Development
HVAC	Heating, Ventilation and Air Conditioning
IFAS	Integrated Financial Accounting System
IOD	Injury on Duty / 4850 Pay
JPA	Joint Powers Authority
LAEDC	Los Angeles Economic Development Corporation
LAFCO	Local Agency Formation Commission
LAIF	Local Agency Investment Fund
LED	Light Emitting Diode
LLEBG	Local Law Enforcement Block Grant
LLPM	Landscape, Lighting and Park Maintenance
LOCC	League of California Cities
M2	Measure M Local Turnback
M2-ACE	Measure M (M2) – Arterial Capacity Enhancements
M2-TSSP	Measure M (M2) – Traffic Signal Synchronization

ACRONYMS

M2-ICE	Intersection Capacity Enhancement
M-GMA	Measure M Growth Management Area
MDC	Mobile Data Computer
MOU	Memorandum of Understanding
NIMS	National Incident Management System
NLC	National League of Cities
NPDES	National Pollutant Discharge Elimination System
OCFA	Orange County Fire Authority
OCTA	Orange County Transportation Authority
OCTAM	Orange County Transportation Analysis Model
OCUTT	Orange County Unified Transportation Trust
OSHA	Occupational Safety and Health Administration
PAF	Personnel Action Form
PC	Planning Commission
PERS	Public Employees' Retirement System
PMS	Pavement Management System
POB	Pension Obligation Bonds
POST	Peace Officer Standards Training
PQI	Pavement Quality Index
PRA	Public Records Act
PT	Part-Time
PUC	Public Utilities Commission
RDA	Redevelopment Agency

ACRONYMS

RFP	Request for Proposal
RFQ	Request for Quote or Qualifications
ROW	Right of Way
RPT	Regular Part-Time
RSTP	Regional Surface Transportation Program
SBP	Strategic Business Plan
SCAG	Southern California Association of Governments
SCRRA	Southern California Regional Rail Authority
SDC	Systems Development Charge
SJHTC	San Joaquin Hills Transportation Corridor
SLTPP	State Local Transportation Partnership Program
STP	Strategic Technology Plan
TCA	Transportation Corridor Agencies
TEA	Tax Equity Allocation
TMA	Transportation Management Association
TMP	Transportation Management Plan
TOT	Transient Occupancy Tax (aka Hotel Tax or Bed Tax)
TRO	Trip Reduction Ordinance
UASI	Urban Area Security Initiative
UUT	Utility Users Tax
VLF	Vehicle License Fee
VoIP	Voice over Internet Protocol

BUDGET GLOSSARY

Accrual Basis of Accounting	A method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.
Adjusted / Amended Budget	The adopted budget plus any modifications (increases, decreases and transfers) approved by the City Council during the fiscal year.
Air Quality Management District	AQMD – the air pollution control agency for the four-county region including Los Angeles and Orange counties, as well as parts of Riverside and San Bernardino counties (www.aqmd.gov).
Air Quality Management Plan	AQMP – a plan developed by the AQMD that serves as the blueprint for all the future rules necessary to bring the area into compliance with federal and state clean air standards.
Allocation of Funds	Setting aside funds for a specific purpose or program. An allocation of funds makes them available for expenditure.
Appropriation	A specific amount of money authorized by the City Council for an approved work program.
Arterial Highway Financing Program	AHFP – a Measure M funded program for pavement rehabilitation projects on arterial roadways in the county.
Assessed Property	The value set upon real estate or other property by the County Tax Assessor.
Assessed Valuation	A measure of the taxable value of property located within the City against which the tax rate is applied.
Assessed Valuation (Secured)	That part of the assessment roll containing state assessed property and property the taxes on which are a lien on real property sufficient to secure payment of taxes.
Assessed Valuation (Unsecured)	The remainder of the assessment roll that is not on the secured roll. The taxes on the unsecured roll are a personal liability of the assessed owner.
Assessment District	AD – a separate unit of government that manages specific resources within defined boundaries. Through self-financing, it can raise predictable funds, such as taxes, user fees or bonds, directly from the people who benefit from the services.
Audit	Prepared by an independent certified public accountant (CPA), the primary objective of an audit is to determine if the City's financial statements fairly represent the City's financial position and results of operations in conformity with generally accepted accounting principles. In conjunction with performing an audit, independent auditors customarily issue a Management letter stating the adequacy of the

