



Hesperia Civic Center



City of Hesperia

California

Proposed FY 2010-11 Budget



Fire Station 305



San Gabriel Mountains



Hesperia Police Department



Civic Plaza Park

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PREFACE

BUDGET DOCUMENT OVERVIEW

The budget document is the City of Hesperia's annual financial plan prepared by City Management and approved by the City Council. The financial plan serves as a policy document, operations guide for City Departments and as a communication device. The audience of the budget document is citizens, local businesses, debt holders and debt rating agencies, other governmental agencies, and the City's independent auditor.

BUDGET DOCUMENT SECTIONS

The budget document sections and a brief summary of the section's contents are as follows:

A. Introduction

The introduction section includes the City Manager's budget transmittal letter/budget message and "Summary of Significant Department Operating Expenditure and Staffing Changes." Also included are the City's Mission Statement and Statement of Values, Directory of Officials, City Organization Chart, and Community Profile information.

B. Resources, Expenditures and Fund Balance Summary

This section indicates how resources and expenditures are reconciled to balance the City's annual financial plan or budget for the City's three major operating funds. This section also presents summary level information on fund balances and reserves.

C. Revenue

This section contains information about the City's sources of income and is presented with summaries, graphics, and detailed revenue information by individual revenue accounts with \$10,000 or greater revenue.

D. Expenditure Summaries

This section provides a variety of Citywide expenditure summaries and graphics.

E. City Positions and Salary Ranges

This section includes information and graphics about City positions or staff, both full and part-time positions and also includes salary information.

F. City Department and Program Expenditures

The City is organized into the following seven departments. This section provides information for each department and their programs about their expenditures and staffing to include Fiscal Year 2009-10 accomplishments and Fiscal Year 2010-11 goals and objectives. Significant expenditure and staffing changes are highlighted:

- City Council
- City Manager
- Management Services
- Economic Development
- Development Services
 - D.S. Community Development
 - D.S. Code Compliance
 - D.S. Public Works
 - D.S. Water
 - D.S. Sewer
- Police
- Fire

PREFACE

BUDGET DOCUMENT SECTIONS (Continued)

G. Capital Improvement Program (CIP)

This section presents in one section the capital improvement projects included in the Fiscal Year 2010-11 Budget.

H. Debt Service

This section summarizes information about the City's external, and in some situations internal, debt obligations.

I. Fund Balance Summary

This section presents financial information about each City fund that is planned to have expenditures in Fiscal Year 2010-11.

J. Supplemental Information:

- Resolutions adopting the City's budget and related resolutions
- General and Administrative Allocation Plan and/or Indirect Cost Allocation Plan
- Significant Accounting Policies
- List of Acronyms
- Glossary of budget terms and abbreviations
- Index

BUDGET DOCUMENT FINANCIAL INFORMATION

As mandated by California State Law, the City's fiscal year, or budget time period, is July 1st to June 30th. For example, Fiscal Year 2010-11 means July 1, 2010 through June 30, 2011. In most sections of the budget document, four years of information is provided, with two columns or versions of information reflected for the current year (Fiscal Year 2010-11).

The columns typically presented are as follows:

2007-08	2008-09	2009-10	2009-10	2010-11
<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>

The financial information included in these columns is as follows:

2007-08 Actual

Actual financial information for Fiscal Year 2007-08 as reported in the City's Comprehensive Annual Financial Report. The actual financial information is reported in the budget document on a budgetary basis.

2008-09 Actual

Same as 2007-08 Actual.

2009-10 Budget

The 2009-10 Budget as adopted by the City Council June 16, 2009.

2009-10 Revised

The 2009-10 Revised column reflects the 2009-10 Budget plus budget amendments approved by the City Council during the fiscal year. The 2009-10 Revised column is also adjusted to reflect City management's estimate of what revenues and expenditures are estimated to be at the end of Fiscal Year 2009-10 and are typically somewhat lower than the budget and amendments.

PREFACE

BUDGET DOCUMENT FINANCIAL INFORMATION (Continued)

2010-11 Budget

This column initially reflects the 2010-11 Proposed Budget submitted by the City Manager. After the City Council reviews and approves the Fiscal Year 2010-11 Budget, the information in the 2010-11 Budget column is changed, if necessary, to reflect the City Council actions.

Major Expenditure Accounts

Major expenditure account categories are presented in the budget document, which summarizes various detailed expenditure accounts under the following seven major expenditure account categories:

- Salaries
- Benefits
- Materials
- Contractual
- Other Operating
- Capital Outlay
- Debt Service

SUMMARY BUDGET PROCESS DESCRIPTION AND SCHEDULE

On February 16, 2010, the FY 2009-10 Mid-Year Budget Review was presented with current expenditures, revenue trends, updated reserves, as well as amendments to the 2009-10 Budget. The 2009-10 Mid-Year Budget amendments were approved at the 2010-11 Budget Goal Setting Workshop, also on February 16, 2010. The City Manager, department directors, and other staff reviewed City Council policy guidance and priorities focusing on the following:

- Current goals and objectives such as debt management and refinancing, capital project priorities, etc.
- New goals and program priorities, especially related to public safety and street improvements.
- Resource requirements and constraints, the building development downturn, the serious reduction in revenue and the local economy, and finally potential State revenue reductions.
- Staff was given broad goals and objectives for the preparation of the 2010-11 Budget.

The 2010-11 Budget process then commenced as follows:

VI. OPERATING BUDGET CALENDAR

Executive Staff Retreat	January 11-12, 2010
Council FY 2009-10 Mid-Year Budget Review & 2010-11 Budget Goal-Setting Workshop	February 16, 2010
Staff Budget Workshop and 2010-11 Budget Instructions Distributed	March 3, 2010
FY 2009-10 Revised Revenue & 2010-11 Proposed Budget Revenue estimates due as follows: Group A – CC, CM, MS, P, F, PW, and CD Group B – W, S, Code, and ED	March 11, 2010 March 18, 2010
FY 2009-10 Revised Expenditure Estimates, 2010-11 Current Level (or Adjusted) Proposed Budget Expenditures and Expenditure Detail Narrative forms due as follows: Group A – CC, CM, MS, P, F, PW, and CD Group B – W, S, Code, and ED	March 25, 2010 April 1, 2010

PREFACE

VI. <u>OPERATING BUDGET CALENDAR (Continued)</u>	
2010-11 Draft Division and/or Program Narratives due as follows: Group A – CC, CM, MS, P, F, PW, and CD Group B – W, S, Code, and ED	April 6, 2010 April 8, 2010
Proposed 2010-11 CIP presented to Planning Commission	April 8, 2010
2010-11 Budget Increments-“Requested Expenditures Above Current Level” due as follows: Group A – CC, CM, MS, P, F, PW, and CD Group B – W, S, Code, and ED	April 13, 2010 April 15, 2010
2010-11 CIP presented to City Council Advisory Committee	April 14, 2010
Budget Review with Departments/Divisions	April 26-May 6, 2010
State Department of Finance- Population numbers	May 3, 2010
2010-11 Final Proposed Budget Division and/or Program Narratives due as follows: Group A – CC, CM, MS, P, F, PW, and CD Group B – W, S, Code, and ED	May 11, 2010 May 13, 2010
2010-11 Proposed Budget completed	June 1, 2010
Council Budget Workshop	June 8, 2010
Council Adopts Budget	June 15, 2010
<u>KEY:</u> CC=City Council; CM=City Manager; MS=Management Services; ED=Economic Development;	
PW=DS Public Works; Code=DS Code Compliance; W=DS Water; S=DS Sewer; P=Police; F=Fire	

On June 15, 2010 the City Council/Board Members are expected to adopt the 2010-11 Budget, including the CIP and GANN Appropriations Limit for the City of Hesperia, the Hesperia Community Redevelopment Agency, the Hesperia Fire Protection District, and the Hesperia Water District.

LEVEL OF BUDGETARY CONTROL

Since the Budget is an estimate, from time to time it is necessary to make adjustments to fine-tune the line items within it. Various levels of budgetary control have been established to maintain the Budget’s integrity.

The levels of budgetary control are as follows: The City Manager, or designee, has the authority to make budget transfers within a fund, within capital projects, and within a department’s operating budget. Such authority does not include any increase to an operating fund or to the overall adopted budget.

Budget transfers from one City fund to another are submitted to the City Council for formal approval. In addition, budget adjustments, which will increase an operating fund or the overall adopted budget, are submitted to City Council for approval.

INTRODUCTION

- *City Manager's Budget Message To Be Developed*
- *Summary of Significant Department Expenditures and Staffing Changes*

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The following information summarizes and highlights policies and planned major changes in the 2010-11 Budget:

Summary of Total City Revenue and Expenditures

	2009-10 Budget	2010-11 Budget	Change From 2009-10 Budget	
			Amount	Percent
Revenue	\$ 131,569,351	\$ 108,917,651	\$ (22,651,700)	-17%
Budgeted Reserves	79,010,114	47,978,521	(31,031,593)	-39%
Total Revenue, Bond Proceeds, and Budgeted Reserves	210,579,465	156,896,172	(53,683,293)	-25%
Expenditures	\$ 209,260,739	\$ 156,889,247	\$ (52,371,492)	-25%
Difference	\$ 1,318,726	\$ 6,925		

Revenue

Revenue is significantly lower, with a 17% decrease overall. Revenue decreases are shown in the Redevelopment Agency (-49%), Other City Funds (-48%), Water District (-15%), Fire District (-9%), and General Fund (-9%). These revenue decreases were, in total, only shown at 17% because of revenue increases in some large capital projects reimbursements, primarily the \$11.6 million grants for the Ranchero Undercrossing.

Expenditures

Overall expenditures have decreased by 25%, or \$52,371,492. Each department has reduced budgeted expenditures, including Police and Fire. Police and Fire are expected to decrease by 2% and 0.3%, respectively, while maintaining the current level of operations.

Balanced Budget Policy

Operational revenue is funding operational expenditures for the General Fund and Water District, not using one-time revenue to fund ongoing expenditures, consistent with City Council policy. The Fire District has an operational deficit for the second year which requires reserves to be used and a General Fund subsidiary of \$1.0 million for the first time. The 2010-11 Budget is balanced, with the difference between resources (revenue, budgeted reserves, and transfers), and expenditures at zero, or a surplus, depending upon the fund. A few certain funds have deficits, including certain reimbursable grant funds, which are manageable and will be resolved in future years. The \$47,978,521 in budgeted reserves is comprised of the following:

General Fund	\$	1,225,300
Redevelopment Agency (Reserves and Proceeds)		40,263,091
C.D.B.G.		942,618
Streets Maintenance		340,464
Streets CIP Funds (Primarily Measure I Arterial and DIF)		1,987,189
Other Transportation Related (Primarily Measure I Debt Service)		744,444
Fire District		614,135
Water District		36,758
Other City Related (Primarily DIF - Police and DIF - Public Services)		1,824,522
Total	\$	47,978,521

Reserve Policy

With the exception of the Fire District, cash reserve levels exceed the City Council's policy of 10% in the General Fund, and Water District. The City Council's policy of maintaining 10% cash reserves as a percent of expenditures is illustrated below:

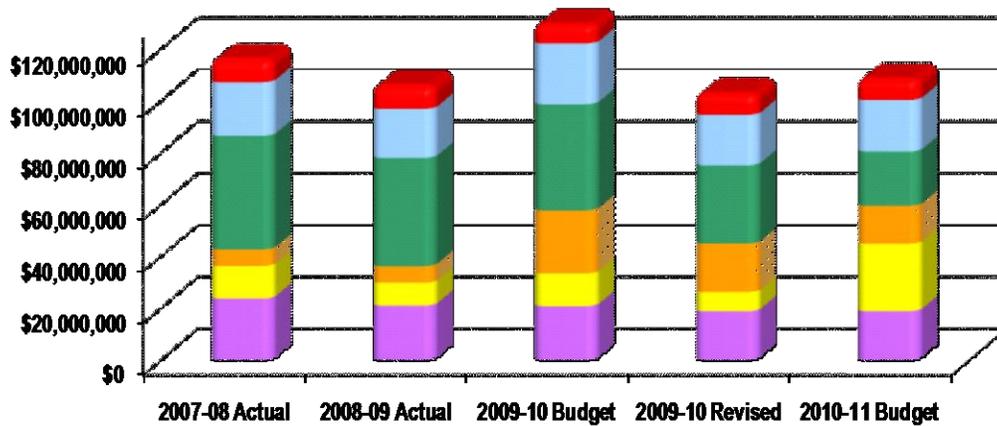
	General Fund		Fire District		Water District*		
10% Cash Reserves (Council/Board Policy)	\$	2,274,492	10%	\$	969,089	10%	
Cash Reserves Above/Below 10% Reserve		5,297,870	23%		(903,325)	-9%	
Total Estimated Cash Reserves	\$	7,572,362	33%	\$	65,764	1%	
					\$	14,695,514	80%

*See Section B for detailed explanation.

REVENUE

City of Hesperia

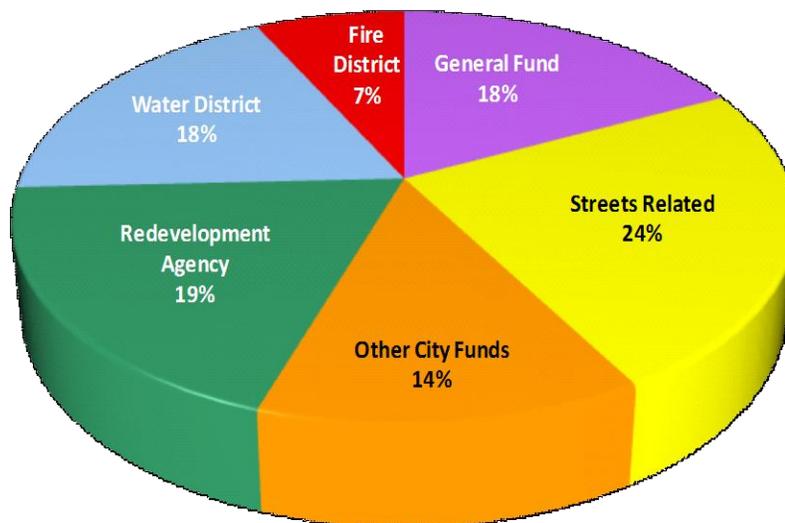
Total City Revenue Trend



■ Fire District
 ■ Water District
 ■ Redevelopment Agency
 ■ Other City Funds
 ■ Streets Related
 ■ General Fund

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
General Fund	\$ 24,135,273	\$ 21,451,617	\$ 21,221,528	\$ 19,247,176	\$ 19,314,244	-9%
Streets Related	12,592,828	8,768,456	12,627,003	7,415,492	26,021,981	106%
Other City Funds	6,421,021	6,462,977	24,364,785	18,732,790	14,643,087	-40%
Total City Funds	43,149,122	36,683,050	58,213,316	45,395,458	59,979,312	3%
Redevelopment Agency	43,895,740	41,823,094	41,026,692	30,238,653	20,963,118	-49%
Water District	20,705,739	18,912,177	23,466,467	19,475,144	19,898,466	-15%
Fire District	8,824,455	8,975,334	8,862,876	8,179,548	8,076,755	-9%
Total All Funds	\$ 116,575,057	\$ 106,393,655	\$ 131,569,351	\$ 103,288,803	\$ 108,917,651	-17%

2010-11 Budget Total City Revenue



Revenue

SUMMARY and HIGHLIGHTS

The City of Hesperia maintains the practice of matching the revenue type to the similar expenditure type. There are two basic revenue types: one-time revenue and on-going revenue. Contrary to the fiscal practices of the State of California, the City will not use one-time revenue (i.e. bond proceeds) to pay for on-going expenditures. When compared to the 2007-08 Actual revenue, the overall combined City revenue for the 2010-11 Budget is expected to decrease from \$116.5 million to \$108.9 million or by 6% or \$7 million primarily in the Redevelopment Agency, which is projected to decrease by \$23 million or 52%. Likewise, comparing the 2009-10 Budget to the 2010-11 Budget, a decrease from \$131.6 million to \$108.9 for about \$22 million, or 17%, reflecting the effects of the national mortgage crisis, housing slump, and the current recession and their influence on the 2010-11 Budget, all of which have reduced the City's assessed valuation. There are some large capital project reimbursements that are offsetting the recession's full effects on this summary level, primarily the \$11.7 million for the Ranchero Road Undercrossing and the \$9 million for the High Desert Government center reimbursement from the County. Primarily, all development related revenues are down for the 2009-10 Revised and that condition is carried through into the 2010-11 Budget revenue estimates.

General Fund - General Fund revenue is for the normal operations of and services provided by the City which are not specifically accounted for in other funds. The 2010-11 Budget for the General Fund is projecting a decrease in revenues of 9% or \$1.9 million from the 2009-10 Budget, primarily because of the following:

- Sales and Use Tax revenue is projected to increase 3%, or about \$0.1 million, to just over \$5.8 million.
- Vehicle License Fee revenue is expecting a decrease of \$1.5 million, or 20%, to \$6.2 million.
- Development related revenues, including Building Permit Fees, are anticipating a \$0.5 million, or a 37% decrease from the 2009-10 Budget estimate.
- Property Transfer Tax revenue is expecting to reach only \$180,000, a decrease of 14%, or about \$30,000, as a measure of the high level of real estate transactions selling at lower prices.
- The Rental Housing Inspection Fee, started during 2008-09, is expected to generate \$125,000 in the 2010-11 Budget.
- The City will start receiving Community Facilities District 2005-1 revenue of \$655,878 in the 2010-11 Budget as an offset to other revenue reductions.

Streets & Transportation Related Funds - This group is comprised of 16 street and transportation related funds. Each of these funds receive revenue that is restricted for specific uses. Some of the major highlights are:

- Developer Impact Fees (DIF) for Streets and Storm Drain revenue will have decreased 53% or \$0.9 million. This decrease in the combined 2010-11 DIF Budget revenue from the 2009-10 DIF Budget revenue reflects the continued nationwide housing slump and recession shown by the decrease in single residential building permits from 50 for the 2009-10 Budget, with an estimated 3 for the 2009-10 year end and anticipating 20 for the 2010-11 Budget.
- Combined Measure I (Arterial, Local, and 2010 Renewal) revenue is expected to decrease to \$1.8 million, or 40%, from the 2009-10 Budget of \$3.0 million.
- Local Transportation Fund (LTF) revenue is expected to decrease by \$0.9 million or 64% to \$0.5 million from the 2009-10 Budget of \$1.4 million. This large decrease is due to the Victor Valley Transit Authority (VVTA) needing more of this funding source to support their operations as the State is changing how it funds transportation programs in FY 2010-11.

Revenue

SUMMARY and HIGHLIGHTS (Continued)

Non-Streets Related Other City Funds - This group is comprised of 16 other non-street related funds. Each of these funds receive revenue that is restricted for specific uses. Some of the major highlights are:

- The High Desert Government Center is showing reimbursement revenue of \$9.0 million for FY 2010-11 as the building is expected to be completed by November 2010.
- Developer Impact Fee (DIF) for Fire, Police, and Public Safety revenue are expected to decrease 55% or \$0.3 million. This decrease in total 2010-11 Budget DIF revenue from 2009-10 Budget DIF revenue reflects the nationwide housing slump shown by the estimated decrease in single residential building permits from 50 for the 2009-10 Budget to 20 for 2010-11.
- The CDBG/HOME Housing and Urban Development (HUD) grants are expecting a combined decrease of 18%, or \$2.2 million, from the 2009-10 Budget to the 2010-11 Budget of \$4.3 million. The primary reason for this decrease is that some of the Neighborhood Stabilization Program (NSP) grant funds were spent in FY 2009-10, which will reduce what is available to draw for 2010-11 Budget. This NSP grant is used to buy, rehabilitate, and resell abandoned/foreclosed homes within the City.

Redevelopment Agency - These funds track the City's redevelopment revenue that is used to eliminate blight within the project areas, assist in expanding the City's business base, and assist with low and moderate income housing needs for the City. Most all of this revenue is derived from property tax increment, which has restrictions on use. The 2009-10 Budget was originally estimated at \$36,600,000 and then Revised to \$26,500,000, representing a decrease of \$10.1 million or 28%. The 2009-10 Revised of \$26.5 million is \$8.1 million, or 24%, less than the \$34.6 million 2008-09 Actual. The reduction was primarily due to the reduced assessed valuation of properties sold in the previous year, however the biggest reason for the reduction in assessed valuation is the County assessor's AB 8 reductions which have lowered valuations to levels prior to 2001.

Overall Redevelopment Agency revenue is expected to decrease 49% or about \$20.1 million from the 2009-10 Budget of \$41.0 million to the \$20.9 million of the 2010-11 Budget, primarily because of the anticipated AB 8 assessed valuation reduction by the County.

Water and Sewer Operations - These funds primarily report the City's water and sewer financial operations and are most associated with the functions of a traditional business. The revenues received are to pay for the cost of purchasing and distributing the water and for the treatment of the sewage that comes from those homes/businesses on the sewer system. Some of the major highlights are:

- Overall Water District revenue is expected to increase about \$0.4 million or 2% from the 2009-10 Revised of \$19.5 million to the 2010-11 Budget of \$19.9 million. Although the Capital and Other revenues of the District are expected to decline \$0.6 million, this is offset by the anticipated \$1.0 million of sales revenues increases for the 2010-11 Budget.
- Water and Sewer operating revenue, dominated by the Sales revenues, are anticipating a 6% and 7% increase, respectively, over the 2009-10 Revised primarily from the January 2008 approved rate increases. A dramatic reduction of Water Sales revenue occurred in fiscal year 2009-10 compared to fiscal year 2008-09 with a reduction from \$9,655,325 to \$8,541,573 for an 11.5% or \$1,113,752 decrease. The highest estimate of \$13.2 million in the 2009-10 Budget was due to complications with the related Water Availability Charge and underestimating the impact of conservation, the wet winter, some customers not watering yards because of the economy, and finally vacant houses.
- The Water and Sewer Capital revenues are expected to show a decline of 13% and 7%, respectively, from the 2009-10 Revised which reflects the current economic recession and the national housing slump.

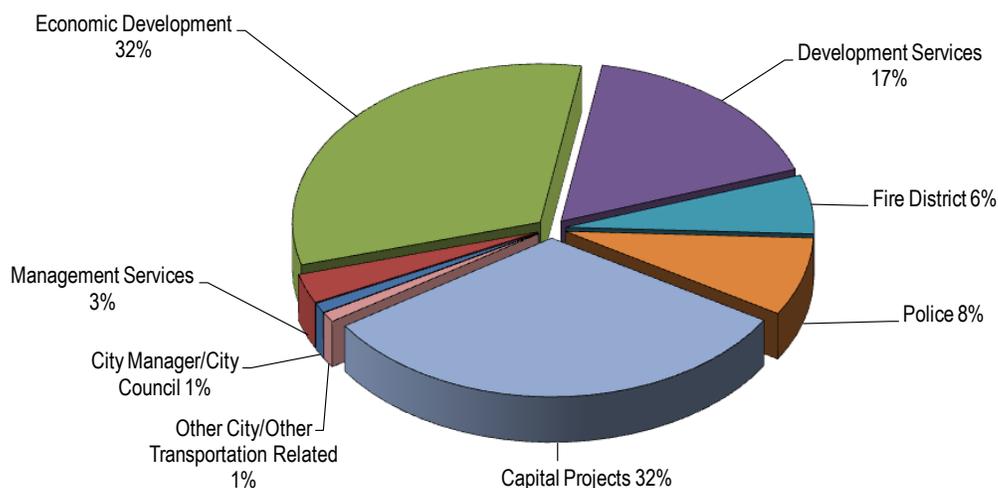
Revenue

SUMMARY and HIGHLIGHTS (Continued)

Fire District - The revenues for the 2010-11 Budget are projected to be \$8.1 million which is \$0.8 million or 9% less than the 2009-10 Budget of \$8.9 million and a \$0.1 million decrease from the 2009-10 Revised; primarily due to the anticipated combined property tax related revenue decline. Some of the major highlights are:

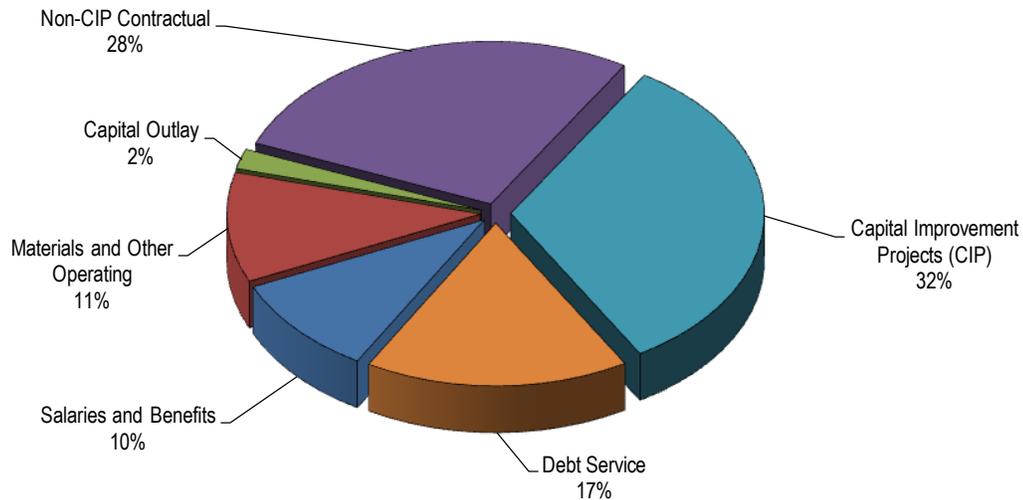
- Property Tax revenue is projected to decrease 8% from the 2009-10 Budget (\$4.1 million to \$3.7 million) by 3% from the 2009-10 Revised (\$3.8 million to \$3.7 million) and decrease 13% from the 2008-09 Actual or \$572,753. The assessed valuation decline and the related flow through of the valuation decrease on property tax revenues will have a negative impact on the Fire District's revenues for many years.
- Paramedic Ambulance fee revenue is expecting no change from the 2009-10 Budget to the 2010-11 Budget at \$1.9 million.
- Redevelopment Tax Increment Pass-Through for the 2010-11 Budget is projected to decrease by 51% from the 2009-10 Budget (\$2.1 million to \$1.0 million) and by 34% from the 2009-10 Revised (\$1.6 million to \$1.0 million). This estimated decrease reflects the anticipated affects of an additional county wide valuation decrease. The 2010-11 Budget expects to have \$956,727 less revenue from Pass-Through payments compared to Fiscal Year 2008-09.
- Community Facilities District 94-1 revenue is expected to increase by \$0.1 million, or 23%, from the 2009-10 Budget of \$432,000 to the 2010-11 Budget of \$522,000. The 23% increase from the 2009-10 Budget to the 2009-10 Revised is due to the increased assessment levy primarily from the new commercial development which opened in the district during 2009-10.
- Community Facilities District 2005-1. Part of the annual assessment includes a public safety portion to offset some of the costs the residential development places on the City's public safety providers. This revenue has been collected since FY 2006-07 and held in the trust fund to ensure adequate funding to pay the debt. There are now sufficient funds to start drawing to offset the public safety costs of Police and Fire. For the 2010-11 Budget, this revenue is expected to be \$536,628.

**Total Expenditures by Department
2010-11 Budget**



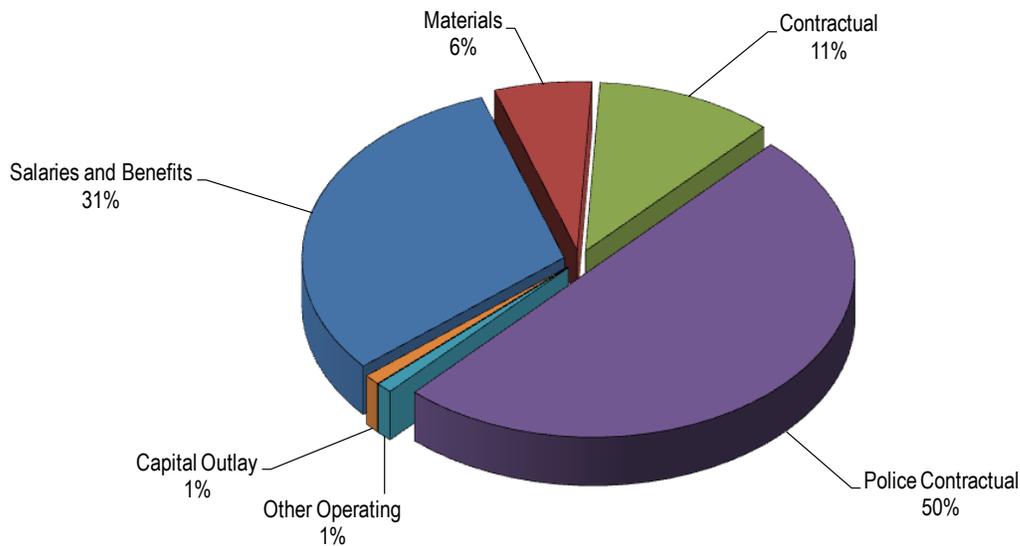
DEPARTMENTS	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% of Budget	% Change From 2009-10 Budget
City Council	\$ 786,753	\$ 739,854	\$ 705,870	\$ 719,352	\$ 679,572	0%	-4%
City Manager	\$ 1,491,643	\$ 1,433,998	\$ 1,325,212	\$ 1,290,692	\$ 1,176,970	1%	-11%
Management Services	\$ 4,333,264	\$ 4,544,905	\$ 4,278,955	\$ 6,986,959	\$ 3,960,050	3%	-7%
Economic Development							
Redevelopment Agency	\$ 44,450,055	\$ 42,610,956	\$ 61,940,637	\$ 33,562,623	\$ 46,784,117	30%	-24%
C.D.B.G.	1,048,325	3,922,458	7,283,511	4,637,470	2,986,023	2%	-59%
Total Economic Development	\$ 45,498,380	\$ 46,533,414	\$ 69,224,148	\$ 38,200,093	\$ 49,770,140	32%	-28%
Development Services							
Community Development	\$ 3,401,277	\$ 2,811,388	\$ 2,690,509	\$ 2,553,567	\$ 1,761,754	1%	-35%
Code Compliance	2,032,359	2,139,789	2,393,415	1,956,302	2,006,998	1%	-16%
Public Works	5,147,247	4,651,008	4,726,662	4,374,155	4,408,276	3%	-7%
Water Operations	16,755,212	17,329,587	18,908,566	16,950,324	16,112,152	10%	-15%
Sewer Operations	1,345,827	1,547,985	1,969,272	1,943,310	2,277,356	1%	16%
Total Development Services	\$ 28,681,922	\$ 28,479,757	\$ 30,688,424	\$ 27,777,658	\$ 26,566,536	17%	-13%
Police	\$ 10,792,548	\$ 11,303,523	\$ 12,086,697	\$ 11,469,197	\$ 11,881,560	8%	-2%
Fire District	\$ 9,924,241	\$ 9,410,945	\$ 9,718,319	\$ 9,698,350	\$ 9,690,890	6%	0%
Other Transportation Related Expenditures	\$ 2,262,402	\$ 1,405,168	\$ 1,696,488	\$ 1,687,462	\$ 825,718	1%	-51%
Other City Related Expenditures	\$ 4,730,269	\$ 522,271	\$ 853,005	\$ 454,939	\$ 611,877	0%	-28%
Capital Improvement Plan							
C I P - Facilities	\$ 383,678	\$ 5,517,470	\$ 19,918,271	\$ 16,066,574	\$ 12,220,100	8%	-39%
C I P - Redevelopment Agency	22,910,821	19,289,444	41,925,171	25,694,731	15,950,733	10%	-62%
C I P - Streets	14,851,283	10,623,283	13,314,000	2,884,005	23,555,101	15%	77%
C I P - Water	15,163,335	7,922,790	3,526,179	2,595,667	0	0%	-100%
C I P - Sewer	398,787	2,155,686	0	96,109	0	0%	n/a
Total Capital Improvement Plan	\$ 53,707,904	\$ 45,508,673	\$ 78,683,621	\$ 47,337,086	\$ 51,725,934	33%	-34%
Total City Expenditures	\$ 162,209,326	\$ 149,882,508	\$ 209,260,739	\$ 145,621,788	\$ 156,889,247	100%	-25%

Total Expenditures by Major Expenditure Classification
2010-11 Budget



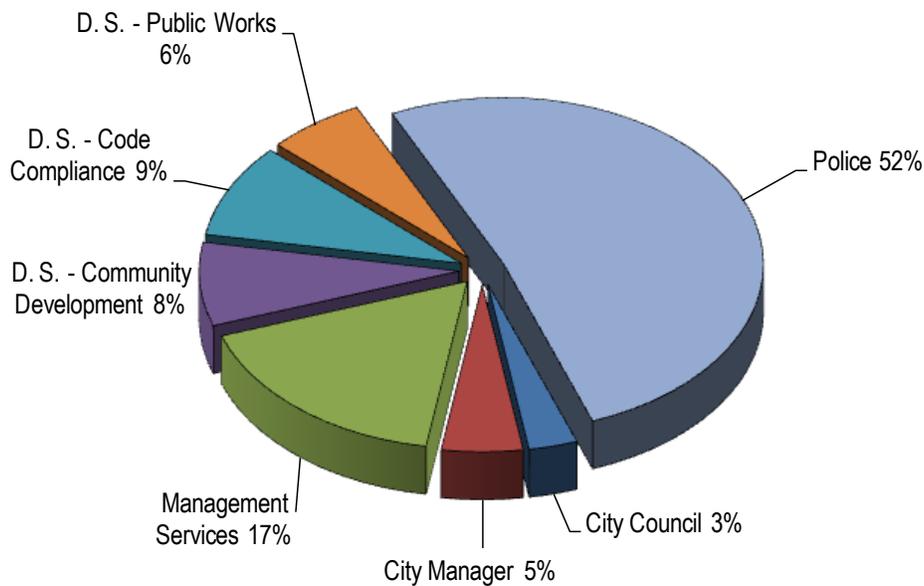
DEPARTMENTS	2007-08 Actual	208-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% of Budget	% Change From 2009-10 Budget
Salaries and Benefits	\$ 15,571,327	\$ 17,130,452	\$ 17,970,335	\$ 16,955,729	\$ 15,606,267	10%	-13%
Materials and Other Operating	12,432,236	12,539,479	15,592,206	12,771,458	16,930,749	11%	9%
Capital Outlay	16,472,499	1,747,241	10,549,148	9,569,295	2,647,032	2%	-75%
Non-CIP Contractual							
Contractual	6,741,546	13,902,137	6,771,792	5,757,788	6,219,414	4%	-8%
Police Contractual	10,638,425	11,071,293	11,250,697	11,145,697	11,469,387	7%	2%
Fire Contractual	8,091,789	9,166,872	9,429,339	9,429,339	9,452,569	6%	0%
Redevelopment Agency (RDA) Contractual	7,095,800	5,971,110	24,361,186	1,705,309	16,703,669	11%	-31%
Total Non-CIP Contractual	32,567,560	40,111,412	51,813,014	28,038,133	43,845,039	28%	-15%
Capital Improvement Plan (CIP)							
C I P - Facilities	383,678	5,517,470	19,918,271	16,066,574	12,220,100	8%	-39%
C I P - Redevelopment Agency	22,910,821	19,289,444	41,925,171	25,694,731	15,950,733	10%	-62%
C I P - Streets	14,851,283	10,623,283	13,314,000	2,884,005	23,555,101	15%	77%
C I P - Water	15,163,335	7,922,790	3,526,179	2,595,667	0	0%	-100%
C I P - Sewer	398,787	2,155,686	0	96,109	0	0%	0%
Total CIP	53,707,904	45,508,673	78,683,621	47,337,086	51,725,934	33%	-34%
Debt Service							
Debt Service	8,637,572	3,505,953	4,509,829	3,894,044	3,259,395	2%	-28%
RDA - Debt Service	7,278,257	13,629,535	13,596,732	15,077,738	14,799,996	9%	9%
RDA - Contractual Pass Through	15,541,971	15,709,763	16,545,854	11,978,305	8,074,835	5%	-51%
Total Debt Service	31,457,800	32,845,251	34,652,415	30,950,087	26,134,226	17%	-25%
Total Expenditures	\$ 162,209,326	\$ 149,882,508	\$ 209,260,739	\$ 145,621,788	\$ 156,889,247	100%	-25%

Total General Fund Expenditures by Major Expenditure Account
2010-11 Budget



DEPARTMENTS	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% of Budget	% Change From 2009-10 Budget
Salaries and Benefits							
Salaries	\$ 5,537,613	\$ 6,122,804	\$ 5,995,744	\$ 5,630,458	\$ 5,204,761	23%	-13%
Benefits	2,217,973	2,519,650	2,515,157	2,385,756	1,824,309	8%	-27%
Total Salaries and Benefits	7,755,586	8,642,454	8,510,901	8,016,214	7,029,070	31%	-17%
Materials	1,582,670	1,400,394	1,521,138	1,207,965	1,305,323	6%	-14%
Contractual	4,396,515	2,964,179	3,094,501	3,014,417	2,590,601	11%	-16%
Police Contractual	10,638,425	11,071,293	11,250,697	11,145,697	11,469,387	50%	2%
Other Operating	511,460	372,426	402,721	317,612	340,541	1%	-15%
Capital Outlay	337,569	54,729	10,000	2,650,218	10,000	1%	0%
Total General Fund Expenditures	\$ 25,222,225	\$ 24,505,475	\$ 24,789,958	\$ 26,352,123	\$ 22,744,922	100%	-8%

Total General Fund Expenditures by Department
2010-11 Budget



DEPARTMENTS	2007-08	2008-09	2008-09	2009-10	2010-11	% of Budget	% Change From 2009-10 Budget
	Actual	Actual	Budget	Revised	Budget		
City Council	\$ 786,753	\$ 739,854	\$ 705,870	\$ 719,352	\$ 679,572	3%	-4%
City Manager	1,491,643	1,433,998	1,325,212	1,290,692	1,176,970	5%	-11%
Management Services	4,333,264	4,544,905	4,278,955	6,986,959	3,960,050	17%	-7%
Development Services							
D. S. - Community Development	3,401,277	2,811,388	2,690,509	2,553,567	1,761,754	8%	-35%
D. S. - Code Compliance	2,032,359	2,139,789	2,393,415	1,956,302	2,006,998	9%	-16%
D. S. - Public Works	1,818,206	1,532,018	1,309,300	1,250,768	1,278,018	6%	-2%
D. S. - Capital Improvement Projects	566,175	0	0	125,286	0	0%	0%
Development Services Total	7,818,017	6,483,195	6,393,224	5,885,923	5,046,770	23%	-21%
Police	10,792,548	11,303,523	12,086,697	11,469,197	11,881,560	52%	-2%
Total General Fund Expenditures	\$ 25,222,225	\$ 24,505,475	\$ 24,789,958	\$ 26,352,123	\$ 22,744,922	100%	-8%

Summary of Position Changes

The 2010-11 Budget reduces full-time City staffing by 3.23%, or eleven positions, from 340 to 329 full-time positions and part-time positions are increased by 0.51 FTE, for a total reduction of 10.49 FTE. As indicated, the 2010-11 Budget proposes the elimination of eleven full-time positions, the elimination of one part-time position and addition of two part-time positions. Three position reallocation and one position reclassifications are also proposed. The total staffing for the City is proposed to decrease 3.07% from 342.07 FTE to 331.58 FTE.

Positions Changes for Fiscal Year 2010-11

Position Changes During Fiscal Year 2009-10 - None

Eleven (11.00 FTE) Full-Time Positions Eliminations for the short-term:

- One vacant Secretary to the City Manager position (1.0 FTE) in the City Manager Department, due to retirement.
- One vacant Payroll Analyst position (1.0 FTE) in the Management Services Department.
- One vacant Information Systems Manager position (1.0 FTE) in the Management Services Department.
- One vacant Deputy Director of Development Services/Community Development position (1.0 FTE) in D.S. Community Development, due to retirement.
- One vacant Receptionist position (1.0 FTE) in D.S. Community Development – Building and Safety.
- One vacant Senior Plans Examiner position (1.0 FTE) in D.S. Community Development – Building and Safety, due to retirement.
- One vacant Building Inspector position (1.0 FTE) in D.S. Community Development – Building and Safety.
- One vacant Code Enforcement Officer position (1.0 FTE) in D.S. Code Compliance – Code Enforcement.
- One vacant Animal Control Officer position (1.0 FTE) in D.S. Code Compliance – Animal Control.
- One vacant Office Assistant position (1.0 FTE) in D.S. Code Compliance – Animal Control.
- One vacant Engineering Aide position (1.0 FTE) in D.S. Public Works, Streets Maintenance and D.S. Water Administration.

Two Part-Time Positions Added and one Part-Time Position Eliminated for net change of 0.51 FTE:

- Added Part-Time (0.46 FTE) Payroll Analyst in Management Services Department – Finance Division.
- Added Part-Time (0.24 FTE) Senior Plans Examiner in D.S. Community Development – Building and Safety.
- Eliminated One Vacant part-time Maintenance Worker position (0.19 FTE) in D.S. Water – Distribution.

Three Other Changes are proposed as follows:

- Retitled/Reclassified one Administrative Analyst position in the City Manager Department to a Community Relations and Media Coordinator position.
- Reallocated one Fire Prevention Officer position in the Fire District to a Fire Prevention Specialist position.
- Reallocated one Senior Plans Examiner/Arson position in the Fire District to a Fire Prevention Office - Arson.