BUDGET GLOSSARY

	City's internal controls as well as recommending improvements to the City's financial management practices.
Balanced Budget	A budget in which planned expenditures do not exceed planned revenues.
Bond Refinancing	The pay off and re-issuance of bonds to obtain better interest rates and/or bond conditions.
Bonds	A certificate of debt issued by an entity, guaranteeing payment of the original investments, plus interest.
Bradley Burns Uniform Local Sales & Use Tax	A 1% local sales tax is collected by the State of California as part of the larger sales and use tax levied on the total retail price of tangible personal property based on business location. Use Tax is the complement of sales tax and imposed on the purchaser, usually for goods purchased out-of-state for local use.
Budget Surplus	The difference between operating revenues and operating expenditures. The Budget Surplus may be used for ongoing expenses (as opposed to year-end balance, which may be used only for one-time expenses).
Budget Amendment	The Council has the sole responsibility for adopting the City's budget and may amend or supplement the budget at any time after adoption by majority vote. The City Manager has the authority to approve transfers within funds.
California Environmental Quality Act	CEQA – a state statute enacted in 1970 that requires state and local agencies to identify the significant environmental impacts of their actions and to avoid or mitigate those impacts, if feasible (ceres.ca.gov/ceqa).
California Transportation Commission	CTC – the agency responsible for programming and allocating funds for the construction of highway, passenger rail and transit improvements throughout California (www.catc.ca.gov)
Capital Equipment	Equipment (fixed assets) with an initial individual cost of \$5,000 or more and an expected useful life greater than two years, such as automobiles, microcomputers and furniture.
Capital Expenditure	Expenditure for tangible property with an initial individual cost of \$5,000 or more and an expected useful life greater than two years per item.
Capital Improvement Program Budget (CIP)	CIP Budget – a multi-year financial plan for construction of infrastructure, facilities, and rehabilitation such as buildings, streets, storm drains, and recreational facilities with an initial individual cost of at least \$50,000 and an estimated useful life greater than two years.
Certificates of Participation	Certificates of Participation (COPs) are tax-exempt bonds issued by state entities usually secured with revenue from an equipment or facility

BUDGET GLOSSARY

	lease. COPs enable governmental entities to finance capital projects without technically issuing long-term debt. This can be advantageous, as the issuance of long-term debt is commonly subject to voter approval and other state constitutional and statutory requirements. COPs have been used by municipalities to pay for prisons, office buildings, vehicles, and even parks.
City Council	CC – comprised of five City Councilmembers who are elected at large by registered voters of the City. Councilmembers each serve a four-year term. The mayor is selected by fellow councilmember and serves a one-year term. The City of Fountain Valley has a three-term limit for elected officials. The City Council adopts legislation, sets policy, adjudicates issues and establishes the budget of the City.
Community Development Block Grant	CDBG – provides eligible metropolitan cities and urban counties with annual direct grants to revitalize neighborhoods; expand affordable housing and economic opportunities; and/or improve community facilities and services, principally to benefit low- and moderate-income persons.
Community Facilities District	CFD – a special district that can issue tax-exempt bonds as a mechanism by which public entities finance construction and/or acquisition of facilities and provide public services to the district.
Community Oriented Policing Services	COPS – a grant program that provides partial funding of salaries for several front line law enforcement positions.
Comprehensive Annual Financial Report	CAFR – the summarization of the City's financial activity for the previous fiscal year which also includes a summarization of significant milestones that were accomplished during the year by department, fiscal policies, and statistical information. The CAFR is prepared by December of each year.
Conditional Use Permit	CUP – allows a city or county to consider special uses which may be essential or desirable to a particular community, but which are not allowed as a matter of right within a zoning district, through a public hearing process.
Congestion Management Plan	CMP – defines a network of state highways and arterials, level of service standards and related procedures.
Consumer Price Index	CPI – a statistical description of price levels provided by the U.S. Department of Labor. The change in this index from year to year is used to measure the cost of living and economic inflation.
Contingency Reserve	The City has established a policy to set aside a percentage of its General Fund operating expenditures as a contingency reserve.
Cost Allocated	A method used to charge General Fund costs budgeted in one department to another department or another fund.

BUDGET GLOSSARY

Debt Service	The payment of principal and interest on borrowed funds such as bonds.
Department, (Function) Division,	Section Organizational units within the Operations Budget that group resources together to provide related types of services.
Discretionary Funding Opportunities	Pertains to funds, grants or other resources that are not restricted as to use.
Drug Abuse Resistance Program	DARE – a police officer-led series of classroom lessons that teaches children from kindergarten through 12th grade how to resist peer pressure and live productive drug- and violence-free lives (www.dare.com).
Eastern/Foothill Transportation Corridor	E/FTC – a network of toll roads extending from Anaheim Hills south to Coto de Caza.
Encumbrance	An encumbrance is not an expenditure, but a reservation of funds to be expended at a future date. A commitment is usually made through a purchase order for the future payment of goods and services not yet received or paid for.
Enterprise Fund	This fund type is used to account for operations that are: (a) financed and operated in a manner similar to private sector enterprises and it is the City’s intent that the costs (including depreciation) of providing goods or services to the general public be financed or recovered primarily through user charges.
Environmental Enhancement and Mitigation Program	EEMP – a state funded grant program for projects related to environmental enhancement or design, particularly of transportation facilities.
Environmental Impact Report	EIR – a public document used by governmental agencies to analyze the significant environmental effects of a proposed project, to identify alternatives and disclose possible ways to reduce or avoid potential environmental damage. The California Environmental Quality Act requires an EIR whenever the initial study or other evidence in the record has produced substantial evidence that the proposed project might produce significant environmental effects.
Expenditure	The outflow of funds paid or to be paid for an asset, goods or services regardless of when the invoice is actually paid. This term applies to all funds.
Fair Housing Council of Orange County	FHCOC – a private non-profit organization which fosters diversity in housing through education and the enforcement of state and federal fair housing laws (www.fairhousingoc.org).
Fees	A general term used for any charge levied by government for providing a service or permitting an activity.

BUDGET GLOSSARY

Fiscal Year	Any period of 12 consecutive months designated as the budget year. Fountain Valley's budget year begins on July 1 and ends on June 30.
Fixed Asset	Assets that are long-term in nature such as land, buildings, machinery, furniture and other equipment. The City has defined such assets as those with an expected life in excess of one year and an acquisition cost in excess of \$5,000.
Fountain Valley School District	FVSD – An elementary school district serving Fountain Valley and Huntington Beach in Orange County, California. There are nine elementary schools, two middle schools (6-8), and one K-8 alternative school. (http://www.fvsd.us)
Franchise Tax	Revenue generated from taxes paid by a business that gave an exclusive contractual agreement to operate and use the public right-of-way in the City. Examples include southern California Edison, Public Cable Television, Southern California Gas and Rainbow Disposal.
Fringe Benefits	These include retirement/pension; health, life, and disability insurance; workers' compensation; and vacation, administrative, medical and special leave of absence time.
Full-Time Equivalent	FTE – refers to part-time hours converted to one full-time equivalent position, which equals 40 hours per week, 52 weeks per year. (2080 hours per year)
Fund	A self-balancing set of accounts to record revenues and expenditures associated with a specific purpose.
Fund Balance	Within a specific fund, the funds remaining when all current and prior year liabilities (expenditures) are subtracted from current and prior year assets (revenues).
Gas Tax	State tax received from gasoline sales utilized solely for street related purposes, such as new construction, rehabilitation or maintenance.
General Fund	The primary operating fund of the City (as opposed to all other City funds, which are designated as "Special Funds").
General Plan	A comprehensive, long-range, policy document required by state law. The document establishes the City's overall spatial and temporal development pattern.
Geographical Information System	GIS – a computer system capable of assembling, storing, manipulating and displaying geographically referenced information.
Goal	A time/phased strategy that will implement a specific course of action or plan, typically, a long-term process.