Positions Reallocations:

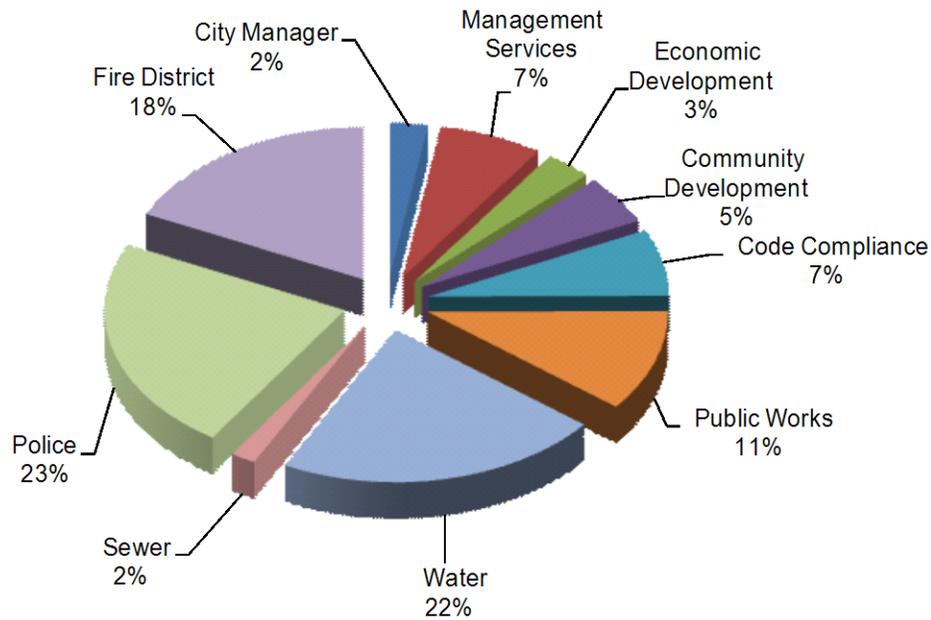
The following positions are being reallocated to more accurately reflect the workload of the positions or for financial considerations in the 2010-11 Budget year, however represent no overall change in the total City staff:

- Emergency Services Coordinator – Reallocate from 0.34 FTE in the City Manager Department-City Manager Division to 0.50 FTE; reallocate from 0.33 FTE to 0.50 FTE in the D.S. Water – Administration; and reallocate 0.33 FTE to 0.00 in the Fire District.

The following positions are being reallocated from the Redevelopment Agency to the City Manager and Management Services departments:

- City Manager – Department Head responsibilities (0.15 FTE)
- Assistant City Manager – Management Services (0.10 FTE)
- Deputy Finance Director (0.05 FTE)
- Senior Management Analyst (0.05 FTE)
- Senior Accountant (0.05 FTE)

2010-11 BUDGET FULL-TIME STAFF BY DEPARTMENT



Departments	2007-08	2008-09	2009-10	2010-11	% Change From 2009-10 Budget
City Manager	9.84	9.84	9.03	8.34	-8%
Management Services	27.00	27.00	24.75	23.00	-7%
Economic Development	12.33	10.33	10.73	10.33	-4%
Development Services:					
Community Development	23.03	22.03	21.03	17.03	-19%
Code Compliance	29.32	28.32	26.32	23.32	-11%
Public Works	37.45	37.45	35.90	35.40	-1%
Water	69.53	70.53	72.41	72.08	-1%
Sewer	5.50	5.50	5.50	5.50	0%
Development Services Total	164.83	163.83	161.16	153.33	-5%
Sub-Total Non-Police & Fire District	214.00	211.00	205.67	195.00	-5%
Police	73.00	75.00	75.00	75.00	0%
Fire District	59.00	59.00	59.33	59.00	-1%
Sub-Total Non-Police & Fire District	132.00	134.00	134.33	134.00	0%
Total Full Time Staff	346.00	345.00	340.00	329.00	-3%
Change Amount	na	-1.00	-5.00	-11.00	
Percentage	na	-0.3%	-1.4%	-3.2%	

CAPITAL IMPROVEMENT PROGRAM (C I P) SUMMARY

The CIP projects are summarized as follows:

<u>C I P Major Categories</u>	<u>Projects Completed in FY 2009-10*</u>	<u>Projects Continued in 2010-11 Budget</u>	<u>New Projects Included in 2010-11 Budget</u>	<u>New & Continued Projects Included in 2010-11 Budget</u>
Streets C I P Projects	\$2,389,195	\$35,785,934	\$15,000	\$35,800,934
Storm Drainage	34,115	900,000	0	900,000
Facilities	4,137,060	15,000,000	25,000	15,025,000
Water	2,013,097	0	0	0
Sewer	96,109	0	0	0
Total C I P Projects	\$8,669,576	\$51,685,934	\$40,000	\$51,725,934

*Note – Includes projects that are not yet completed but have been suspended and may resume in future years.

Streets C I P Projects - \$35,800,934 (2010-11 Budget)

- 2010-11 Street Improvement Project – The FY 2010-11 Budget for the major Citywide Residential Street Improvement Program, will be considered at the Mid-Year Budget Review. \$5,710,514 has been included in the FY 2010-11 Budget to complete the FY 2009-10 Street Improvement Program. The program history is as follows:

	<u>Expenditures</u>	<u>Miles Paved</u>	<u>Slurry Seal Miles</u>
2000-01 Street Improvement Project	\$ 2,226,573	18.0	0
2001-02 Street Improvement Project	\$ 2,148,349	19.4	0
2002-03 Street Improvement Project	\$ 1,993,142	16.5	0
2003-04 Street Improvement Project	\$ 2,033,719	17.1	0
2004-05 Street Improvement Project	\$ 3,166,412	18.2	12.4
2005-06 Street Improvement Project	\$ 6,221,264	51.1	14.2
2006-07 Street Improvement Project	\$11,379,826	57.0	11.0
2007-08 Street Improvement Project	\$20,920,267	57.0	4.0
2008-09 Street Improvement Project	\$10,659,895	28.0	0
<u>2009-10 Street Improvement Project</u>	<u>\$ 5,710,514</u>	<u>13.9</u>	<u>0</u>
Ten Year Total	\$66,459,961	296.1	41.6

- One New Street Project – 1 Project \$15,000
- Rancho Road Related Projects – 3 Projects \$23,784,320
- Seven Other Streets Projects – 7 Projects \$6,291,100

Storm Drainage C I P Project - 1 Project \$900,000

Facilities C I P Projects - 3 Projects \$15,025,000

• High Desert County Government Center	\$ 9,000,000
• New Police Station	6,000,000
• Park and Ride Facility	<u>25,000</u>
	\$15,025,000

Water C I P Projects - There are no water projects budgeted for FY 2010-11.

Sewer C I P Projects - There are no sewer projects budgeted for FY 2010-11.

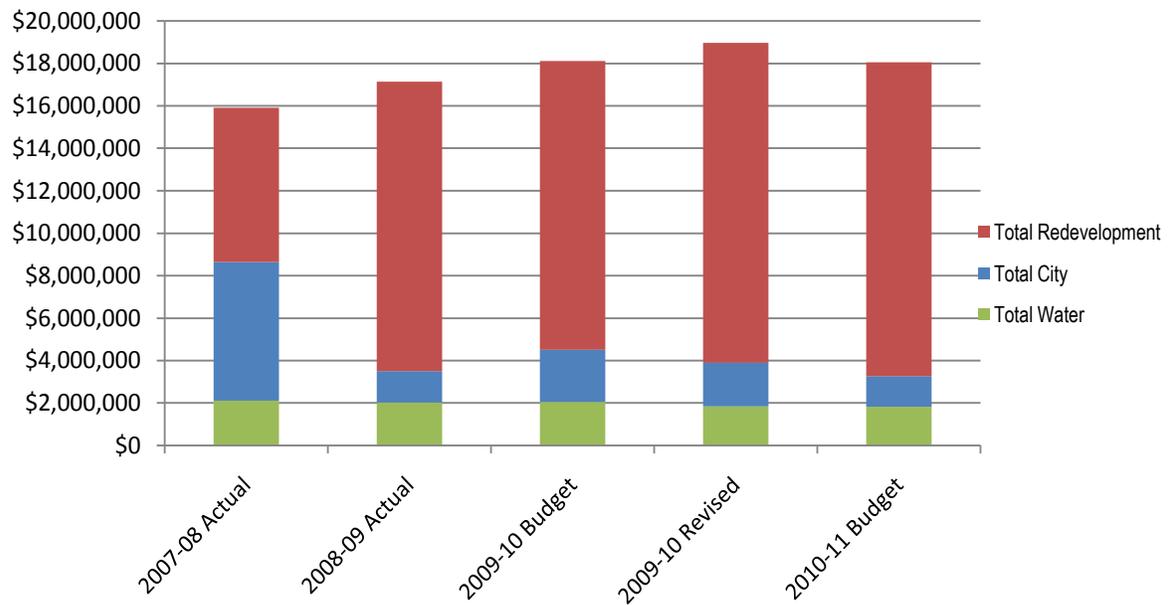
Summary of Overall Debt Obligation Activity in Fiscal Year 2009-10 and 2010-11 Budget:

- The Water 1987 Prop. 28 Loan from the State of California was paid in full in September 2009.
- The debt obligations that would benefit from refinancing were refinanced in Fiscal Year (FY) 2004-05 or earlier. As was presented to the City Council for the refinanced debt issues, the lower interest rate environment associated with variable debt issues has resulted in the opportunity to prepay principal, through interest savings, thus lowering the overall outstanding debt more quickly. Status of Prepayments:
 - City Series 2004 Variable Rate Revenue Bonds (Measure I) – The lower variable rate interest environment has enabled the City to prepay a total of \$2.4 million through budgetary savings during the last four years.
 - Water 1998 Series A Revenue Bonds – The lower variable rate interest environment enabled the Water District to prepay a total of \$500,000 through budgetary savings, however no prepayments were made in FY 2009-10.

The variable rate obligations for the City, Measure I Debt, and Water District will continue to be monitored closely. If necessary, these obligations can quickly be swapped into fixed rates, as has been done with \$10 million of the Water 1998 A Series.

- Variable Rate Debt Letter of Credit Renewals – Due to changes in the financial markets, the number of Letter of Credit providers has significantly diminished. Therefore costs have increased substantially. These increased costs impact the Measure I debt, Civic Plaza debt, and Water 1998 A & B debt.
- Fire Station 305 Debt Agreement – Upon completion of the station, a full accounting will be performed and a loan agreement will be effectuated to repay the RDA for the expansion portion of the station from Fire Development Impact Fee funds.

The following bar graph depicts the annual debt service obligations for the City, Water District, and Redevelopment Agency as follows:



Summary of Operating Expenditures and Staffing Changes

CITY COUNCIL

Department	Change From 2009-10 Budget			
	2009-10 Budget	2010-11 Budget	Amount	Percent
City Council	\$ 380,870	\$ 354,572	\$ (26,298)	-7%
City Attorney	325,000	325,000	0	0%
Total City Council	\$ 705,870	\$ 679,572	\$ (26,298)	-4%

Significant Department Expenditure and Staffing Changes:

- None

CITY MANAGER

Department	Change From 2009-10 Budget			
	2009-10 Budget	2010-11 Budget	Amount	Percent
City Manager	\$ 957,914	\$ 827,761	\$ (130,153)	-14%
City Clerk	367,298	349,209	(18,089)	-5%
Total City Manager	\$ 1,325,212	\$ 1,176,970	\$ (148,242)	-11%
Full & Part-Time Staff (FTE)	9.03	8.34	-0.69	-8%

Significant Department Expenditure and Staffing Changes:

- Funding of \$25,000 included for consolidation with the San Bernardino County Registrar of Voters Office for the November 2010 General Election.
- The retirement of the Secretary to the City Manager (1.00 FTE) creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, with some temporary assistance used to help with the workload.
- The one Emergency Services Coordinator is reallocated from 0.34 FTE to 0.50 FTE in the City Manager's division, due to limited funds available in the Fire District to fund a portion of this position.
- The Administrative Analyst (Pos. #7001)(0.34 FTE) position was retitled/reclassified to a Community Relations and Media Coordinator (0.34 FTE) position to more accurately reflect the duties being performed.
- The portion of the City Manager's time (0.15 FTE) previously allocated to the Redevelopment Agency is being reallocated back to the City Manager's Department to reduce administrative costs for the Redevelopment Agency.

MANAGEMENT SERVICES

Department	Change From 2009-10 Budget			
	2009-10 Budget	2010-11 Budget	Amount	Percent
Finance	\$ 1,551,470	\$ 1,402,569	\$ (148,901)	-10%
Human Resources/Risk Management	1,444,399	1,403,464	(40,935)	-3%
Management Information Services	1,283,086	1,154,017	(129,069)	-10%
Total Management Services	\$ 4,278,955	\$ 3,960,050	\$ (318,905)	-7%
Full & Part-Time Staff (FTE)	24.75	23.46	-1.29	-5%

Summary of Operating Expenditures and Staffing Changes (Continued)

MANAGEMENT SERVICES (Continued)

Significant Department Expenditure and Staffing Changes:

- Eliminate one vacant Payroll Analyst (1.00 FTE) position to reduce expenditures during the continuing economic downturn and add one part-time Payroll Analyst position (0.46 FTE) to help deal with the payroll workload.
- Eliminate the vacant Information Systems Manager (1.00 FTE) position to reduce expenditures during the continuing economic downturn and have one existing Information Systems Specialist serve as interim division manager.
- The Deputy Finance Director, Senior Management Analyst, and Senior Accountant will have their time (0.05 FTE for each position) previously allocated to the Redevelopment Agency is being reallocated back to the Finance Division to reduce administrative costs for the Redevelopment Agency.
- The Assistant City Manager/Management Services time (0.10 FTE) previously allocated to the Redevelopment Agency is being reallocated back to the Human Resources/Risk Management Division and Management Information Services Division to reduce administrative costs for the Redevelopment Agency.

ECONOMIC DEVELOPMENT DEPARTMENT

Department	2009-10 Budget	2010-11 Budget	Change From 2009-10 Budget	
			Amount	Percent
RDA:				
Low/Moderate Income	\$ 26,315,487	\$ 24,446,725	\$ (1,868,762)	-7%
Administration	1,867,173	1,583,961	(283,212)	-15%
Project Area #1 D/S	23,758,655	17,348,901	(6,409,754)	-27%
Project Area #2 D/S	2,224,322	1,369,530	(854,792)	-38%
Project Area #1 CIP	45,499,498	14,185,060	(31,314,438)	-69%
Project Area #2 CIP	2,498,638	2,098,638	(400,000)	-16%
VVEDA	1,702,035	1,702,035	0	0%
Subtotal RDA	\$ 103,865,808	\$ 62,734,850	\$ (41,130,958)	-40%
CDBG:				
Administration	\$ 1,477,664	\$ 1,572,665	\$ 95,001	6%
HOME	0	0	0	0%
Revolving Loans	1,273,998	997,610	(276,388)	-22%
Neighborhood Stabilization	4,531,849	781,083	(3,750,766)	-83%
Subtotal CDBG	\$ 7,283,511	\$ 3,351,358	\$ (181,387)	-54%
Total Economic Development	\$ 111,149,319	\$ 66,086,208	\$ (41,312,345)	73%
Full & Part-Time Staff (FTE)	10.73	10.33	-0.40	-4%

Significant Department Expenditure and Staffing Changes:

Redevelopment Agency:

- One Administrative Analyst (Pos. #7001)(0.33 FTE) position was retitled/reclassified to a Community Relations and Media Coordinator (0.33 FTE) position to more accurately reflect the duties being performed.
- To reduce administrative costs for the Redevelopment Agency the following positions and FTE's are being reallocated to their primary department and funding sources: City Manager (0.15 FTE), Assistant City Manager – Management Services (0.10 FTE), Deputy Finance Director (0.05 FTE), Senior Management Analyst (0.05 FTE), and Senior Accountant (0.05 FTE).

Community Development Block Grant:

- None

Summary of Operating Expenditures and Staffing Changes (Continued)

D.S. COMMUNITY DEVELOPMENT

Department	2009-10 Budget	2010-11 Budget	Change From 2009-10 Budget	
			Amount	Percent
Planning	\$ 1,497,449	\$ 1,003,652	\$ (493,797)	-33%
Building & Safety	1,193,060	758,102	(434,958)	-36%
Total Community Development	\$ 2,690,509	\$ 1,761,754	\$ (928,755)	-35%
Full & Part-Time Staff (FTE)	21.49	17.73	-3.76	-17%

Significant Department Expenditure and Staffing Changes:

- The Hogle-Ireland General Plan Update was budgeted at \$340,000 for Fiscal Year 2009-10. The 2010-11 Budget includes \$20,000 to complete this contract to address greenhouse gas emissions and to complete the public hearing process.
- The retirement of the Deputy Director Development Service – Community Development (1.00 FTE) creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, with some consulting assistance included to help deal with the General Plan workload.
- Eliminate one vacant Receptionist (1.00 FTE) position to reduce expenditures during the continuing economic downturn.
- The retirement of the Senior Plans Examiner (1.00 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, and add one part-time Senior Plans Examiner (0.24 FTE) position to help deal with some development projects.
- Eliminate one vacant Building Inspector (1.00 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.

D.S. CODE COMPLIANCE

Department	2009-10 Budget	2010-11 Budget	Change From 2009-10 Budget	
			Amount	Percent
Code Enforcement	\$ 979,618	\$ 824,559	\$ (155,059)	-16%
Animal Control	1,413,797	1,182,439	(231,358)	-16%
Total D.S.-Code Compliance	\$ 2,393,415	\$ 2,006,998	\$ (386,417)	-16%
Full & Part-Time Staff (FTE)	26.78	23.78	-3.00	-11%

Significant Department Expenditure and Staffing Changes:

- In the Code Enforcement program, eliminate one vacant Code Enforcement Officer (1.00 FTE) position to reduce expenditures during the continuing economic downturn.
- In the Animal Control program, eliminate one vacant Animal Control Officer (1.00 FTE) position and one vacant Office Assistant (1.00 FTE) position to reduce expenditures during the continuing economic downturn.

Summary of Operating Expenditures and Staffing Changes (Continued)

D.S. PUBLIC WORKS

Department			Change From 2009-10 Budget	
	2009-10 Budget	2010-11 Budget	Amount	Percent
Street Maintenance	\$ 3,417,362	\$ 3,130,258	\$ (287,104)	-8%
Engineering	572,541	519,782	(52,759)	-9%
Building Maintenance	736,759	758,236	21,477	3%
Total D.S. Public Works	\$ 4,726,662	\$ 4,408,276	\$ (318,386)	-7%
Full & Part-Time Staff (FTE)	35.90	35.40	-0.50	-1%

Significant Department Expenditure and Staffing Changes:

Eliminate one vacant Engineering Aide position (0.30 FTE Street Maintenance and 0.20 FTE Engineering) to reduce expenditures during the continuing economic downturn and related reduced development activity.

D.S. WATER

Department			Change From 2009-10 Budget	
	2009-10 Budget	2010-11 Budget	Amount	Percent
Water Operating				
Source of Supply	\$ 3,966,791	\$ 2,703,416	\$ (1,263,375)	-32%
Production	3,305,012	2,993,711	(311,301)	-9%
Distribution	1,241,137	1,068,100	(173,037)	-14%
Pipeline Maintenance	1,709,377	1,247,427	(461,950)	-27%
Engineering	1,027,279	952,589	(74,690)	-7%
Customer Service	1,290,510	1,232,063	(58,447)	-5%
Utility Billing	857,569	831,232	(26,337)	-3%
Administration	5,179,663	4,833,512	(346,151)	-7%
Property Management	331,228	250,102	(81,126)	-24%
Subtotal Water Operating	\$ 18,908,566	\$ 16,112,152	\$ (2,796,414)	-15%
Water Capital	3,526,179	0	(3,526,179)	-100%
Total D.S.-Water	\$ 22,434,745	\$ 16,112,152	\$ (6,322,593)	-28%
Full & Part-Time Staff (FTE)	73.06	72.54	-0.52	-1%

Significant Department Expenditure and Staffing Changes:

Source of Supply

- One Administrative Analyst (Pos. #7001)(0.33 FTE) position was retitled/reclassified to a Community Relations and Media Coordinator (0.33 FTE) position to more accurately reflect the duties being performed.

Distribution

- One temporary part-time Maintenance Worker (0.19 FTE) position is being eliminated to reduce costs.

Engineering

- Eliminate one vacant Engineering Aide (0.50 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.
- Engineering staff is proposing to utilize contract services to assist the City in the preparation of its 2010 Urban Water Management Plan, which is required to be updated every five years.

Summary of Operating Expenditures and Staffing Changes (Continued)

D.S. WATER (Continued)

Significant Department Expenditure and Staffing Changes:

Administration

- The one Emergency Services Coordinator is reallocated from 0.33 FTE to 0.50 FTE in the Water Operation Administration program due to limited funds available in the Fire District to fund a portion of this position.

D.S. SEWER

Department	2009-10 Budget	2010-11 Budget	Change From 2009-10 Budget	
			Amount	Percent
Sewer Operations	\$ 1,969,272	\$ 2,277,356	\$ 308,084	16%
Sewer Capital	0	0	0	0%
Total D.S. Sewer	\$ 1,969,272	\$ 2,277,356	\$ 308,084	16%
Full & Part-Time Staff (FTE)	5.50	5.50	0.00	0%

Significant Department Expenditure and Staffing Changes:

- The increased Materials expenditures reflect the 25% increase in wastewater treatment charges from the Victor Valley Wastewater Reclamation Authority (VWRA), which is expected to be effective July 1, 2010. The VWRA wastewater treatment charges are expected to be \$1,518,400 or 62% of the Sewer Operations expenditures.

POLICE DEPARTMENT

Department	2009-10 Budget	2010-11 Budget	Change From 2009-10 Budget	
			Amount	Percent
Police	\$ 12,086,697	\$ 11,881,560	\$ (205,137)	-2%
Total Police	\$ 12,086,697	\$ 11,881,560	\$ (205,137)	-2%
Full & Part-Time Staff (FTE)	75.50	75.50	0.00	0%

Significant Department Expenditure and Staffing Changes:

- The contract with the County Board of Supervisors for Police Services is proposed to increase by 1.9% or \$218,690 from \$11,250,697 to \$11,469,387, including fuel and vehicle maintenance, to continue the current level of service. The City is assuming a 3% basic contract increase of \$323,690 and a 23% or \$105,000 reduction in fuel and vehicle maintenance, for an overall contract increase of 1.9% or \$218,690.
- The 2010-11 Budget eliminated \$237,000 for booking fees and assumes the State will continue to reimburse the County directly for booking fees continuing the State's practice for the last three years.
- Police overtime, in excess of that funded by contract credits due to vacancies, is funded at \$200,000.

Summary of Operating Expenditures and Staffing Changes (Continued)

FIRE DISTRICT

Department	2009-10 Budget	2010-11 Budget	Change From 2009-10 Budget	
			Amount	Percent
Operations and Community Safety	\$9,429,339	\$9,452,569	\$ 23,230	0%
Administration	288,980	238,321	(50,659)	18%
Total Fire District	\$ 9,718,319	\$ 9,690,890	\$ (27,429)	17%
Full & Part-Time Staff (FTE)	59.33	59.00	-0.33	-1%

Significant Department Expenditure and Staffing Changes:

- The County contract for the current level of service has increased from \$9,429,339 to \$9,452,569 for a \$23,230 or 0.25% increase paid to the San Bernardino County Fire Protection District for the continuation of 53.0 FTE safety staff and 6.0 FTE non-safety staff, plus other expenses provided in the contract. The County contract amount of \$9,452,569 does not include Memorandum of Understanding (MOU) increases for Fiscal Year 2010-11.
- The one Emergency Services Coordinator position is reallocated from 0.33 FTE to 0.00 FTE in the Fire District, because Property Tax and Redevelopment Pass-Through Payments have dropped significantly in Fiscal Year 2009-10 and are expected to drop further in the 2010-11 Budget year, leaving the Fire District unable to fund the position.
- Reallocated one Fire Prevention Officer (1.00 FTE) position to one Fire Prevention Specialist (1.00 FTE).
- Reallocated one Senior Plans Examiner – Arson position to one Fire Prevention Officer – Arson (1.00 FTE).

RESOURCES
AND
EXPENDITURE
SUMMARIES

- *Overview*

- *Summary*

- *General Fund - 2010-11 Budget, Fund Balance, and Reserves*

- *Water District - 2010-11 Budget, Fund Balance, and Reserves*

- *Fire District - 2010-11 Budget, Fund Balance, and Reserves*

- *Streets Maintenance Fund - 2010-11 Budget, Fund Balance, and Reserves*

OVERVIEW

The Resources and Expenditure Summaries section of the budget document depicts the calculations or methodology for "Balancing the Budget" for the City's four primary operating funds, which include the General Fund, Water District, Fire District, and Streets Maintenance.

The two primary factors considered include:

- Resources - Annual Revenues, Budgeted Reserves (i.e. the planned use of savings), and Transfers.
- Expenditures - Annual planned expenditures for operations, capital improvements and debt service payments.

The budget is balanced by matching resources and expenditures which results in a zero or surplus balance (Difference Resources/Expenditures).

This section also shows the Fund Balance and Reserves for the four funds. The 2010-11 Budget then updates the fund balance and a calculation is made to estimate the Cash Reserves. The City Council policy of 10% Cash Reserves and the Reserves Above 10% are reported.

Section I, Fund Balance Summaries, provides similar balancing information for all City funds included in the 2010-11 Budget.

SUMMARY

Only the City's General Fund is balanced with a surplus above the 10% reserve level where cash reserve levels substantially exceed the City Council/Board policy of 10% in the General Fund. The City Council's/Board's policy of maintaining 10% cash reserves as a percent of expenditures is illustrated on the following schedules.

RESOURCES AND EXPENDITURES SUMMARIES
GENERAL FUND – 2010-11 BUDGET, FUND BALANCE, AND RESERVES

	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget	
RESOURCES					
Total General Fund Revenue	\$ 21,221,528	\$ 19,247,176	\$ 19,314,244	-9%	
Budgeted Reserves					
1. Fire Revenue Deficiency	\$ 0	\$ 0	\$ 1,000,000		
2. General Plan Update	340,000	340,000	0		
3. Other	107,000	107,000	225,300		
4. Budget Amendment Reserves	0	2,839,286	0		
Total Budgeted Reserves	\$ 447,000	\$ 3,286,286	\$ 1,225,300	174%	
Transfers					
1. Fund 255 - AB 3229 COPS Grant	\$ 100,000	\$ 100,000	\$ 107,000		
2. Fund 389 - Indirect Cost Allocation-Redevelopment	661,119	661,119	611,451		
3. Fund 700 - Indirect Cost Allocation-Water	1,200,000	1,200,000	1,200,000		
4. Fund 710 - Indirect Cost Allocation-Sewer	170,792	170,792	203,314		
5. Fund 389 - G&A Prior Year Uncharged RDA	633,063	633,063	633,063		
6. Fund 700 - G&A Prior Year Uncharged Water	500,000	500,000	500,000		
7. Fund 600 - Ranchero Rd Undercrossing Proj. Mgmt.	0	0	75,320		
8. Fund 200 - Fire Operations	0	0	(1,000,000)		
9. Fund 401 - City Debt Service	(98,047)	(51,439)	(65,560)		
Total Transfers	3,166,927	3,213,535	2,264,588	-28%	
TOTAL RESOURCES					
(Revenue, Budgeted Reserves, and Transfers)	24,835,455	25,746,997	22,804,132		
TOTAL GENERAL FUND EXPENDITURES	24,789,958	26,352,123	22,744,922	-8%	
DIFFERENCE RESOURCES/EXPENDITURES	\$ 45,497	\$ (605,126)	\$ 59,210		
Fund Balance					
July 1 Beginning Balance	\$ 21,172,892	\$ 20,566,371	\$ 16,683,226		
Residual Equity Transfer	0	8,267	0		
Total Budgeted Reserves	(447,000)	(3,286,286)	(1,225,300)		
Difference Resources/Expenditures	45,497	(605,126)	59,210		
Estimated June 30 Ending Balance	\$ 20,771,389	\$ 16,683,226	\$ 15,517,136		
General Fund Reserve Amounts					
10% of expenditures	\$ 2,478,996	\$ 2,635,212	\$ 2,274,492		
Cash and Investments					
June 30 Ending Balance	\$ 20,771,389	\$ 16,683,226	\$ 15,517,136		
Estimated Cash and Investment Portion of Fund Balance	x 48.8%	x 48.8%	x 48.8%		
Estimated Cash and Investment Balance	\$ 10,136,438	\$ 8,141,414	\$ 7,572,362		
Reserves					
	2009-10 Reserve %			2010-11 Reserve %	
10% Cash Reserve (Council Policy)	10%	\$ 2,478,996	\$ 2,635,212	\$ 2,274,492	10%
Reserves Above/(Below) 10% Reserve	31%	7,657,442	5,506,202	5,297,870	23%
Total Estimated Cash Reserves	41%	\$ 10,136,438	\$ 8,141,414	\$ 7,572,362	33%

Note: Staff has re-evaluated the Estimated Cash and Investment Balance calculation which was established in FY 2001-02 at 48.8%. Staff has opted to keep the presentation, above, for historical purposes. The Estimated Cash and Investment Portion of Fund Balance calculation is left above but, by using the 2008-09 Comprehensive Annual Financial Report (CAFR), the calculation shows 86.4%.

RESOURCES AND EXPENDITURES SUMMARIES
WATER DISTRICT – 2010-11 BUDGET, FUND BALANCE, AND RESERVES

	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
RESOURCES				
Revenue				
Water Operating and Capital	\$ 20,545,965	\$ 16,320,806	\$ 16,575,394	-19%
Sewer Operating and Capital	2,920,502	3,154,338	3,323,072	14%
Total Revenue	<u>\$ 23,466,467</u>	<u>\$ 19,475,144</u>	<u>\$ 19,898,466</u>	-15%
Budgeted Reserves				
Budgeted Reserves	\$ 1,997,167	\$ 0	\$ 36,758	
Budget Amendment Reserve	0	0	0	
Total Budgeted Reserves	<u>1,997,167</u>	<u>0</u>	<u>36,758</u>	
Total Resources	\$ 25,463,634	\$ 19,475,144	\$ 19,935,224	
EXPENDITURES by Program				
Water Operating and Capital	\$ 22,434,745	\$ 19,545,991	\$ 16,112,152	-28%
Sewer Operating and Capital	1,969,272	2,039,419	2,277,356	16%
Total Expenditures	<u>24,404,017</u>	<u>21,585,410</u>	<u>18,389,508</u>	-25%
Difference Resources/Expenses	\$ 1,059,617	\$ (2,110,266)	\$ 1,545,716	

WATER DISTRICT – FUND BALANCE AND RESERVES

Fund Balance			
July 1 Beginning Balance	\$ 78,299,431	\$ 82,243,053	\$ 80,132,787
Residual Equity Transfer	0	0	0
Budgeted Reserves	(1,997,167)	0	(36,758)
Difference Resources/Expenditures	1,059,617	(2,110,266)	1,545,716
Estimated June 30 Ending Balance	<u>\$ 77,361,881</u>	<u>\$ 80,132,787</u>	<u>\$ 81,641,745</u>
Less: Net Capital Assets	(75,184,368)	(88,282,194)	(88,282,194)
Construction in Progress	(12,356,001)	(4,335,661)	(4,335,661)
Add: Outstanding Long-Term Debt	15,619,242	14,992,821	14,992,821
Estimated June 30 Ending Operating Fund Balance	<u>5,440,754</u>	<u>2,507,753</u>	<u>4,016,711</u>
Water District Reserve Amounts			
10% of expenditures	\$ 2,440,402	\$ 2,158,541	\$ 1,838,951
Cash and Investments			
June 30 Ending Balance	\$ 77,361,881	\$ 80,132,787	\$ 81,641,745
Estimated Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%
Estimated Cash and Investment Balance	<u>\$ 13,925,139</u>	<u>\$ 14,423,902</u>	<u>\$ 14,695,514</u>

	2009-10 Reserve %			2010-11 Reserve %
Reserves				
10% Cash Reserve (Council Policy)	10%	\$ 2,440,402	\$ 2,158,541	\$ 1,838,951
Reserves Above/(Below) 10% Reserve	47%	11,484,737	12,265,361	12,856,563
Total Estimated Cash Reserves	<u>57%</u>	<u>\$ 13,925,139</u>	<u>\$ 14,423,902</u>	<u>\$ 14,695,514</u>

Note: Staff has re-evaluated the Estimated Cash and Investment Balance calculation which was established in FY 2001-02 at 18%. Since then, the District's fund balance has grown substantially from the capital improvement projects added to the total assets, which is typical for an Enterprise fund. Staff has opted to keep the presentation, above, for historical purposes. However, a result of the re-evaluation is the included adjustments to arrive at the *Estimated June 30 Ending Operating Fund Balance* amount which removes the Capital Assets and Long-Term Debt from the Fund Balance. Also, the 18% Estimated Cash and Investment Portion of Fund Balance calculation is left above but, by using the 2008-09 Comprehensive Annual Financial Report (CAFR), the calculation is 0.8%.

RESOURCES AND EXPENDITURES SUMMARIES
WATER DISTRICT – WATER OPERATIONS - 2010-11 BUDGET, FUND BALANCE, AND RESERVES

	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
RESOURCES				
Total Water Operations Revenue	\$ 19,925,965	\$ 15,578,359	\$ 16,075,394	-19%
Budgeted Reserves				
Budgeted Reserves	0	0	36,758	
Total Budgeted Reserves	0	0	36,758	
Total Resources	19,925,965	15,578,359	16,112,152	
EXPENDITURES by Program				
700 4010 Source of Supply	3,966,791	2,559,891	2,703,416	
700 4020 Production	3,305,012	3,189,579	2,993,711	
700 4030 Water Distribution	1,241,137	1,523,899	1,068,100	
700 4035 Water Line Replacement	1,709,377	1,426,462	1,247,427	
700 4040 Engineering	1,027,279	973,646	952,589	
700 4050 Customer Service	1,290,510	1,189,708	1,232,063	
700 4060 Utility Billing	857,569	856,525	831,232	
700 4070 Administration	5,179,663	4,914,961	4,833,512	
700 4080 Property Management	331,228	315,653	250,102	
Total Expenditures	18,908,566	16,950,324	16,112,152	-15%
Difference Resources/Expenses	\$ 1,017,399	\$ (1,371,965)	\$ 0	
WATER OPERATIONS – FUND BALANCE AND RESERVES				
Fund Balance				
July 1 Beginning Balance	\$ 64,332,926	\$ 74,977,441	\$ 73,605,476	
Budgeted Reserves	0	0	(36,758)	
Difference Resources/Expenditures	1,017,399	(1,371,965)	0	
Estimated June 30 Ending Balance	\$ 65,350,325	\$ 73,605,476	\$ 73,568,718	
Less: Net Capital Assets	(71,043,513)	(71,526,157)	(71,526,157)	
Add: Outstanding Long-Term Debt	15,719,544	14,992,821	14,992,821	
Estimated June 30 Ending Operating Fund Balance	10,026,356	17,072,140	17,035,382	
Water District Reserve Amounts				
10% of expenditures	\$ 1,890,857	\$ 1,695,032	\$ 1,611,215	
Cash and Investments				
June 30 Ending Balance	\$ 65,350,325	\$ 73,605,476	\$ 73,568,718	
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%	
Estimated Cash and Investment Balance	\$ 11,763,059	\$ 13,248,986	\$ 13,242,369	
Reserves				
10% Cash Reserve (Council Policy)	\$ 1,890,857	\$ 1,695,032	\$ 1,611,215	10%
Reserves Above/(Below) 10% Reserve	9,872,202	11,553,953	11,631,154	72%
Total Estimated Cash Reserves	\$ 11,763,059	\$ 13,248,986	\$ 13,242,369	82%

Note: Staff has re-evaluated the Estimated Cash and Investment Balance calculation which was established in FY 2001-02 at 18%. Since then, the District's fund balance has grown substantially from the capital improvement projects added to the total assets, which is typical for an Enterprise fund. Staff has opted to keep the presentation, above, for historical purposes. However, a result of the re-evaluation is the included adjustments to arrive at the Estimated June 30 Ending Operating Fund Balance amount which removes the Capital Assets and Long-Term Debt from the Fund Balance. Also, the 18% Estimated Cash and Investment Portion of Fund Balance calculation is left above but, by using the 2008-09 Comprehensive Annual Financial Report (CAFR), the calculation is 6.0%.

RESOURCES AND EXPENDITURES SUMMARIES
WATER DISTRICT – WATER CAPITAL - 2010-11 BUDGET, FUND BALANCE, AND RESERVES

	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
RESOURCES				
Total Water Capital Revenue	\$ 620,000	\$ 742,447	\$ 500,000	-19%
Budgeted Reserves				
Budgeted Reserves	1,997,167	0	0	
Total Budgeted Reserves	<u>1,997,167</u>	<u>0</u>	<u>0</u>	
Total Resources	<u>2,617,167</u>	<u>742,447</u>	<u>500,000</u>	
EXPENDITURES by Program				
701 800 Water CIP	3,526,179	2,595,667	0	
Total Expenditures	<u>3,526,179</u>	<u>2,595,667</u>	<u>0</u>	-100%
Difference Resources/Expenses	<u>\$ (909,012)</u>	<u>\$ (1,853,220)</u>	<u>\$ 500,000</u>	

WATER CAPITAL – FUND BALANCE AND RESERVES

Fund Balance			
July 1 Beginning Balance	\$ 1,997,166	\$ (6,732,993)	\$ (8,586,213)
Budgeted Reserves	(1,997,167)	0	0
Difference Resources/Expenditures	(909,012)	(1,853,220)	500,000
Estimated June 30 Ending Balance	<u>\$ (909,013)</u>	<u>\$ (8,586,213)</u>	<u>\$ (8,086,213)</u>
Less: Construction in Progress	(12,356,001)	(4,335,661)	(4,335,661)
Estimated June 30 Ending Operating Fund Balance	<u>\$ (13,265,014)</u>	<u>\$ (12,921,874)</u>	<u>\$ (12,421,874)</u>

Water District Reserve Amounts			
10% of expenditures	\$ 352,618	\$ 259,567	\$ 0
Cash and Investments			
June 30 Ending Balance	\$ (909,013)	\$ (8,586,213)	\$ (8,086,213)
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%
Estimated Cash and Investment Balance	<u>\$ (163,622)</u>	<u>\$ (1,545,518)</u>	<u>\$ (1,455,518)</u>

				2010-11 Reserve %
Reserves				
10% Cash Reserve (Council Policy)	\$ 352,618	\$ 259,567	\$ 0	n/a
Reserves Above/(Below) 10% Reserve	(516,240)	(1,805,085)	(1,455,518)	n/a
Total Estimated Cash Reserves	<u>\$ (163,622)</u>	<u>\$ (1,545,518)</u>	<u>\$ (1,455,518)</u>	n/a

Note: Staff has re-evaluated the Estimated Cash and Investment Balance calculation which was established in FY 2001-02 at 18%. Since then, the District's fund balance has grown substantially from the capital improvement projects added to the total assets, which is typical for an Enterprise fund. Staff has opted to keep the presentation, above, for historical purposes. However, a result of the re-evaluation is the included adjustments to arrive at the Estimated June 30 Ending Operating Fund Balance amount which removes the Capital Assets and Long-Term Debt from the Fund Balance. Also, the 18% Estimated Cash and Investment Portion of Fund Balance calculation is left above but, by using the 2008-09 Comprehensive Annual Financial Report (CAFR), the calculation is 0.0%.

RESOURCES AND EXPENDITURES SUMMARIES
WATER DISTRICT – SEWER OPERATIONS - 2010-11 BUDGET, FUND BALANCE, AND RESERVES

	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
RESOURCES				
Total Sewer Operations Revenue	\$ 2,692,324	\$ 2,765,240	\$ 2,962,928	10%
Budgeted Reserves				
Budgeted Reserves	0	0	0	
Total Budgeted Reserves	0	0	0	
Total Resources	2,692,324	2,765,240	2,962,928	
EXPENDITURES by Program				
710 4200 Sewer Distribution	1,969,272	1,943,310	2,277,356	
Total Expenditures	1,969,272	1,943,310	2,277,356	16%
Difference Resources/Expenses	\$ 723,052	\$ 821,930	\$ 685,572	

SEWER OPERATIONS – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	\$ 10,407,747	\$ 10,685,575	\$ 11,507,505	
Budgeted Reserves	0	0	0	
Difference Resources/Expenditures	723,052	821,930	685,572	
Estimated June 30 Ending Balance	\$ 11,130,799	\$ 11,507,505	\$ 12,193,077	
Less: Net Capital Assets	(4,140,855)	(6,133,399)	(6,133,399)	
Add: Outstanding Long-Term Debt	20,754	34,522	34,522	
Estimated June 30 Ending Operating Fund Balance	7,010,698	5,408,628	6,094,200	
Water District Reserve Amounts				
10% of expenditures	\$ 196,927	\$ 194,331	\$ 227,736	
Cash and Investments				
June 30 Ending Balance	\$ 11,130,799	\$ 11,507,505	\$ 12,193,077	
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%	
Estimated Cash and Investment Balance	\$ 2,003,544	\$ 2,071,351	\$ 2,194,754	
Reserves				
10% Cash Reserve (Council Policy)	\$ 196,927	\$ 194,331	\$ 227,736	10%
Reserves Above/(Below) 10% Reserve	1,806,617	1,877,020	1,967,018	86%
Total Estimated Cash Reserves	\$ 2,003,544	\$ 2,071,351	\$ 2,194,754	96%

Note: Staff has re-evaluated the Estimated Cash and Investment Balance calculation which was established in FY 2001-02 at 18%. Since then, the District's fund balance has grown substantially from the capital improvement projects added to the total assets, which is typical for an Enterprise fund. Staff has opted to keep the presentation, above, for historical purposes. However, a result of the re-evaluation is the included adjustments to arrive at the Estimated June 30 Ending Operating Fund Balance amount which removes the Capital Assets and Long-Term Debt from the Fund Balance. Also, the 18% Estimated Cash and Investment Portion of Fund Balance calculation is left above but, by using the 2008-09 Comprehensive Annual Financial Report (CAFR), the calculation is 40.0%.