BUDGET GLOSSARY

Government Finance Officers Association	GFOA - professional association of state/provincial and local finance officers in the United States and Canada (www.gfoa.org).
Governmental Accounting Standards Board	GASB – organized in 1984 by the Financial Accounting Foundation to establish standards of financial accounting and reporting for state and local governmental entities (www.gasb.org).
Grants	Contributions of cash or other assets from another governmental agency to be used or expended for a specified purpose, activity or facility.
Gross Domestic Product (Real)	GDP – the total of the goods and services produced by labor and property located in the United States.
Gross State Product	GSP – the total of the goods and services produced by labor and property located in the State of California.
Growth Management Area	GMA – inter-jurisdictional planning regions within Orange County.
Growth Management Program	GMP – a Measure M funded program intended to address the cumulative regional traffic impacts of development not addressed by specific project mitigation and existing system deficiencies.
Hotel Tax (TOT)	Also known as the Transient Occupancy Tax (TOT) or bed tax – an 9% tax added to the cost of renting a hotel room within the City.
Infrastructure	Inputs Includes the City’s street, bridge, traffic signal, landscaping, and trail networks. To be capitalized as part of the City’s infrastructure network, a related component must have an initial individual cost of at least \$50,000 and an estimated useful life greater than two years. Resources (e.g. dollars, staff and other assets) required to accomplish a job or provide a service.
Integrated Financial Accounting System	InCode – Fountain Valley’s computerized accounting system used to coordinate the City’s general accounting, purchasing and utility billing processes.
Inter-Fund Transfers	Payments from one fund to another fund, primarily for work or services provided
Landscape, Lighting, and Park Maintenance	LLPM – an assessment district to provide funds for park and parkway landscaping, lighting and park maintenance.
Lease-Purchase Agreement	Contractual agreements which are termed leases, but whose lease amount is applied to the purchase.
Level of Effort	Generally used to identify the number of staff providing a particular service. Level of Services Generally used to define the existing or current services, programs and facilities provided by government.

BUDGET GLOSSARY

Levy	To impose taxes, special assessments or service charges for the support of governmental activities.
Local Agency Formation Commission	LAFCO – reviews proposals for the formation of new local governmental agencies and changes of organization in existing agencies (www.oclafco.org).
Local Agency Investment Fund	LAIF – a voluntary program created by statute in 1977 in which participating agencies (local governments and special districts) invest public funds.
Long-Term Debt	Debt with a maturity of more than one year after issuance.
Major Fund	A fund that comprises more than 10% of total citywide budgeted revenues and transfers-in and/or 10% of total budgeted appropriations and transfers-out. Please see the “Major Funds – Summary by Budget Category” tables presented in the Budget Summary chapter.
Measure M	County-wide sales tax measure used to fund a variety of transportation related projects.
Measure M - Growth Management Area	M-GMA – a county grant program that provides funding for projects that benefit the greatest number of jurisdictions within a designated growth management area (GMA) in Orange County. The primary objective of this program is to address current traffic deficiencies and the cumulative regional traffic impacts of development not addressed by specific project mitigation and existing system deficiencies.
Measure M – Turnback	The non-competitive portion of the sales tax revenue generated through Measure M that is "turned back" to the City. Funds are restricted to circulation related projects (street, traffic signal, etc.) and are received quarterly.
Memorandum of Understanding	MOU – an agreement outlining the terms of employment entered into between the City and employees of various bargaining units.
Modified Accrual	Basis of Accounting Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, or measurable, except for un-matured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.
National Pollutant Discharge Elimination System	NPDES – a permit program authorized by the Clean Water Act that controls water pollution by regulating point sources that discharge pollutants into waters of the United States.