RESOURCES AND EXPENDITURES SUMMARIES
WATER DISTRICT – SEWER CAPITAL - 2010-11 BUDGET, FUND BALANCE, AND RESERVES

	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
RESOURCES				
Total Sewer Capital Revenue	\$ 228,178	\$ 389,098	\$ 360,144	58%
Budgeted Reserves				
Budgeted Reserves	0	0	0	
Total Budgeted Reserves	0	0	0	
Total Resources	228,178	389,098	360,144	
EXPENDITURES by Program				
711 900 Sewer CIP	0	96,109	0	
Total Expenditures	0	96,109	0	n/a
Difference Resources/Expenses	\$ 228,178	\$ 292,989	\$ 360,144	

SEWER CAPITAL – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	\$ 1,561,592	\$ 3,313,030	\$ 3,606,019	
Budgeted Reserves	0	0	0	
Difference Resources/Expenditures	228,178	292,989	360,144	
Estimated June 30 Ending Balance	\$ 1,789,770	\$ 3,606,019	\$ 3,966,163	
Water District Reserve Amounts				
10% of expenditures	\$ 0	\$ 9,611	\$ 0	
Cash and Investments				
June 30 Ending Balance	\$ 1,789,770	\$ 3,606,019	\$ 3,966,163	
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%	
Estimated Cash and Investment Balance	\$ 322,159	\$ 649,083	\$ 713,909	
				2010-11 Reserve %
Reserves				
10% Cash Reserve (Council Policy)	\$ 0	\$ 9,611	\$ 0	n/a
Reserves Above/(Below) 10% Reserve	322,159	639,473	713,909	n/a
Total Estimated Cash Reserves	\$ 322,159	\$ 649,083	\$ 713,909	n/a

Note: Staff has re-evaluated the Estimated Cash and Investment Balance calculation which was established in FY 2001-02 at 18%. Since then, the District's fund balance has grown substantially from the capital improvement projects added to the total assets, which is typical for an Enterprise fund. Staff has opted to keep the presentation, above, for historical purposes. However, a result of the re-evaluation is the included adjustments to arrive at the Estimated June 30 Ending Operating Fund Balance amount which removes the Capital Assets and Long-Term Debt from the Fund Balance. Also, the 18% Estimated Cash and Investment Portion of Fund Balance calculation is left above but, by using the 2008-09 Comprehensive Annual Financial Report (CAFR), the calculation is 100.0%.

RESOURCES AND EXPENDITURES SUMMARIES
FIRE DISTRICT – 2010-11 BUDGET, FUND BALANCE, AND RESERVES

	<u>2009-10</u>	<u>2009-10</u>	<u>2010-11</u>	<u>% Change</u>	
	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>	<u>From</u>	
				<u>2009-10</u>	
				<u>Budget</u>	
RESOURCES					
Total Fire District Revenue	\$ 8,862,876	\$ 8,179,548	\$ 8,076,755	-9%	
Total Fire District Revenue	<u>\$ 8,862,876</u>	<u>\$ 8,179,548</u>	<u>\$ 8,076,755</u>	<u>-9%</u>	
Budgeted Reserves					
1. Budgeted Reserves	855,443	855,443	614,135		
Total Reserves	<u>855,443</u>	<u>855,443</u>	<u>614,135</u>		
Transfers					
1. Fund 100 - General Fund	\$ 0	\$ 0	\$ 1,000,000		
Total Transfers	<u>0</u>	<u>0</u>	<u>1,000,000</u>		
TOTAL RESOURCES	<u>9,718,319</u>	<u>9,034,991</u>	<u>9,690,890</u>		
EXPENDITURES					
520 Operations & Community Safety	9,429,339	9,429,339	9,452,569	0%	
521 Administration	288,980	269,011	238,321	-18%	
Total Expenditures	<u>9,718,319</u>	<u>9,698,350</u>	<u>9,690,890</u>	<u>0%</u>	
DIFFERENCE RESOURCES/EXPENSES	<u>\$ 0</u>	<u>\$ (663,359)</u>	<u>\$ 0</u>		
Fund Balance					
July 1 Beginning Balance	\$ 2,495,998	\$ 2,235,694	\$ 716,892		
Budgeted Reserves	(855,443)	(855,443)	(614,135)		
Difference Resources/Expenditures	0	(663,359)	0		
Estimated June 30 Ending Balance	<u>\$ 1,640,555</u>	<u>\$ 716,892</u>	<u>\$ 102,757</u>		
Fire District Reserve Amounts					
10% of expenditures	\$ 971,832	\$ 969,835	\$ 969,089		
Cash and Investments					
June 30 Ending Balance	\$ 1,640,555	\$ 716,892	\$ 102,757		
Estimated Cash and Investment Portion of Fund Balance	x 64%	x 64%	x 64%		
Estimated Cash and Investment Balance	<u>\$ 1,049,955</u>	<u>\$ 458,811</u>	<u>\$ 65,764</u>		
	2009-10			2010-11	
Reserves	Reserve %			Reserve %	
10% Cash Reserve (Council Policy)	<u>10%</u>	\$ 971,832	\$ 969,835	\$ 969,089	<u>10%</u>
Reserves Above/(Below) 10% Reserve	1%	78,123	(511,024)	(903,325)	-9%
Total Estimated Cash Reserves	<u>11%</u>	<u>\$ 1,049,955</u>	<u>\$ 458,811</u>	<u>\$ 65,764</u>	<u>1%</u>

Note: Staff has re-evaluated the Estimated Cash and Investment Balance calculation which was established in FY 2001-02 at 64%. Staff has opted to keep the presentation, above, for historical purposes. Also, the 64% Estimated Cash and Investment Portion of Fund Balance calculation is left above but, by using the 2008-09 Comprehensive Annual Financial Report (CAFR), the calculation is 73.4%.

RESOURCES AND EXPENDITURES SUMMARIES
STREETS MAINTENANCE FUND – 2010-11 BUDGET, FUND BALANCE, AND RESERVES

	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
RESOURCES				
Total Street Maintenance Fund Revenue	\$ 45,800	\$ 32,570	\$ 32,294	-29%
Budgeted Reserves	69,562	0	337,964	
Transfers				
2. Fund 202 - Measure I - Local	\$ 492,000	\$ 492,000	\$ 0	
3. Fund 204 - Measure I - Renewal	0	0	880,000	
4. Fund 205 - Gas Tax Fund	965,000	965,000	1,030,000	
5. Fund 206 - Gas Tax Swap	0	0	850,000	
6. Fund 207 - Local Transportation Fund (LTF)	1,055,000	1,055,000	0	
7. Fund 250 - Traffic Congestion Relief	790,000	805,216	0	
Total Transfers	3,302,000	3,317,216	2,760,000	
TOTAL RESOURCES				
(Revenue, Budgeted Reserves, and Transfers)	3,417,362	3,349,786	3,130,258	
TOTAL STREET MAINTENANCE FUND EXPENDITURES	3,417,362	3,123,387	3,130,258	-8%
DIFFERENCE RESOURCES/EXPENDITURES	\$ 0	\$ 226,399	\$ 0	
Fund Balance				
July 1 Beginning Balance	\$ 274,389	\$ 143,907	\$ 370,306	
Total Budgeted Reserves	(69,562)	0	(337,964)	
Difference Resources/Expenditures	0	226,399	0	
Estimated June 30 Ending Balance	\$ 204,827	\$ 370,306	\$ 32,342	

REVENUE SUMMARIES

- *Total City Revenue Trend*

- *Summary and Highlights*

- *Total General Fund Revenue*
 - ▶ *General Fund Summary of Major Revenues*
 - ▶ *Triple Flip Revenue Comparison*
 - ▶ *General Fund Development Revenues*
 - ▶ *Other General Fund Taxes and Interest Income*

- *Streets, Transportation, and Other City Related Funds*

- *Redevelopment Agency Revenue Trend*

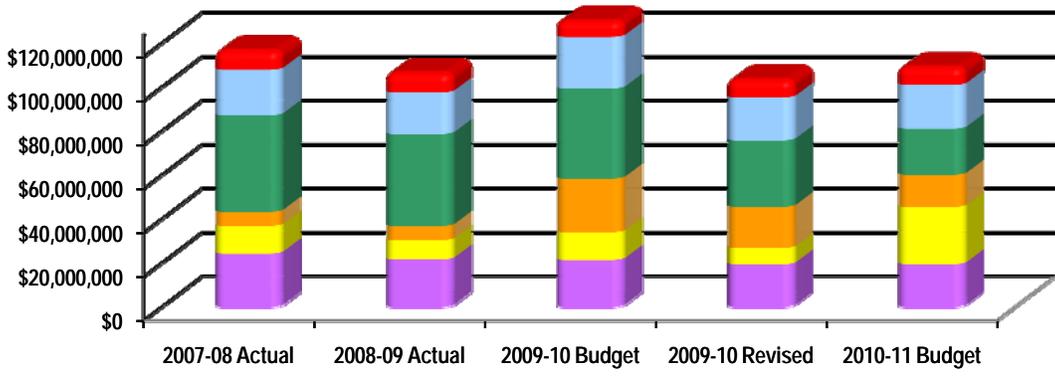
- *Water District Revenue Trend*

- *Fire District Revenue Trend*

- *Revenue - Summary by Major Groups*

- *Revenue - Detail by Fund*

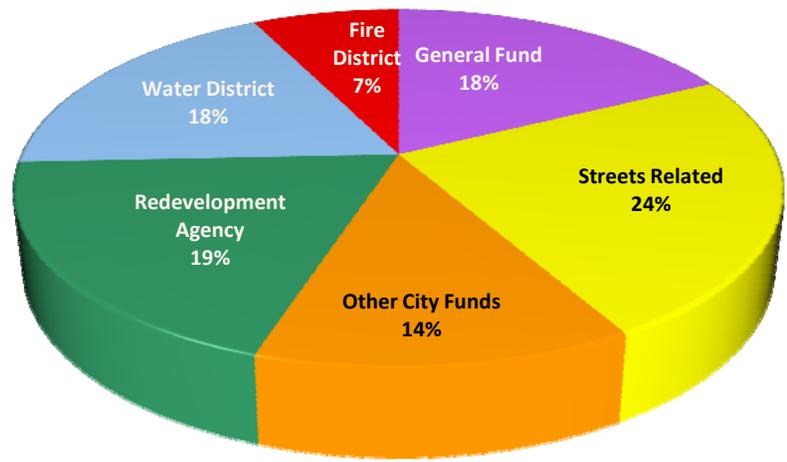
REVENUE
City of Hesperia
Total City Revenue Trend



■ Fire District
■ Water District
■ Redevelopment Agency
■ Other City Funds
■ Streets Related
■ General Fund

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
General Fund	\$ 24,135,273	\$ 21,451,617	\$ 21,221,528	\$ 19,247,176	\$ 19,314,244	-9%
Streets Related	12,592,828	8,768,456	12,627,003	7,415,492	26,021,981	106%
Other City Funds	6,421,021	6,462,977	24,364,785	18,732,790	14,643,087	-40%
Total City Funds	43,149,122	36,683,050	58,213,316	45,395,458	59,979,312	3%
Redevelopment Agency	43,895,740	41,823,094	41,026,692	30,238,653	20,963,118	-49%
Water District	20,705,739	18,912,177	23,466,467	19,475,144	19,898,466	-15%
Fire District	8,824,455	8,975,334	8,862,876	8,179,548	8,076,755	-9%
Total All Funds	\$ 116,575,057	\$ 106,393,655	\$ 131,569,351	\$ 103,288,803	\$ 108,917,651	-17%

2010-11 Budget Total City Revenue



REVENUE

SUMMARY and HIGHLIGHTS

The City of Hesperia maintains the practice of matching the revenue type to the similar expenditure type. There are two basic revenue types: one-time revenue and on-going revenue. Contrary to the fiscal practices of the State of California, the City will not use one-time revenue (i.e. bond proceeds) to pay for on-going expenditures. When compared to the 2007-08 Actual revenue, the overall combined City revenue for the 2010-11 Budget is expected to decrease from \$116.5 million to \$108.9 million or by 6% or \$7 million primarily in the Redevelopment Agency, which is projected to decrease by \$23 million or 52%. Likewise, comparing the 2009-10 Budget to the 2010-11 Budget, a decrease from \$131.6 million to \$108.9 million for about \$22 million, or 17%, reflecting the effects of the national mortgage crisis, housing slump, and the current recession and their influence on the 2010-11 Budget, all of which have reduced the City's assessed valuation. There are some large capital project reimbursements that are offsetting the recession's full effects on this summary level, primarily the \$11.7 million for the Ranchero Road Undercrossing and the \$9 million for the High Desert Government center reimbursement from the County. Primarily, all development related revenues are down for the 2009-10 Revised and that condition is carried through into the 2010-11 Budget revenue estimates.

General Fund - General Fund revenue is for the normal operations of and services provided by the City which are not specifically accounted for in other funds. The 2010-11 Budget for the General Fund is projecting a decrease in revenues of 9% or \$1.9 million from the 2009-10 Budget, primarily because of the following:

- Sales and Use Tax revenue is projected to increase 3% or about \$0.1 million to just over \$5.8 million.
- Vehicle License Fee revenue is expecting a decrease of \$1.5 million or 20% to \$6.2 million.
- Development related revenues including Building Permit Fees, are anticipating a \$0.5 million, or a 37% decrease from the 2009-10 Budget estimate.
- Property Transfer Tax revenue is expecting to reach only \$180,000 a decrease of 14% or about \$30,000 as a measure of the high level of real estate transactions selling at lower prices.
- The Rental Housing Inspection Fee, started during 2008-09, is expected to generate \$125,000 in the 2010-11 Budget.
- The City will start receiving Community Facilities District 2005-1 revenue of \$655,878 in the 2010-11 Budget as a offset to other revenue reductions.

Streets & Transportation Related Funds - This group is comprised of 16 street and transportation related funds. Each of these funds receive revenue that is restricted for specific uses. Some of the major highlights are:

- Developer Impact Fees (DIF) for Streets and Storm Drain revenue will have decreased 53% or \$0.9 million. This decrease in the combined 2010-11 DIF Budget revenue from the 2009-10 DIF Budget revenue reflects the continued nationwide housing slump and recession shown by the decrease in single residential building permits from 50 for the 2009-10 Budget, with an estimated 3 for the 2009-10 year end and anticipating 20 for the 2010-11 Budget.
- Combined Measure I (Arterial, Local, and 2010 Renewal) revenue is expected to decrease to \$1.8 million or by 40% from the 2009-10 Budget of \$3.0 million.
- Local Transportation Fund (LTF) revenue is expected to decrease by \$0.9 million or 64% to \$0.5 million from the 2009-10 Budget of \$1.4 million. This large decrease is due to the Victor Valley Transit Authority (VVTA) needing more of this funding source to support their operations as the State is changing how it funds transportation programs in FY 2010-11.

Non-Streets Related Other City Funds - This group is comprised of 16 other non-street related funds. Each of these funds receive revenue that is restricted for specific uses. Some of the major highlights are:

- The High Desert Government Center is showing reimbursement revenue of \$9.0 million for FY 2010-11 as the building is expected to be completed by November 2010.
- Developer Impact Fee (DIF) for Fire, Police, and Public Safety revenue are expected to decrease 55% or \$0.3 million. This decrease in total 2010-11 Budget DIF revenue from 2009-10 Budget DIF revenue reflects the nationwide housing slump shown by the estimated decrease in single residential building permits from 50 for the 2009-10 Budget to 20 for 2010-11.
- The CDBG/HOME Housing and Urban Development (HUD) grants are expecting a combined decrease of 18%, or \$2.2 million, from the 2009-10 Budget to the 2010-11 Budget of \$4.3 million. The primary reason for this decrease is that some of the Neighborhood Stabilization Program (NSP) grant funds were spent in FY 2009-10, which will reduce what is available to draw for 2010-11 Budget. This NSP grant is used to buy, rehabilitate, and resell abandoned/foreclosed homes within the City.

REVENUE

SUMMARY and HIGHLIGHTS (Continued)

Redevelopment Agency - These funds track the City's redevelopment revenue that is used to eliminate blight within the project areas, assist in expanding the City's business base, and assist with low and moderate income housing needs for the City. Most all of this revenue is derived from property tax increment which has restrictions on use. The 2009-10 Budget was originally estimated at \$36,600,000 and then Revised to \$26,500,000, representing a decrease of \$10.1 million, or 28%. The 2009-10 Revised of \$26.5 million is \$8.1 million, or 24%, less than the \$34.6 million 2008-09 Actual. The reduction was primarily due to the reduced assessed valuation of properties sold in the previous year, however the biggest reason for the reduction in assessed valuation is the County Assessor's AB 8 reductions which have lowered valuations to levels prior to 2001.

Overall Redevelopment Agency revenue is expected to decrease 49% or about \$20.1 million from the 2009-10 Budget of \$41.0 million to the \$20.9 million of the 2010-11 Budget, primarily because of the anticipated AB 8 assessed valuation reduction by the County.

Water and Sewer Operations - These funds primarily report the City's water and sewer financial operations and are most associated with the functions of a traditional business. The revenues received are to pay for the cost of purchasing and distributing the water and for the treatment of the sewage that comes from those homes/businesses on the City's sewer system. Some of the major highlights are:

- Overall Water District revenue is expected to increase about \$0.4 million or 2% from the 2009-10 Revised of \$19.5 million to the 2010-11 Budget of \$19.9 million. Although the Capital and Other revenues of the District are expected to decline \$0.6 million, this is offset by the anticipated \$1.0 million of sales revenues increases for the 2010-11 Budget.
- Water and Sewer operating revenue, dominated by the Sales revenues, are anticipating a 6% and 7% increase, respectively, over the 2009-10 Revised primarily from the January 2008 approved rate increases. A dramatic reduction of Water Sales revenue occurred in fiscal year 2009-10 compared to fiscal year 2008-09 with a reduction from \$9,655,325 to \$8,541,573 for an 11.5% or \$1,113,752 decrease. The highest estimate of \$13.2 million in the 2009-10 Budget was due to complications with the related Water Availability Charge and underestimating the impact of conservation, the wet winter, some customers not watering yards because of the economy, and finally vacant houses.
- The Water and Sewer Capital revenues are expected to show a decline of 13% and 7%, respectively, from the 2009-10 Revised which reflects the current economic recession and the national housing slump.

Fire District - The revenues for the 2010-11 Budget are projected to be \$8.1 million which is \$0.8 million or 9% less than the 2009-10 Budget of \$8.9 million and a \$0.1 million decrease from the 2009-10 Revised; primarily due to the anticipated combined property tax related revenue decline. Some of the major highlights are:

- Property Tax revenue is projected to decrease by 8% from the 2009-10 Budget (\$4.1 million to \$3.7 million) by 3% from the 2009-10 Revised (\$3.8 million to \$3.7 million) and decrease 13% from the 2008-09 Actual or \$572,753. The assessed valuation decline and the related flow through of the valuation decrease on property tax revenues will have a negative impact on the Fire District's revenues for many years.
- Paramedic Ambulance fee revenue is expecting no change from the 2009-10 Budget to the 2010-11 Budget at \$1.9 million.
- Redevelopment Tax Increment Pass Through for the 2010-11 Budget is projected to decrease by 51% from the 2009-10 Budget (\$2.1 million to \$1.0 million) and by 34% from the 2009-10 Revised (\$1.6 million to \$1.0 million). This estimated decrease reflects the anticipated affects of an additional county wide valuation decrease. The 2010-11 Budget expects to have \$956,727 less revenue from Pass Through payments compared to Fiscal Year 2008-09.
- Community Facilities District 94-1 revenue is expected to increase by \$0.1 million, or 23%, from the 2009-10 Budget of \$432,000 to the 2010-11 Budget of \$522,000. The 23% increase from the 2009-10 Budget to the 2009-10 Revised is due to the increased assessment levy primarily from the new commercial development which opened in the district during 2009-10.
- Community Facilities District 2005-1. Part of the annual assessment includes a public safety portion to offset some of the costs the residential development places on the City's public safety providers. This revenue has been collected since FY 2006-07 and held in the trust fund to ensure adequate funding to pay the debt. There are now sufficient funds to start drawing to offset the public safety costs of Police and Fire. For the 2010-11 Budget, this revenue is expected to be \$536,628.

REVENUE

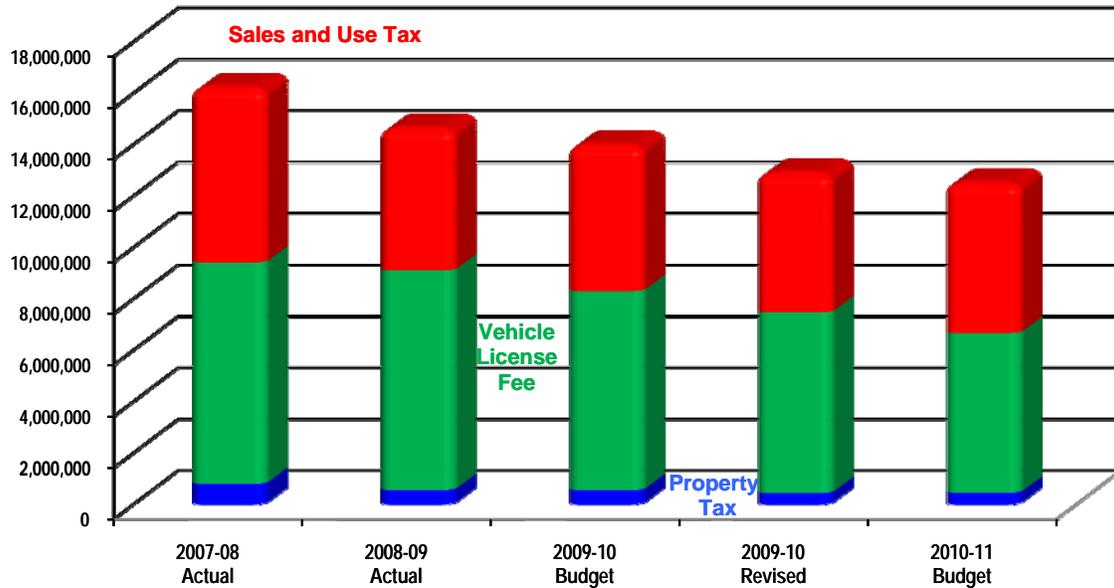
General Fund Summary of Major Revenues

General Fund Revenues	2007-08	2008-09	2009-10	2009-10	2010-11	% Change
	Actual	Actual	Budget	Revised	Budget	From
						2009-10
						Budget
Sales and Use Tax	\$ 4,954,776	\$ 4,220,224	\$ 4,249,500	\$ 4,203,783	\$ 4,374,750	3%
Sales Tax Triple Flip	1,832,294	1,292,448	1,416,500	1,199,607	1,458,250	3%
Sub-Total Sales and Use Tax	<u>6,787,070</u>	<u>5,512,672</u>	<u>5,666,000</u>	<u>5,403,390</u>	<u>5,833,000</u>	<u>3%</u>
Vehicle License Fee (VLF)	395,052	311,527	292,002	230,000	230,000	-21%
VLF Swap Triple Flip	8,222,858	8,232,290	7,451,869	6,799,188	5,980,566	-20%
Sub-Total Vehicle License Fee (VLF)	<u>8,617,910</u>	<u>8,543,817</u>	<u>7,743,871</u>	<u>7,029,188</u>	<u>6,210,566</u>	<u>-20%</u>
Secured Property Tax	790,154	550,923	543,667	429,370	443,443	-18%
Sub-Total Triple Flip Affected Revenues	<u>15,404,980</u>	<u>14,056,489</u>	<u>13,953,538</u>	<u>12,861,948</u>	<u>12,487,009</u>	<u>-11%</u>
Transient Occupancy Tax	742,791	607,951	756,300	725,000	726,300	-4%
Property Transfer Tax	223,588	206,900	210,000	175,000	180,000	-14%
Franchise Fees	2,367,143	2,699,036	2,575,450	2,518,549	2,575,000	0%
Business License	305,224	250,726	275,000	210,000	210,000	-24%
Interest Earnings	570,800	212,396	268,539	27,953	48,182	-82%
Community Facilities District 2005-1	0	0	0	0	655,878	n/a
Development Related Revenues						
Planning	270,486	166,478	161,500	139,507	122,630	-24%
Building & Safety	1,532,263	843,263	973,700	646,656	615,580	-37%
Engineering	396,289	226,836	187,125	132,875	94,825	-49%
Sub-Total Development Related Revenues	<u>2,199,038</u>	<u>1,236,577</u>	<u>1,322,325</u>	<u>919,038</u>	<u>833,035</u>	<u>-37%</u>
All Other General Fund Revenues	<u>2,321,709</u>	<u>2,181,542</u>	<u>1,860,376</u>	<u>1,809,688</u>	<u>1,598,840</u>	<u>-14%</u>
Total General Fund Revenues	\$24,135,273	\$21,451,617	\$21,221,528	\$19,247,176	\$19,314,244	-9%

The 2009-10 Revised amounts appearing in this budget document are basically a re-estimation of the 2009-10 Budget with the difference being that the Revised has some of the fiscal year's actual transactions as part of the estimates. The following describes the change from the 2009-10 Revised amounts, which are projected with about 10 months of activity to the 2009-10 fiscal year. These Revised estimates sometimes reflect the final 2009-10 amounts but, generally, are only estimating the final 2 to 3 months of the year which is added to the 9 to 10 months of 2009-10 year-to-date totals.

The total General Fund revenue is decreasing from the 2009-10 Budget of \$21.2 million to \$19.3 million for a \$1.9 million or 9% decrease. The change from the 2009-10 Budget to the 2009-10 Revised is a decrease of \$1.9 million or 9%, primarily due to the combined Vehicle License Fee revenue declining \$0.7 million or 9%. Also, the combined Development Related revenue dropped \$0.4 million. Overall, the change from the 2009-10 Revised to the 2010-11 Budget shows an increase of about \$30,000 or 0%.

REVENUE
City of Hesperia
Triple Flip Revenue Comparison



	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
General Fund Revenue						
Vehicle License Fees (VLF)	395,052	311,527	292,002	230,000	230,000	
Triple Flip - Vehicle License Fees	8,222,858	8,232,290	7,451,869	6,799,188	5,980,566	
Sub-Total VLF Revenues	8,617,910	8,543,817	7,743,871	7,029,188	6,210,566	-20%
Sales and Use Tax	4,954,776	4,220,224	4,249,500	4,203,783	4,374,750	
Sales and Use Tax Triple Flip	1,832,294	1,292,448	1,416,500	1,199,607	1,458,250	
Sub-Total Sales Tax Revenues	6,787,070	5,512,672	5,666,000	5,403,390	5,833,000	3%
Secured Property Taxes	\$ 790,154	\$ 550,923	\$ 543,667	\$ 429,370	\$ 443,443	
AB1661 ERAF	0	0	0	0	0	
Sub-Total Property Tax Revenues	790,154	550,923	543,667	429,370	443,443	-18%
TOTAL TRIPLE-FLIP EFFECTED GENERAL FUND REVENUES	\$ 16,195,134	\$ 14,607,412	\$ 13,953,538	\$ 12,861,948	\$ 12,487,009	-11%

Triple Flip - Due to the State's financial crisis, bonds were issued to generate funds to ease the State's financial constraints. To issue the debt, the State showed a new dedicated revenue source to pay the debt by taking VLF and Sales Tax money from the counties and cities. These major revenues are repaid to the counties and cities by way of the county property tax system. Twice a year, the City will receive full reimbursement payments from the County for the VLF and Sales tax revenues taken by the State. The third part of the triple flip was the ERAF amount taken from property tax revenue. The City tracked the ERAF deduction in a separate account in order to show the true property tax revenue. Until further notice from the State, the ERAF deductions have ceased.

For the 2010-11 Budget this group of revenues are projected to be 65.1% of the total General Fund budget. Compare this to the 2009-10 Revised of 67.1% of the total General Fund and the 2009-10 Budget of 65.8%. This is down from the high in the 2008-09 Actual of 68.1%. The 2007-08 Actual was 67.1%.

REVENUE
City of Hesperia
Triple Flip Revenue Comparison (Continued)

Vehicle License Fee (VLF) - Since the first two years of the State's 'Triple Flip' program, the growth of the City's *Triple Flip - Vehicle License Fees* is tied to the City's growth of assessed valuation. Through the 2008-09 Actual, this revenue grew substantially as the City's increase in assessed valuation reflected the dramatic growth of the housing boom. However, since then, as the assessed valuation has been lowered by the County's Assessor, this revenue has shrunk at the same pace. The combined 2010-11 Budget for VLF and VLF Swap Triple Flip revenues estimate is \$6.2 million, a decrease of \$0.8 million or 12% from the 2009-10 Revised. The \$6.2 million is \$1.5 million or 20% less than the 2009-10 Budget.

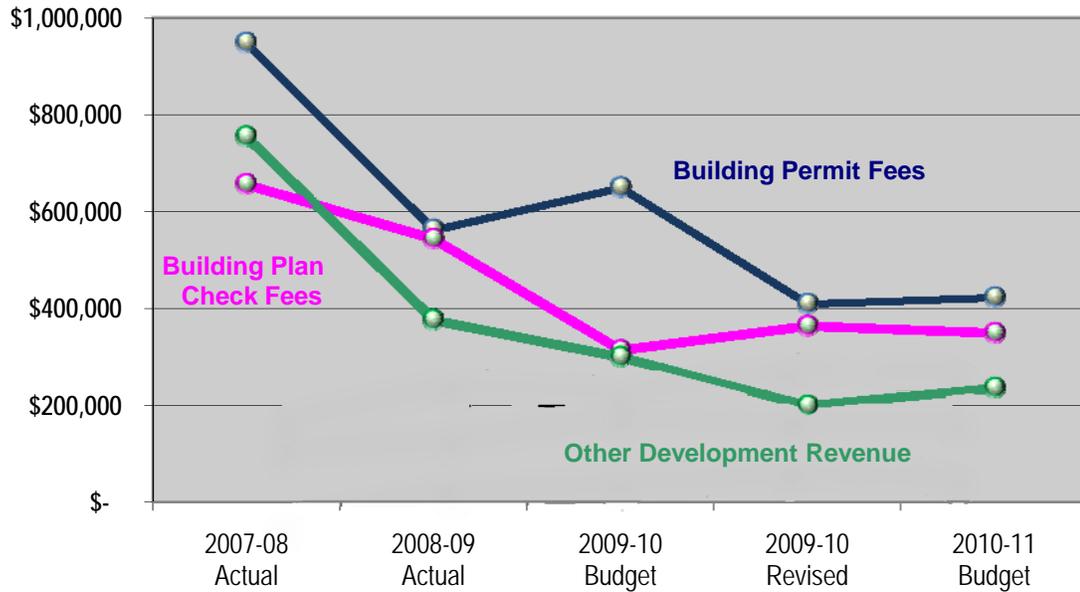
The combined VLF revenues are 32.4% of the 2010-11 Budget down from the high point of the 2008-09 Actual, which was 39.8% of the General Fund total. The 2009-10 Budget was 36.5% of the General Fund's total estimated revenue.

Sales and Use Tax - In San Bernardino County, Sales Tax is currently 8.75% on various purchased items, with the City's share being 1.00% of the 8.75% (7.00% goes to the State, 0.50% is for Measure I, and 0.25% Local Transportation funding). The combined 2010-11 Budget estimate for Sales and Use Tax and the Sales Tax Triple Flip revenues, representing the City's total Sales Tax revenue, is \$5.8 million or an 8% increase of about \$430,000 from the 2009-10 Revised. The \$5.8 million of the 2010-11 Budget is about 3%, or about \$170,000 more than the 2009-10 Budget estimate. The 1% is similar to the state-wide change in sales tax revenue as projected by the City's sales tax analysts.

The combined Sales Tax revenue, for the 2010-11 Budget, is 30.4% of the total General Fund estimated revenue. This is the high point in the presented numbers of this budget document. The lowest point, in the presented data, was the 2008-09 Actual at 25.7% of the General Fund total.

Secured Property Tax - Property owners pay a basic tax of 1% of their property's valuation to the County annually. Of this 1% tax levy, the City's General Fund receives approximately 1.5 cents of every property tax dollar. The 2010-11 Budget of \$443,443 is 18% lower than the 2009-10 Budget, a decrease of \$100,224. For the 2010-11 Budget, this revenue source is estimated to be 2.3% of the total General Fund revenues. The highest was for the 2007-08 Actual of 3.3% of the total General Fund revenues.

REVENUE
General Fund Development Revenues



	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Development Revenues						
Building Permit Fees	\$ 947,729	\$ 562,544	\$ 650,000	\$ 410,000	\$ 423,000	-35%
Building Plan Check Fees	369,383	177,392	210,000	155,000	107,000	-49%
Planning	270,486	166,478	161,500	139,507	122,630	-24%
Engineering	396,289	226,836	187,125	132,875	94,825	-49%
Other Development Revenues	215,082	103,327	113,700	81,656	85,580	-25%
Sub-Total Development Related Revenues	2,198,969	1,236,577	1,322,325	919,038	833,035	-37%
Business License	305,293	250,726	275,000	210,000	210,000	-24%
Total Development Revenues	\$ 2,504,262	\$ 1,487,303	\$ 1,597,325	\$ 1,129,038	\$ 1,043,035	-35%

Overall, Development revenues are projected to decrease by 8% from the 2009-10 Revised estimates based on an anticipated decrease of 30 single residential building permits (50 2009-10 Budget to 20 2010-11 Budget). Development related revenue sources comprise 4% of the General Fund 2010-11 Budget estimates. This represents a 2% decrease from the 2009-10 Budget and a 5% decrease from the 2007-08 Actual.

Building Permit Fees - In accordance with the California Government Code, the City imposes permit fees on construction activity, in part, to provide inspection services to ensure that the structures being built are in compliance with existing building codes.

REVENUE
General Fund Development Revenues (Continued)

Building Permit Fees represent 2.2% of the General Fund 2010-11 Budget revenue, which is down from 3.1% for the 2009-10 Budget. The 2010-11 Budget revenue projection estimates that 20 single residential building permits will be issued during the new fiscal year. This decline in residential development activity is unprecedented in Hesperia's history. The 2009-10 Revised Single Family Residence permits, projected at 3, are down from the 12 issued in FY 2008-09, the 106 issued for FY 2007-08, 634 for FY 2006-07, 1,659 for FY 2005-06, 1,263 for FY 2004-05, 1,459 for FY 2003-04, and 736 for FY 2002-03.

Building Plan Check Fees - The purpose of these fees are to offset the cost of verifying that the proposed structures will be in compliance with existing building codes and zoning requirements.

The 2010-11 Budget projects revenue of \$107,000, representing a 31% decrease from the 2009-10 Revised estimate reflective of the continued stagnation of residential development activity in the City. Compared to the 2007-08 Actual, this revenue has decreased by 71% for the General Fund's 2010-11 Budget.

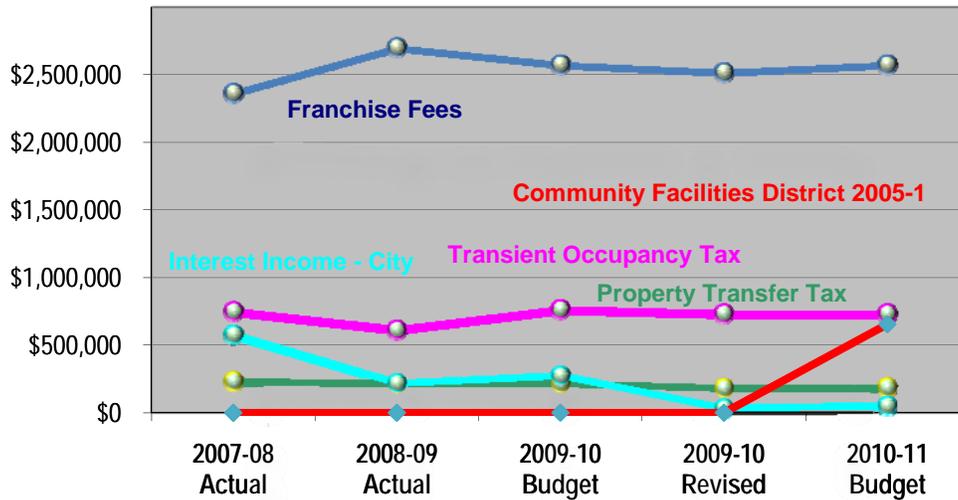
Planning related revenues, excluding the Business License revenue, for the 2010-11 Budget are estimated to be 12% less than the 2009-10 Revised and 24% less than the 2009-10 Budget. Planning related revenues for the 2010-11 Budget are projected to be 26% less than the 2008-09 Actual and 55% less than the 2007-08 Actual.

Engineering related revenues are estimated to be 29% less for than 2009-10 Revised and 49% less than the 2009-10 Budget. Compared to the 2008-09 Actual, these revenues are expected to be 58% less and 76% less than the 2007-08 Actual.

Other Development Revenues - This classification captures the remaining development revenues into one group. As a group these revenues are 0.4% of the total General Fund 2010-11 Budget. For the 2010-11 Budget, these revenues are projected to increase by 5% from the 2009-10 Revised, but has decreased by 60% from the 2007-08 Actual.

Business License - This revenue is paid by each business in the City for doing business in the City. For 2010-11, this revenue is expecting to decline 24% from the 2009-10 Budget reflecting the closing of some businesses due to the current recession.

REVENUE
Other General Fund Taxes and Interest Income



	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Franchise Fees	\$2,367,183	\$2,699,036	\$2,575,450	\$2,518,549	\$2,575,000	0%
Transient Occupancy Tax	742,791	607,951	756,300	725,000	726,300	-4%
Property Transfer Tax	223,588	206,900	210,000	175,000	180,000	-14%
Interest Income – City	570,800	212,396	268,539	27,953	48,182	-82%
Community Facilities District 2005-1	0	0	0	0	655,878	n/a
Total Other Taxes & Interest	\$3,904,362	\$3,726,283	\$3,810,289	\$3,446,502	\$4,185,360	10%

Overall, this group of revenues are projected to increase by 21% from the 2009-10 Revised. This group, Other Taxes and Interest, comprise about 22% of the total General Fund 2010-11 Budget revenue estimates. This is up from 18% for the 2009-10 Budget reflecting the percentage changes of other General Fund revenues. The primary reason for this increase is the inclusion of the Community Facilities District 2005-1 revenue. By way of comparison, this group was only 16% of the 2007-08 Actual when the total General Fund revenue was \$24.1 million.

Franchise Fees - The City imposes fees on refuse hauling, gas, electric, and cable television companies operating in the City for the use and wear and tear of the City's right-of-ways. The fees range from two to ten percent (2 - 10%) of gross receipts. Franchise Fee revenue will grow or shrink with the changes in the City's population. The 2010-11 Budget estimates revenue of \$2,575,000 which is a 2% increase from the 2009-10 Revised. This revenue source is 13% of the General Fund 2010-11 Budget showing a slight increase from 12% of the 2009-10 Budget.

Transient Occupancy Tax (TOT) - The City's Municipal Code authorizes the application of a 10% tax to the cost of hotel rooms within the City. This is intended to offset the cost of governmental services (streets or public safety) that the transient population use while temporarily staying in the City. It is expected that the 2009-10 Revised TOT revenue amounts will be 8% or \$31,300 less than the amount estimated for the 2009-10 Budget. This is due to the overall downturn in occupancy rates, a result of the economic recession. The 2010-11 Budget projects revenue of \$726,300, representing basically no increase from the 2009-10 Revised. This revenue is approximately 5% of the General Fund's 2010-11 Budget.

REVENUE
Other General Fund Taxes and Interest Income (Continued)

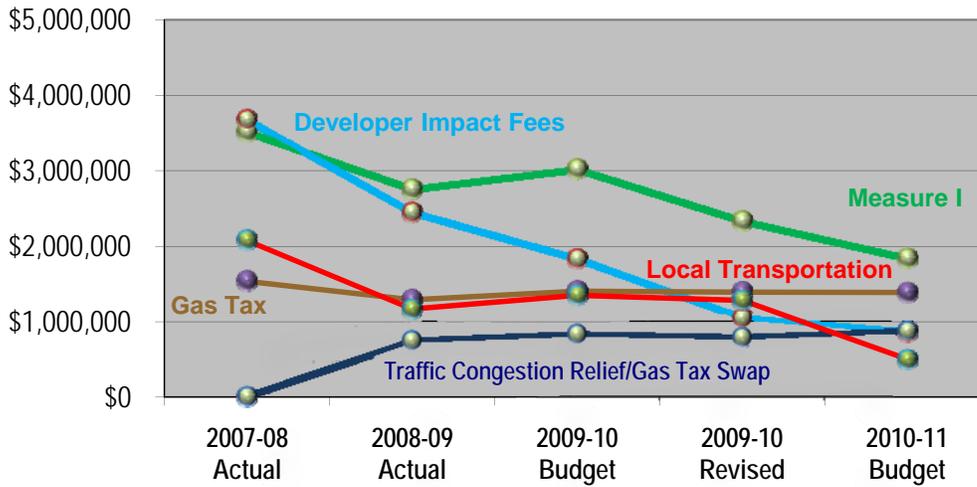
Property Transfer Tax - This revenue is based on the ownership transfer of real property within the City and serves as a barometer of future property tax revenues as the sales price of the property re-establishes the assessed valuation base that the 1% property tax rate is applied to. The City receives \$0.55 per \$1,000 of the sale value from the County as the rate charged on the ownership transfer is \$1.10 per \$1,000 which is then split with the County. The 2010-11 Budget projects a 3% increase over the 2009-10 Revised revenue estimate, based on the ownership transfers of existing foreclosed homes. The 2010-11 Budget estimate is a conservative \$180,000 and anticipates a \$5,000 increase over the 2009-10 Revised but, a \$30,000 decrease from the 2009-10 Budget. This revenue is 1% of the General Fund's 2010-11 Budget.

Interest Income-City - The moneys of the City that are not held by the City's fiscal agents are invested in the State's Local Agency Investment Fund (LAIF) at interest rates that are very competitive with other investments allowed by the City's *Investment Policy*. For the first nine months of the 2009-10, the monthly LAIF interest rates have decreased by 0.940% from 1.510% to 0.560%. Moneys invested in LAIF are legally protected from the State. For the 2010-11 Budget, the average interest rate for interest earnings is estimated at 0.700%. Compared to the 2009-10 Budget, this revenue source is projected to decrease by 82% for the 2010-11 Budget but, is projected to increase by 72% from the 2009-10 Revised. To emphasize the recent erosion of interest rates, this revenue was 2.4% of the 2007-08 Actual compared 0.3% of the 2010-11 Budget.

Community Facilities District 2005-1 - This special assessment district, generally west of Maple Avenue and south of Main Street, was formed to refinance the bonds of CFD 91-3 and assesses the properties within that district to repay the bonds. Part of the annual assessment includes a public safety portion to offset some of the costs the residential development places on the City's public safety providers. This revenue has been collected since FY 2006-07 and held in the trust fund used to pay the debt. There are now sufficient funds to start drawing to offset the public safety costs of Police and Fire. For the 2010-11 Budget, this revenue is expected to be \$655,878 or 3% of the City's total 2010-11 Budget. The following is the four year planned use of the trust deposits and the ongoing revenues:

	FY 2010-11 Budget	FY 2011-12 Proposed	FY 2012-13 Proposed	FY 2013-14 Proposed	FY 2014-15 Proposed
Current Deposits:					
Police - Fund 100 (55%)	\$ 419,223	\$ 419,223	\$ 279,482	\$ 279,482	\$ 0
Totals	<u>\$ 419,223</u>	<u>\$ 419,223</u>	<u>\$ 279,482</u>	<u>\$ 279,482</u>	<u>\$ 0</u>
Ongoing Revenues:					
Fund #807 CFD 2005-1:					
Police - Fund 100 (55%)	\$ 236,655	\$ 236,655	\$ 236,655	\$ 236,655	\$ 236,655
Totals	<u>\$ 236,655</u>	<u>\$ 236,655</u>	<u>\$ 236,655</u>	<u>\$ 236,655</u>	<u>\$ 236,655</u>
Combined Uses:					
Police - Fund 100 (55%)	\$ 655,878	\$ 655,878	\$ 516,137	\$ 516,137	\$ 236,655
Totals	<u>\$ 655,878</u>	<u>\$ 655,878</u>	<u>\$ 516,137</u>	<u>\$ 516,137</u>	<u>\$ 236,655</u>

REVENUE
Streets CIP and Other Transportation Related Funds



	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Measure I - Arterial & Local	\$ 3,519,220	\$ 2,760,381	\$ 2,449,485	\$ 1,874,011	\$ 0	-100%
Measure I - 2010 Renewal	0	0	575,017	461,283	1,842,681	220%
Traffic Congestion Relief	11,242	746,318	832,351	790,753	0	-100%
Gas Tax Swap	0	0	0	0	874,543	n/a
Gas Tax	1,534,129	1,289,452	1,405,180	1,391,478	1,385,288	-1%
Local Transportation	2,074,205	1,166,658	1,350,000	1,281,416	500,064	-63%
Sub-Total Streets-State/County Funded	7,138,796	5,962,809	6,612,033	5,798,941	4,602,576	-30%
Developer Impact Fees	3,677,871	2,449,175	1,836,414	1,049,512	866,968	-53%
Ranchero & Other Street Related Funds	1,776,162	356,472	4,178,556	567,039	20,552,437	392%
Total Streets & Transportation Related Funds	\$12,592,829	\$ 8,768,456	\$12,627,003	\$ 7,415,492	\$26,021,981	106%

Overall, this group of revenues is projecting a 106% increase from the 2009-10 Budget or a 251% increase from the 2009-10 Revised. This is an artificially high increase because of the grant funded \$20.5 million related to the Ranchero Undercrossing and Ranchero Interchange. The Streets-State/County funded revenue, which is an important ongoing revenue source to the City, is being significantly reduced by 30% or approximately \$2.0 million.

Measure I - Funded by the County's ½ cent sales tax, the original Measure I sunsetted in 2009-10 with the Renewal Measure I also starting in 2009-10 and changing from four funds to two funds as the 2010 Renewal approved by the voters went into effect in April 2010. The money is restricted for improving traffic flow by enhancing the capacity of the City's streets with a 21% decrease, from the 2009-10 Revised, expected based on the estimate provided by the San Bernardino Associated Governments (SANBAG) administrator of the program.

REVENUE

Streets CIP, Other Transportation, and Other City Related Funds (Continued)

Traffic Congestion Relief / Gas Tax Swap - This is funded by the State, and for the 2010-11 Budget, the legislative actions (ABx8 6 and ABx8 9 passed in March 2010) terminated the Prop. 42 traffic Congestion Relief and 'swapped' it with the new Gas Tax Swap revenue. This was done by the State to, in part, benefit the State. The 2010-11 Budget amount the City was expecting under Traffic Congestion relief (Prop. 42) will be the same under the Gas Tax Swap with Hesperia expecting \$874,543 for an 11% increase over the 2009-10 Revised. After not receiving the allocation from the State in 2007-08, this fund only had interest revenue as shown in the 2007-08 Actual. The State did allocate \$748,798 in 2008-09, however, the funding of this revenue is precarious as long as the State of California is in its fiscal crisis mode.

Gas Tax - This is derived from a cents per gallon tax collected at the pump. Revenues are allocated by the State on a per capita basis for street maintenance and improvements. The 2010-11 Budget estimates a 0.4% decrease from the 2009-10 Revised; a 1% decrease from the 2009-10 Budget; a 7% decrease from the 2008-09 Actual; and a 10% decrease from the 2007-08 Actual. The interest earnings typically received in the Gas Tax fund, in prior years, have been non-existent, in 2009-10, as the State has 'cash flowed' its operations by delaying payment on these moneys by as much as 5 months. For the 2010-11 Budget, no interest earnings revenue is expected as the State will repeat this practice.

Local Transportation - This is funded by the County's ¼ cent sales tax. The primary use of this revenue is transportation related, including supporting the operations of Victor Valley Transit Authority (VVTA) and for appropriate street maintenance and improvements. The \$500,064 is a 61% decrease from the 2009-10 Revised of \$1,281,416. This decrease is the result of more funding being diverted to the VVTA for its operations within Hesperia. The dramatic decrease from 2009-10 is primarily the result of the State not funding certain aspects of transportation operations relied upon by VVTA and, in turn, are 'gap filled' by the City's Local Transportation tax revenue.

Sub-Total Streets-State/County Funded - Overall, this group, detailed above, is anticipating a 21% decrease from the 2009-10 Revised; a 30% decrease from the 2009-10 Budget; a 35% decrease from the 2007-08 Actual; and a 23% decrease from the 2008-09 Actual.

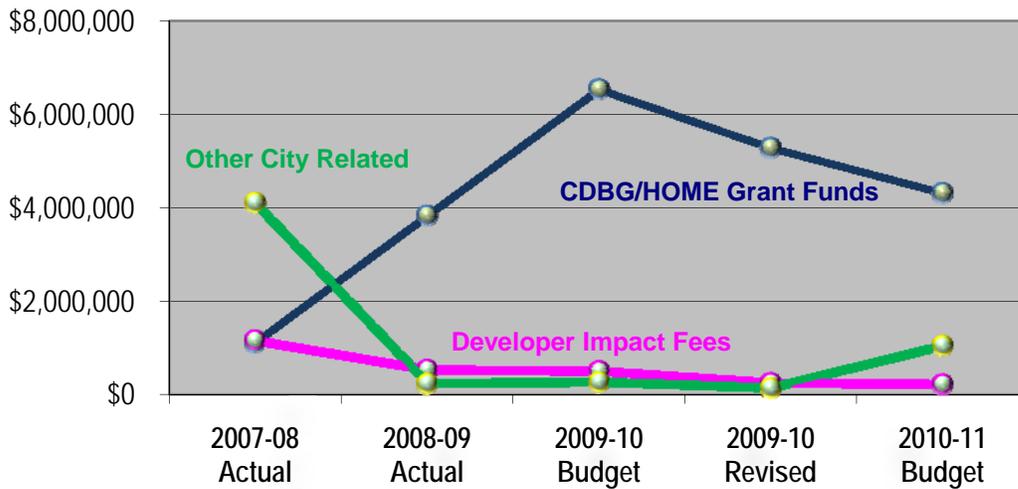
Developer Impact Fees (DIFs) - Of the five DIF funds, two are restricted to street related improvements, the DIF-Streets and the DIF-Storm Drainage. These are locally controlled revenues and reflect the City's current downturn in residential permitting. For the 2010-11 Budget these two DIFs are projected to decrease by 17% from the 2009-10 Revised, or from an anticipated 50 residential permits for 2009-10 (3 for 2009-10 Revised) to 20 for the 2010-11 Budget and an anticipated 60 multi-family units to be constructed during the next fiscal year.

Ranchero and Other Street Related Funds

Ranchero Road Undercrossing and I-15 Interchange - The 2010-11 Budget reflects the planned \$11.7 million of reimbursements for the Ranchero Road Undercrossing as the project is expected to start construction during the fiscal year as the right-of-way acquisition phase concludes during the first part of 2010-11. The Ranchero Road/I-15 Interchange is planning on \$7.0 million in reimbursements as this project is finalizing its design and starting right-of-way acquisition during FY 2010-11.

Other Streets & Transportation Related Funds - This group is comprised of 4 funds, each with special use restrictions related to streets and transportation. The funds included are City Streets CIP, Measure I-Debt Service, Public Works Street Maintenance, and AQMD (AB 2766) Transit. Most notable of this group is the City Streets CIP which during 2007-08 tracked, in this fund, the City's first allocation of the Proposition 1B bond funds, from the State, that was approved by the voters. The project was the reconstruction and widening of Rock Springs Road from the east city limits to Arrowhead Lake Road. The City is now waiting for news from the State about when the second allocation will be available.

REVENUE
Grant, Developer Impact Fee, and Other City Related Funds



	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
CDBG-Entitlement	\$ 982,655	\$ 592,606	\$ 1,522,580	\$ 1,492,580	\$ 1,620,112	6%
HOME Grant	89,891	3,177,823	60,050	608	60,734	1%
CDBG Revolving Loan	59,169	19,018	441,298	53,867	54,992	-88%
CDBG Neighborhood Stabilization Program	0	59,369	4,531,849	3,751,496	2,599,175	-43%
CDBG/HOME Funds	1,131,715	3,848,816	6,555,777	5,298,551	4,335,013	-34%
Developer Impact - Fire	284,537	197,793	232,782	64,636	110,012	-53%
Developer Impact - Police	172,188	62,906	87,616	29,584	35,192	-60%
Developer Impact - Public Services	715,094	283,248	199,797	170,386	89,606	-55%
Developer Impact Fees (DIF)	1,171,819	543,947	520,195	264,606	234,810	-55%
County High Desert Government Center	0	1,877,764	17,000,000	13,011,604	9,013,872	-47%
Other City Related Funds	4,117,487	251,675	288,813	158,029	1,059,392	267%
Total City Other Funds	\$ 6,421,021	\$ 6,522,202	\$24,364,785	\$18,732,790	\$ 14,643,087	-40%

Overall, this group of 16 funds are projecting a 22% decrease from the 2009-10 Revised primarily due to the approximate \$8 million reimbursement revenue decrease from the County for building the High Desert Government Center as the building will be completed in 2010-11. The CDBG/HOME funds comprise 30% of this group's total 2010-11 Budget revenue estimates. The non-streets Developer Impact funds are 2% of the total, the County High Desert Government Center is 62%, and the Other City Related funds total the remaining 7%.

REVENUE
Grant, Developer Impact Fee, and Other City Related Funds (Continued)

CDBG/HOME - These are grants received from Housing and Urban Development (HUD) and the State with the purpose of improving areas of the City and the supply of low income housing within the City. The 2010-11 Budget is 18% less than the 2009-10 Revised primarily due to less Neighborhood Stabilization Program (NSP) reimbursements available as some were drawn during 2009-10, which are used to buy, rehabilitate, and resell abandoned/foreclosed homes within the city.

Developer Impact Fees - These non-street related Developer Impact Fees (DIFs) are made up of the Fire, Police, and Public Services DIF funds. Again, due to the slowdown in residential permitting activity (50 budgeted permits for 2009-10; 3 permits for the 2009-10 Revised), 2010-11 Budget (anticipating 20 Residential permits) is anticipating a 9% decrease from the 2009-10 Revised. The revenue of this group is received at the end of the building process and must be paid before occupancy.

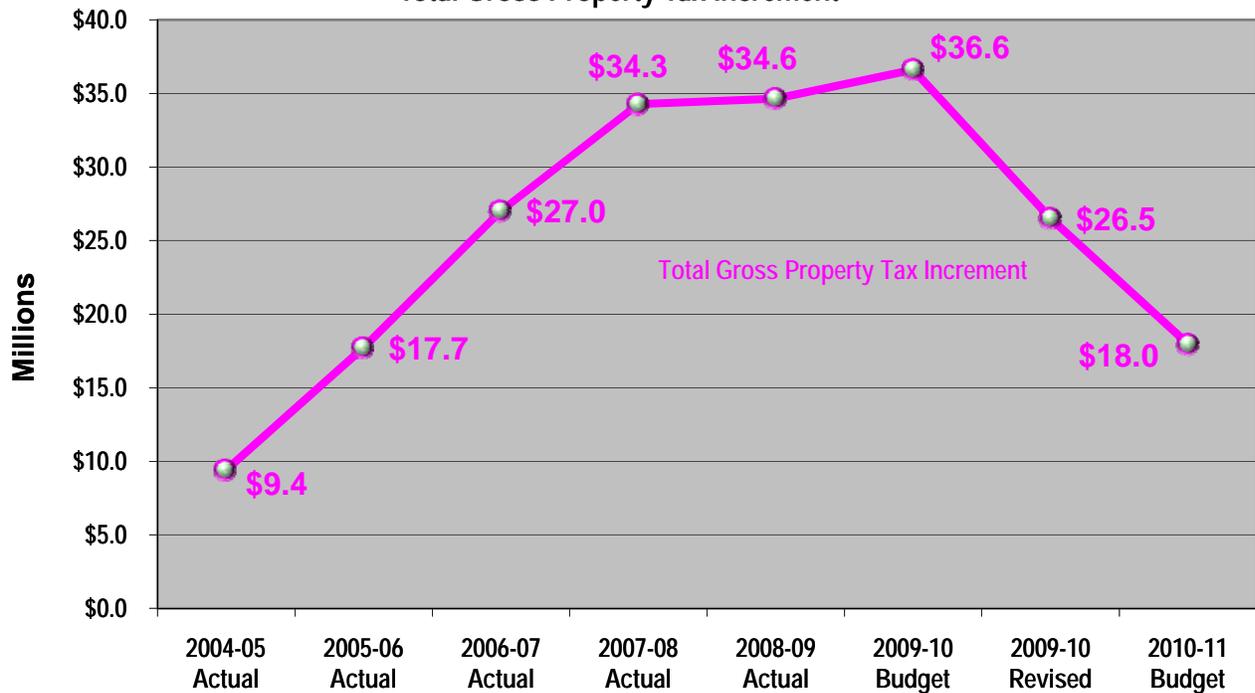
County High Desert Government Center - This fund tracks the reimbursements from the County of San Bernardino for the costs to build a new 66,700 square feet facility next to the Hesperia Civic Plaza. The approximately \$9 million reimbursement revenue from the County for this project is the primary reason why the overall 2010-11 Budget totals are not showing a greater decline from the 2009-10 Budget. The project completion is expected in 2010-11.

Other City Related Funds - This group of 5 funds make up 7% of the 2010-11 Budget of this Grant, Developer Impact Fee, and Other City Related Funds group. The funds in this group include: the AB3229 Supplemental Law Enforcement grant fund; the Environmental Programs grant fund; the Reimbursable Grants fund, the Disaster Preparedness grant fund; the City Debt Service fund; the Assessment District 91-1 fund; the Community Facilities District 91-3 fund; and the Fire Station Building fund. Each of these funds have restrictions limiting how its money can be spent.

The largest fund in this group is the Reimbursable Grants fund which is expecting to receive \$775,100 from the Federal government in 2010-11. This fund's revenue, a grant, will be used to defray the majority of the costs of the solar panels for the City's new Police Station.

REVENUE

Redevelopment Agency Revenue Trend Total Gross Property Tax Increment



	Property Tax Increment	Low/Moderate Property Tax Increment	Total Gross Property Tax Increment	% Change From Prior Year	All Other Redevelopment Revenue	Total Redevelopment Revenue
2004-05 Actual	\$ 7,523,247	\$ 1,880,812	\$ 9,404,059	62.3%	\$ 999,092	\$ 10,403,151
2005-06 Actual	\$ 14,095,170	\$ 3,621,522	\$ 17,716,692	88.4%	\$ 3,147,177	\$ 20,863,869
2006-07 Actual	\$ 21,600,989	\$ 5,400,247	\$ 27,001,236	52.4%	\$ 3,655,030	\$ 30,656,266
2007-08 Actual	\$ 27,404,074	\$ 6,851,018	\$ 34,255,092	26.9%	\$ 9,640,648	\$ 43,895,740
2008-09 Actual	\$ 27,713,415	\$ 6,928,354	\$ 34,641,769	1.1%	\$ 7,181,325	\$ 41,823,094
2009-10 Budget	\$ 29,280,000	\$ 7,320,000	\$ 36,600,000	5.7%	\$ 4,426,692	\$ 41,026,692
2009-10 Revised	\$ 21,200,000	\$ 5,300,000	\$ 26,500,000	-23.5%	\$ 3,738,653	\$ 30,238,653
2010-11 Budget	\$ 14,363,844	\$ 3,590,961	\$ 17,954,805	-50.9%	\$ 3,008,313	\$ 20,963,118

Overall - The Hesperia Community Redevelopment Agency revenues are projected to decrease by about 31% from the 2009-10 Revised and a decrease of about 49% from the 2009-10 Budget. Comparatively, the 2010-11 Budget is projecting a 50% decrease over the 2008-09 Actual. Over the last six years, Tax Increment revenue has represented an average of 87% of the Agency's total revenue.

Tax Increment - The Hesperia Community Redevelopment Agency receives the portion of ad valorem property taxes resulting from the increases in the assessed valuation within the redevelopment project areas over the base year assessed valuation. California Health and Safety Code requires that 20% of the gross tax increment be set aside to increase, improve, or preserve low and moderate income housing.

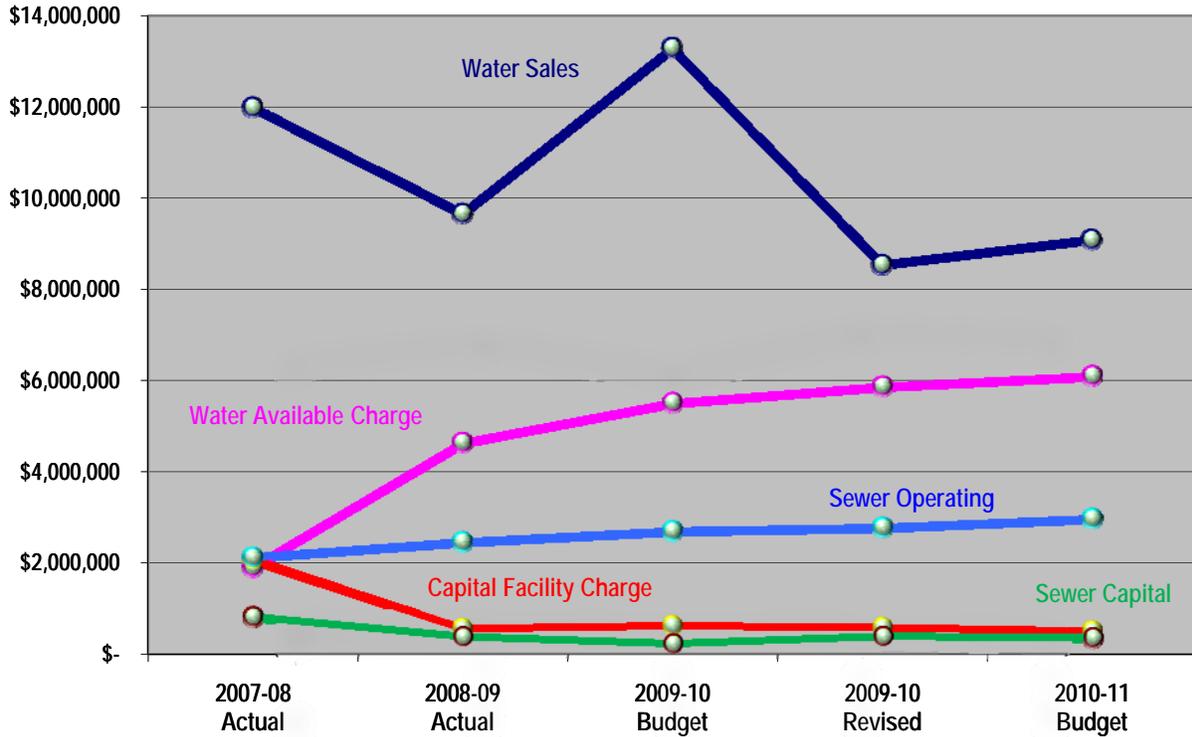
REVENUE

Redevelopment Agency Revenue Trend (Continued)

The 2009-10 Budget was originally estimated at \$36,600,000 and then Revised to \$26,500,000, representing a decrease of \$10.1 million, or 28%. The 2009-10 Revised of \$26.5 million is \$8.1 million, or 24%, less than the \$34.6 million 2008-09 Actual. The reduction was primarily due to the reduced assessed valuation of properties sold in the previous year, however the biggest reason for the reduction in assessed valuation is the County Assessor's AB 8 reductions which have lowered valuations to levels prior to 2001. The 2010-11 Budget projects a 32% decrease in Tax Increment revenue from the 2009-10 Revised; a 51% decrease from the 2009-10 Budget; and a 48% decrease from the 2008-09 Actual.

All Other Redevelopment Revenue Composition In Fiscal Year 2010-11 - Interest revenue represents about 8% of the revenue of this group at \$242,080. About 13% of this revenue group is Victor Valley Economic Development Authority (VVEDA) tax increment revenue. The Agency is a participating member in a joint powers authority that was formed to create a reuse of the former George Air Force Base. This revenue is expected to grow, but at a lesser pace than the Agency's primary tax increment. The majority of this group, at \$2 million, is the grant for the City's Industrial Lead Track project. In prior years the primary revenue source of this group has primarily been interest income.

REVENUE Water District Revenue Trend



REVENUE DETAIL	2007-08	2008-09	2009-10	2009-10	2010-11	%Change
	Actual	Actual	Budget	Revised	Budget	From 2009-10 Budget
Water Sales	\$11,977,113	\$9,655,325	\$13,270,713	\$8,541,573	\$9,088,797	-32%
Water Availability Charge	1,909,524	4,625,899	5,493,944	5,852,216	6,086,300	11%
Total Water Sales	13,886,637	14,281,224	18,764,657	14,393,789	15,175,097	-19%
Capital Facility Charge	2,065,748	555,920	620,000	575,000	500,000	-19%
Sewer Operating	2,121,233	2,456,181	2,692,324	2,765,240	2,962,928	10%
Sewer Capital	814,760	380,205	228,178	389,098	360,144	58%
All Other District Revenue	1,817,361	1,238,647	1,161,308	1,352,017	900,297	-22%
Total Water District Revenue	\$20,705,739	\$18,912,177	\$23,466,467	\$19,475,144	\$19,898,466	-15%

In January 2008, the Water District enacted the recommendations of a report by Bartle and Wells Associates, a public financial advisory consultant. That report outlined a series of annual rate increases through the 2011-12 fiscal year.

Water Sales - Water customers pay for the water use registered by their meter. The 2010-11 Budget projects a 6% increase over the 2009-10 Revised, based primarily on the planned 9% consumption rate increase. A dramatic reduction of Water Sales revenue occurred in fiscal year 2009-10 compared to fiscal year 2008-09 with a reduction from \$9,655,325 to \$8,541,573 for an 11.5% or \$1,113,752 decrease. The highest estimate of \$13.2 million in the 2009-10 Budget was due to complications with the related Water Availability Charge and underestimating the impact of conservation, the wet winter, some customers not watering yards because of the economy, and finally vacant houses.

REVENUE Water District Revenue Trend (Continued)

Water Availability Charge - This is a standard charge on a customer's bill based on the size of the water meter at the service address. The meters range in size from $\frac{5}{8}$ inch to 8 inches. The 2010-11 Budget projects a 4% increase from the 2009-10 Revised, primarily due to a planned rate increase of 4%.

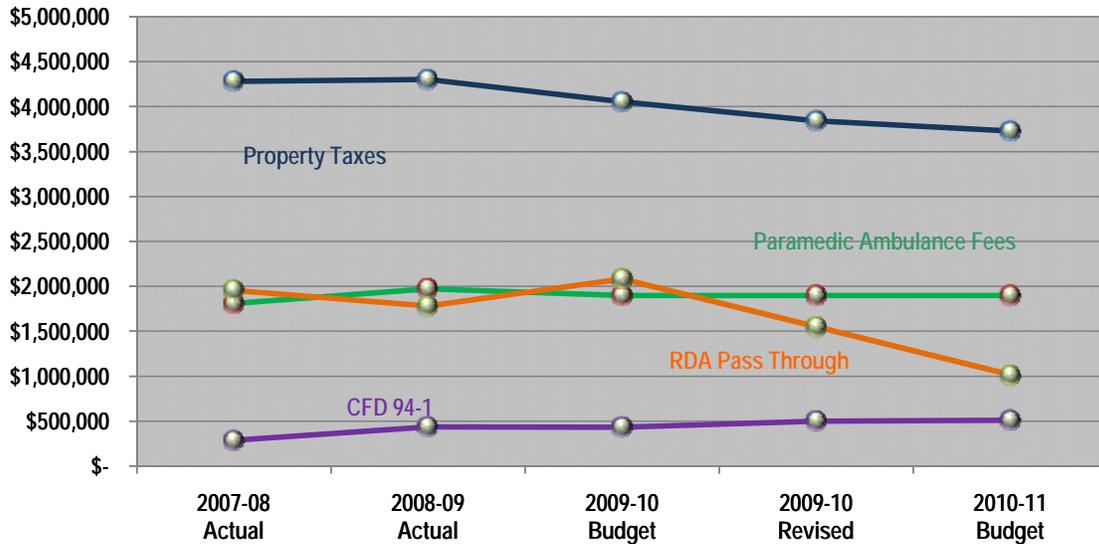
Capital Facility Charge - This is the charge for new water installations based on the set-up of new services. The graph on the preceding page shows the decline in development activity reflected by this revenue source (the red line). The 2010-11 Budget projects a 19% decrease from the 2009-10 Budget, based on an anticipated reduction in development activity from about 200 permits (50 Single Family Residential (SFR) and 150 Multi-Family Residential (MFR)) in FY 2009-10 to 80 (20 SFR and 60 MFR) in FY 2010-11. The 2009-10 Revised development activity is expecting 3 SFR permits issued.

Sewer Operating - Sewer services are primarily available along the Main Street corridor and the western portion of the City and comprises of about 20% of the District's water customers. Overall this group reflects a 7% increase from 2009-10 Revised attributed to Sewer Billing revenue, in spite of the decrease of development related revenues which are a reflection of the expected continued housing slump. The primary revenue of this group is Sewer Billing. The Sewer Billing revenue is expected to reach \$2,962,928 in the 2010-11 Budget, an increase of \$197,688 or 7% over the 2009-10 Revised amount of \$2,765,240.

Sewer Capital - Like Water Capital, this group of revenue reflects the development activity within the City. However, this is primarily occurring in the western side of Hesperia. As the 2009-10 Budget anticipated a higher level of development activity, the 2010-11 Budget is expecting revenue that is 58% higher than the 2009-10 Budget.

All Other District Revenue - This group is the remainder of the Water District Operating and Capital revenue of which property rental revenue and property tax revenue are 53% of this group and are projected to be \$477,153 a decrease of 16% from the 2009-10 Budget. However, this group is projected to decrease by 35% from the 2009-10 Revised. This group is projected to decrease by \$491,303 from the 2009-10 Revised to the 2010-11 Budget primarily due to: Grants declining by \$207,000 and Miscellaneous Revenue declining by \$197,000 highlighted by a one-time electricity refund.

REVENUE Fire District Revenue Trend



REVENUE DETAIL	2007-08	2008-09	2009-10	2009-10	2010-11	%Change
	Actual	Actual	Budget	Revised	Budget	From 2009-10 Budget
Property Taxes	\$4,281,570	\$4,302,048	\$4,053,014	\$3,842,257	\$3,729,295	-8%
Redevelopment Pass-Through	1,955,274	1,973,124	2,081,018	1,551,516	1,016,397	-51%
Paramedic Ambulance Fees	1,810,323	1,778,619	1,900,000	1,900,000	1,900,000	0%
Community Facilities District 94-1	285,290	435,571	432,000	500,000	509,000	18%
Community Facilities District 2005-1	0	0	0	0	536,628	n/a
All Other Revenue	491,998	485,972	396,844	385,775	385,435	-3%
Total Fire District Revenue	\$8,824,455	\$8,975,334	\$8,862,876	\$8,179,548	\$8,076,755	-9%

Fire District - Overall, the 2010-11 Budget reflects a 1% decrease from the 2009-10 Revised, a 9% decrease from the 2009-10 Budget, a 10% decrease from the 2008-09 Actual, and an 8% decrease from the 2007-08 Actual. The largest revenue source for the Fire District is Property Tax revenue, which is 46% of the District's total revenues followed by Paramedic Ambulance Fees which is 23%. Collectively, property tax related revenues including the Redevelopment Pass-Through comprise 72% of the District's revenues which highlight the sensitivity any changes in the City's assessed valuation has on the stability of the Fire District's finances.

Property Taxes - Property owners pay a basic tax of 1% of their property's valuation to the County annually. Of this 1% tax levy, the Fire District receives approximately 15 cents of every property tax dollar. Property Tax revenue, about 46% of the District's total revenue for the 2010-11 Budget, is projected to decrease by 3% from the 2009-10 Revised and decrease 13% from the 2008-09 Actual or \$572,753. The assessed valuation decline and the related flow through of the valuation decrease on property tax revenues will have a negative impact on the Fire District's revenues for many years.

Redevelopment Pass-Through - This is revenue received from the Hesperia Community Redevelopment Agency (HCRA) as a Pass-through of property tax increment received by the Redevelopment Agency. For the 2010-11 Budget this revenue source is projected to decrease by 34% from the 2009-10 Revised. This estimated decrease reflects the anticipated affects of the an additional county wide valuation decrease. For the 2010-11 Budget, this revenue source is approximately 13% of the District's total revenue; which is down from 23% of the 2009-10 Budget. The 2010-11 Budget expects to have \$956,727 less revenue from Pass Through payments compared to Fiscal Year 2008-09.

REVENUE
Fire District Revenue Trend

Paramedic Ambulance Fees - This is revenue received from ambulance transportation billing. The 2010-11 Budget estimates no growth from the 2009-10 Revised. In light of the new National Healthcare Law, the impact remains to be seen on this revenue and how its affect on Medicare billing/rates. Therefore, the 2010-11 Budget estimate is \$1.9 million. Because of the decrease of property tax related revenues, this revenue source has grown to 23% of the District's total revenue, up from 21% of the 2009-10 Budget.

Community Facilities District 94-1 - This special assessment district, generally west of Maple Avenue, was formed to assess new development for the increased cost burden on the Fire District for providing service. For the 2010-11 Budget, this revenue is expected to increase by 2% over the 2009-10 Revised and 18% over the 2009-10 Budget because of the timing difference between preparing the budget and preparing the annual assessment levy which, for 2009-10, reflects additions to a large retail center within the Assessment District. This revenue source comprises 6% of the District's revenue for the 2010-11 Budget.

Community Facilities District 2005-1 - This special assessment district, generally west of Maple Avenue and south of Main Street, was formed to refinance the bonds of CFD 91-3 and assesses the properties within that district to repay the bonds. Part of the annual assessment includes a public safety portion to offset some of the costs the residential development places on the City's public safety providers. This revenue has been collected since FY 2006-07 and held in the trust fund used to pay the debt. There are now sufficient funds to start drawing to offset the public safety costs of Police and Fire. For the 2010-11 Budget, this revenue is expected to be \$536,628 or 7% of the District's total 2010-11 Budget. The following is the four year planned use of the trust deposits and the ongoing revenues:

	FY 2010-11 Budget	FY 2011-12 Proposed	FY 2012-13 Proposed	FY 2013-14 Proposed	FY 2014-15 Proposed
Current Deposits:					
Fire - Fund 200 (45%)	\$ 343,001	\$ 343,001	\$ 228,667	\$ 228,667	\$ 0
Totals	\$ 343,001	\$ 343,001	\$ 228,667	\$ 228,667	\$ 0
Ongoing Revenues:					
Fund #807 CFD 2005-1:					
Fire (45%)	\$ 193,627	\$ 193,627	\$ 193,627	\$ 193,627	\$ 193,627
Totals	\$ 193,627	\$ 193,627	\$ 193,627	\$ 193,627	\$ 193,627
Combined Uses:					
Fire - Fund 200 (45%)	\$ 536,628	\$ 536,628	\$ 422,294	\$ 422,294	\$ 193,627
Totals	\$ 536,628	\$ 536,628	\$ 422,294	\$ 422,294	\$ 193,627

All Other Revenue - This group of revenues comprise 5% of the District's 2010-11 Budget. The single largest revenue is the reimbursement of running the household hazardous waste center paid by Advance Disposal. Other revenues in this group are those related to fire prevention, fire inspections, others related to the ambulance function, and interest earnings.

**REVENUE
SUMMARY BY MAJOR GROUP**

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
General Fund Revenue						
Taxes	\$ 8,782,382	\$ 7,110,107	\$ 7,390,550	\$ 6,893,223	\$ 7,967,342	8%
Fines & Forfeitures	277,705	227,758	235,600	242,700	226,800	-4%
Interest	570,800	212,396	268,539	27,953	48,182	-82%
Intergovernmental	8,635,844	8,543,817	7,761,771	7,029,188	6,210,566	-20%
Charges for Services	3,025,676	2,190,885	2,279,075	1,828,902	1,732,002	-24%
Licenses & Permits	250,441	235,189	249,400	242,806	251,706	1%
Grants	90,651	68,408	276,448	265,525	162,180	-41%
Other Operating	2,490,982	2,862,535	2,760,145	2,716,679	2,715,466	-2%
All Other	10,792	522	0	200	0	n/a
Total General Fund Revenue	<u>\$ 24,135,273</u>	<u>\$ 21,451,617</u>	<u>\$ 21,221,528</u>	<u>\$ 19,247,176</u>	<u>\$ 19,314,244</u>	-9%
Street, Transportation, and Other Related City Funds						
Streets Related Funds	\$ 12,226,238	\$ 8,499,081	\$ 12,393,347	\$ 7,259,361	\$ 25,970,707	110%
Other Transportation Related Funds	366,591	269,375	233,656	156,131	51,274	-78%
Other City Related Funds	6,421,021	6,462,977	24,364,785	18,732,790	14,643,087	-40%
Total Streets & Other City Revenue	<u>\$ 19,013,850</u>	<u>\$ 15,231,433</u>	<u>\$ 36,991,788</u>	<u>\$ 26,148,282</u>	<u>\$ 40,665,068</u>	10%
Total City Funds	<u>\$ 43,149,123</u>	<u>\$ 36,683,050</u>	<u>\$ 58,213,316</u>	<u>\$ 45,395,458</u>	<u>\$ 59,979,312</u>	3%
Redevelopment Revenue						
Redevelopment Agency Funds	\$ 43,895,740	\$ 41,823,094	\$ 41,026,692	\$ 30,238,653	\$ 20,963,118	-49%
Water District Revenue						
700 Water Operating Fund	\$ 13,426,950	\$ 15,373,855	\$ 19,925,965	\$ 15,578,359	\$ 16,075,394	-19%
701 Water Capital Fund	4,342,796	701,936	620,000	742,447	500,000	-19%
Total Water Operating & Capital Funds	<u>\$ 17,769,746</u>	<u>\$ 16,075,791</u>	<u>\$ 20,545,965</u>	<u>\$ 16,320,806</u>	<u>\$ 16,575,394</u>	-19%
710 Sewer Operating Fund	\$ 2,121,233	\$ 2,456,181	\$ 2,692,324	\$ 2,765,240	\$ 2,962,928	10%
711 Sewer Capital Fund	814,760	380,205	228,178	389,098	360,144	58%
Total Sewer Operating & Capital Funds	<u>\$ 2,935,993</u>	<u>\$ 2,836,386</u>	<u>\$ 2,920,502</u>	<u>\$ 3,154,338</u>	<u>\$ 3,323,072</u>	14%
Total Water District Revenue	<u>\$ 20,705,739</u>	<u>\$ 18,912,177</u>	<u>\$ 23,466,467</u>	<u>\$ 19,475,144</u>	<u>\$ 19,898,466</u>	-15%
200 Fire District Revenue	<u>\$ 8,824,455</u>	<u>\$ 8,975,334</u>	<u>\$ 8,862,876</u>	<u>\$ 8,179,548</u>	<u>\$ 8,076,755</u>	-9%
TOTAL ALL FUNDS	<u>\$ 116,575,057</u>	<u>\$ 106,393,655</u>	<u>\$ 131,569,351</u>	<u>\$ 103,288,803</u>	<u>\$ 108,917,651</u>	-17%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
General Fund Revenue						
Taxes						
Secured Property Tax	\$ 257,827	\$ 288,219	\$ 398,431	\$ 280,000	\$ 331,443	-17%
100 19 220 0000 4000						
Prior Secured Property Tax	22,730	35,914	28,236	35,500	36,000	27%
100 19 220 0000 4005						
HOPTR	9,478	6,593	7,000	5,870	6,000	-14%
100 19 220 0000 4410						
Current Supplemental Property Tax	296,008	22,641	10,000	0	10,000	0%
100 19 220 0000 4010						
Prior Supplemental Property Tax	204,111	197,556	100,000	108,000	60,000	-40%
100 19 220 0000 4011						
Sub-total Property Tax	\$ 790,154	\$ 550,923	\$ 543,667	\$ 429,370	\$ 443,443	-18%
VVEDA Tax increment	224,019	216,290	197,954	148,466	120,093	-39%
100 19 220 0000 4095						
Sales and Use Tax	4,954,776	4,220,224	4,249,500	4,203,783	4,374,750	3%
100 19 220 0000 4100						
Sales and Use Tax Triple Flip	1,832,294	1,292,448	1,416,500	1,199,607	1,458,250	3%
100 19 220 0000 4105						
Sub-Total Sales and Use Tax	\$ 6,787,070	\$ 5,512,672	\$ 5,666,000	\$ 5,403,390	\$ 5,833,000	3%
Community Facilities District #2005-1	0	0	0	0	655,878	n/a
100 19 220 0000 4031						
Transient Occupancy Tax	742,791	607,951	756,300	725,000	726,300	-4%
100 19 220 0000 4140						
Property Transfer Tax	223,588	206,900	210,000	175,000	180,000	-14%
100 19 220 0000 4145						
Other Taxes	14,760	15,371	16,629	11,997	8,628	-48%
Total Taxes	\$ 8,782,382	\$ 7,110,107	\$ 7,390,550	\$ 6,893,223	\$ 7,967,342	8%
Fines & Forfeitures						
Vehicle Code Fines	\$ 198,345	\$ 162,215	\$ 170,000	\$ 170,000	\$ 160,000	-6%
100 51 510 0000 5500						
Booking Fees	1,217	1,008	600	2,100	1,000	67%
100 51 510 0000 5540						
DUI Arrest Fees	36,742	29,278	30,000	30,000	30,000	0%
100 51 510 0000 5530						
Vehicle Tow Fees	34,108	29,424	30,000	32,000	30,000	0%
100 51 510 0000 5510						
Other Police Fines & Forfeitures	7,293	5,833	5,000	8,600	5,800	16%
Total Fines & Forfeitures	\$ 277,705	\$ 227,758	\$ 235,600	\$ 242,700	\$ 226,800	-4%
Interest						
Interest Income – City	\$ 570,800	\$ 212,396	\$ 268,539	\$ 27,953	\$ 48,182	-82%
100 19 220 0000 5600						
Total Interest	\$ 570,800	\$ 212,396	\$ 268,539	\$ 27,953	\$ 48,182	-82%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
General Fund Revenue (Continued)						
Intergovernmental						
Vehicle License Fee 100 19 220 0000 4400	\$ 395,052	\$ 311,527	\$ 292,002	\$ 230,000	\$ 230,000	-21%
Triple Flip - Motor Vehicle In Lieu 100 19 220 0000 4405	8,222,858	8,232,290	7,451,869	6,799,188	5,980,566	-20%
Sub-Total VLF Triple Flip	<u>\$ 8,617,910</u>	<u>\$ 8,543,817</u>	<u>\$ 7,743,871</u>	<u>\$ 7,029,188</u>	<u>\$ 6,210,566</u>	<u>-20%</u>
AB1661 ERAF 100 19 220 0000 4720	0	0	0	0	0	n/a
All other Intergovernmental-City	17,934	0	17,900	0	0	-100%
Total Intergovernmental	<u>\$ 8,635,844</u>	<u>\$ 8,543,817</u>	<u>\$ 7,761,771</u>	<u>\$ 7,029,188</u>	<u>\$ 6,210,566</u>	<u>-20%</u>
Charges for Services						
General Plan Update 100 29 300 3000 4942	\$ 12,024	\$ 8,491	\$ 10,000	\$ 850	\$ 500	-95%
Tentative Tract 100 29 300 3000 4990	12,306	0	5,000	0	0	-100%
Home Occupancy 100 29 300 3000 4960	13,436	40,290	25,000	62,500	60,000	140%
Tenant Improvement Plan Review 100 29 300 3000 4963	14,091	10,106	12,000	6,200	6,000	-50%
Tentative Parcel 100 29 300 3000 4995	12,185	2,055	5,000	2,500	2,500	-50%
Project Extension 100 29 300 3000 4957	3,484	3,484	3,500	800	800	-77%
Conditional use 100 29 300 3000 5015	17,074	32,991	40,000	20,000	16,000	-60%
Site Plans 100 29 300 3000 5005	134,195	31,920	35,000	12,000	10,500	-70%
Rental Housing Inspection Fee 100 29 305 3010 5038	0	98,186	175,000	125,000	125,000	-29%
Business License 100 29 300 3000 4200	305,224	250,726	275,000	210,000	210,000	-24%
Administration Fine 100 29 305 3010 5405	356,006	453,285	330,000	330,000	330,000	0%
Municipal Code Fines 100 29 305 3010 5420	49,743	38,835	60,000	60,000	65,000	8%
Building Plan Check Fees 100 29 300 3020 5030	369,383	177,392	210,000	155,000	107,000	-49%
Building Permit Fees 100 29 300 3020 4250	947,729	562,544	650,000	410,000	423,000	-35%
Automation Fee 100 29 300 3020 4930	169,265	79,289	90,000	54,000	54,000	-40%
Microfilm Fee 100 29 300 3020 4935	3,291	1,060	1,000	600	750	-25%
Parks & Rec Collection Fees 100 29 300 3020 5027	8,449	3,599	4,500	6,000	6,500	44%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2007-08	2008-09	2009-10	2009-10	2010-11	%Change From 2009-10
	Actual	Actual	Budget	Revised	Budget	Budget
General Fund Revenue (Continued)						
Charges for Services (Continued)						
Lot Grading Permit Fees 100 29 300 3020 4255	\$ 21,415	\$ 12,774	\$ 12,000	\$ 12,000	\$ 12,000	0%
Final Subdivision Processing Fee 100 29 310 3100 5010	6,524	1,460	2,000	1,000	2,000	0%
Final P/M Processing Fee 100 29 310 3100 5012	12,116	3,850	10,000	1,000	1,000	-90%
Construction Permit Fee 100 29 310 3100 4260	10,694	6,751	10,000	5,000	4,000	-60%
Engineering Plan Check Fees 100 29 310 3100 5045	116,147	39,622	40,000	18,000	15,000	-63%
Grading Plan Review Fees 100 29 310 3100 5050	39,029	15,256	20,000	8,500	6,000	-70%
Construction Inspection Fees 100 29 310 3100 5035	152,552	122,408	58,000	70,000	40,000	-31%
Administration Fine 100 29 305 5000 5405	110,634	115,959	120,000	190,000	175,000	46%
Other Charges for Services	128,680	78,552	76,075	67,952	59,452	-22%
Total Charges for Services	\$ 3,025,676	\$ 2,190,885	\$ 2,279,075	\$ 1,828,902	\$ 1,732,002	-24%
Licenses & Permits						
Animal Licenses 100 29 305 5000 4210	\$ 190,726	\$ 169,942	\$ 180,000	\$ 170,000	\$ 180,000	0%
Animal Impound Fee 100 29 305 5000 5065	45,655	46,900	50,000	52,000	50,000	0%
Other Licenses & Permits	14,060	18,347	19,400	20,806	21,706	12%
Total Licenses & Permits	\$ 250,441	\$ 235,189	\$ 249,400	\$ 242,806	\$ 251,706	1%
Grants						
CDBG Grant - Environmental 100 07 220 0000 4700	\$ 0	\$ 0	\$ 65,000	\$ 65,000	\$ 65,000	0%
CDBG Grant-Code Enforcement 100 29 305 3010 4700	9,375	6,219	24,000	3,000	2,500	-90%
CDBG Grant - Police 100 51 510 0000 4700	32,420	49,108	69,108	69,108	50,000	-28%
Police JAG Grant 100 51 510 0000 4775	18,468	0	0	0	15,500	n/a
Police Dept. of Justice LLEBG Grant 100 51 510 0000 4770	0	0	118,340	118,340	29,180	-75%
Police Seatbelt Grant 100 51 510 0000 4795	24,965	0	0	0	0	n/a
Police Sobriety Grant 100 51 510 0000 4797	5,423	5,578	0	0	0	n/a