BUDGET GLOSSARY

Objective	Describes an outcome to be accomplished in specific, well-defined and measurable terms and is achievable within a specific timeframe; generally, programs have objectives.
Operating Budget	A budget for General Fund department service delivery expenditures such as salaries, utilities and supplies. The day-to-day costs of delivering essential City services.
Orange County Fire Authority	OCFA – an agency that provides fire prevention/suppression and emergency services to 22 cities and all the unincorporated areas in Orange County (www.ocfa.org).
Orange County Investment Pool	OCIP – a pooling of cash by the county, local agencies and school districts for investment purposes run by the Orange County Treasurer.
Orange County Transportation Authority	OCTA – a regional transportation agency formed in 1991 to develop and implement unified transportation programs and services for Orange County (www.octa.net).
Ordinances	A formal legislative enactment by the governing board (i.e. City Council) of a municipality. If it is not in conflict with any higher form of law, it has the full force and effect of law within the boundaries of the municipality to which it applies.
Outputs	The general results expected from programs and functions.
Part I Crimes	The most serious criminal offenses, including murder, rape, robbery, aggravated assault, burglary, larceny/theft, auto theft and arson.
Part II Crimes Pavement Management System	All other criminal offenses not defined as Part I crimes. PMS – a computer-assisted decision-making process designed to help cities and counties prevent pavement problems through maintenance and repair in a timely, cost-effective manner.
Pavement Quality Index	PQI – a scale from 1 to 10 that measures the structure, surface condition and riding comfort of the roadway.
Performance Budget	A budget wherein expenditures are tied to the measurable performance of activities and work programs.
Performance Measurements	Statistical measures that are collected to show the impact of dollars spent on City services.
Personnel Expenses	Salaries and fringe benefits, such as pensions and insurance, for full-time and part-time employees of the City.
Priority E	Calls Refers to the most serious calls for emergency response for serious emergencies, in-progress calls and potentially life-threatening incidents that require a Code 3 (use of lights and siren) response.

BUDGET GLOSSARY

Priority I Calls	Refers to calls for emergency response for serious emergencies, in progress calls and potentially life-threatening incidents that do not require a Code 3 (use of lights and siren) response.
Program	Represents major areas or support functions that can be defined as a service provided to citizens, other departments or other agencies.
Program Budget	A budget wherein expenditures are displayed primarily on programs of work and secondarily by the character and object class of the expenditure.
Property Tax	A tax levied on the assessed value of real property; also known as ad valorem tax. In California, this tax is limited to 1% with the exception of pre-Proposition 13 approved bond debt service. Proposition 13 On June 6, 1978, the California electorate approved Proposition 13, the "People's Initiative to Limit Property Taxation," which limited the tax rate for real estate as follows: the maximum amount of any tax on real property shall not exceed 1% of the full cash value of such property. The City of FV receives \$0.1287 cents per dollar of the Prop 13 tax.
Proposition 218	On November 5, 1996, the California electorate approved Proposition 218, the self-titled "Right to Vote on Taxes Act." Proposition 218 added articles XIII C and XIII D to the California Constitution and made numerous changes to local government finance law. Public officials are required to conduct the public's business in compliance with Proposition 218.
Public Employees' Retirement System	PERS – provides retirement and health benefit services to members from the state, school districts and local public agencies (www.calpers.ca.gov).
Ralph M. Brown Act	The Brown Act is a California law that insures the public can attend and participate in meetings of local government.
Redevelopment Agency	RDA – formerly charged with the oversight for the redevelopment process for the City of Fountain Valley. In June 2011, the Redevelopment Dissolution Act, AB1x26, was signed by the Governor and later upheld by the California Supreme Court. As a result, all redevelopment agencies in California were dissolved effective February 1, 2012.
Regional Surface Transportation Program	RSTP – a federal and state funded grant program used for projects located on highway systems (classified higher than local roads or rural minor collectors), bridges on any public highway, and transit systems.
Reserve	A designated amount of funds set aside from a fund's balance which is legally restricted for a specific purpose and is therefore not available for general appropriations.