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
General Fund Revenue (Continued)						
Grants (Continued)						
Police Homeland Security Grant 100 51 510 0000 4811	0	7,503	0	10,077	0	n/a
Total Grants	\$ 90,651	\$ 68,408	\$ 276,448	\$ 265,525	\$ 162,180	-41%
Other Operating						
Article 19 Landfill Fee 100 19 220 0000 4170	\$ 111,756	\$ 111,762	\$ 110,000	\$ 75,000	\$ 80,000	-27%
Cable Franchise Fee 100 19 220 0000 4150, 4151	384,163	378,733	380,000	420,800	430,000	13%
Advance Disposal Franchise Fee 100 19 220 0000 4155	841,002	868,717	900,450	935,000	940,000	4%
Utilities Franchise Fee 100 19 220 0000 4160	780,262	1,089,824	935,000	837,749	875,000	-6%
Water Franchise Fee 100 19 220 0000 4165	250,000	250,000	250,000	250,000	250,000	0%
Sub Total Franchise Fees	\$ 2,367,183	\$ 2,699,036	\$ 2,575,450	\$ 2,518,549	\$ 2,575,000	0%
State Mandated Claims SB90 100 19 220 0000 4500	\$ 72,025	\$ 22,292	\$ 50,000	\$ 40,000	\$ 40,000	-20%
Assessment Cost Recovery 100 19 220 0000 5830	0	62,910	75,145	75,145	10,849	-86%
Pet Adoption Charges 100 29 305 5000 4215	32,883	60,005	50,000	57,000	60,000	20%
Cell Tower Rent 100 19 220 0000 5885	0	0	0	16,620	19,360	n/a
Other Operating	18,891	18,292	9,550	9,365	10,257	7%
Total Other Operating	\$ 2,490,982	\$ 2,862,535	\$ 2,760,145	\$ 2,716,679	\$ 2,715,466	-2%
All Other						
Miscellaneous/General Govt. 100 19 220 0000 5950	\$ 10,792	\$ 522	\$ 0	\$ 200	\$ 0	n/a
Total All Other	\$ 10,792	\$ 522	\$ 0	\$ 200	\$ 0	n/a
Total General Fund Revenue	\$ 24,135,273	\$ 21,451,617	\$ 21,221,528	\$ 19,247,176	\$ 19,314,244	-9%

**REVENUE
DETAIL BY REVENUE TYPE**

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Redevelopment Agency (RDA) Funds (385, 389, 486, 487, 586, 587, 588)						
Taxes						
RDA Debt Service - Project Area #1 Tax Increment 486 25 261 0000 4060	\$ 21,493,061	\$ 21,654,382	\$ 22,560,000	\$ 16,451,074	\$ 11,018,711	-51%
RDA Debt Service - Project Area #1 Amendment Tax Increment 486 25 261 0000 4062	3,692,552	3,845,255	4,160,000	3,020,516	2,158,457	-48%
RDA Debt Service - Project Area #2 Tax Increment 487 25 261 0000 4060	2,218,461	2,213,778	2,560,000	1,728,410	1,186,676	-54%
RDA Project Area #1 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4070	5,373,265	5,413,596	5,640,000	4,112,769	2,754,678	-51%
RDA Project Area #1 Amendment Low/Mod - LMI 20% Property Tax 385 25 263 2700 4073	923,138	961,314	1,040,000	755,129	539,614	-48%
RDA Project Area #2 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4075	554,615	553,444	640,000	432,102	296,669	-54%
SubTotal Property Tax Increment	\$ 34,255,092	\$ 34,641,769	\$ 36,600,000	\$ 26,500,000	\$ 17,954,805	-51%
VVEDA - Low/Mod 385 25 263 2700 4078	363,344	345,887	364,225	208,012	168,261	-54%
VVEDA - Capital Project 588 25 261 0000 4068	304,364	201,811	390,192	259,170	209,643	-46%
Total Taxes	\$ 34,922,800	\$ 35,189,467	\$ 37,354,417	\$ 26,967,182	\$ 18,332,709	-51%
Interest						
RDA - Debt Service - Interest Project Area #1 486 19 220 0000 5600	\$ 780,921	\$ 404,157	\$ 447,851	\$ 93,578	\$ 91,758	-80%
RDA - Debt Service - Interest Project Area #2 487 19 220 0000 5600	46,069	22,514	24,506	200	144	-99%
Income 385 19 220 0000 5600	2,605,127	2,503,516	1,186,894	1,550,000	121,089	-90%
RDA CIP Area #1 - Interest 586 19 220 0000 5600	2,681,275	1,911,162	1,966,002	1,500,000	22,213	-99%
RDA CIP Area #2 - Interest 587 19 220 0000 5600	143,720	17,500	25,650	4,000	634	-98%
RDA CIP VVEDA - Interest 588 19 220 0000 5600	15,884	72,621	12,072	5,093	6,242	-48%
Total Interest Income	\$ 6,272,996	\$ 4,931,470	\$ 3,662,975	\$ 3,152,871	\$ 242,080	-93%

**REVENUE
DETAIL BY REVENUE TYPE (Continued)**

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Redevelopment Agency (RDA) Funds (385, 389, 486, 487, 586, 587, 588)						
Other						
Other-All Other Combined	\$ 2,699,944	\$ 1,702,157	\$ 9,300	\$ 118,600	\$ 2,388,329	25581%
Total RDA Other	\$ 2,699,944	\$ 1,702,157	\$ 9,300	\$ 118,600	\$ 2,388,329	25581%
Total Redevelopment Agency Revenue	\$ 43,895,740	\$ 41,823,094	\$ 41,026,692	\$ 30,238,653	\$ 20,963,118	-49%

DETAIL BY REVENUE FUND

385 Low/Mod Income Housing Taxes						
RDA Project Area #1 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4070	\$ 5,373,265	\$ 5,413,596	\$ 5,640,000	\$ 4,112,769	\$ 2,754,678	-51%
RDA Project Area #1 Amendment Low/Mod - LMI 20% Property Tax 385 25 263 2700 4073	923,138	961,314	1,040,000	755,129	539,614	-48%
RDA Project Area #2 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4075	554,615	553,444	640,000	432,102	296,669	-54%
VVEDA - Low/Mod 385 25 263 2700 4078	363,344	345,887	364,225	208,012	168,261	-54%
Total Taxes	\$ 7,214,362	\$ 7,274,241	\$ 7,684,225	\$ 5,508,012	\$ 3,759,222	-51%
Interest						
Income 385 19 220 0000 5600	\$ 2,605,127	\$ 2,503,516	\$ 1,186,894	\$ 1,550,000	\$ 121,089	-90%
Total Interest	\$ 2,605,127	\$ 2,503,516	\$ 1,186,894	\$ 1,550,000	\$ 121,089	-90%
Other						
Rents & Leases 385 25 263 0000 5700	\$ 0	\$ 15,300	\$ 7,300	\$ 22,600	\$ 24,600	237%
Proceeds from Land Sales 385 25 263 0000 5900	0	0	0	0	127,127	n/a
Miscellaneous 385 25 263 0000 5950	2,000	2,000	2,000	0	92,602	4530%
Total Other	\$ 2,000	\$ 17,300	\$ 9,300	\$ 22,600	\$ 244,329	2527%
Total Low/Mod/ Income Housing	\$ 9,821,489	\$ 9,795,057	\$ 8,880,419	\$ 7,080,612	\$ 4,124,640	-54%

**REVENUE
DETAIL BY REVENUE FUND (Continued)**

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Redevelopment Agency (RDA) Funds (385, 389, 486, 487, 586, 587, 588)						
486 RDA Debt Service Project Area #1						
Taxes						
RDA Debt Service - Project Area #1						
Tax Increment 486 25 261 0000 4060	\$ 21,493,061	\$ 21,654,382	\$ 22,560,000	\$ 16,451,074	\$ 11,018,711	-51%
RDA Debt Service - Project Area #1 Amendment Tax Increment 486 25 261 0000 4062	3,692,552	3,845,255	4,160,000	3,020,516	2,158,457	-48%
Total Taxes	\$ 25,185,613	\$ 25,499,637	\$ 26,720,000	\$ 19,471,590	\$ 13,177,168	-51%
Interest						
RDA - Debt Service - Interest Project Area #1 486 19 220 0000 5600	\$ 780,921	\$ 404,157	\$ 447,851	\$ 93,578	\$ 91,758	-80%
Total Interest	\$ 780,921	\$ 404,157	\$ 447,851	\$ 93,578	\$ 91,758	-80%
Total RDA Debt Service Project Area #1	\$ 25,966,534	\$ 25,903,794	\$ 27,167,851	\$ 19,565,168	\$ 13,268,926	-51%
487 RDA Debt Service Project Area #2						
Taxes						
RDA Debt Service - Project Area #2						
Tax Increment 487 25 261 0000 4060	\$ 2,218,461	\$ 2,213,778	\$ 2,560,000	\$ 1,728,410	\$ 1,186,676	-54%
Total Taxes	\$ 2,218,461	\$ 2,213,778	\$ 2,560,000	\$ 1,728,410	\$ 1,186,676	-54%
Interest						
RDA - Debt Service - Interest Project Area #2 487 19 220 0000 5600	\$ 46,069	\$ 22,514	\$ 24,506	\$ 200	\$ 144	-99%
Total Interest	\$ 46,069	\$ 22,514	\$ 24,506	\$ 200	\$ 144	-99%
Total RDA Debt Service Project Area #2	\$ 2,264,530	\$ 2,236,292	\$ 2,584,506	\$ 1,728,610	\$ 1,186,820	-54%
586 RDA Capital Project Area #1						
Interest						
RDA CIP Area #1 - Interest 586 19 220 0000 5600	\$ 2,681,275	\$ 1,911,162	\$ 1,966,002	\$ 1,500,000	\$ 22,213	-99%
Total Interest	\$ 2,681,275	\$ 1,911,162	\$ 1,966,002	\$ 1,500,000	\$ 22,213	-99%

**REVENUE
DETAIL BY REVENUE FUND (Continued)**

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Redevelopment Agency (RDA)						
Funds						
(385, 389, 486, 487, 586, 587, 588)						
586 RDA Capital Project Area #1 (Continued)						
Other						
Reimbursement 586 25 261 0000 5800	\$ 118,597	\$ 0	\$ 0	\$ 0	\$ 0	n/a
Reimbursement 586 29 700 7103 5800	0	174,289	0	0	0	n/a
Rail Grant Reimbursement 586-29-700-7108-4761	0	0	0	0	2,000,000	n/a
Reimbursement 586 29 700 7108 5800	0	597,997	0	0	0	n/a
Rents & Leases 586 25 261 0000 5700	0	0	0	90,000	120,000	n/a
Proceeds of Land Sale 586 25 261 0000 5900	1,672,588	0	0	0	0	n/a
Miscellaneous 586 25 261 0000 5950	821,683	827,684	0	6,000	24,000	n/a
Total Other	\$ 2,612,868	\$ 1,599,970	\$ 0	\$ 96,000	\$ 2,144,000	n/a
Total RDA Capital Project Area #1	\$ 5,294,143	\$ 3,511,132	\$ 1,966,002	\$ 1,596,000	\$ 2,166,213	10%
587 RDA Capital Project Area #2						
Interest						
RDA CIP Area #2 - Interest 587 19 220 0000 5600	\$ 143,720	\$ 17,500	\$ 25,650	\$ 4,000	\$ 634	-98%
Total Interest	\$ 143,720	\$ 17,500	\$ 25,650	\$ 4,000	\$ 634	-98%
Other						
Miscellaneous 587 25 261 0000 5950	\$ 85,076	\$ 84,887	\$ 0	\$ 0	\$ 0	n/a
Total Other	\$ 85,076	\$ 84,887	\$ 0	\$ 0	\$ 0	n/a
Total RDA Capital Project Area #2	\$ 228,796	\$ 102,387	\$ 25,650	\$ 4,000	\$ 634	-98%
588 RDA Capital Project VVEDA						
Taxes						
VVEDA - Capital Project 588 25 261 0000 4068	\$ 304,364	\$ 201,811	\$ 390,192	\$ 259,170	\$ 209,643	-46%
Total Taxes	\$ 304,364	\$ 201,811	\$ 390,192	\$ 259,170	\$ 209,643	-46%
Interest						
RDA CIP VVEDA - Interest 588 19 220 0000 5600	\$ 15,884	\$ 72,621	\$ 12,072	\$ 5,093	\$ 6,242	-48%
Total Interest	\$ 15,884	\$ 72,621	\$ 12,072	\$ 5,093	\$ 6,242	-48%
Total RDA Capital Project VVEDA	\$ 320,248	\$ 274,432	\$ 402,264	\$ 264,263	\$ 215,885	-46%
Total RDA Funds	\$ 43,895,740	\$ 41,823,094	\$ 41,026,692	\$ 30,238,653	\$ 20,963,118	-49%

**REVENUE
DETAIL BY FUND**

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Community Development Block Grant (CDBG) Funds (251, 252, 253, 257)						
251 CDBG Fund						
Intergovernmental						
CDBG Administration Reimbursement 251 25 270 2700 4730	\$ 964,085	\$ 575,368	\$ 1,477,580	\$ 1,477,580	\$ 1,209,777	-18%
CDBG Loan Repayment 251 25 270 2700 4746	18,570	17,238	45,000	15,000	45,000	0%
CDBG Administration Reimbursement 251 29 700 7091 4730	0	0	0	0	365,335	n/a
Total Intergovernmental	\$ 982,655	\$ 592,606	\$ 1,522,580	\$ 1,492,580	\$ 1,620,112	6%
Total CDBG Fund 251	\$ 982,655	\$ 592,606	\$ 1,522,580	\$ 1,492,580	\$ 1,620,112	6%
252 HOME Grant Fund						
Interest						
CDBG HOME Grant Program Interest Income 252 19 220 0000 5600	\$ 6,724	\$ 1,712	\$ 50	\$ 608	\$ 734	1368%
Total Interest Income	\$ 6,724	\$ 1,712	\$ 50	\$ 608	\$ 734	1368%
Grants						
CDBG HOME Grant 2000 252 25 264 2700 4750	\$ 63,295	\$ 0	\$ 30,000	\$ 0	\$ 30,000	0%
1999 Home-DAP Loan Repayment 252 25 264 2700 4747	19,894	0	0	0	0	n/a
1999 Home-HRLP Loan Repayment 252 25 264 2700 4748	(22)	0	30,000	0	30,000	0%
CDBG 2002 HOME Construction 252 25 264 2700 4756	0	3,176,111	0	0	0	n/a
Total Grants	\$ 83,167	\$ 3,176,111	\$ 60,000	\$ 0	\$ 60,000	0%
Total HOME Fund 252	\$ 89,891	\$ 3,177,823	\$ 60,050	\$ 608	\$ 60,734	1%
253 CDBG-Revolving Loan Fund						
Interest						
CDBG Revolving Loan Program Interest Income 253 19 220 0000 5600	\$ 59,169	\$ 19,018	\$ 21,298	\$ 4,915	\$ 6,040	-72%
CDBG-Revolving Loan Fund - Miscellaneous Income	0	0	420,000	48,952	48,952	-88%
Total CDBG-Revolving Loan Fund 253	\$ 59,169	\$ 19,018	\$ 441,298	\$ 53,867	\$ 54,992	-88%
257 CDBG-Neighborhood Stabilization Program (NSP) Fund						
Neighborhood Stabilization Program 257 270 2700 0000 4760	\$ 0	\$ 59,369	\$ 4,531,849	\$ 3,751,496	\$ 781,083	-83%
NSP - Proceeds from Sales 257 270 2700 0000 5901	0	0	0	0	1,739,573	n/a
NSP - Rents/Lease 257 270 2700 0000 5870	0	0	0	0	78,519	n/a
Total CDBG-Neighborhood Stabilization Fund 257	\$ 0	\$ 59,369	\$ 4,531,849	\$ 3,751,496	\$ 2,599,175	-43%
Total CDBG Funds (251, 252, 253, 257)	\$ 1,131,715	\$ 3,848,816	\$ 6,555,777	\$ 5,298,551	\$ 4,335,013	-34%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Other City Funds (Continued)						
201 Measure I - Arterial Fund						
Measure I - Arterial Interest Income 201 19 220 0000 5600	\$ 122,796	\$ 30,304	\$ 37,716	\$ 0	\$ 0	-100%
Measure I – Arterial 201 29 310 3150 4120	2,301,475	1,865,196	1,646,078	1,282,218	0	-100%
Total Measure I - Arterial Fund 201	\$ 2,424,271	\$ 1,895,500	\$ 1,683,794	\$ 1,282,218	\$ 0	-100%
202 Measure I - Local Fund						
Measure I - Local Interest Income 202 19 220 0000 5600	\$ 32,730	\$ 4,321	\$ 5,963	\$ 0	\$ 0	-100%
Measure I – Local 202 29 310 3150 4115	1,062,219	860,560	759,728	591,793	0	-100%
Total Measure I - Local Fund 202	\$ 1,094,949	\$ 864,881	\$ 765,691	\$ 591,793	\$ 0	-100%
203 Measure I - Transit Fund						
Measure I - Transit Interest Income 203 19 220 0000 5600	\$ 7,937	\$ 2,883	\$ 3,093	\$ 379	\$ 0	-100%
Measure I – Transit 203 29 310 3150 4125	177,037	143,477	126,621	98,632	0	-100%
Total Measure I - Transit Fund 203	\$ 184,974	\$ 146,360	\$ 129,714	\$ 99,011	\$ 0	-100%
204 Measure I - 2010 Renewal Fund						
Income 203 19 220 0000 5600	\$ 0	\$ 0	\$ 1,000	\$ 1,000	\$ 3,000	200%
Measure I – 2010 Renewal 203 29 310 3150 4125	0	0	574,017	460,283	1,839,681	220%
Total Measure I - 2010 Renewal Fund 204	\$ 0	\$ 0	\$ 575,017	\$ 461,283	\$ 1,842,681	220%
Total Measure I (201, 202, 203, 204)	\$ 3,704,194	\$ 2,906,741	\$ 3,154,216	\$ 2,434,305	\$ 1,842,681	-42%
205 Gas Tax Fund						
Interest						
Gas Tax Fund Interest Income 205 19 220 0000 5600	\$ 20,491	\$ 3,505	\$ 5,209	\$ 0	\$ 0	-100%
SubTotal Interest	\$ 20,491	\$ 3,505	\$ 5,209	\$ 0	\$ 0	-100%
Intergovernmental						
Gas Tax Section 2105 205 29 310 3150 4130	\$ 508,130	\$ 435,536	\$ 472,650	\$ 468,238	\$ 466,144	-1%
Gas Tax Section 2106 205 29 310 3150 4132	318,042	270,498	292,432	291,962	290,656	-1%
Gas Tax Section 2107 205 29 310 3150 4134	679,966	579,913	627,389	623,778	620,988	-1%
Gas Tax Section 2107.5 205 29 310 3150 4135	7,500	0	7,500	7,500	7,500	0%
SubTotal Intergovernmental	\$ 1,513,638	\$ 1,285,947	\$ 1,399,971	\$ 1,391,478	\$ 1,385,288	-1%
Total Gas Tax Fund 205	\$ 1,534,129	\$ 1,289,452	\$ 1,405,180	\$ 1,391,478	\$ 1,385,288	-1%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
<u>Other City Funds (Continued)</u>						
206 Gas Tax Swap						
Gas Tax Swap 7360 206 29 310 3150 4136	\$ 0	\$ 0	\$ 0	\$ 0	\$ 874,543	n/a
Total Gas Tax Swap Fund 206	\$ 0	\$ 0	\$ 0	\$ 0	\$ 874,543	n/a
207 Local Transportation Fund						
Local Transportation SB325 - Article 8 207 29 310 3150 4110	\$ 2,074,205	\$ 1,166,658	\$ 1,350,000	\$ 1,281,416	\$ 500,064	-63%
Total Local Transportation Fund 207	\$ 2,074,205	\$ 1,166,658	\$ 1,350,000	\$ 1,281,416	\$ 500,064	-63%
250 Traffic Congestion Relief Fund						
Traffic Congestion Relief Interest 250 19 220 0000 5600	\$ 11,242	\$ 2,520	\$ 1,678	\$ 20	\$ 0	-100%
Traffic Congestion Relief 250 29 310 3150 4870	0	743,798	830,673	790,733	0	-100%
Total Traffic Congestion Relief Fund 250	\$ 11,242	\$ 746,318	\$ 832,351	\$ 790,753	\$ 0	-100%
254 AQMD (AB2766 - Transit) Fund						
AQMD Fund Interest Income 254 19 220 0000 5600	\$ 3,694	\$ 2,045	\$ 2,186	\$ 751	\$ 912	-58%
AQMD - AB2766 Transit Grant 254 29 310 3150 4875	27,833	58,488	50,000	47,662	42,500	-15%
Total AQMD Fund 254	\$ 31,527	\$ 60,533	\$ 52,186	\$ 48,413	\$ 43,412	-17%
255 AB3229 Supplemental Law Fund						
AB2339 Supplemental Law Interest Income 255 19 220 0000 5600	\$ 1,197	\$ 113	\$ 0	\$ 0	\$ 0	n/a
AB3229 COP's Grant 255 51 510 0000 4780	167,500	104,312	100,000	100,000	107,315	7%
Total AB3229 Supplemental Law Fund 255	\$ 168,697	\$ 104,425	\$ 100,000	\$ 100,000	\$ 107,315	7%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Other City Funds (Continued)						
256 Environmental Programs Grants						
Environmental Programs Grants Fund						
Interest Income	\$ 446	\$ 279	\$ 301	\$ 39	\$ 48	-84%
256 19 220 0000 5600						
Beverage Recycling Grant	22,659	22,528	22,803	3,420	30,282	33%
256 07 200 0000 4710						
Litter Fines	188	0	0	0	0	n/a
256 07 200 0000 5402						
Recycling Revenue	4,094	9,246	5,000	5,000	5,000	0%
256 07 200 0000 5895						
Tire Grant	0	0	19,698	19,698	33,286	69%
256 07 200 2001 4700						
Litter Fines	0	165	0	0	0	n/a
256 51 510 0000 5402						
Total Environmental Programs Grants Fund 256	\$ 27,387	\$ 32,218	\$ 47,802	\$ 28,157	\$ 68,616	44%
259 Reimbursable Grants Fund						
ARRA Grant Reimbursement	\$ 0	\$ 0	\$ 0	\$ 0	\$ 775,100	n/a
259-29-650-6516-4700						
California Solar Initiative/Edison Grant	0	0	0	0	70,000	n/a
259-29-650-6516-4860						
Total Reimbursable Grants Fund 259	\$ 0	\$ 0	\$ 0	\$ 0	\$ 845,100	n/a
260 Disaster Preparedness Grant						
Disaster Preparedness Grant Fund						
Interest Income	\$ 781	\$ 368	\$ 417	\$ 35	\$ 40	-90%
260 19 220 0000 5600						
Disaster Preparedness Grant Reimbursement	16,225	11,167	18,500	13,381	28,381	53%
260 07 200 0000 4700						
Total Disaster Preparedness Grant Fund 260	\$ 17,006	\$ 11,535	\$ 18,917	\$ 13,416	\$ 28,421	50%
263 Public Works Street Maintenance						
Public Works Street Maintenance Interest Income	\$ 25,521	\$ 10,308	\$ 11,800	\$ 1,851	\$ 2,294	-81%
263 19 220 0000 5600						
Public Works Graffiti Miscellaneous Income	62,500	59,060	34,000	30,719	30,000	-12%
Total Public Works Street Maintenance 263	\$ 88,021	\$ 69,368	\$ 45,800	\$ 32,570	\$ 32,294	-29%
264 Traffic Signalization Fund						
Traffic Signalization Interest Income	\$ 532	\$ 211	\$ 272	\$ 0	\$ 0	-100%
264 19 220 0000 5600						
Total Traffic Signalization Fund 264	\$ 532	\$ 211	\$ 272	\$ 0	\$ 0	-100%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2007-08	2008-09	2009-10	2009-10	2010-11	%Change
	Actual	Actual	Budget	Revised	Budget	From 2009-10 Budget
<u>Other City Funds (Continued)</u>						
300 Streets Development Impact Fee (DIF) Fund						
Streets DIF Interest Income 300 19 220 0000 5600	\$ 335,634	\$ 176,956	\$ 192,363	\$ 52,841	\$ 65,216	-66%
Streets DIF Fees 300 29 310 3150 5060	2,768,479	1,906,675	1,427,900	800,000	698,620	-51%
Total Streets DIF Fund 300	\$ 3,104,113	\$ 2,083,631	\$ 1,620,263	\$ 852,841	\$ 763,836	-53%
301 Storm Drain Development Impact Fee (DIF) Fund						
Storm Drain DIF Interest Income 301 19 220 0000 5600	\$ 66,104	\$ 26,795	\$ 28,801	\$ 9,321	\$ 11,452	-60%
Storm Drain DIF Fees 301 29 310 3150 5088	507,654	338,749	187,350	187,350	91,680	-51%
Total Storm Drain DIF 301	\$ 573,758	\$ 365,544	\$ 216,151	\$ 196,671	\$ 103,132	-52%
302 Fire Development Impact Fee (DIF) Fund						
Fire DIF Interest Income 302 19 220 0000 5600	\$ 49,864	\$ 22,712	\$ 24,732	\$ 6,636	\$ 8,212	-67%
Fire DIF Fees 302 29 310 3150 5062	234,673	175,081	208,050	58,000	101,800	-51%
Total Fire DIF 302	\$ 284,537	\$ 197,793	\$ 232,782	\$ 64,636	\$ 110,012	-53%
303 Police Development Impact Fee (DIF) Fund						
Police DIF Interest Income 303 19 220 0000 5600	\$ 46,851	\$ 23,748	\$ 25,666	\$ 7,584	\$ 9,332	-64%
Police DIF Fees 303 29 310 3150 5063	125,337	39,158	61,950	22,000	25,860	-58%
Total Police DIF 303	\$ 172,188	\$ 62,906	\$ 87,616	\$ 29,584	\$ 35,192	-60%
304 Public Services Development Impact Fee (DIF) Fund						
Public Services DIF Interest Income 304 19 220 0000 5600	\$ 85,079	\$ 33,772	\$ 37,847	\$ 8,436	\$ 10,426	-72%
Public Services DIF Fees 304 29 310 3150 5064	630,015	249,476	161,950	161,950	79,180	-51%
Total Public Services DIF 304	\$ 715,094	\$ 283,248	\$ 199,797	\$ 170,386	\$ 89,606	-55%
305 Emergency Communication Fund						
Emergency Communication Interest Income 305 19 220 0000 5600	\$ 6,734	\$ 0	\$ 0	\$ 0	\$ 0	n/a
Total Emergency Communication Fund 305	\$ 6,734	\$ 0	\$ 0	\$ 0	\$ 0	n/a

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Other City Funds (Continued)						
400 Measure I Debt Service Fund						
Measure I Debt Service Interest Income 400 19 220 0000 5600	\$ 61,537	\$ 62,271	\$ 51,484	\$ 8,707	\$ 7,862	-85%
Total Measure I Debt Service Fund 400	\$ 61,537	\$ 62,271	\$ 51,484	\$ 8,707	\$ 7,862	-85%
401 City Debt Service Fund						
City Debt Service Fund Interest 401 19 220 0000 5600	\$ 78,649	\$ 23,952	\$ 28,396	\$ 10,585	\$ 9,940	-65%
Total City Debt Service Fund 401	\$ 78,649	\$ 23,952	\$ 28,396	\$ 10,585	\$ 9,940	-65%
500 AD 91-1 Fund						
AD 91-1 Fund Interest Income 500 19 220 0000 5600	\$ 16,377	\$ 7,782	\$ 8,421	\$ 1,974	\$ 0	-100%
Miscellaneous Revenue 500 29 300 3100 5950	8,188	0	0	0	0	n/a
Total AD 91-1 Fund 500	\$ 24,565	\$ 7,782	\$ 8,421	\$ 1,974	\$ 0	-100%
501 CFD 91-3 Fund						
CFD 91-3 Fund Interest Income 501 19 220 0000 5600	\$ 17,417	\$ 7,753	\$ 8,406	\$ 1,957	\$ 0	-100%
CFD 91-3 Fund Miscellaneous Income	5,546	444	600	0	0	-100%
Total CFD 91-3 Fund 501	\$ 22,963	\$ 8,197	\$ 9,006	\$ 1,957	\$ 0	-100%
502 Fire Station Building Fund						
Fire Station Building Interest Income 502 19 220 0000 5600	\$ 104,063	\$ 63,566	\$ 76,271	\$ 1,940	\$ 0	-100%
Fire Station Fund Miscellaneous Income 502 29 310 3100 5800	3,500,000	0	0	0	0	n/a
Total Fire Station Building Fund 502	\$ 3,604,063	\$ 63,566	\$ 76,271	\$ 1,940	\$ 0	-100%
503 High Desert Government Center						
Reimbursement 503 29 650 6520 5800	\$ 0	\$ 1,877,764	\$ 17,000,000	\$ 13,000,000	\$ 9,000,000	-47%
High Desert Government Center Interest Income 503 19 220 0000 5600	0	0	0	11,604	13,872	n/a
Total Government Center Fund 503	\$ 0	\$ 1,877,764	\$ 17,000,000	\$ 13,011,604	\$ 9,013,872	-47%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Other City Funds (Continued)						
504 City Streets CIP						
Mariposa Rd OPA 504 29 700 7072 5800	\$ 44	\$ 13	\$ 0	\$ 0	\$ 0	n/a
FEMA 2010 504 29 700 7091 4821	0	0	0	0	534,665	n/a
SANBAG Local Stimulus Program 504 29 700 7100 4837	0	0	0	0	850,075	n/a
Rock Springs Rd/Prop 1B 504 29 700 7111 5800	1,381,257	0	0	0	0	n/a
SANBAG Local Stimulus Program 504 29 700 7117 4837	0	0	0	0	400,001	n/a
City Wide Projects Fund Interest 504 19 220 0000 5600	7,305	14,040	100	120	128	28%
Total City Streets CIP Fund 504	\$ 1,388,606	\$ 14,053	\$ 100	\$ 120	\$ 1,784,869	1784769%
505 Government Center Fund						
Government Center Interest 505 19 220 0000 5600	\$ 138,860	\$ 0	\$ 0	\$ 0	\$ 0	n/a
Total Government Center Fund 505	\$ 138,860	\$ 0	\$ 0	\$ 0	\$ 0	n/a
600 Rancho Road Undercrossing Fund						
US DOT-Federal Highway Administration Grant 600 29 700 7046 4700	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,000,000	n/a
NCPDP Grant Reimb 600 29 700 7046 4835	20,965	3,676	0	378,218	1,000,000	n/a
SAFETEA-LU Federal Grant 600 29 700 7046 4833	0	0	499,000	0	4,000,000	702%
SANBAG-STP Grant 600 29 700 7046 4834	0	0	3,400,000	0	3,650,000	7%
Total Rancho Road Undercrossing Fund 600	\$ 20,965	\$ 3,676	\$ 3,899,000	\$ 378,218	\$ 11,650,000	199%
601 Hesperia Branch Library Fund						
HCRA Reimbursement 601 19 220 0000 5800 (Note: This account was processed as a transfer.)	\$ 28,092	\$ 0	\$ 0	\$ 0	\$ 0	n/a
Total Hesperia Branch Library Fund 601	\$ 28,092	\$ 0	\$ 0	\$ 0	\$ 0	n/a

**REVENUE
DETAIL BY FUND**

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Other City Funds (Continued)						
602 Rancho Rd / I-15 Interchange						
SANBAG-STIP 602 29 700 7086 4836	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,034,000	n/a
Total Rancho Rd / I-15 Interchange Fund 602	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,034,000	n/a
885 Mortgage Assistance Trust Fund						
Mortgage Assistance Trust Interest Income 885 19 220 0000 5600	\$ 471	\$ 0	\$ 0	\$ 0	\$ 0	n/a
Total Mortgage Assistance Trust Fund 885	\$ 471	\$ 0	\$ 0	\$ 0	\$ 0	n/a
Streets, Transportation, and Other City Funds Summary						
Streets Capital Improvement Project (CIP) Funds						
201 Measure I - Arterial	\$ 2,424,271	\$ 1,895,500	\$ 1,683,794	\$ 1,282,218	\$ 0	-100%
202 Measure I - Local	1,094,949	864,881	765,691	591,793	0	-100%
204 Measure I - 2010 Renewal	0	0	575,017	461,283	1,842,681	220%
Total Measure I (201, 202)	\$ 3,519,220	\$ 2,760,381	\$ 3,024,502	\$ 2,335,294	\$ 1,842,681	-39%
205 Gas Tax	1,534,129	1,289,452	1,405,180	1,391,478	1,385,288	-1%
206 Gas Tax Swap	0	0	0	0	874,543	n/a
207 Local Transportation	2,074,205	1,166,658	1,350,000	1,281,416	500,064	-63%
250 Traffic Congestion Relief	11,242	746,318	832,351	790,753	0	-100%
300 Street Development Impact Fee	3,104,113	2,083,631	1,620,263	852,841	763,836	-53%
300 Storm Drain Development Impact Fee	573,758	365,544	216,151	196,671	103,132	-52%
504 City Streets CIP	1,388,606	14,053	100	120	1,784,869	1784769%
600 Rancho Rd Undercrossing	20,965	3,676	3,899,000	378,218	11,650,000	199%
602 Rancho Rd / I-15 Interchange	0	0	0	0	7,034,000	
Total Streets CIP Related Revenue Funds	\$ 12,226,238	\$ 8,429,713	\$ 12,347,547	\$ 7,226,791	\$ 25,938,413	110%
Other Transportation Related Funds						
203 Measure I - Transit	184,974	146,360	129,714	99,011	0	-100%
254 AQMD (AB2766 Transit)	31,527	60,533	52,186	48,413	43,412	-17%
263 Public Works Street Maintenance	88,021	69,368	45,800	32,570	32,294	-29%
264 Traffic Signalization	532	211	272	0	0	-100%
400 Measure I Debt Service	61,537	62,271	51,484	8,707	7,862	-85%
Total Other Transportation Funds	\$ 366,591	\$ 338,743	\$ 279,456	\$ 188,701	\$ 83,568	-70%
Total Streets Capital and Other Transportation Funds	\$ 12,592,829	\$ 8,768,456	\$ 12,627,003	\$ 7,415,492	\$ 26,021,981	106%

REVENUE
Streets, Transportation, and Other City Funds Summary (Continued)

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
<u>Streets and Other City Funds Summary (Continued)</u>						
Other City Related Funds						
251 Community Development						
Block Grant	\$ 982,655	\$ 592,606	\$ 1,522,580	\$ 1,492,580	\$ 1,620,112	6%
252 HOME Grant	89,891	3,177,823	60,050	608	60,734	1%
253 CDBG Revolving Loan Program	59,169	19,018	441,298	53,867	54,992	-88%
255 AB3229 Supplemental Law	168,697	104,425	100,000	100,000	107,315	7%
256 Environmental Programs Grants	27,387	32,218	47,802	28,157	68,616	44%
257 Neighborhood Stabilization Program	0	59,369	4,531,849	3,751,496	2,599,175	-43%
259 Reimbursable Grants Fund	0	0	0	0	845,100	n/a
260 Disaster Preparedness Grant	17,006	11,535	18,917	13,416	28,421	50%
302 Fire Development Impact Fee	284,537	197,793	232,782	64,636	110,012	-53%
303 Police Development Impact Fee	172,188	62,906	87,616	29,584	35,192	-60%
304 Public Services Development Impact Fee	715,094	283,248	199,797	170,386	89,606	-55%
305 Emergency Communications	6,734	0	0	0	0	n/a
401 City Debt Service Fund	78,649	23,952	28,396	10,585	9,940	-65%
500 AD 91-1	24,565	7,782	8,421	1,974	0	-100%
501 CFD 91-3	22,963	8,197	9,006	1,957	0	-100%
502 Fire Station Building	3,604,063	63,566	76,271	1,940	0	-100%
503 High Desert County Government Center	0	1,877,764	17,000,000	13,011,604	9,013,872	-47%
505 Civic Plaza	138,860	0	0	0	0	n/a
601 Hesperia Branch Library	28,092	0	0	0	0	n/a
885 Mortgage Assistance Trust	471	0	0	0	0	n/a
Total Other City Related Funds	\$ 6,421,021	\$ 6,522,202	\$ 24,364,785	\$ 18,732,790	\$ 14,643,087	-40%
Total Streets CIP, Other Transportation, and Other City Related Funds	\$ 19,013,849	\$ 15,290,658	\$ 36,991,788	\$ 26,148,282	\$ 40,665,068	10%

**REVENUE
REVENUE DETAIL BY FUND**

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Water Operating Fund (700)						
Taxes						
Secured Property Taxes 700 29 400 4070 4000	\$ 280,443	\$ 281,854	\$ 265,926	\$ 245,000	\$ 235,700	-11%
Standby Charge 700 29 400 4060 4040	76,115	0	0	0	0	n/a
Other Taxes	11,547	11,918	12,719	9,606	6,894	-46%
Total Taxes	\$ 368,105	\$ 293,772	\$ 278,645	\$ 254,606	\$ 242,594	-13%
Interest						
Interest Income 700 29 400 4070 5605	\$ 283,972	\$ 67,712	\$ 33,052	\$ 1,000	\$ 1,200	-96%
Other Interest	408	54	0	0	0	n/a
Total Interest	\$ 284,380	\$ 67,766	\$ 33,052	\$ 1,000	\$ 1,200	-96%
Intergovernmental						
City Rent Charge 700 29 400 4070 5880	\$ 36,921	\$ 57,162	\$ 58,375	\$ 58,375	\$ 58,375	0%
Total Intergovernmental	\$ 36,921	\$ 57,162	\$ 58,375	\$ 58,375	\$ 58,375	0%
Charges for Services						
Water Sales 700 29 400 4060 5100	\$ 11,977,113	\$ 9,655,325	\$ 13,270,713	\$ 8,541,573	\$ 9,088,797	-32%
Water Meter Fees 700 29 400 4070 5140	80,569	26,893	30,000	30,846	30,000	0%
Reconnection Fees 700 29 400 4070 5130	224,233	203,923	198,000	212,972	200,000	1%
Water Inspection 700 29 400 4070 5180	11,050	4,844	5,000	8,100	4,000	-20%
Rent Eagle Plaza 700 29 400 4070 5875	214,015	209,727	231,676	190,421	176,184	-24%
Water Availability Charge 700 29 400 4060 5110	0	4,625,899	5,493,944	5,852,216	6,086,300	11%
Other Charges for Services	68,026	49,877	37,320	43,767	25,500	-32%
Total Charges for Services	\$ 12,575,006	\$ 14,776,488	\$ 19,266,653	\$ 14,879,895	\$ 15,610,781	-19%
Grants						
Grants	\$ 0	\$ 0	\$ 150,000	\$ 0	\$ 0	-100%
Total Grants	\$ 0	\$ 0	\$ 150,000	\$ 0	\$ 0	-100%
Other Operating						
Other Operating	\$ 119,088	\$ 137,140	\$ 136,240	\$ 366,851	\$ 156,844	15%
Total Other Operating	\$ 119,088	\$ 137,140	\$ 136,240	\$ 366,851	\$ 156,844	15%
All Other						
All Other	\$ 43,450	\$ 41,527	\$ 3,000	\$ 17,632	\$ 5,600	87%
Total All Other	\$ 43,450	\$ 41,527	\$ 3,000	\$ 17,632	\$ 5,600	87%
Total Water Operating Fund (700)	\$ 13,426,950	\$ 15,373,855	\$ 19,925,965	\$ 15,578,359	\$ 16,075,394	-19%

**REVENUE
REVENUE DETAIL BY FUND**

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Water Capital Fund (701)						
Charges for Services						
Capital Facility Charges 701 29 400 4070 5120	\$ 2,065,748	\$ 555,920	\$ 620,000	\$ 575,000	\$ 500,000	-19%
Water Capital Surcharge 701 29 400 4060 5110	1,909,524	0	0	0	0	n/a
Other Charges for Services	367,524	146,016	0	167,447	0	n/a
Total Water Capital Fund (701)	\$ 4,342,796	\$ 701,936	\$ 620,000	\$ 742,447	\$ 500,000	-19%
Total Water Operating and Capital Fund Revenue	\$ 17,769,746	\$ 16,075,791	\$ 20,545,965	\$ 16,320,806	\$ 16,575,394	-19%
Sewer Operating Fund (710)						
Interest						
Interest Income 710 19 220 0000 5600	\$ 165,475	\$ 86,965	\$ 92,663	\$ 28,880	\$ 36,686	-60%
Total Interest	\$ 165,475	\$ 86,965	\$ 92,663	\$ 28,880	\$ 36,686	-60%
Charges for Services						
Sewer Billing 710 29 420 4200 5200	\$ 1,911,098	\$ 2,348,109	\$ 2,577,256	\$ 2,727,560	\$ 2,918,492	13%
Sewer Inspections 710 29 420 4200 5250	35,588	16,845	10,000	6,700	6,000	-40%
Other Charges for Services	9,072	4,262	12,405	2,100	1,750	-86%
Total Charges for Service	\$ 1,955,758	\$ 2,369,216	\$ 2,599,661	\$ 2,736,360	\$ 2,926,242	13%
Total Sewer Operating Fund	\$ 2,121,233	\$ 2,456,181	\$ 2,692,324	\$ 2,765,240	\$ 2,962,928	10%
Sewer Capital Fund (711)						
Charges for Services						
Sewer Connections 711 29 420 4200 5220	\$ 705,676	\$ 354,351	\$ 200,000	\$ 380,000	\$ 350,000	75%
Interest Income 711 19 220 0000 5600	109,084	25,854	28,178	9,098	10,144	-64%
Total Sewer Capital Fund (711)	\$ 814,760	\$ 380,205	\$ 228,178	\$ 389,098	\$ 360,144	58%
Total Sewer Operating & Capital	\$ 2,935,993	\$ 2,836,386	\$ 2,920,502	\$ 3,154,338	\$ 3,323,072	14%
TOTAL WATER DISTRICT (700, 701, 710, 711)						
	\$ 20,705,739	\$ 18,912,177	\$ 23,466,467	\$ 19,475,144	\$ 19,898,466	-15%

**REVENUE
DETAIL BY FUND**

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
200 Fire District Fund						
Taxes						
Secured Property Taxes 200 55 521 0000 4000	\$ 4,281,570	\$ 4,302,048	\$ 4,053,014	\$ 3,842,257	\$ 3,729,295	-8%
Fire Assessment 200 55 521 0000 4020	2,445	633	0	400	0	n/a
CFD #94-1 200 55 521 0000 4030	285,290	435,571	432,000	500,000	509,000	18%
CFD #2005-1 200 55 521 0000 4031	0	0	0	0	536,628	n/a
Redevelopment Agency Pass- Through 200 55 521 0000 4090	1,955,274	1,973,124	2,081,018	1,551,516	1,016,397	-51%
Total Taxes	\$ 6,524,580	\$ 6,711,376	\$ 6,566,032	\$ 5,894,173	\$ 5,791,320	-12%
Interest						
Interest Income 200 19 220 0000 5600	\$ 63,279	\$ 25,532	\$ 26,256	\$ 2,514	\$ 3,077	-88%
Other Interest	3,396	3,396	3,400	3,400	3,400	0%
Total Interest	\$ 66,675	\$ 28,928	\$ 29,656	\$ 5,914	\$ 6,477	-78%
Charges for Services						
Hazard Abatement 200 55 523 0000 5366	\$ 1,070	\$ 0	\$ 0	\$ 0	\$ 0	n/a
State Regulated Inspections 200 55 523 0000 5330	816	1,760	2,000	2,000	2,000	0%
Tenant Improvement Plans Review 200 55 523 0000 4963	11,485	13,715	15,000	2,000	2,000	-87%
Burn Permits 200 55 523 0000 4340	2,960	4,170	3,460	3,300	3,300	-5%
Paramedic Ambulance Fees 200 55 525 0000 5300	1,810,323	1,778,619	1,900,000	1,900,000	1,900,000	0%
Non-Transport EMS Charge 200 55 525 0000 5315	72,349	82,564	75,000	100,000	95,000	27%
Ambulance Membership Service 200 55 525 0000 5305	24,343	20,700	21,000	21,000	21,000	0%
City/County HazMat Contract 200 55 527 0000 5368	133,000	141,573	146,561	146,561	149,658	2%
Other Charges for Services	121,316	88,644	72,350	73,600	73,000	1%
Total Charges for Services	\$ 2,177,662	\$ 2,131,745	\$ 2,235,371	\$ 2,248,461	\$ 2,245,958	0%

**REVENUE
DETAIL BY FUND**

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
200 Fire District Fund (Continued)						
Grants						
Other Grants	\$ 1,871	\$ 0	\$ 0	\$ 0	\$ 0	n/a
Total Grants	\$ 1,871	\$ 0	\$ 0	\$ 0	\$ 0	n/a
Other Operating						
Cingular Cell Tower Rent 200 19 220 0000 5885	\$ 29,056	\$ 30,242	\$ 30,144	\$ 31,000	\$ 31,000	3%
Insurance Reimbursements 200 19 220 0000 5803	0	72,980	0	0	0	n/a
State Mandated Claims Reimbursements 0200 8101 4030 5216 0000	24,392	0	1,673	0	2,000	20%
Other Operating	0	0	0	0	0	n/a
Total Other Operating	\$ 53,448	\$ 103,222	\$ 31,817	\$ 31,000	\$ 33,000	4%
All Other						
All Other	\$ 220	\$ 63	\$ 0	\$ 0	\$ 0	n/a
Total All Other	\$ 220	\$ 63	\$ 0	\$ 0	\$ 0	n/a
Total Fire District Fund	\$ 8,824,455	\$ 8,975,334	\$ 8,862,876	\$ 8,179,548	\$ 8,076,755	-9%
TOTAL REVENUE ALL FUNDS	\$ 116,575,057	\$ 110,055,499	\$ 131,569,351	\$ 103,288,803	\$ 108,917,651	-17%

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EXPENDITURE SUMMARY

- *Overview and Summary*
- *Total Expenditures by Department*
- *Total Expenditures by Major Expenditure Account*
- *Total Expenditures by Major Expenditure Classification*
- *Total General Fund Expenditures by Department*
- *Total General Fund Expenditures by Major Expenditure Account*
- *Total Redevelopment Agency Expenditures by Major Expenditure Account*
- *Summary Expenditures by Department*
- *Total Expenditures by Fund, Department, and Program*
- *Total Expenditures by Department and Programs*
- *Total Expenditures by Account*

Overview and Summary

Overview

The Expenditure Summary section presents the budgeted expenditures for all City funds and presents the information in different formats to provide the reader with various perspectives of the expenditure of funds.

Three departments (City Council, City Manager, and Management Services) expend resources to manage and direct the affairs of the City. Two departments (Police and Fire) expend resources to ensure the safety of the citizens of Hesperia. Two departments, Development Services and Economic Development, oversee the development activities of the City, including all Capital Improvements.

Cash basis of accounting is utilized for budgetary reporting purposes. Expenditures or expenses are recorded only when cash is disbursed. In addition, depreciation of vehicles and equipment, and amortization of debt is not reflected in the budget for the proprietary funds (700 - Water Operating Fund, 701 - Water Capital Projects Fund, 710 - Sewer Operating Fund, 711 Sewer Capital Projects Fund).

Budget controls exist to ensure proper authorization for expenditures. The following schedules present an overview of proposed expenditures by department and by expenditure classification.

Summary of Budgeted Expenditures

Overall, budgeted expenditures are expected to decrease by 25% from the 2009-10 Budget.

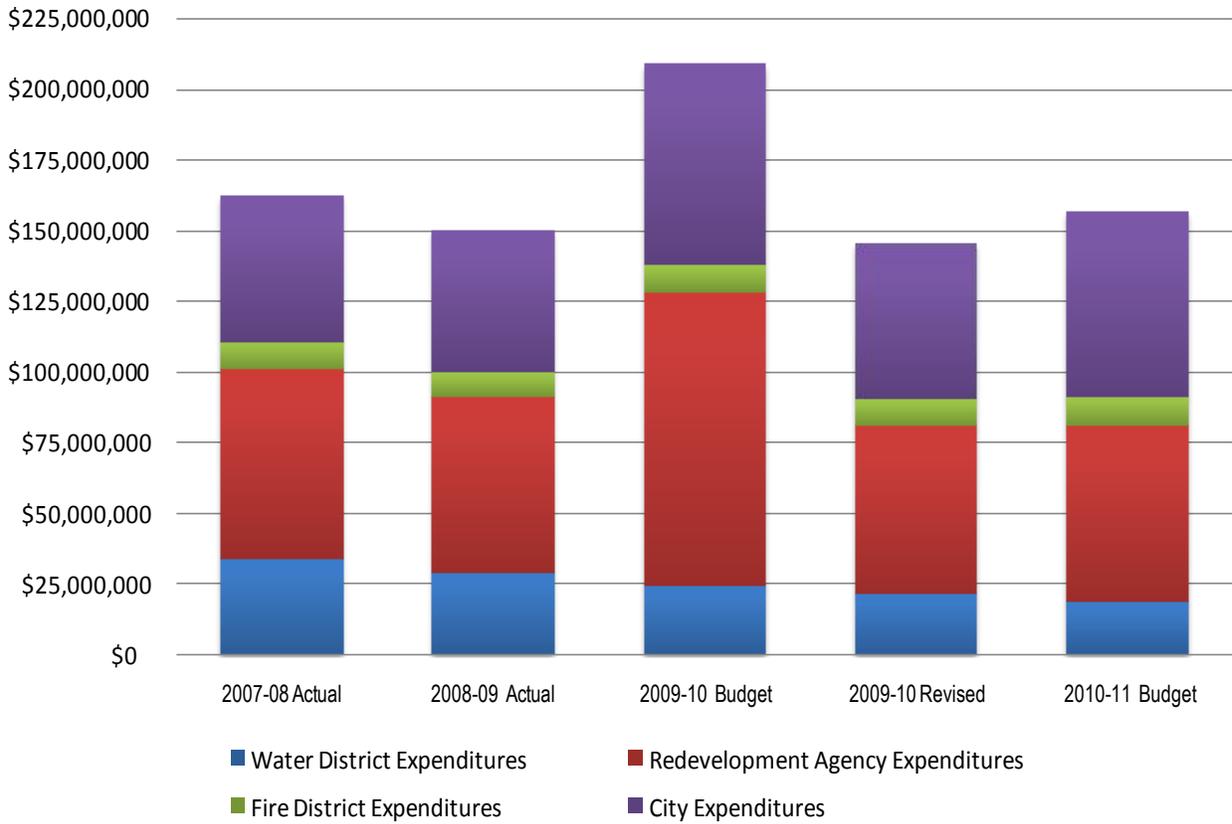
Overall Expenditures Highlights:

As indicated on the chart and table on the following page:

- City related expenditures, which account for normal operations and services provided by the City, are expected to decrease by 7%. The primary reason for the decrease is the reduction of expenditures in the General Fund by \$2.0 million or 8% from the 2009-10 Budget.
- Fire District expenditures are expected to decrease by 1%. The primary expenditure for the Fire District is the contract for the fire and emergency response services provided by the County of San Bernardino.
- The Redevelopment Agency expenditures, which are used to eliminate blight within the project area, are expected to decrease by 40% during FY 2010-11.
- It is expected that the Water District will decrease expenditures by \$6.0 million or 25% during FY 2010-11.

EXPENDITURE SUMMARIES

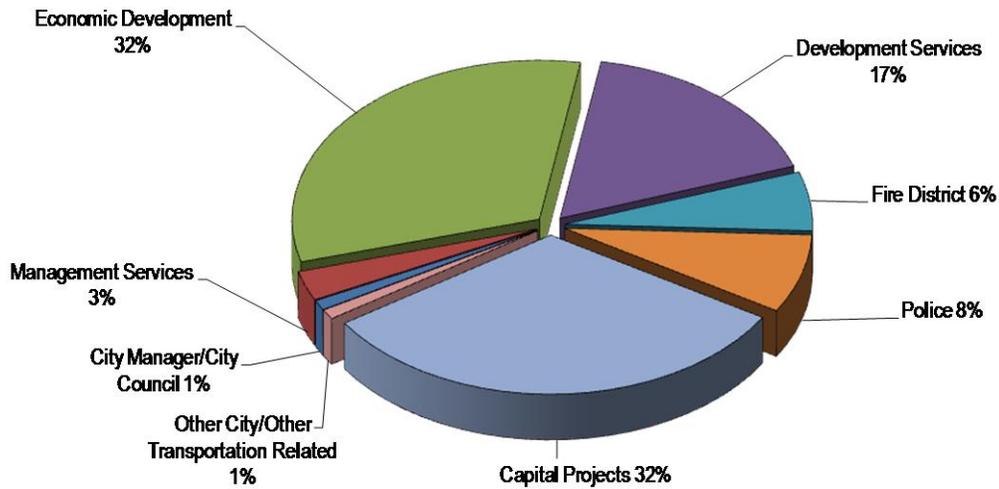
2010-11 Budgeted Expenditures Overview



Budgeted Expenditures	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
City Expenditures	\$ 51,261,048	\$ 49,615,115	\$ 71,272,595	\$ 55,080,674	\$ 66,073,999
Fire District Expenditures	9,924,241	9,410,945	9,718,319	9,698,350	9,690,890
Redevelopment Agency Expenditures	67,360,876	61,900,400	103,865,808	59,257,354	62,734,850
Water District Expenditures	33,663,161	28,956,048	24,404,017	21,585,410	18,389,508
Total Budgeted Expenditures	\$ 162,209,326	\$ 149,882,508	\$ 209,260,739	\$ 145,621,788	\$ 156,889,247

EXPENDITURE SUMMARIES

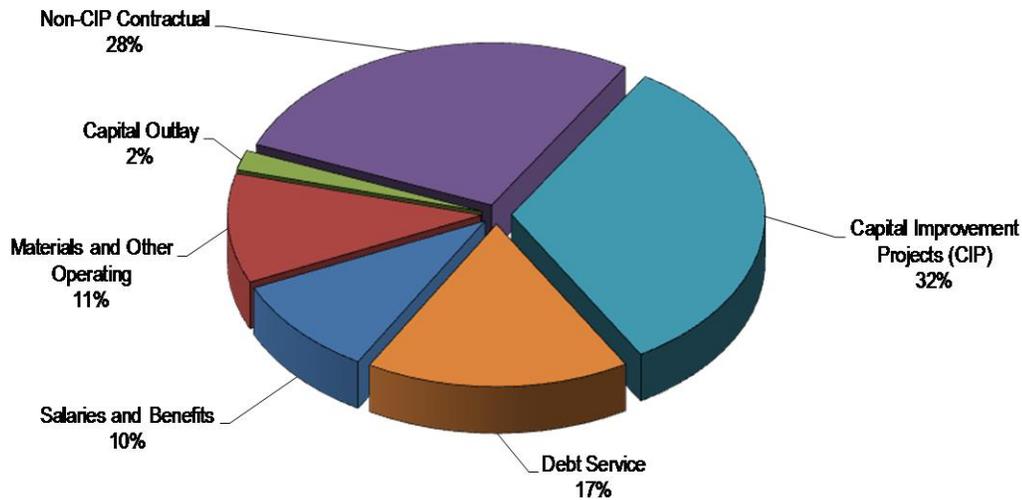
Total Expenditures by Department
2010-11 Budget



DEPARTMENTS	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% of Budget	% Change From 2009-10 Budget
City Council	\$ 786,753	\$ 739,854	\$ 705,870	\$ 719,352	\$ 679,572	0%	-4%
City Manager	\$ 1,491,643	\$ 1,433,998	\$ 1,325,212	\$ 1,290,692	\$ 1,176,970	1%	-11%
Management Services	\$ 4,333,264	\$ 4,544,905	\$ 4,278,955	\$ 6,986,959	\$ 3,960,050	3%	-7%
Economic Development							
Redevelopment Agency	\$ 44,450,055	\$ 42,610,956	\$ 61,940,637	\$ 33,562,623	\$ 46,784,117	30%	-24%
C.D.B.G.	1,048,325	3,922,458	7,283,511	4,637,470	2,986,023	2%	-59%
Total Economic Development	\$ 45,498,380	\$ 46,533,414	\$ 69,224,148	\$ 38,200,093	\$ 49,770,140	32%	-28%
Development Services							
Community Development	\$ 3,401,277	\$ 2,811,388	\$ 2,690,509	\$ 2,553,567	\$ 1,761,754	1%	-35%
Code Compliance	2,032,359	2,139,789	2,393,415	1,956,302	2,006,998	1%	-16%
Public Works	5,147,247	4,651,008	4,726,662	4,374,155	4,408,276	3%	-7%
Water Operations	16,755,212	17,329,587	18,908,566	16,950,324	16,112,152	10%	-15%
Sewer Operations	1,345,827	1,547,985	1,969,272	1,943,310	2,277,356	1%	16%
Total Development Services	\$ 28,681,922	\$ 28,479,757	\$ 30,688,424	\$ 27,777,658	\$ 26,566,536	17%	-13%
Police	\$ 10,792,548	\$ 11,303,523	\$ 12,086,697	\$ 11,469,197	\$ 11,881,560	8%	-2%
Fire District	\$ 9,924,241	\$ 9,410,945	\$ 9,718,319	\$ 9,698,350	\$ 9,690,890	6%	0%
Other Transportation Related Expenditures	\$ 2,262,402	\$ 1,405,168	\$ 1,696,488	\$ 1,687,462	\$ 825,718	1%	-51%
Other City Related Expenditures	\$ 4,730,269	\$ 522,271	\$ 853,005	\$ 454,939	\$ 611,877	0%	-28%
Capital Improvement Plan							
C I P - Facilities	\$ 383,678	\$ 5,517,470	\$ 19,918,271	\$ 16,066,574	\$ 12,220,100	8%	-39%
C I P - Redevelopment Agency	22,910,821	19,289,444	41,925,171	25,694,731	15,950,733	10%	-62%
C I P - Streets	14,851,283	10,623,283	13,314,000	2,884,005	23,555,101	15%	77%
C I P - Water	15,163,335	7,922,790	3,526,179	2,595,667	0	0%	-100%
C I P - Sewer	398,787	2,155,686	0	96,109	0	0%	n/a
Total Capital Improvement Plan	\$ 53,707,904	\$ 45,508,673	\$ 78,683,621	\$ 47,337,086	\$ 51,725,934	33%	-34%
Total City Expenditures	\$ 162,209,326	\$ 149,882,508	\$ 209,260,739	\$ 145,621,788	\$ 156,889,247	100%	-25%

EXPENDITURE SUMMARIES

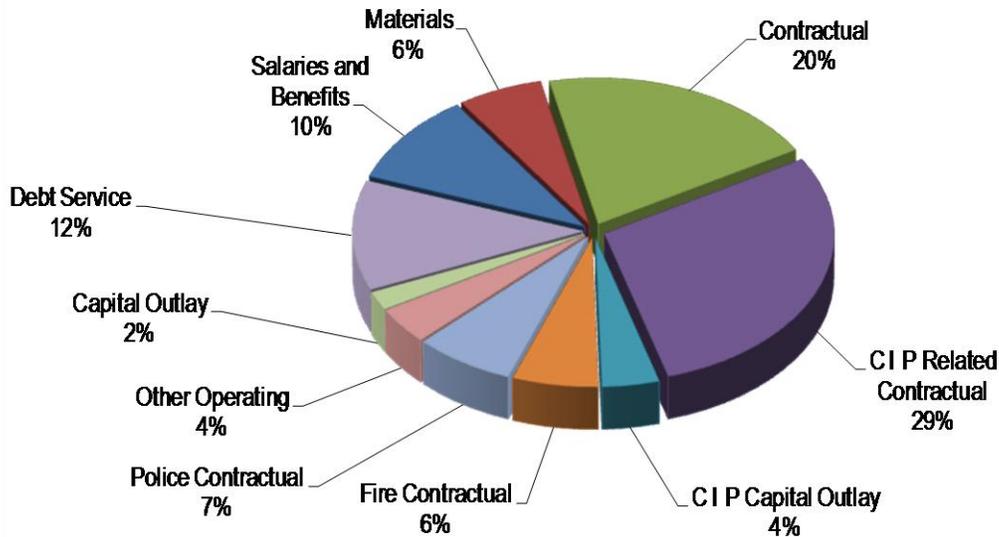
Total Expenditures by Major Expenditure Classification
2010-11 Budget



DEPARTMENTS	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% of Budget	% Change From
							2009-10 Budget
Salaries and Benefits	\$ 15,571,327	\$ 17,130,452	\$ 17,970,335	\$ 16,955,729	\$ 15,606,267	10%	-13%
Materials and Other Operating	12,432,236	12,539,479	15,592,206	12,771,458	16,930,749	11%	9%
Capital Outlay	16,472,499	1,747,241	10,549,148	9,569,295	2,647,032	2%	-75%
Non-CIP Contractual							
Contractual	6,741,546	13,902,137	6,771,792	5,757,788	6,219,414	4%	-8%
Police Contractual	10,638,425	11,071,293	11,250,697	11,145,697	11,469,387	7%	2%
Fire Contractual	8,091,789	9,166,872	9,429,339	9,429,339	9,452,569	6%	0%
Redevelopment Agency (RDA)							
Contractual	7,095,800	5,971,110	24,361,186	1,705,309	16,703,669	11%	-31%
Total Non-CIP Contractual	32,567,560	40,111,412	51,813,014	28,038,133	43,845,039	28%	-15%
Capital Improvement Plan (CIP)							
C I P - Facilities	383,678	5,517,470	19,918,271	16,066,574	12,220,100	8%	-39%
C I P - Redevelopment Agency	22,910,821	19,289,444	41,925,171	25,694,731	15,950,733	10%	-62%
C I P - Streets	14,851,283	10,623,283	13,314,000	2,884,005	23,555,101	15%	77%
C I P - Water	15,163,335	7,922,790	3,526,179	2,595,667	0	0%	-100%
C I P - Sewer	398,787	2,155,686	0	96,109	0	0%	0%
Total CIP	53,707,904	45,508,673	78,683,621	47,337,086	51,725,934	33%	-34%
Debt Service							
Debt Service	8,637,572	3,505,953	4,509,829	3,894,044	3,259,395	2%	-28%
RDA - Debt Service	7,278,257	13,629,535	13,596,732	15,077,738	14,799,996	9%	9%
RDA - Contractual Pass Through	15,541,971	15,709,763	16,545,854	11,978,305	8,074,835	5%	-51%
Total Debt Service	31,457,800	32,845,251	34,652,415	30,950,087	26,134,226	17%	-25%
Total Expenditures	\$ 162,209,326	\$ 149,882,508	\$ 209,260,739	\$ 145,621,788	\$ 156,889,247	100%	-25%

EXPENDITURE SUMMARIES

Total Expenditures by Major Expenditure Account 2010-11 Budget



DEPARTMENTS	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% of Budget	% Change From 2009-10 Budget
Salaries and Benefits							
Salaries	\$ 11,093,107	\$ 12,124,229	\$ 12,689,783	\$ 11,977,436	\$ 11,505,328	7%	-9%
Benefits	4,478,220	5,006,223	5,280,552	4,978,293	4,100,939	3%	-22%
Total Salaries and Benefits	15,571,327	17,130,452	17,970,335	16,955,729	15,606,267	10%	-13%
Materials	10,243,746	10,527,074	12,096,617	9,853,844	10,183,523	6%	-16%
Contractual	29,379,317	35,583,010	47,678,832	19,441,402	30,997,918	20%	-35%
C I P Related Contractual	42,542,655	35,970,903	70,583,621	45,419,783	44,691,934	29%	-37%
Fire Contractual	8,091,789	9,166,872	9,429,339	9,429,339	9,452,569	6%	0%
Police Contractual	10,638,425	11,071,293	11,250,697	11,145,697	11,469,387	7%	2%
Other Operating	2,188,490	2,012,405	3,495,589	2,917,614	6,747,226	4%	93%
Capital Outlay	16,472,499	1,747,241	10,549,148	9,569,295	2,647,032	2%	-75%
C I P Capital Outlay	11,165,249	9,537,770	8,100,000	1,917,303	7,034,000	4%	-13%
Debt Service	15,915,829	17,135,488	18,106,561	18,971,782	18,059,391	12%	0%
Total Expenditures	\$ 162,209,326	\$ 149,882,508	\$ 209,260,739	\$ 145,621,788	\$ 156,889,247	100%	-25%

OVERALL EXPENDITURES HIGHLIGHTS:

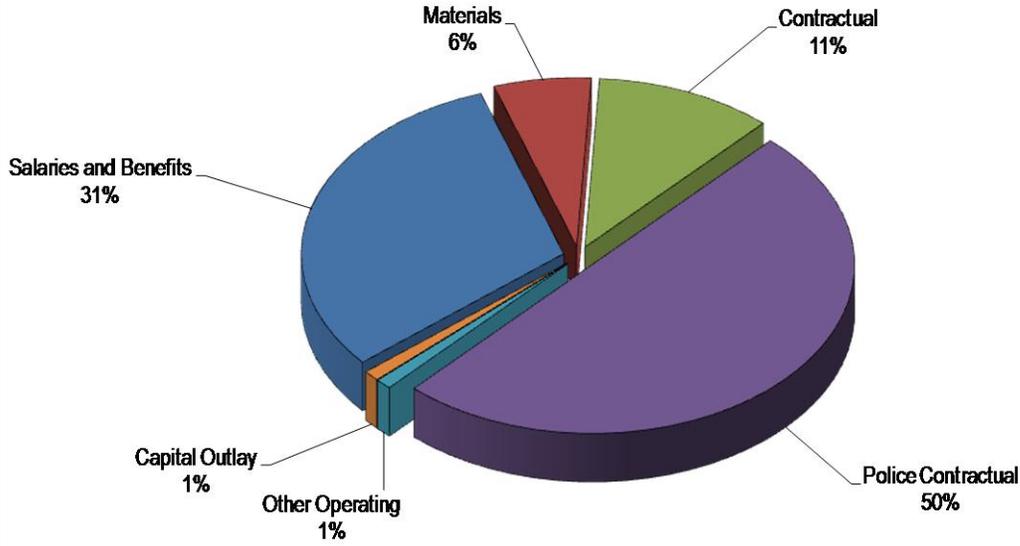
Overall, budgeted expenditures are down 25% from the 2009-10 Budget.

The following is a brief discussion of the total expenditures:

- The overall Salaries and Benefits represent a reduction of 13% for the 2010-11 Budget. The reduction is achieved by the eleven (11) vacant positions and a 5% reduction to salaries, which is effective July 1, 2010.
- Police and Fire Contractual are remaining flat at 2% and 0%, respectively, for the next fiscal year, which will maintain the current level of service.
- Other Operating is expected to increase by \$3.2 million or 93%. The increase is primarily grant fund related expenditures for solar panels at the new Police Station of \$0.8 million and the industrial park lead track project (rail spur) of \$2 million.
- C I P Related Contractual is expected to decrease by 37%. In addition, C I P Capital Outlay is expected to decrease by 13% or \$1 million over FY 2009-10 Budget.

EXPENDITURE SUMMARIES

Total General Fund Expenditures by Major Expenditure Account 2010-11 Budget



DEPARTMENTS	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% of Budget	% Change From 2009-10 Budget
Salaries and Benefits							
Salaries	\$ 5,537,613	\$ 6,122,804	\$ 5,995,744	\$ 5,630,458	\$ 5,204,761	23%	-13%
Benefits	2,217,973	2,519,650	2,515,157	2,385,756	1,824,309	8%	-27%
Total Salaries and Benefits	7,755,586	8,642,454	8,510,901	8,016,214	7,029,070	31%	-17%
Materials	1,582,670	1,400,394	1,521,138	1,207,965	1,305,323	6%	-14%
Contractual	4,396,515	2,964,179	3,094,501	3,014,417	2,590,601	11%	-16%
Police Contractual	10,638,425	11,071,293	11,250,697	11,145,697	11,469,387	50%	2%
Other Operating	511,460	372,426	402,721	317,612	340,541	1%	-15%
Capital Outlay	337,569	54,729	10,000	2,650,218	10,000	1%	0%
Total General Fund Expenditures	\$ 25,222,225	\$ 24,505,475	\$ 24,789,958	\$ 26,352,123	\$ 22,744,922	100%	-8%

GENERAL FUND BY DEPARTMENT EXPENDITURES HIGHLIGHTS:

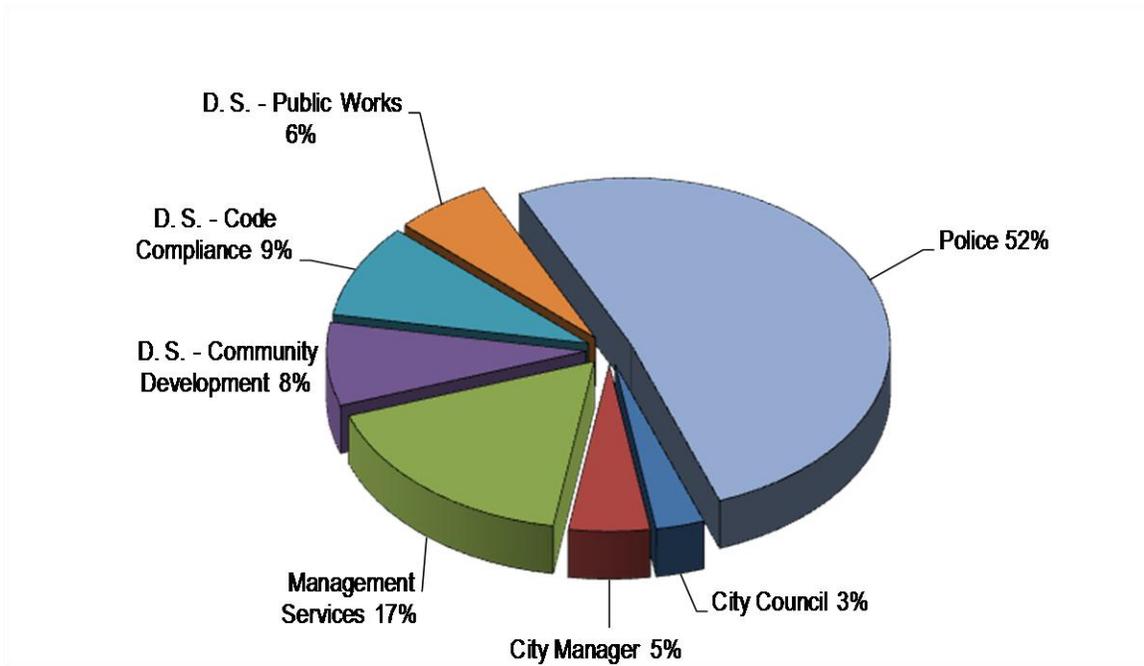
Overall, General Fund budgeted expenditures are expected to decrease by \$2.0 million or 8% from the 2009-10 Budget.

The following is a brief discussion of the General Fund expenditures:

- The overall Salaries and Benefits for the General Fund are expected to decrease by 17% for the 2010-11 Budget. The decrease is related to the elimination of vacant full-time positions, along with the 5% salary reduction that will be effective on July 1, 2010.
- Materials, Contractual, and Other Operating related expenditures are expected to significantly decrease in the 2010-11 Budget, as a result of cost cutting measures.
- Police Contractual, which represents 50% of the General Fund budget, is expected to remain relatively flat with a modest 2% increase for the 2010-11 Budget.

EXPENDITURE SUMMARIES

Total General Fund Expenditures by Department
2010-11 Budget



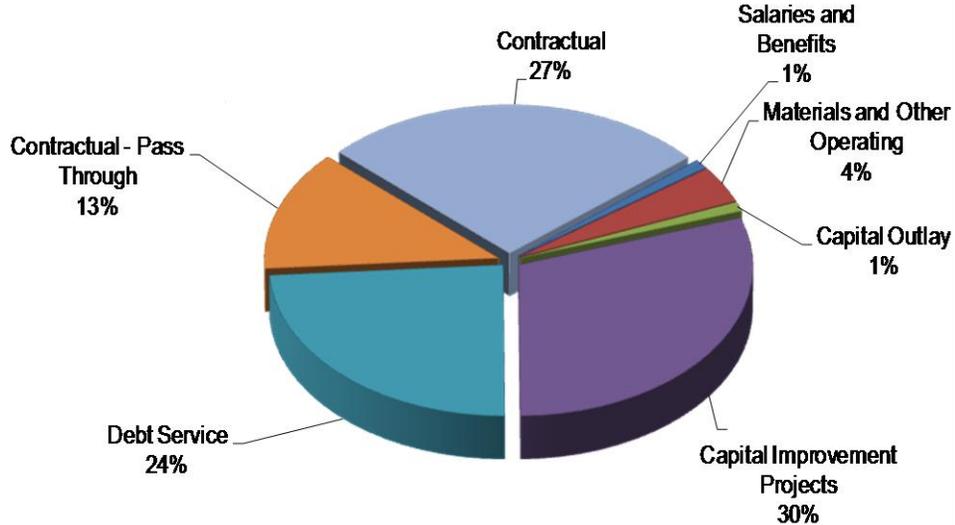
DEPARTMENTS	2007-08 Actual	2008-09 Actual	2008-09 Budget	2009-10 Revised	2010-11 Budget	% of Budget	% Change From 2009-10 Budget
City Council	\$ 786,753	\$ 739,854	\$ 705,870	\$ 719,352	\$ 679,572	3%	-4%
City Manager	1,491,643	1,433,998	1,325,212	1,290,692	1,176,970	5%	-11%
Management Services	4,333,264	4,544,905	4,278,955	6,986,959	3,960,050	17%	-7%
Development Services							
D. S. - Community Development	3,401,277	2,811,388	2,690,509	2,553,567	1,761,754	8%	-35%
D. S. - Code Compliance	2,032,359	2,139,789	2,393,415	1,956,302	2,006,998	9%	-16%
D. S. - Public Works	1,818,206	1,532,018	1,309,300	1,250,768	1,278,018	6%	-2%
D. S. - Capital Improvement Projects	566,175	0	0	125,286	0	0%	0%
Development Services Total	7,818,017	6,483,195	6,393,224	5,885,923	5,046,770	23%	-21%
Police	10,792,548	11,303,523	12,086,697	11,469,197	11,881,560	52%	-2%
Total General Fund Expenditures	\$ 25,222,225	\$ 24,505,475	\$ 24,789,958	\$ 26,352,123	\$ 22,744,922	100%	-8%

GENERAL FUND BY DEPARTMENT EXPENDITURES HIGHLIGHTS:

All departments have significantly reduced General Fund expenditures.

EXPENDITURE SUMMARIES

Total Redevelopment Agency (RDA) Expenditures by Major Expenditure Account 2010-11 Budget



DEPARTMENTS	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% of Budget	% Change From 2009-10 Budget
Salaries and Benefits	\$ 856,986	\$ 955,803	\$ 1,086,975	\$ 1,072,123	\$ 916,592	1%	-16%
Materials and Other Operating	531,767	542,552	517,390	563,504	2,668,694	4%	416%
Capital Outlay	13,145,274	5,802,192	5,832,500	3,054,987	865,000	1%	-85%
Contractual	7,095,800	5,971,110	24,361,186	1,705,309	16,703,669	27%	-31%
Capital Improvement Plan							
Contractual - CIP	20,800,645	16,818,719	39,914,171	24,161,273	17,291,064	28%	-57%
Capital Outlay - CIP	2,110,176	2,470,726	2,011,000	1,644,115	1,415,000	2%	-30%
Total CIP	22,910,821	19,289,445	41,925,171	25,805,388	18,706,064	30%	-55%
Debt Service							
Debt Service	7,278,257	13,629,535	13,596,732	15,077,738	14,799,996	24%	9%
Contractual - Pass Through	15,541,971	15,709,763	16,545,854	11,978,305	8,074,835	13%	-51%
Total Debt Service	22,820,228	29,339,298	30,142,586	27,056,043	22,874,831	37%	-24%
Total RDA Expenditures	\$ 67,360,876	\$ 61,900,400	\$ 103,865,808	\$ 59,257,354	\$ 62,734,850	100%	-40%

REDEVELOPMENT AGENCY EXPENDITURES HIGHLIGHTS:

Overall, Redevelopment Agency (RDA) budgeted expenditures are expected to decrease by 40% in the 2010-11 Budget. The primary reason for the decrease is a \$23 million reduction of Capital Improvement Plan expenditures and an \$8 million reduction of Pass-Through Obligations.

The following is a brief discussion of the RDA expenditures:

- The overall Salaries and Benefits for the Redevelopment Agency are expected to decrease by 16% for the 2010-11 Budget. The decrease is primarily due to 5% salary reduction that will be effective on July 1, 2010, along with the reallocation of various positions from the RDA.
- Contractual related expenditures are expected to significantly decrease from the 2010-11 Budget.
- Debt service, while it represents 37% of the total RDA budget, is expected to decrease 24% during 2010-11, which is due to a \$8.4 million or 51% decrease in Pass-through obligations.
- Materials and Other Operating is expected to increase by \$2.1 million or 416%. This increase is due to an \$2 million U.S. Department of Commerce Economic Development Administration (EDA) grant for the Industrial Park Lead Track Project (rail spur).