BUDGET GLOSSARY

Resolution	A special or temporary order of a legislative body (e.g. City Council or Planning Commission) requiring less formality than an ordinance.
Resources	Units of dollars or physical input, such as work years or work hours, and other assets used to support and attain program objectives.
Revenue	Annual income received by the City.
Right of Way	ROW – a strip of land occupied or intended to be occupied by a street, crosswalk, railroad, electric transmission line, oil or gas pipeline, water main, sanitary or storm sewer main, shade trees, or special use.
San Joaquin Hills Transportation Corridor	SJHTC – a toll road extending from Costa Mesa south to Laguna Niguel
Service Center	Used for budgetary reporting, an organizational unit that provides a distinct and unique service. Various sections within a department that provide substantially similar services may be combined into one service center – for instance, the City Clerk’s Office and City Clerk Records are combined into one service center.
Southern California Association of Governments	SCAG – the Metropolitan Planning Organization for Los Angeles, Orange, San Bernardino, Riverside, Ventura and Imperial counties, that is mandated by the federal government to research and draw up plans for transportation, growth management, hazardous waste management and air quality (www.scaq.ca.gov).
Special Funds	The City’s accounts are broken into distinct funds, each earmarked for a different purpose, with the principle and interest of the funds tracked separately. The City’s main operating fund is its General Fund, while other City funds are designated as Special Funds. These funds are legally restricted for a specific purpose and is therefore not available for general use.
Strategic Plan	The City of Fountain Valley has a semi-annual strategic planning process. The strategic plan identifies the City’s Mission Statement; Core Organizational Values; Three-Year Goals and six-month strategic objectives.
Strategic Financial Business Plan	SBP – a ten-year planning “blueprint,” updated annually, that evaluates the City’s financial capability to achieve its goals; helps set priorities for City operations and the annual budget; and guides the City’s capital improvement and rehabilitation program.
Traffic Enforcement Index	The number of moving citations divided by the number of injury accidents.
Transaction Sales Tax (District Tax)	Similar to the Bradley Burns Sales Tax, a transactions and use sales tax is allocated to the district where the tangible goods are delivered or placed into use. Voter approved district taxes are levied within

BUDGET GLOSSARY

	incorporated city limits. Fountain Valley has a 1% transaction tax authorized from April 2017 to March 2037.
Transfers-In/Out	A transfer of resources between different City funds (see glossary definition of "Fund"). A transfer of cash from the City's General Fund to a City Special Fund, for example, would be designated as a transfer-out in the General Fund, and then a transfer-in in the receiving Special Fund.
Transient Occupancy Tax	TOT – an 9% tax added to the cost of renting a hotel room within the City. Also known as the Hotel or Bed Tax.
Transportation Corridor Agencies	TCA – formed in 1986 to plan, finance, construct and operate Orange County's public toll road system (www.thetollroads.com).
Transportation Management Association	TMA – an association comprised of employers and property owners that promotes the use of alternative forms of commuting to the single occupant vehicle. Traffic congestion relief and air quality benefits are the primary goals of TMA.
Transportation Management Plan	TMP – a plan that promotes the reduction of single occupant vehicle use in order to improve air quality and relieve congestion. Transportation Subventions Funds from outside sources used to construct transportation improvements that must be used for specific projects.
TRIPS	A transit service for Fountain Valley seniors and persons with disabilities, providing pre-scheduled transportation and regular shuttle services.
Unencumbered Appropriation	That portion of an allocation not yet expended or committed to a specific purpose. Unexpended Appropriation is that portion of an allocation not yet actually paid.
Voice Over Internet Protocol	VoIP – used to manage the delivery of voice information over the Internet. Year-End Surplus Funds remaining at the end of a fiscal year that are available for allocation or for one-time purchases (not for on-going programs or services).