EXPENDITURE SUMMARIES

SUMMARY EXPENDITURES BY DEPARTMENT

DEPARTMENTS	2007-08	2008-09	2009-10	2009-10	2010-11	% Change
	Actual	Actual	Budget	Revised	Budget	From 2009-10 Budget
City Council	\$ 786,753	\$ 739,854	\$ 705,870	\$ 719,352	\$ 679,572	-4%
City Manager	\$ 1,491,643	\$ 1,433,998	\$ 1,325,212	\$ 1,290,692	\$ 1,176,970	-11%
Management Services	\$ 4,333,264	\$ 4,544,905	\$ 4,278,955	\$ 6,986,959	\$ 3,960,050	-7%
Economic Development						
Redevelopment Agency	\$ 44,450,055	\$ 42,610,956	\$ 61,940,637	\$ 33,562,623	\$ 46,784,117	-24%
C.D.B.G.	1,048,325	3,922,458	7,283,511	4,637,470	2,986,023	-59%
Total Economic Development	\$ 45,498,380	\$ 46,533,414	\$ 69,224,148	\$ 38,200,093	\$ 49,770,140	-28%
Development Services						
Community Development	\$ 3,401,277	\$ 2,811,388	\$ 2,690,509	\$ 2,553,567	\$ 1,761,754	-35%
Code Compliance	2,032,359	2,139,789	2,393,415	1,956,302	2,006,998	-16%
Public Works	5,147,247	4,651,008	4,726,662	4,374,155	4,408,276	-7%
Water Operations	16,755,212	17,329,587	18,908,566	16,950,324	16,112,152	-15%
Sewer Operations	1,345,827	1,547,985	1,969,272	1,943,310	2,277,356	16%
Total Development Services	\$ 28,681,922	\$ 28,479,757	\$ 30,688,424	\$ 27,777,658	\$ 26,566,536	-13%
Police	\$ 10,792,548	\$ 11,303,523	\$ 12,086,697	\$ 11,469,197	\$ 11,881,560	-2%
Fire District	\$ 9,924,241	\$ 9,410,945	\$ 9,718,319	\$ 9,698,350	\$ 9,690,890	0%
Total Other Transportation Related Expenditures	\$ 2,262,402	\$ 1,405,168	\$ 1,696,488	\$ 1,687,462	\$ 825,718	-51%
Total Other City Related Expenditures	\$ 4,730,269	\$ 522,271	\$ 853,005	\$ 454,939	\$ 611,877	-28%
Capital Improvement Plan						
C I P - Facilities	\$ 383,678	\$ 5,517,470	\$ 19,918,271	\$ 16,066,574	\$ 12,220,100	-39%
C I P - RDA	22,910,821	19,289,444	41,925,171	25,694,731	15,950,733	-62%
C I P - Streets	14,851,283	10,623,283	13,314,000	2,884,005	23,555,101	77%
C I P - Water	15,163,335	7,922,790	3,526,179	2,595,667	0	-100%
C I P - Sewer	398,787	2,155,686	0	96,109	0	0%
Total Capital Improvement Plan	\$ 53,707,904	\$ 45,508,673	\$ 78,683,621	\$ 47,337,086	\$ 51,725,934	-34%
Total City Expenditures by Department	\$ 162,209,326	\$ 149,882,508	\$ 209,260,739	\$ 145,621,788	\$ 156,889,247	-25%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM

EXPENDITURES BY FUND	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
General Fund						
City Council						
100 100 City Council	\$ 404,258	\$ 375,980	\$ 380,870	\$ 394,352	\$ 354,572	-7%
100 102 City Attorney	382,495	363,874	325,000	325,000	325,000	0%
Total City Council	\$ 786,753	\$ 739,854	\$ 705,870	\$ 719,352	\$ 679,572	-4%
City Manager						
100 200 City Manager	\$ 1,076,542	\$ 995,660	\$ 957,914	\$ 922,805	\$ 827,761	-14%
100 210 City Clerk	415,101	438,338	367,298	367,887	349,209	-5%
Total City Manager	\$ 1,491,643	\$ 1,433,998	\$ 1,325,212	\$ 1,290,692	\$ 1,176,970	-11%
Management Services						
100 220 Finance	\$ 1,700,775	\$ 1,647,332	\$ 1,551,470	\$ 4,153,656	\$ 1,402,569	-10%
100 225 Human Resources/ Risk Mgmt.	1,336,887	1,500,170	1,444,399	1,545,979	1,403,464	-3%
100 228 Mgmt. Information Services	1,295,602	1,397,403	1,283,086	1,287,324	1,154,017	-10%
Total Management Services	\$ 4,333,264	\$ 4,544,905	\$ 4,278,955	\$ 6,986,959	\$ 3,960,050	-7%
D. S. - Community Development						
100 3000 Planning	\$ 1,851,166	\$ 1,462,968	\$ 1,497,449	\$ 1,478,316	\$ 1,003,652	-33%
100 3020 Building & Safety	1,550,111	1,348,420	1,193,060	1,075,251	758,102	-36%
Total D. S. Community Development	\$ 3,401,277	\$ 2,811,388	\$ 2,690,509	\$ 2,553,567	\$ 1,761,754	-35%
D. S. - Code Compliance						
100 3010 Code Enforcement	\$ 802,487	\$ 957,591	\$ 979,618	\$ 817,722	\$ 824,559	-16%
100 5000 Animal Control	1,229,872	1,182,198	1,413,797	1,138,580	1,182,439	-16%
Total D. S. Code Compliance	\$ 2,032,359	\$ 2,139,789	\$ 2,393,415	\$ 1,956,302	\$ 2,006,998	-16%
D. S. - Public Works						
100 3100 Engineering	\$ 1,174,653	\$ 884,281	\$ 572,541	\$ 529,676	\$ 519,782	-9%
100 3110 Building Maintenance	643,553	647,737	736,759	721,092	758,236	3%
100 Capital Improvement Program	566,175	0	0	125,286	0	0%
Total D. S. - Public Works	\$ 2,384,381	\$ 1,532,018	\$ 1,309,300	\$ 1,376,054	\$ 1,278,018	-2%
100 510 Police	\$ 10,792,548	\$ 11,303,523	\$ 12,086,697	\$ 11,469,197	\$ 11,881,560	-2%
Total General Fund Expenditures	\$ 25,222,225	\$ 24,505,475	\$ 24,789,958	\$ 26,352,123	\$ 22,744,922	-8%
Redevelopment Agency Funds						
385 RDA Low/Moderate Income	\$ 10,269,274	\$ 11,110,651	\$ 26,315,487	\$ 6,251,095	\$ 24,446,725	-7%
389 RDA Administration	1,515,989	1,459,008	1,867,173	1,475,761	1,583,961	-15%
486 RDA Debt Service Project Area #1	18,663,846	23,077,694	23,758,655	21,189,892	17,348,901	-27%
487 RDA Debt Service Project Area #2	1,774,317	2,015,658	2,224,322	1,706,589	1,369,530	-38%
586 RDA Capital Improvements Area #1	32,985,528	24,162,024	45,499,498	28,632,017	14,185,060	-69%
587 RDA Capital Improvements Area #2	2,151,922	75,365	2,498,638	2,000	2,098,638	-16%
588 V V E D A	0	0	1,702,035	0	1,702,035	0%
Total RDA Expenditures	\$ 67,360,876	\$ 61,900,400	\$ 103,865,808	\$ 59,257,354	\$ 62,734,850	-40%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM

EXPENDITURES BY FUND	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
<u>C.D.B.G Funds</u>						
251 C.D.B.G Administration	\$ 460,124	\$ 575,305	\$ 1,477,664	\$ 885,974	\$ 1,572,665	6%
252 C.D.B.G Home Grant	63,295	3,017,783	0	0	0	0%
253 C.D.B.G Revolving Loans	524,906	270,000	1,273,998	0	997,610	-22%
257 Neighborhood Stabilization Program	0	59,370	4,531,849	3,751,496	781,083	-83%
Total C.D.B.G Expenditures	\$ 1,048,325	\$ 3,922,458	\$ 7,283,511	\$ 4,637,470	\$ 3,351,358	-54%
<u>D. S. - Public Works Funds</u>						
263 310 Street Maintenance Fund	\$ 3,329,041	\$ 3,118,990	\$ 3,417,362	\$ 3,123,387	\$ 3,130,258	-8%
<u>Streets Capital Improvement Projects (CIP) Funds</u>						
201 Measure I - Arterial	\$ 2,279,917	\$ 4,996,077	\$ 655,000	\$ 62,386	\$ 400,000	-39%
202 Measure I - Local	977,227	1,471,244	0	0	0	0%
204 Measure I - 2010 Renewal	0	0	0	0	265,000	100%
205 Gas Tax Fund	216,106	277,722	0	0	0	0%
206 Gas Tax Swap Fund	0	0	0	0	0	0%
207 Article 8 Local Transportation Fund	144	0	0	0	0	0%
250 Traffic Congestion Relief	0	505,687	0	0	0	0%
300 Streets Development Impact Fee	9,910,451	2,307,192	8,510,000	2,249,000	2,351,025	-72%
301 Storm Drain Development Impact Fee	1,144,723	100,314	250,000	69,115	0	-100%
504 City Wide Streets Projects	0	1,381,257	0	0	1,784,741	100%
600 Rancho Road Undercrossing	20,965	3,676	3,899,000	378,218	11,650,000	199%
602 Rancho Rd/I-15 Interchange	0	0	0	0	7,034,000	100%
Total Streets CIP Funds	\$ 14,549,533	\$ 11,043,169	\$ 13,314,000	\$ 2,758,719	\$ 23,484,766	76%
<u>Other Transportation Related Funds</u>						
203 Measure I - Transit	\$ 300,000	\$ 241,736	\$ 175,000	\$ 148,474	\$ 13,098	-93%
254 AB 2766 AOMD	39,686	35,000	35,000	52,500	50,000	43%
264 Traffic Signal	0	16,160	0	0	0	0%
400 Measure I Debt Service	1,661,216	692,386	1,486,488	1,486,488	732,620	-51%
Total Other Transportation Related Funds	\$ 2,000,902	\$ 985,282	\$ 1,696,488	\$ 1,687,462	\$ 795,718	-53%
<u>Facilities</u>						
303 Development Impact Fees-Police	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,500,000	100%
502 Fire Station Building	\$ 42	\$ 3,540,958	\$ 1,722,271	\$ 2,080,574	\$ 0	-100%
503 High Desert Government Center	147,591	1,730,173	17,000,000	13,000,000	9,000,000	-47%
601 Hesperia Branch Library	3,412	0	0	0	0	0%
Total Facilities Funds	\$ 151,045	\$ 5,271,131	\$ 18,722,271	\$ 15,080,574	\$ 10,500,000	-44%
<u>Other City Related Funds</u>						
256 Environmental Programs Grant Fund	\$ 22,306	\$ 28,480	\$ 52,501	\$ 33,118	\$ 69,296	32%
259 Reimbursable Grants Fund	0	0	0	0	1,455,100	100%
260 Disaster Preparedness Fund	7,379	27,815	20,104	18,381	28,381	41%
302 Fire Development Impact Fee	229,708	246,339	1,196,000	986,000	0	-100%
304 Public Services Dev. Impact Fee	0	0	0	0	0	0%
401 City Debt Service Fund	4,650,433	459,780	769,000	403,440	514,200	-33%
501 CFD 91-3 Belgate	50,151	6,196	11,400	0	0	-100%
Total Other City Related Funds	\$ 4,959,977	\$ 768,610	\$ 2,049,005	\$ 1,440,939	\$ 2,066,977	1%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM

EXPENDITURES BY FUND	2007-08	2008-09	2009-10	2009-10	2010-11	% Change
	Actual	Actual	Budget	Revised	Budget	From 2009-10 Budget
Total Streets CIP, Other Transportation, City Facilities, & Other City Related Funds	\$ 21,661,457	\$ 18,068,192	\$ 35,781,764	\$ 20,967,694	\$ 36,847,461	3%
<u>700 Water Operating Fund</u>						
4010 Source of Supply	\$ 2,789,826	\$ 3,891,973	\$ 3,966,791	\$ 2,559,891	\$ 2,703,416	-32%
4020 Production	3,088,250	3,331,966	3,305,012	3,189,579	2,993,711	-9%
4030 Distribution	1,393,783	1,167,530	1,241,137	1,523,899	1,068,100	-14%
4035 Pipeline Maintenance	1,600,885	1,044,832	1,709,377	1,426,462	1,247,427	-27%
4040 Engineering	1,253,277	1,156,433	1,027,279	973,646	952,589	-7%
4050 Customer Service	1,270,069	1,209,098	1,290,510	1,189,708	1,232,063	-5%
4060 Utility Billing	895,928	962,818	857,569	856,525	831,232	-3%
4070 Administration	4,180,584	4,246,184	5,179,663	4,914,961	4,833,512	-7%
4080 Property Management	273,079	318,753	331,228	315,653	250,102	-24%
Total Water Operating	\$ 16,745,681	\$ 17,329,587	\$ 18,908,566	\$ 16,950,324	\$ 16,112,152	-15%
<u>701 Water Capital Projects Fund</u>	\$ 15,172,866	\$ 7,922,790	\$ 3,526,179	\$ 2,595,667	\$ 0	-100%
<u>710 Sewer Operating Fund</u>	\$ 1,345,827	\$ 1,547,985	\$ 1,969,272	\$ 1,943,310	\$ 2,277,356	16%
<u>711 Sewer Capital Fund</u>	\$ 398,787	\$ 2,155,686	\$ 0	\$ 96,109	\$ 0	0%
<u>200 Fire District Fund</u>						
520 Operations & Community Safety	\$ 8,091,789	\$ 9,166,872	\$ 9,429,339	\$ 9,429,339	\$ 9,452,569	0%
521 Administration	1,832,452	244,073	288,980	269,011	238,321	-18%
Total Fire District Fund	\$ 9,924,241	\$ 9,410,945	\$ 9,718,319	\$ 9,698,350	\$ 9,690,890	0%
Total Expenditures By Fund, Department, and Program	\$ 162,209,326	\$ 149,882,508	\$ 209,260,739	\$ 145,621,788	\$ 156,889,247	-25%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY DEPARTMENT AND PROGRAMS

DEPARTMENT AND PROGRAM EXPENDITURES SUMMARY	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
<u>City Council</u>						
100 100 City Council	\$ 404,258	\$ 375,980	\$ 380,870	\$ 394,352	\$ 354,572	-7%
100 102 City Attorney	382,495	363,874	325,000	325,000	325,000	0%
Total City Council	\$ 786,753	\$ 739,854	\$ 705,870	\$ 719,352	\$ 679,572	-4%
<u>City Manager</u>						
100 200 City Manager	\$ 1,076,542	\$ 995,660	\$ 957,914	\$ 922,805	\$ 827,761	-14%
100 210 City Clerk	415,101	438,338	367,298	367,887	349,209	-5%
Total City Manager	\$ 1,491,643	\$ 1,433,998	\$ 1,325,212	\$ 1,290,692	\$ 1,176,970	-11%
<u>Management Services</u>						
100 220 Finance	\$ 1,700,775	\$ 1,647,332	\$ 1,551,470	\$ 4,153,656	\$ 1,402,569	-10%
100 225 Human Resources/Risk Mgmt	1,336,887	1,500,170	1,444,399	1,545,979	1,403,464	-3%
100 228 Mgmt. Information Services	1,295,602	1,397,403	1,283,086	1,287,324	1,154,017	-10%
Total Management Services	\$ 4,333,264	\$ 4,544,905	\$ 4,278,955	\$ 6,986,959	\$ 3,960,050	-7%
<u>Economic Development</u>						
<u>Redevelopment Agency</u>						
385 RDA Low/Moderate Income	\$ 10,269,274	\$ 11,110,651	\$ 26,315,487	\$ 6,251,095	\$ 24,446,725	-7%
389 RDA Administration	1,515,989	1,459,008	1,867,173	1,475,761	1,583,961	-15%
486 RDA Debt Service Project Area #1	18,663,846	23,077,694	23,758,655	21,189,892	17,348,901	-27%
487 RDA Debt Service Project Area #2	1,774,317	2,015,658	2,224,322	1,706,589	1,369,530	-38%
586 RDA Project Area #1 C I P	32,985,528	24,162,024	45,499,498	28,632,017	14,185,060	-69%
587 RDA Project Area #2 C I P	2,151,922	75,365	2,498,638	2,000	2,098,638	-16%
588 V V E D A	0	0	1,702,035	0	1,702,035	0%
Subtotal Redevelopment Agency	\$ 67,360,876	\$ 61,900,400	\$ 103,865,808	\$ 59,257,354	\$ 62,734,850	-40%
<u>C.D.B.G</u>						
251 C.D.B.G Administration	\$ 460,124	\$ 575,305	\$ 1,477,664	\$ 885,974	\$ 1,572,665	6%
252 C.D.B.G Home Grant	63,295	3,017,783	0	0	0	0%
253 C.D.B.G Revolving Loans	524,906	270,000	1,273,998	0	997,610	-22%
257 Neighborhood Stabilization Program	0	59,370	4,531,849	3,751,496	781,083	-83%
Subtotal C.D.B.G	\$ 1,048,325	\$ 3,922,458	\$ 7,283,511	\$ 4,637,470	\$ 3,351,358	-54%
Total Economic Development	\$ 68,409,201	\$ 65,822,858	\$ 111,149,319	\$ 63,894,824	\$ 66,086,208	-41%
<u>D. S. - Community Development</u>						
100 3000 Planning	\$ 1,851,166	\$ 1,462,968	\$ 1,497,449	\$ 1,478,316	\$ 1,003,652	-33%
100 3020 Building & Safety	1,550,111	1,348,420	1,193,060	1,075,251	758,102	-36%
Total D. S. - Community Development	\$ 3,401,277	\$ 2,811,388	\$ 2,690,509	\$ 2,553,567	\$ 1,761,754	-35%
<u>D. S. - Code Compliance</u>						
100 3010 Code Enforcement	\$ 802,487	\$ 957,591	\$ 979,618	\$ 817,722	\$ 824,559	-16%
100 5000 Animal Control	1,229,872	1,182,198	1,413,797	1,138,580	1,182,439	-16%
Total D. S. - Code Compliance	\$ 2,032,359	\$ 2,139,789	\$ 2,393,415	\$ 1,956,302	\$ 2,006,998	-16%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY DEPARTMENT AND PROGRAMS

DEPARTMENT AND PROGRAM EXPENDITURES SUMMARY	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
<u>D. S. - Public Works</u>						
100 3100 Engineering	\$ 1,174,653	\$ 884,281	\$ 572,541	\$ 529,676	\$ 519,782	-9%
100 3110 Building Maintenance	643,553	647,737	736,759	721,092	758,236	3%
263 3150 Street Maintenance Fund	3,329,041	3,118,990	3,417,362	3,123,387	3,130,258	-8%
Total D. S. - Public Works	\$ 5,147,247	\$ 4,651,008	\$ 4,726,662	\$ 4,374,155	\$ 4,408,276	-7%
<u>D. S.- Water</u>						
<u>700 Water Operating Fund</u>						
4010 Source of Supply	\$ 2,789,826	\$ 3,891,973	\$ 3,966,791	\$ 2,559,891	\$ 2,703,416	-32%
4020 Production	3,088,250	3,331,966	3,305,012	3,189,579	2,993,711	-9%
4030 Distribution	1,393,783	1,167,530	1,241,137	1,523,899	1,068,100	-14%
4035 Pipeline Maintenance	1,600,885	1,044,832	1,709,377	1,426,462	1,247,427	-27%
4040 Engineering	1,253,277	1,156,433	1,027,279	973,646	952,589	-7%
4050 Customer Service	1,270,069	1,209,098	1,290,510	1,189,708	1,232,063	-5%
4060 Utility Billing	895,928	962,818	857,569	856,525	831,232	-3%
4070 Administration	4,180,584	4,246,184	5,179,663	4,914,961	4,833,512	-7%
4080 Property Management	273,079	318,753	331,228	315,653	250,102	-24%
Total Water Operating	\$ 16,745,681	\$ 17,329,587	\$ 18,908,566	\$ 16,950,324	\$ 16,112,152	-15%
701 Water Capital Projects	\$ 15,172,866	\$ 7,922,790	\$ 3,526,179	\$ 2,595,667	\$ 0	-100%
Total D. S. - Water Operating & Capital	\$ 31,918,547	\$ 25,252,377	\$ 22,434,745	\$ 19,545,991	\$ 16,112,152	-28%
<u>D. S. - Sewer</u>						
710 Sewer Operations	\$ 1,345,827	\$ 1,547,985	\$ 1,969,272	\$ 1,943,310	\$ 2,277,356	16%
711 Sewer Capital	398,787	2,155,686	0	96,109	0	0%
Total D. S. - Sewer Operating & Capital	\$ 1,744,614	\$ 3,703,671	\$ 1,969,272	\$ 2,039,419	\$ 2,277,356	16%
100 510 Police	\$ 10,792,548	\$ 11,303,523	\$ 12,086,697	\$ 11,469,197	\$ 11,881,560	-2%
<u>Fire District</u>						
520 Operations & Community Safety	\$ 8,091,789	\$ 9,166,872	\$ 9,429,339	\$ 9,429,339	\$ 9,452,569	0%
521 Administration	1,832,452	244,073	288,980	269,011	238,321	-18%
Total Fire District	\$ 9,924,241	\$ 9,410,945	\$ 9,718,319	\$ 9,698,350	\$ 9,690,890	0%
<u>Streets Capital Improvement Project (CIP)</u>						
<u>Funds</u>						
100 Capital Improvement Program	\$ 566,175	\$ 0	\$ 0	\$ 125,286	\$ 0	0%
201 Measure I - Arterial	2,279,917	4,996,077	655,000	62,386	400,000	-39%
202 Measure I - Local	977,227	1,471,244	0	0	0	0%
204 Measure I - 2010 Renewal	0	0	0	0	265,000	100%
205 Gas Tax Fund	216,106	277,722	0	0	0	0%
206 Gas Swap Fund	0	0	0	0	0	0%
207 Article 8 Local Transportation Fund	144	0	0	0	0	0%
250 Traffic Congestion Relief	0	505,687	0	0	0	0%
300 Streets Development Impact Fee	9,910,451	2,307,192	8,510,000	2,249,000	2,351,025	-72%
301 Storm Drain Dev. Impact Fee	1,144,723	100,314	250,000	69,115	0	-100%
504 City Streets CIP	0	1,381,257	0	0	1,784,741	100%
600 Ranchero Road Undercrossing	20,965	3,676	3,899,000	378,218	11,650,000	199%
602 Ranchero Rd/I-15 Interchange	0	0	0	0	7,034,000	100%
Total Streets CIP Funds	\$ 15,115,708	\$ 11,043,169	\$ 13,314,000	\$ 2,884,005	\$ 23,484,766	76%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY DEPARTMENT AND PROGRAMS

DEPARTMENT AND PROGRAM EXPENDITURES SUMMARY	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
<u>Other Transportation Related Funds</u>						
203 Measure I - Transit	\$ 300,000	\$ 241,736	\$ 175,000	\$ 148,474	\$ 13,098	-93%
254 AB 2766 AQMD	39,686	35,000	35,000	52,500	50,000	43%
264 Traffic Signal	0	16,160	0	0	0	0%
400 Measure I Debt Service	1,661,216	692,386	1,486,488	1,486,488	732,620	-51%
Total Other Transportation Funds	\$ 2,000,902	\$ 985,282	\$ 1,696,488	\$ 1,687,462	\$ 795,718	-53%
<u>Facilities</u>						
303 Development Impact Fees-Police	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,500,000	100%
502 Fire Station Building	42	3,540,958	1,722,271	2,080,574	0	-100%
503 High Desert Government Center	147,591	1,730,173	17,000,000	13,000,000	9,000,000	-47%
601 Hesperia Branch Library	3,412	0	0	0	0	0%
Total Facilities Funds	\$ 151,045	\$ 5,271,131	\$ 18,722,271	\$ 15,080,574	\$ 10,500,000	-44%
<u>Other City Related Funds</u>						
256 Environmental Programs Grant Fund	\$ 22,306	\$ 28,480	\$ 52,501	\$ 33,118	\$ 69,296	32%
259 Reimbursable Grants Fund	0	0	0	0	1,455,100	100%
260 Disaster Preparedness Fund	7,379	27,815	20,104	18,381	28,381	41%
302 Fire Development Impact Fee	229,708	246,339	1,196,000	986,000	0	-100%
304 Public Services Dev. Impact Fee	0	0	0	0	0	0%
401 City Debt Service Fund	4,650,433	459,780	769,000	403,440	514,200	-33%
501 CFD 91-3 Belgate	50,151	6,196	11,400	0	0	-100%
Total Other City Related Funds	\$ 4,959,977	\$ 768,610	\$ 2,049,005	\$ 1,440,939	\$ 2,066,977	1%
Total Streets CIP, Other Transportation, City Facilities, & Other City Related Funds	\$ 22,227,632	\$ 18,068,192	\$ 35,781,764	\$ 21,092,980	\$ 36,847,461	3%
Total City Expenditures by Department and Program	\$ 162,209,326	\$ 149,882,508	\$ 209,260,739	\$ 145,621,788	\$ 156,889,247	-25%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY ACCOUNT

ACCOUNT EXPENDITURES SUMMARY	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
Salaries						
7000 - Salaries & Wages	\$ 10,371,279	\$ 11,583,654	\$ 12,293,309	\$ 11,594,967	\$ 11,104,928	-10%
7010 - Council/Commissioner Wage	55,449	51,534	53,500	51,370	51,500	-4%
7030 - Part Time Wages	282,338	149,832	88,796	113,405	131,826	48%
7050 - Overtime Wages	323,159	284,181	207,378	172,613	170,274	-18%
7070 - Standby Pay	54,796	55,028	46,800	45,081	46,800	0%
Total Salaries	\$ 11,087,021	\$ 12,124,229	\$ 12,689,783	\$ 11,977,436	\$ 11,505,328	-9%
Benefits						
7100 - 401a Pension Plan	\$ 154,082	\$ 147,833	\$ 134,394	\$ 148,343	\$ 119,867	-11%
7110 - PERS	1,841,231	2,256,212	2,415,749	2,328,804	1,609,921	-33%
7120 - Health Insurance	1,651,050	1,743,611	1,822,678	1,831,922	1,735,679	-5%
7140 - Worker's Compensation	504,092	383,066	536,958	276,284	267,889	-50%
7150 - Medicare	158,279	174,438	176,363	180,514	163,693	-7%
7160 - Social Security/FICA	20,534	14,911	8,821	13,036	11,369	29%
7170 - Life Insurance	21,858	27,419	23,385	26,962	17,829	-24%
7180 - Auto Allowance	66,647	67,385	67,200	67,200	62,400	-7%
7181 - Bilingual Pay	0	2,401	11,700	12,780	14,400	23%
7185 - Uniform Allowance	0	0	0	0	0	0%
7190 - Unemployment Insurance	42,138	63,803	66,000	76,092	80,000	21%
7195 - Post Employment Benefits	14,499	90,790	17,304	16,356	17,892	3%
7199 - Other Benefit Expense	0	34,356	0	0	0	0
Total Benefits	\$ 4,474,410	\$ 5,006,225	\$ 5,280,552	\$ 4,978,293	\$ 4,100,939	-22%
Material and Operations						
7200 - Div/Program Expenditures	\$ 32,291	\$ 61,550	\$ 34,404	\$ 22,481	\$ 34,281	0%
7250 - Office Expense	200,830	171,949	161,575	141,585	149,975	-7%
7255 - Computer Supplies	35,366	29,319	25,000	25,000	25,000	0%
7260 - Printing	79,170	74,313	90,766	79,162	75,926	-16%
7270 - Postage/Shipping Costs	177,646	169,600	165,783	177,707	184,258	11%
7280 - Publications	22,605	10,450	11,970	8,892	18,890	58%
7290 - Advertising	351,798	296,221	338,810	311,717	315,960	-7%
7300 - Employee Expense	44,673	46,734	43,000	55,000	50,000	16%
7310 - Council Reimbursement	1,636	1,653	2,500	1,400	2,500	0%
7320 - Uniform Expense	42,701	45,197	54,080	49,580	50,180	-7%
7350 - Police Booking Costs	0	0	237,000	0	0	-100%
7370 - Reserve Costs	2,992	3,963	6,500	5,500	5,500	-15%
7400 - Materials & Operations	2,248,722	1,733,704	2,343,950	1,973,600	1,708,450	-27%
7410 - Safety Supplies	65,659	48,595	45,850	51,454	43,545	-5%
7420 - Kennel Supplies	47,306	60,512	74,500	76,500	81,500	9%
7430 - Field Expenses	10,674	11,982	18,500	18,500	18,500	0%
7440 - Fuel	344,595	250,182	301,000	271,075	299,150	-1%
7450 - Maintenance/Repairs	51	0	500	500	500	0%
7455 - Small Tools	57,352	37,786	45,950	36,110	35,150	-24%
7460 - Equipment Under Capital	395,974	173,433	103,500	89,361	114,050	10%
7470 - Utilities-Electric	2,267,844	2,459,853	2,572,000	2,357,450	2,358,690	-8%
7473 - Utilities-Gas	37,290	37,874	49,200	41,650	54,840	11%
7476 - Utilities-Water	2,572,440	3,313,853	3,781,760	2,411,800	2,573,304	-32%
7478 - Utilities-Wastewater	855,678	1,004,728	1,267,400	1,267,400	1,559,400	23%
7479 - Utilities-Sewer	0	0	0	0	0	0%
7482 - Utilities-Telephone	301,532	330,554	317,819	302,534	319,574	1%
7483 - Utilities-Telecomm Services	0	0	0	900	1,200	100%
7484 - Property Tax/Assessments	0	111,246	0	73,786	100,000	100%
7485 - Lease Maintenance	42,830	41,864	3,300	3,200	3,200	-3%
Total Material and Operations	\$ 10,239,655	\$ 10,527,115	\$ 12,096,617	\$ 9,853,844	\$ 10,183,523	-16%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY ACCOUNT

ACCOUNT EXPENDITURES SUMMARY	2007-08	2008-09	2009-10	2009-10	2010-11	% Change From 2009-10
	Actual	Actual	Budget	Revised	Budget	Budget
<u>Contractual Services</u>						
7500 - Contract Services	\$ 53,639,018	\$ 51,241,102	\$ 91,121,818	\$ 49,100,801	\$ 60,935,624	-33%
7520 - Plan Check	129,821	25,282	0	0	0	0%
7525 - Inspection	233,892	62,184	0	8,245	0	0%
7560 - Legal Services	618,848	552,307	533,750	499,000	508,500	-5%
7563 - Litigation Services	52,453	77,626	50,000	110,000	50,000	0%
7565 - Claims/Lawsuits/Settlement	93,567	48,973	125,000	74,000	50,000	-60%
7570 - Insurance Services	395,950	534,224	610,600	650,600	598,600	-2%
7580 - Computer Services	197,670	295,398	203,972	162,015	128,930	-37%
7585 - Software License	169,610	237,094	214,400	250,436	218,600	2%
7605 - Traffic Signal Maintenance	85,460	127,448	95,000	80,000	90,000	-5%
7610 - Striping Contract	47,795	46,447	80,000	80,000	84,000	5%
7615 - Street Sweeping Contract	71,098	97,441	96,000	105,000	135,000	41%
7620 - Facilities Maintenance	3,530	3,021	6,000	6,000	9,500	58%
7650 - Equipment Rental	3,870	3,619	5,850	4,572	5,750	-2%
7700 - County Contract	18,730,214	20,238,165	20,680,036	20,575,036	20,921,956	1%
7705 - County Contract Overtime	(175,431)	16,428	361,000	110,000	200,000	-45%
7710 - Cal Id	60,201	64,407	92,211	92,211	92,903	1%
7720 - Franchise Fee	250,000	250,000	250,000	250,000	250,000	0%
7740 - Pass Thru Agreements	15,541,971	15,709,763	16,545,854	11,978,305	8,074,835	-51%
7775 - Economic Development	0	1,776,622	6,597,000	1,300,000	3,260,000	-51%
7780 - Econ Dev Revolving Loan	524,887	270,000	1,273,998	0	997,610	-22%
7785 - Home Repair Loan Program	(38)	0	0	0	0	0%
Total Contractual Services	\$ 90,674,386	\$ 91,677,551	\$ 138,942,489	\$ 85,436,221	\$ 96,611,808	-30%
<u>Other Operating</u>						
7800 - Other Operating	\$ 71	\$ 0	\$ 0	\$ 0	\$ 0	0%
7805 - Dues/Memberships	127,565	127,353	153,037	135,195	135,162	-12%
7820 - Travel & Meetings	36,362	20,864	27,025	16,469	25,550	-5%
7825 - Mileage	368	1,582	1,350	1,400	1,050	-22%
7840 - Conferences & Seminars	85,466	37,561	39,860	22,000	32,160	-19%
7845 - Training & Education	148,871	181,032	174,599	116,960	143,030	-18%
7860 - Education Reimbursement	17,638	22,192	33,600	32,361	24,900	-26%
7880 - Community Relations	146,198	56,941	57,300	28,100	23,600	-59%
7890 - General & Admin Expense	850,000	850,000	1,870,792	1,870,792	1,903,314	2%
7900 - Bad Debt Expense	0	7,214	2,000	2,000	2,000	0%
7920 - Inventory Loss	37,976	1,013	0	1,000	0	0%
7950 - Rent Expense	36,921	57,162	58,375	58,375	58,375	0%
7960 - Depreciation Expense	0	0	0	0	0	0%
8000 - Grant Expense	144,340	140,542	618,798	241,467	3,879,675	527%
8001 - Homeland Security Grant	54,762	11,035	0	0	0	0%
8002 - Seat Belt Enforcement Grant	0	4,573	0	0	0	0%
8003 - OTS DUI Enforcement Grant	0	5,578	0	0	0	0%
8040 - Beverage Container Recycle	22,306	22,349	22,803	3,420	30,282	33%
8070 - Facilities Maintenance	98,621	92,844	102,500	114,500	104,900	2%
8071 - Vehicle/Equip Maintenance/Repair	358,369	317,346	321,550	254,075	326,500	2%
8072 - Maintenance/Repairs	9,626	1,869	2,000	9,500	51,000	2450%
8080 - W/C Trustee Audit Adjustment	13,032	142,891	0	0	0	0%
8090 - Misc Expense	0	6,131	10,000	10,000	5,728	-43%
Total Other Operating	\$ 2,188,492	\$ 2,108,072	\$ 3,495,589	\$ 2,917,614	\$ 6,747,226	93%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY ACCOUNT

ACCOUNT						% Change
EXPENDITURES SUMMARY	2007-08	2008-09	2009-10	2009-10	2010-11	From
	Actual	Actual	Budget	Revised	Budget	2009-10
						Budget
Capital Outlay						
8400 - Land & Buildings	\$ 24,261,379	\$ 10,508,006	\$ 10,600,000	\$ 7,247,405	\$ 7,734,000	-27%
8401 - Residential Property	0	0	6,216,568	4,141,066	1,347,182	-78%
8402 - Rehabilitation/Acquisition	0	0	1,556,330	0	500,000	-68%
8403 - Cost of Sales/Commission	0	0	180,000	0	60,000	-67%
8404 - Appraisal Services	0	0	58,750	10,150	29,850	-49%
8420 - Vehicles Capital Expend	2,300,575	49,361	0	29,223	0	0%
8440 - Equipment Capital Expend	460,437	50,701	2,500	14,655	0	-100%
8460 - Computer Capital Expend	250,763	198,250	35,000	44,099	10,000	-71%
8480 - Water Rights Capital Exp	0	390,600	0	0	0	0%
8500 - Infrastructure-Streets	205,497	91,540	0	0	0	0%
8540 - Infrastructure-Storm Drainage	56,002	15,369	0	0	0	0%
8570 - Infrastructure-Sewer	0	0	0	0	0	0%
8585 - CIP Expenditure Transfer	0	0	0	0	0	0%
8590 - Acquisition Expense	0	0	0	0	0	0%
Total Capital Outlay	\$ 27,534,653	\$ 11,303,827	\$ 18,649,148	\$ 11,486,598	\$ 9,681,032	-48%
Debt Service						
8600 - Principal	\$ 4,150,000	\$ 1,555,982	\$ 1,729,235	\$ 3,036,741	\$ 2,732,144	58%
8620 - Principal-Series A	1,995,001	1,240,000	1,295,000	1,280,000	1,325,000	2%
8640 - Principal- Series B	765,000	2,500,000	2,375,000	2,375,000	2,490,000	5%
8700 - Interest Expense	2,666,815	1,072,528	1,561,007	1,070,207	988,431	-37%
8720 - Interest Expense-Series A	5,277,839	9,067,146	9,413,079	9,398,879	8,570,116	-9%
8740 - Interest Expense-Series B	832,321	1,448,535	1,328,440	1,328,440	1,209,355	-9%
8800 - Bond Administration Exp	323,736	251,298	404,800	482,515	744,345	84%
8850 - Debt Issuance Costs	0	0	0	0	0	0%
Total Debt Service	\$ 16,010,712	\$ 17,135,489	\$ 18,106,561	\$ 18,971,782	\$ 18,059,391	0%
Total City Expenditures by Account Number	\$ 162,209,329	\$ 149,882,508	\$ 209,260,739	\$ 145,621,788	\$ 156,889,247	-25%

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CITY POSITION SUMMARIES

AND

SALARY RANGE TABLES

- *Overview and Summary*
- *2010-11 Budget Full-Time and Part-Time Positions by Department*
- *2010-11 Budget Full-Time Positions by Department*
- *2010-11 Budget Full-Time and Part-Time Positions by Fund*
- *Full-Time and Part-Time Position Listing Summary by Department*
- *Full-Time Position Listing by Department*
- *Part-Time Position Listing by Department*
- *Salary Range Tables*

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CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Overview and Summary

Overview

The "City Position Summaries and Salary Range Tables" Section includes information on the full-time and part-time positions and salary range tables. This section includes graphics showing positions by departments and funds, as well as position listings that indicate the allocation of full-time and part-time positions for each department. The staff or positions are shown for four fiscal years and the indicated positions are funded and authorized.

All full-time and part-time positions or staff are expressed as full-time equivalents (FTEs) to reflect the hours budgeted. A full-time position reflects 2080 hours of paid time for one year, or 1.0 FTE. A part-time position budgeted for 960 hours, or approximately half-time for one year, is 0.46 FTE ($960/2080=0.46$).

The Salary Range Tables show the classification titles and salaries authorized to be paid to employees based on City Council approved Memorandum of Understandings and Resolutions effective July 1, 2010.

Summary of Position Changes included in the 2010-11 Budget

The 2010-11 Budget reduces full-time City staffing by 3.23%, or eleven positions, from 340 to 329 full-time positions and part-time positions are increased by 0.51 FTE, for a total reduction of 10.49 FTE. As indicated, the 2010-11 Budget proposes the elimination of eleven full-time positions, the elimination of one part-time position and addition of two part-time positions. Three position reallocation and one position reclassifications are also proposed. The total staffing for the City is proposed to decrease 3.07% from 342.07 FTE to 331.58 FTE.

Positions Changes for Fiscal Year 2010-11

Position Changes During Fiscal Year 2009-10 - None

Eleven (11.00 FTE) Full-Time Positions Eliminations for the short-term:

- One vacant Secretary to the City Manager position (1.0 FTE) in the City Manager Department, due to retirement.
- One vacant Payroll Analyst position (1.0 FTE) in the Management Services Department.
- One vacant Information Systems Manager position (1.0 FTE) in the Management Services Department.
- The vacant Deputy Director of Development Services – Community Development position (1.0 FTE) in D.S. Community Development, due to retirement.
- One vacant Receptionist position (1.0 FTE) in D.S. Community Development – Building and Safety.
- One vacant Senior Plans Examiner position (1.0 FTE) in D.S. Community Development – Building and Safety, due to retirement, will be eliminated for the short-term.
- One vacant Building Inspector position (1.0 FTE) in D.S. Community Development – Building and Safety.
- One vacant Code Enforcement Officer position (1.0 FTE) in D.S. Code Compliance – Code Enforcement.
- One vacant Animal Control Officer position (1.0 FTE) in D.S. Code Compliance – Animal Control.
- One vacant Office Assistant position (1.0 FTE) in D.S. Code Compliance – Animal Control.
- One vacant Engineering Aide position (1.0 FTE) in D.S. Public Works, Streets Maintenance and D.S. Water Administration.

Two Part-Time Positions Added and one Part-Time Position Eliminated for net change of 0.51 FTE

- Added Part-Time (0.46 FTE) Payroll Analyst in Management Services Department – Finance Division.
- Added Part-Time (0.24 FTE) Senior Plans Examiner in D.S. Community Development – Building and Safety.
- Eliminated one vacant part-time Maintenance Worker position (0.19 FTE) in D.S. Water – Distribution.

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Three Other Changes are proposed as follows:

- Retitled/Reclassified one Administrative Analyst position in the City Manager Department to a Community Relations and Media Coordinator position.
- Reallocated one Fire Prevention Officer position in the Fire District to a Fire Prevention Specialist position.
- Reallocated one Senior Plans Examiner/Arson position in the Fire District to a Fire Prevention Office - Arson.

Positions Reallocations:

The following positions are being reallocated to more accurately reflect the workload of the positions or for financial considerations in the 2010-11 Budget year, however represent no overall change in the total City staff:

- Emergency Services Coordinator – Reallocate from 0.34 FTE in the City Manager Department-City Manager Division to 0.50 FTE; reallocate from 0.33 FTE to 0.50 FTE in the D.S. Water – Administration; and reallocate 0.33 FTE to 0.00 in the Fire District.

The following positions are being reallocated from the Redevelopment Agency to the City Manager and Management Services departments.

- City Manager – Department Head responsibilities (0.15 FTE)
- Assistant City Manager – Management Services (0.10 FTE)
- Deputy Finance Director (0.05 FTE)
- Senior Management Analyst (0.05 FTE)
- Senior Accountant (0.05 FTE)

Summary of Salary and Benefits Provisions included in the Fiscal Year 2010-11 Budget

The 2010-11 Budget reflects a five percent salary reduction (-5%) that is effective July 1, 2010 (for the first full pay period in FY 2010-11) for the San Bernardino Public Employees Association (SBPEA) represented employees and for non-represented employees. In addition, funding for merit step increases will be frozen during FY 2010-11.

With the exception of the following two employee benefits, all benefits are calculated at the rates approved in City Resolutions effective July 1, 2010.

Workers' Compensation

Workers' Compensation rates have decreased overall by 48.60%:

<u>Rating Groups</u>	<u>2009-10 Budget</u>	<u>2010-11 Budget</u>	<u>Change Amount</u>	<u>Percent Change</u>
City of Hesperia	\$342,223	\$155,233	-\$186,990	-54.64%
Water District	<u>188,348</u>	<u>117,489</u>	<u>-70,859</u>	<u>-37.62%</u>
Total	\$530,571	\$272,722	-\$257,849	-48.60%

Note: While the Fire District is not charged rates, payments are made on open claims filed prior to June 2004 as costs occur until the claims are closed.

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

California Public Employees Retirement System (CalPERS)

Recent historical CalPERS retirement rates and the 2010-11 Budget rates are indicated below. The City 2010-11 Budget rates decreased by 14.5% from Fiscal Year 2009-10 to Fiscal Year 2010-11. The Water District 2010-11 rates decreased by 14.2%.

Effective July 1, 2010 (for the first full pay period in FY 2010-11), the City and Water District will fund 3% of the 8% employee rate for CalPERS. The employee will be responsible for the remaining 5% of the 8% employee rate. In past fiscal years, the City and the Water District funded 6% of the 8% CalPERS employee rate.

<u>City CalPERS Plans</u>	<u>2007-08</u> <u>Budget</u>	<u>2008-09</u> <u>Budget</u>	<u>2009-10</u> <u>Budget</u>	<u>2010-11</u> <u>Budget</u>
City Miscellaneous Plan	18.224	21.475	20.989	17.876
Percent Change	-0.6%	17.8%	-2.2%	-14.5%
Water District Miscellaneous Plan	7.868	14.218	14.971	12.846
Percent Change	4.5%	80.7%	5.3%	-14.2%

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Comments:

The 2010-11 Budget reduces City staffing by 10.49 full-time equivalents (FTE) or 3.07% from the FY 2009-10 Budget. Compared to FY 2007-08, City staffing has reduced by 5.65% or 19.84 FTE.

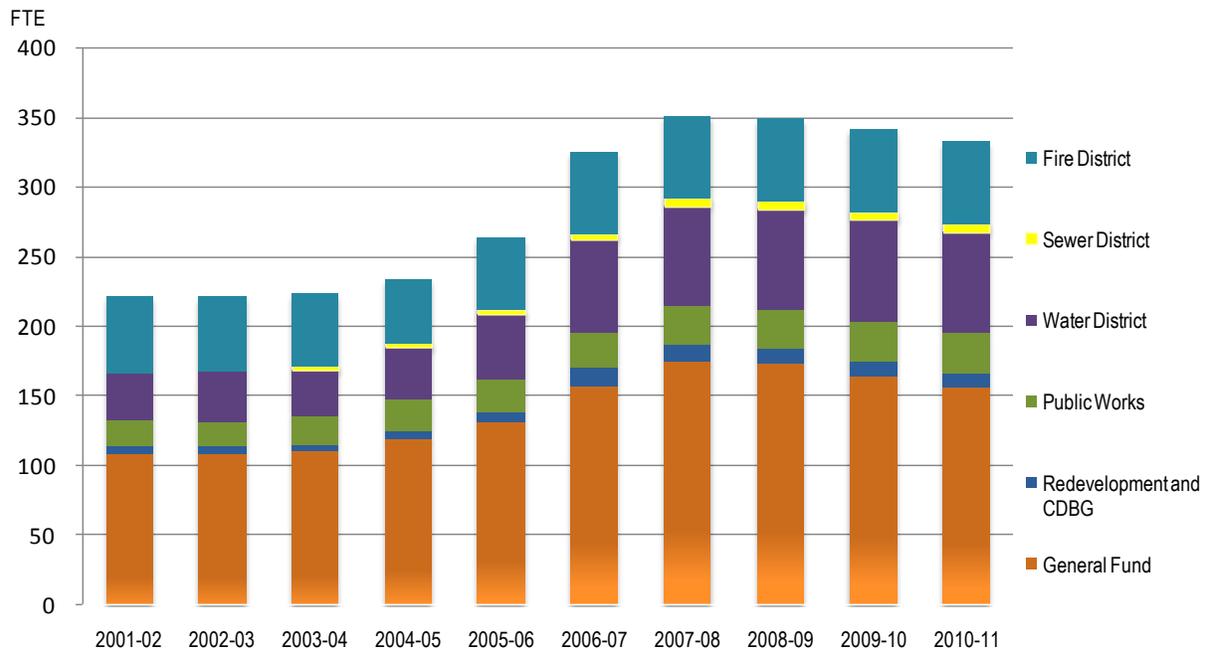
- The 3.07% reduction of FTE during FY 2009-10 is the result of the elimination of eleven (11) vacant full time positions and the addition of 0.51 part-time positions.
- For FY 2010-11, Police totals 49% of the General Fund FTE count and 23% of the overall City FTE count.
- The Fire District represents a 1% reduction due to the reallocation of FTE for the Emergency Services Coordinator. The Fire District represents 18% of the overall City FTE.
- With the exception of Police and Fire, each Department has reduced staffing. Police experienced an increase of 2 FTE or 1% during FY 2008-09, while the Fire District has maintained 59 FTE since FY 2006-07.
- While the Redevelopment and the Water District appear to have increased in FTE during FY 2009-10, the increase is attributed to position reallocation from other departments to each respected fund.

10-YEAR HISTORY OF FULL-TIME AND PART-TIME STAFF BY FUND

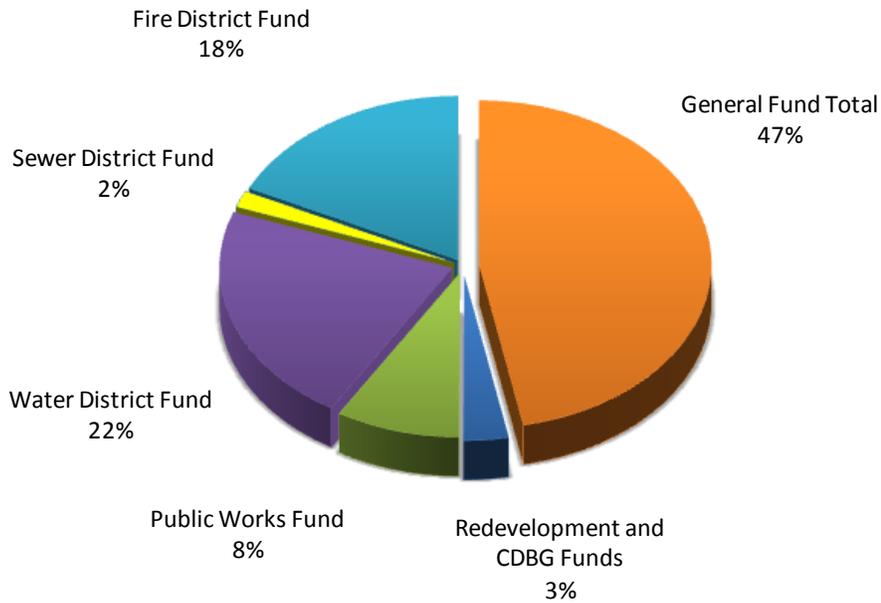
Major Funds	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>
General Fund					
City Manager	6.40	6.40	6.50	9.09	8.00
Management Services	17.87	18.00	19.00	18.50	21.98
Police	50.13	50.13	49.50	51.50	55.50
Development Services:					
Community Development	29.86	29.86	32.76	35.47	39.47
Code Compliance	0.00	0.00	0.00	0.00	0.00
Public Works	4.45	4.45	3.10	4.33	6.35
General Fund Total	<u>108.71</u>	<u>108.84</u>	<u>110.86</u>	<u>118.89</u>	<u>131.30</u>
Redevelopment and CDBG Funds	5.36	5.36	4.70	6.16	7.68
Public Works Fund	18.18	17.68	20.33	22.58	23.98
Water District Fund	34.87	35.37	33.31	37.54	45.91
Sewer District Fund	0.00	0.00	2.44	3.44	3.69
Fire District Fund	54.63	53.63	52.26	45.00	51.00
Total Full & Part-Time By Fund	<u>221.75</u>	<u>220.88</u>	<u>223.90</u>	<u>233.61</u>	<u>263.56</u>
Major Funds	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
General Fund					
City Manager	8.76	9.84	9.84	9.03	8.34
Management Services	25.00	27.00	27.00	24.75	23.46
Police	64.50	73.50	75.50	75.50	75.50
Development Services:					
Community Development	24.90	23.95	22.95	21.49	17.73
Code Compliance	25.23	30.64	28.78	26.78	23.78
Public Works	9.23	9.98	9.75	7.05	6.85
General Fund Total	<u>157.62</u>	<u>174.91</u>	<u>173.82</u>	<u>164.60</u>	<u>155.66</u>
Redevelopment and CDBG Funds	12.81	12.33	10.33	10.73	10.33
Public Works Fund	24.68	27.93	27.93	28.85	28.55
Water District Fund	67.10	71.56	72.33	73.06	72.54
Sewer District Fund	4.69	5.69	5.69	5.50	5.50
Fire District Fund	59.00	59.00	59.00	59.33	59.00
Total Full & Part-Time By Fund	<u>325.90</u>	<u>351.42</u>	<u>349.10</u>	<u>342.07</u>	<u>331.58</u>

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

10 YEAR HISTORY OF FULL-TIME AND PART-TIME STAFF BY FUND

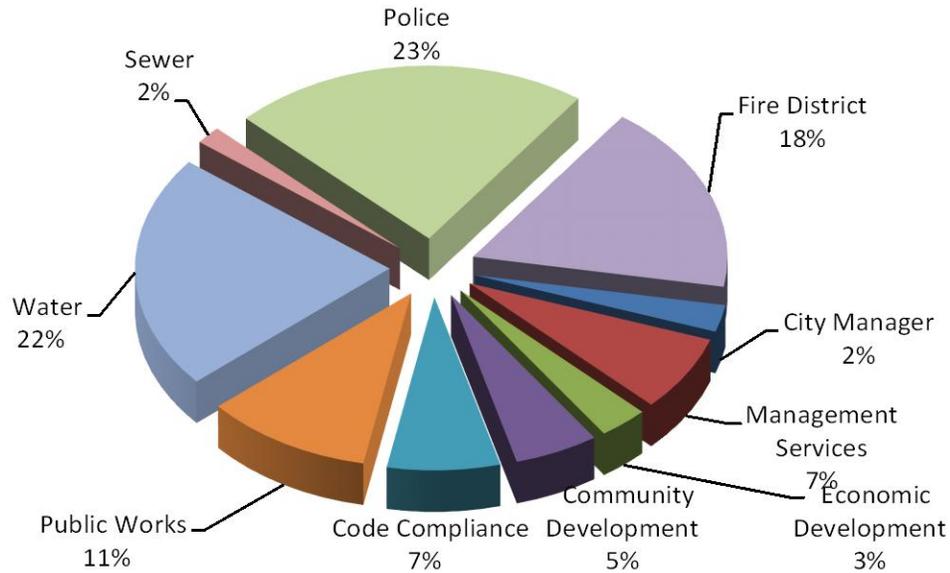


2010-11 FULL-TIME AND PART-TIME STAFF BY FUND



CITY POSITION SUMMARIES AND SALARY RANGE TABLES

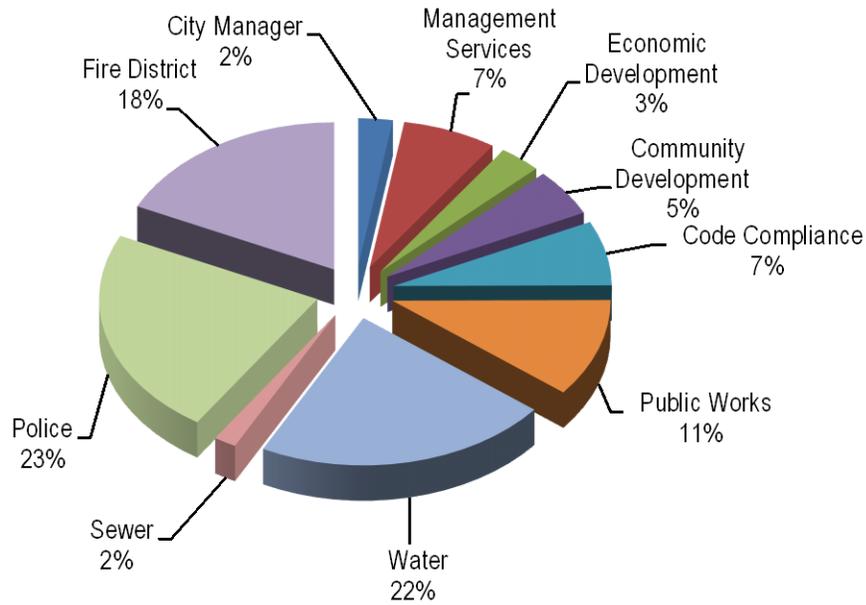
2010-11 FULL-TIME AND PART-TIME STAFF BY DEPARTMENT



<u>Departments</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>% Change From 2009-10 Budget</u>
City Manager	9.84	9.84	9.03	8.34	-8%
Management Services	27.00	27.00	24.75	23.46	-5%
Economic Development	12.33	10.33	10.73	10.33	-4%
Development Services:					
Community Development	23.95	22.95	21.49	17.73	-17%
Code Compliance	30.64	28.78	26.78	23.78	-11%
Public Works	37.91	37.68	35.90	35.40	-1%
Water	71.56	72.33	73.06	72.54	-1%
Sewer	5.69	5.69	5.50	5.50	0%
Development Services Total	169.75	167.43	162.73	154.95	-5%
Sub-Total Non-Police & Fire District	218.92	214.60	207.24	197.08	-5%
Police	73.50	75.50	75.50	75.50	0%
Fire District	59.00	59.00	59.33	59.00	-1%
Sub-Total Non-Police & Fire District	132.50	134.50	134.83	134.50	0%
Total Full & Part-Time Staff	351.42	349.10	342.07	331.58	-3%
Change Amount	na	-2.32	-7.03	-10.49	
Percentage	na	-0.7%	-2.0%	-3.1%	

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

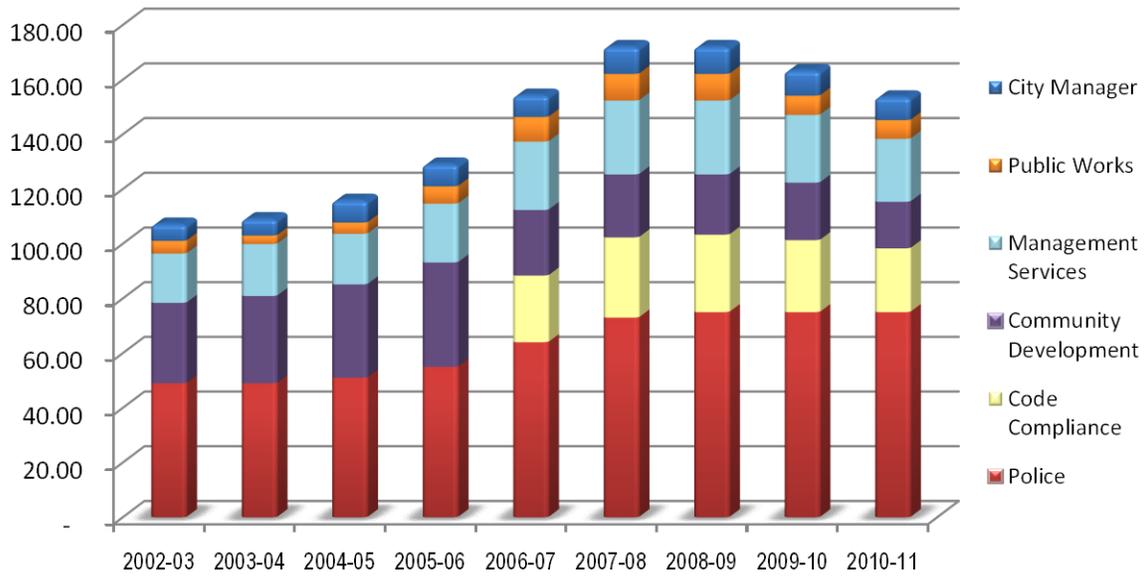
2010-11 BUDGET FULL-TIME STAFF BY DEPARTMENT



<u>Departments</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>% Change From 2009-10 Budget</u>
City Manager	9.84	9.84	9.03	8.34	-8%
Management Services	27.00	27.00	24.75	23.00	-7%
Economic Development	12.33	10.33	10.73	10.33	-4%
Development Services:					
Community Development	23.03	22.03	21.03	17.03	-19%
Code Compliance	29.32	28.32	26.32	23.32	-11%
Public Works	37.45	37.45	35.90	35.40	-1%
Water	69.53	70.53	72.41	72.08	-1%
Sewer	5.50	5.50	5.50	5.50	0%
Development Services Total	164.83	163.83	161.16	153.33	-5%
Sub-Total Non-Police & Fire District	214.00	211.00	205.67	195.00	-5%
Police	73.00	75.00	75.00	75.00	0%
Fire District	59.00	59.00	59.33	59.00	-1%
Sub-Total Non-Police & Fire District	132.00	134.00	134.33	134.00	0%
Total Full-Time Staff	346.00	345.00	340.00	329.00	-3%
Change Amount	na	-1.00	-5.00	-11.00	
Percentage	na	-0.3%	-1.4%	-3.2%	

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

2010-11 BUDGET GENERAL FUND FULL-TIME POSITIONS



General Fund	2001-02	2002-03	2003-04	2004-05	2005-06
City Manager	6.00	6.00	6.00	8.00	8.00
Management Services	17.00	18.00	19.00	18.50	21.50
Police	49.00	49.00	49.00	51.00	55.00
Development Services:					
Community Development	29.40	29.40	31.90	34.15	38.15
Code Compliance	0.00	0.00	0.00	0.00	0.00
Public Works	4.65	4.65	3.10	4.10	6.35
General Fund Total	106.05	107.05	109.00	115.75	129.00

General Fund	2006-07	2007-08	2008-09	2009-10	2010-11
City Manager	7.84	9.84	9.84	9.03	8.34
Management Services	25.00	27.00	27.00	24.75	23.00
Police	64.00	73.00	75.00	75.00	75.00
Development Services:					
Community Development	23.98	23.03	22.03	21.03	17.03
Code Compliance	24.37	29.32	28.32	26.32	23.32
Public Works	9.00	9.75	9.75	7.05	6.85
General Fund Total	154.19	171.94	171.94	163.18	153.54

Comments:

With the exception of Police, which has increased staffing during the last four-years, all other General Fund departments have reduced staffing.

Note:

Prior to FY 2006-07, Code Compliance - Animal Control and Code Enforcement were part of the Community Development Division.

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Full-Time and Part-Time Position Listing Summary by Department

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>DEPARTMENT STAFFING</u>				
Total Full-Time Staff	9.84	9.84	9.03	8.34
Total City Manager Staff	9.84	9.84	9.03	8.34
<u>Management Services Department</u>				
Total Full-Time Staff	27.00	27.00	24.75	23.00
Total Part-Time Staff	0.00	0.00	0.00	0.46
Total Management Services Staff	27.00	27.00	24.75	23.46
<u>Economic Development Department</u>				
Total Full-Time Staff	11.33	10.33	10.73	10.33
Total Economic Development Staff	11.33	10.33	10.73	10.33
<u>D.S. Community Development</u>				
Total Full-Time Staff	23.03	22.03	21.03	17.03
Total Part-Time Staff	0.92	0.92	0.46	0.70
Total D.S. Community Development Staff	23.95	22.95	21.49	17.73
<u>D.S. Code Compliance</u>				
Total Full-Time Staff	29.32	28.32	26.32	23.32
Total Part-Time Staff	1.32	0.46	0.46	0.46
Total D.S. Code Compliance Staff	30.64	28.78	26.78	23.78
<u>D.S. Public Works Department</u>				
Total Full-Time Staff	37.45	37.45	35.90	35.40
Total Part-Time Staff	0.46	0.23	0.00	0.00
Total D.S. Public Works Staff	37.91	37.68	35.90	35.40
<u>D.S. Water</u>				
Total Full-Time Staff	69.53	70.53	72.41	72.08
Total Part-Time Staff	2.03	1.80	0.65	0.46
Total D.S. Water Staff	71.56	72.33	73.06	72.54
<u>D.S. Sewer</u>				
Total Full-Time Staff	5.50	5.50	5.50	5.50
Total Part-Time Staff	0.19	0.19	0.00	0.00
Total D.S. Sewer Staff	5.69	5.69	5.50	5.50
<u>Police Department</u>				
Total Full-Time Staff	73.00	75.00	75.00	75.00
Total Part-Time Staff	0.50	0.50	0.50	0.50
Total Police Staff	73.50	75.50	75.50	75.50
<u>Fire District</u>				
Total Full-Time Staff (Contract)	59.00	59.00	59.00	59.00
Total Full-Time Staff (Non-Contract)	0.00	0.00	0.33	0.00
Total Fire District Staff	59.00	59.00	59.33	59.00
TOTAL FULL-TIME CITY STAFF	345.00	345.00	340.00	329.00
TOTAL PART-TIME CITY STAFF	5.42	4.10	2.07	2.58
TOTAL CITY STAFF	350.42	349.10	342.07	331.58

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Full-Time Position Listing by Department

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>City Manager Department</u>				
Administrative Analyst	0.34	0.34	0.34	0.00
Assistant City Clerk	1.00	1.00	2.00	2.00
Assistant to the City Manager-Community Relations	1.00	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	0.85	1.00
Community Relations and Media Coordinator	0.00	0.00	0.00	0.34
Deputy City Clerk	2.00	2.00	0.00	0.00
Emergency Services Coordinator	0.00	0.00	0.34	0.50
Environmental Programs Coordinator	0.50	0.50	0.50	0.50
Management Analyst	1.00	1.00	1.00	1.00
Secretary to the City Manager	1.00	1.00	1.00	0.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Total City Manager Full-Time Staff	9.84	9.84	9.03	8.34
 <u>Management Services Department</u>				
Accountant	2.00	2.00	2.00	2.00
Administrative Analyst	1.00	1.00	1.00	1.00
Assistant City Manager-Management Services	1.00	1.00	0.90	1.00
Deputy Finance Director	1.00	1.00	0.95	1.00
Deputy Human Resources/Risk Management Director	1.00	1.00	1.00	1.00
Executive Secretary	1.00	1.00	1.00	1.00
Human Resources Analyst	1.00	1.00	1.00	1.00
Information Systems Manager	1.00	1.00	1.00	0.00
Information Systems Specialist	3.00	3.00	3.00	3.00
Information Systems Technician	1.00	2.00	2.00	2.00
Management Analyst	1.00	1.00	0.00	0.00
Payroll Analyst	1.00	1.00	1.00	0.00
Personnel Technician	2.00	2.00	2.00	2.00
Purchasing Analyst	2.00	1.00	1.00	1.00
Purchasing Supervisor	1.00	1.00	1.00	1.00
Risk Manager	1.00	1.00	0.00	0.00
Senior Account Clerk	2.00	2.00	2.00	2.00
Senior Accountant	2.00	2.00	1.95	2.00
Senior Management Analyst	1.00	1.00	0.95	1.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Total Management Services Full-Time Staff	27.00	27.00	24.75	23.00

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Full-Time Position Listing by Department (Continued)

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Economic Development Department</u>				
Administrative Aide	1.00	1.00	1.00	1.00
Administrative Analyst	3.33	3.33	3.33	3.00
Administrative Secretary	0.00	1.00	1.00	1.00
Assistant City Manager-Management Services	0.00	0.00	0.10	0.00
City Manager	0.00	0.00	0.15	0.00
Community Relations and Media Coordinator	0.00	0.00	0.00	0.33
Deputy Economic Development Director	1.00	1.00	1.00	1.00
Deputy Finance Director	0.00	0.00	0.05	0.00
Director of Economic Development	1.00	0.00	0.00	0.00
Executive Secretary	1.00	0.00	0.00	0.00
Management Analyst	2.00	2.00	2.00	2.00
Senior Accountant	0.00	0.00	0.05	0.00
Senior Management Analyst	2.00	2.00	2.05	2.00
Senior Office Assistant	1.00	0.00	0.00	0.00
Total Economic Development Full-Time Staff	12.33	10.33	10.73	10.33
<u>D.S.-Community Development</u>				
Assistant Planner	1.00	1.00	1.00	1.00
Associate Planner	1.00	1.00	0.00	0.00
Building Inspector	3.00	2.00	2.00	1.00
Building Inspection Supervisor	1.00	1.00	1.00	1.00
Community Development Coordinator	1.00	1.00	1.00	1.00
Community Development Supervisor	1.00	1.00	1.00	1.00
Community Development Technician	0.75	1.75	1.75	1.75
Deputy Director Development Services-Community Development	1.00	1.00	1.00	0.00
Director of Development Services	0.14	0.14	0.14	0.14
Executive Secretary	0.14	0.14	0.14	0.14
Management Analyst	1.00	1.00	1.00	1.00
Plans Examiner	3.00	2.00	2.00	2.00
Principal Planner	1.00	1.00	1.00	1.00
Receptionist	1.00	1.00	1.00	0.00
Senior Community Development Technician	2.00	2.00	2.00	2.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Senior Office Specialist	1.00	1.00	1.00	1.00
Senior Planner	2.00	2.00	2.00	2.00
Senior Plans Examiner	1.00	1.00	1.00	0.00
Total D.S.-Community Development Full-Time Staff	23.03	22.03	21.03	17.03

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Full-Time Position Listing by Department (Continued)

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>D.S.-Code Compliance</u>				
Animal Control Officer	2.00	2.00	3.00	2.00
Animal Control Supervisor	1.00	1.00	1.00	1.00
Animal Control Technician	4.00	4.00	4.00	4.00
Code Compliance Manager	1.00	1.00	0.00	0.00
Code Enforcement Officer	7.00	7.00	6.00	5.00
Code Enforcement Supervisor	1.00	1.00	1.00	1.00
Director of Development Services	0.16	0.16	0.16	0.16
Executive Secretary	0.16	0.16	0.16	0.16
Office Assistant	6.00	5.00	5.00	4.00
Senior Animal Control Officer	3.00	3.00	2.00	2.00
Senior Code Enforcement Officer	1.00	1.00	1.00	1.00
Senior Office Assistant	2.00	2.00	2.00	2.00
Shelter Supervisor	1.00	1.00	1.00	1.00
Total D.S.-Code Compliance Full-Time Staff	29.32	28.32	26.32	23.32
<u>D.S.-Public Works</u>				
Administrative Analyst	1.00	1.00	0.50	0.50
Administrative Secretary	0.00	0.00	0.50	0.50
Assistant Engineer	0.65	0.65	0.35	0.35
City Engineer	0.50	0.50	0.50	0.50
Community Development Technician	0.25	0.25	0.25	0.25
Construction Inspection Supervisor	0.65	0.65	0.35	0.35
Construction Inspector	1.65	1.65	1.45	1.45
Custodian	1.50	1.50	1.50	1.50
Director of Development Services	0.30	0.30	0.30	0.30
Engineering Aide	1.00	0.50	0.50	0.00
Engineering Technician	0.00	0.50	0.40	0.40
Equipment Operator	4.30	4.30	4.30	4.30
Executive Secretary	0.30	0.30	0.30	0.30
Facilities Supervisor	0.50	0.50	0.50	0.50
Geographical Information Systems Manager	0.50	0.50	0.30	0.30
Geographical Information Systems Technician	0.50	0.50	0.30	0.30
Maintenance Crew Supervisor	2.30	2.30	2.30	2.30
Maintenance Worker	9.10	9.10	9.10	9.10
Office Assistant	1.50	2.00	2.00	2.00
Project Construction Manager	0.75	0.75	0.75	0.75
Public Works Manager	0.50	0.50	0.50	0.50
Public Works Supervisor	1.00	1.00	1.00	1.00
Senior Engineer	0.50	0.50	0.50	0.50
Senior Engineering Technician	1.15	0.65	0.40	0.40
Senior Maintenance Worker	5.90	5.90	5.90	5.90
Senior Office Assistant	1.15	1.15	1.15	1.15
Total D.S.-Public Works Full-Time Staff	37.45	37.45	35.90	35.40

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Full-Time Position Listing by Department (Continued)

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Total D.S.-Water Full</u>				
Administrative Secretary	0.00	0.00	0.50	0.50
Administrative Analyst	1.33	1.33	0.83	0.50
Assistant Engineer	0.35	0.35	0.65	0.65
City Engineer	0.50	0.50	0.50	0.50
Community Development Technician	2.00	2.00	2.00	2.00
Community Relations and Media Coordinator	0.00	0.00	0.00	0.33
Construction Inspection Supervisor	0.35	0.35	0.65	0.65
Construction Inspector	1.35	1.35	1.55	1.55
Custodian	1.50	2.50	2.50	2.50
Customer Service Representative	5.00	5.00	5.00	5.00
Customer Service Supervisor	1.00	1.00	1.00	1.00
Director of Development Services	0.40	0.40	0.40	0.40
Emergency Services Coordinator	0.00	0.00	0.33	0.50
Engineering Aide	1.00	0.50	0.50	0.00
Engineering Technician	0.00	0.50	0.60	0.60
Environmental Programs Coordinator	0.50	0.50	0.50	0.50
Equipment Operator	2.70	2.70	2.70	2.70
Executive Secretary	0.40	0.40	0.40	0.40
Facilities Supervisor	0.50	0.50	0.50	0.50
Geographical Information Systems Manager	0.50	0.50	0.70	0.70
Geographical Information Systems Technician	0.50	0.50	0.70	0.70
Maintenance Crew Supervisor	4.00	4.00	4.00	4.00
Maintenance Worker	15.00	15.00	15.00	15.00
Management Analyst	1.00	1.00	1.00	1.00
Meter Reader	4.00	4.00	4.00	4.00
Office Assistant	1.50	2.00	2.00	2.00
Project Construction Manager	0.25	0.25	0.25	0.25
Public Works Manager	0.50	0.50	0.50	0.50
Public Works Supervisor	1.00	1.00	1.00	1.00
Pump Maintenance Worker	0.95	0.95	0.95	0.95
Pump Operator	1.95	1.95	1.95	1.95
Senior Account Clerk	2.00	2.00	2.00	2.00
Senior Customer Service Representative	2.00	2.00	2.00	2.00
Senior Engineer	0.50	0.50	0.50	0.50
Senior Engineering Technician	0.85	0.35	0.60	0.60
Senior Maintenance Worker	6.40	6.40	6.40	6.40
Senior Office Assistant	0.85	0.85	0.85	0.85
Senior Pump Maintenance Worker	0.95	0.95	0.95	0.95
Senior Pump Operator	0.95	0.95	0.95	0.95
Senior Warehouse Technician	1.00	1.00	1.00	1.00
Utility Line Locator	1.00	1.00	1.00	1.00
Warehouse Technician	1.00	1.00	1.00	1.00
Water Conservation Specialist	1.00	1.00	1.00	1.00
Water Quality Technician	1.00	1.00	1.00	1.00
Total D.S.-Water Full-Time Staff	69.53	70.53	72.41	72.08

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Full-Time Position Listing by Department (Continued)

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>D.S.-Sewer</u>				
Maintenance Crew Supervisor	0.70	0.70	0.70	0.70
Maintenance Worker	3.90	3.90	3.90	3.90
Pump Maintenance Worker	0.05	0.05	0.05	0.05
Pump Operator	0.05	0.05	0.05	0.05
Senior Maintenance Worker	0.70	0.70	0.70	0.70
Senior Pump Maintenance Worker	0.05	0.05	0.05	0.05
Senior Pump Operator	0.05	0.05	0.05	0.05
Total D.S.-Sewer Full-Time Staff	5.50	5.50	5.50	5.50
<u>Police Department</u>				
Sworn Officers (Contract)				
Captain	1.00	1.00	1.00	1.00
Lieutenant	1.00	1.00	1.00	1.00
Sergeant	7.00	8.00	8.00	8.00
Detective/Corporal	5.00	5.00	5.00	5.00
Sheriff Deputy	41.00	42.00	42.00	42.00
Total Sworn Officers	55.00	57.00	57.00	57.00
Non-Sworn Staff (Contract)				
Sheriff's Service Specialist	8.00	8.00	8.00	8.00
Secretary	1.00	1.00	1.00	1.00
Office Specialist	8.00	8.00	8.00	8.00
Supervising Office Specialist	1.00	1.00	1.00	1.00
Total Non-Sworn Staff	18.00	18.00	18.00	18.00
Total Police Sworn & Non-Sworn Full-Time Staff	73.00	75.00	75.00	75.00
<u>Fire District</u>				
<u>Fire Administration (Non-Contract)</u>				
Emergency Services Coordinator	0.00	0.00	0.33	0.00
Total Full-Time Staff	0.00	0.00	0.33	0.00
<u>County Safety Detail (Contract)</u>				
Battalion Chief	2.00	2.00	2.00	2.00
Captain	9.00	9.00	9.00	9.00
Engineer	9.00	9.00	9.00	9.00
Firefighter/Paramedic	21.00	21.00	21.00	21.00
Firefighter - Limited Term	12.00	12.00	12.00	12.00
Total County Full-Time Safety Staff	53.00	53.00	53.00	53.00
<u>County Non-Safety Staff (Contract)</u>				
Account Clerk I	1.00	1.00	1.00	1.00
Account Representative	2.00	2.00	2.00	2.00
Arson Fire Prevention Specialist	1.00	1.00	1.00	0.00
Office Assistant III	1.00	1.00	1.00	1.00
Fire Prevention Officer	1.00	1.00	1.00	0.00
Fire Prevention Officer /Arson	0.00	0.00	0.00	1.00
Fire Prevention Specialist	0.00	0.00	0.00	1.00
Total County Full-Time Non-Safety Staff	6.00	6.00	6.00	6.00
Total Safety & Non-Safety Staff	59.00	59.00	59.33	59.00
TOTAL FULL-TIME CITY STAFF	346.00	345.00	340.00	329.00

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Part-Time Position Listing by Department

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Management Services Department</u>				
Payroll Analyst	0.00	0.00	0.00	0.46
Total Management Services Department	0.00	0.00	0.00	0.46
<u>D.S.-Community Development</u>				
Receptionist	0.92	0.92	0.46	0.46
Senior Plans Examiner	0.00	0.00	0.00	0.24
Total D.S.-Community Development Part-Time Staff	0.92	0.92	0.46	0.70
<u>D.S.-Code Compliance</u>				
Animal Control Technician	0.46	0.46	0.46	0.46
Code Enforcement Officer	0.40	0.00	0.00	0.00
Office Assistant	0.46	0.00	0.00	0.00
Total D.S.-Code Compliance Part-Time Staff	1.32	0.46	0.46	0.46
<u>D.S.-Public Works</u>				
Office Assistant	0.46	0.23	0.00	0.00
Total D.S.-Public Works Part-Time Staff	0.46	0.23	0.00	0.00
<u>D.S.-Water</u>				
Customer Service Representative	0.46	0.46	0.46	0.46
Maintenance Worker	0.19	0.19	0.19	0.00
Meter Reader	0.92	0.92	0.00	0.00
Office Assistant	0.46	0.23	0.00	0.00
Total D.S.-Water Part-Time Staff	2.03	1.80	0.65	0.46
<u>D.S.-Sewer</u>				
Maintenance Worker	0.19	0.19	0.00	0.00
Total D.S.-Sewer Part-Time Staff	0.19	0.19	0.00	0.00
<u>Police Department</u>				
Administrative Aide	0.50	0.50	0.50	0.50
Total Police Department Part-Time Staff	0.50	0.50	0.50	0.50
Total Part-Time City Staff	5.42	4.10	2.07	2.58

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Salary Range Tables

The following Range Tables for represented and non-represented positions are the basis for calculation the 2010-11 Budget Salaries.

REPRESENTED FULL-TIME

**SAN BERNARDINO PUBLIC EMPLOYEES ASSOCIATION (SBPEA)
2010-11 Fiscal Year (Salaries Effective July 1, 2010)**

<u>CLASSIFICATION TITLE</u>	<u>RANGE #</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Accountant	16	4012	4213	4424	4645	4877
Account Clerk	9	2851	2994	3144	3301	3466
Animal Control Officer	12	3301	3466	3639	3821	4012
Animal Control Technician	7	2586	2715	2851	2994	3144
Building Inspector	17	4213	4424	4645	4877	5121
Code Enforcement Officer	16	4012	4213	4424	4645	4877
Community Development Technician	12	3301	3466	3639	3821	4012
Custodian	8	2715	2851	2994	3144	3301
Customer Service Representative	10	2994	3144	3301	3466	3639
Engineering Aide	11	3144	3301	3466	3639	3821
Engineering Technician	12	3301	3466	3639	3821	4012
Equipment Operator	12	3301	3466	3639	3821	4012
Equipment Operator/Water*	12.5	3384	3553	3731	3918	4114
Maintenance Worker	10	2994	3144	3301	3466	3639
Maintenance Worker/Water*	10.5	3069	3223	3384	3553	3731
Meter Reader	10	2994	3144	3301	3466	3639
Office Assistant	7	2586	2715	2851	2994	3144
Pump Maintenance Worker	12	3301	3466	3639	3821	4012
Pump Operator	12	3301	3466	3639	3821	4012
Purchasing Analyst	16	4012	4213	4424	4645	4877
Receptionist	6	2463	2586	2715	2851	2994
Registered Veterinary Technician	10	2994	3144	3301	3466	3639
Senior Account Clerk	12	3301	3466	3639	3821	4012
Senior Animal Control Officer	14	3639	3821	4012	4213	4424
Senior Customer Service Representative	12	3301	3466	3639	3821	4012
Senior Maintenance Worker	13	3466	3639	3821	4012	4213
Senior Maintenance Worker/Water*	13.5	3553	3731	3918	4114	4320
Senior Pump Maintenance Worker	14	3639	3821	4012	4213	4424
Senior Pump Operator	14	3639	3821	4012	4213	4424
Senior Warehouse Technician	12	3301	3466	3639	3821	4012
Utility Line Locator	10	2994	3144	3301	3466	3639
Warehouse Technician	10	2994	3144	3301	3466	3639
Water Conservation Specialist	14	3639	3821	4012	4213	4424
Water Quality Technician	12	3301	3466	3639	3821	4012
Water Resource Specialist	19	4645	4877	5121	5377	5646

*Plus 2% - Provided employee has and maintains the required certifications as defined in the job description.

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

NON-REPRESENTED FULL-TIME

2010-11 Fiscal Year (Salaries Effective July 1, 2010)

<u>CLASSIFICATION TITLE</u>	<u>RANGE#</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>
GENERAL												
Administrative Aide	27	3035	3096	3158	3221	3285	3351	3418	3486	3556	3627	3700
Administrative Secretary	30	3513	3583	3655	3728	3803	3879	3957	4036	4117	4199	4283
Construction Inspector	34	4271	4356	4443	4532	4623	4716	4810	4906	5004	5104	5206
Deputy City Clerk	28	3187	3251	3316	3382	3450	3519	3589	3661	3734	3809	3885
Executive Secretary	33	4068	4149	4232	4317	4403	4491	4581	4673	4767	4862	4959
Geographical Information Systems Technician	31	3689	3763	3838	3915	3993	4073	4155	4238	4323	4410	4498
Information Systems Technician	31	3689	3763	3838	3915	3993	4073	4155	4238	4323	4410	4498
Maintenance Crew Supervisor	36	4709	4803	4899	4997	5097	5199	5303	5409	5517	5627	5740
Payroll Analyst	32	3874	3952	4031	4112	4194	4278	4364	4451	4540	4631	4724
Personnel Technician	32	3874	3952	4031	4112	4194	4278	4364	4451	4540	4631	4724
Senior Code Enforcement Officer	34	4271	4356	4443	4532	4623	4716	4810	4906	5004	5104	5206
Senior Community Development Technician	32	3874	3952	4031	4112	4194	4278	4364	4451	4540	4631	4724
Senior Engineering Technician	34	4271	4356	4443	4532	4623	4716	4810	4906	5004	5104	5206
Senior Office Assistant	28	3187	3251	3316	3382	3450	3519	3589	3661	3734	3809	3885
Senior Office Specialist	28	3187	3251	3316	3382	3450	3519	3589	3661	3734	3809	3885
PROFESSIONAL/SUPERVISORY												
Administrative Analyst	34	4271	4356	4443	4532	4623	4716	4810	4906	5004	5104	5206
Animal Control Supervisor	35	4485	4575	4667	4760	4855	4952	5051	5152	5255	5360	5467
Assistant City Clerk	35	4485	4575	4667	4760	4855	4952	5051	5152	5255	5360	5467
Assistant Engineer	38	5192	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329
Assistant Planner	35	4485	4575	4667	4760	4855	4952	5051	5152	5255	5360	5467
Associate Planner	38	5192	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329
Building Inspection Supervisor	40	5725	5840	5957	6076	6198	6322	6448	6577	6709	6843	6980
Code Enforcement Supervisor	36	4709	4803	4899	4997	5097	5199	5303	5409	5517	5627	5740
Community Development Coordinator	34	4271	4356	4443	4532	4623	4716	4810	4906	5004	5104	5206
Community Development Supervisor	38	5192	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329
Construction Inspection Supervisor	39	5452	5561	5672	5785	5901	6019	6139	6262	6387	6515	6645
Customer Service Supervisor	36	4709	4803	4899	4997	5097	5199	5303	5409	5517	5627	5740
Emergency Services Coordinator	38	5192	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329
Environmental Programs Coordinator	34	4271	4356	4443	4532	4623	4716	4810	4906	5004	5104	5206
Facilities Supervisor	36	4709	4803	4899	4997	5097	5199	5303	5409	5517	5627	5740
Human Resource Analyst	37	4945	5044	5145	5248	5353	5460	5569	5680	5794	5910	6028
Management Analyst	37	4945	5044	5145	5248	5353	5460	5569	5680	5794	5910	6028
Plans Examiner	37	4945	5044	5145	5248	5353	5460	5569	5680	5794	5910	6028
Public Works Supervisor	38	5192	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329
Secretary to the City Manager	34	4271	4356	4443	4532	4623	4716	4810	4906	5004	5104	5206
Shelter Supervisor	35	4485	4575	4667	4760	4855	4952	5051	5152	5255	5360	5467

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

NON-REPRESENTED FULL-TIME

2010-11 Fiscal Year (Salaries Effective July 1, 2010)

<u>CLASSIFICATION TITLE</u>	<u>RANGE#</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>
MANAGEMENT												
Code Compliance Manager	41	6011	6131	6254	6379	6507	6637	6770	6905	7043	7184	7328
Geographical Information Systems Manager	41	6011	6131	6254	6379	6507	6637	6770	6905	7043	7184	7328
Information Systems Manager	43	6628	6761	6896	7034	7175	7319	7465	7614	7766	7921	8079
Information Systems Specialist	37	4945	5044	5145	5248	5353	5460	5569	5680	5794	5910	6028
Principal Planner	44	6959	7098	7240	7385	7533	7684	7838	7995	8155	8318	8484
Project Construction Manager	43	6628	6761	6896	7034	7175	7319	7465	7614	7766	7921	8079
Public Works Manager	44	6959	7098	7240	7385	7533	7684	7838	7995	8155	8318	8484
Purchasing Supervisor	38	5192	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329
Senior Accountant	38	5192	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329
Senior Development Specialist	38	5192	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329
Senior Engineer	43	6628	6761	6896	7034	7175	7319	7465	7614	7766	7921	8079
Senior Management Analyst	40	5725	5840	5957	6076	6198	6322	6448	6577	6709	6843	6980
Senior Planner	41	6011	6131	6254	6379	6507	6637	6770	6905	7043	7184	7328
Senior Plans Examiner	40	5725	5840	5957	6076	6198	6322	6448	6577	6709	6843	6980
SENIOR MANAGEMENT												
City Engineer	48	8459	8628	8801	8977	9157	9340	9527	9718	9912	10110	10312
Deputy Director of Development Services/Community Development	48	8459	8628	8801	8977	9157	9340	9527	9718	9912	10110	10312
Deputy Director of Economic Development	48	8459	8628	8801	8977	9157	9340	9527	9718	9912	10110	10312
Deputy Finance Director	46	7672	7825	7982	8142	8305	8471	8640	8813	8989	9169	9352
Deputy Human Resources/Risk Management Director	46	7672	7825	7982	8142	8305	8471	8640	8813	8989	9169	9352
AT WILL SENIOR MANAGEMENT												
Assistant City Manager/Management Services (Unclassified/At Will)	52	10282	10488	10698	10912	11130	11353	11580	11812	12048	12289	12535
Assistant to City Manager-Community Relations (Unclassified/At Will)	45	7307	7453	7602	7754	7909	8067	8228	8393	8561	8732	8907
City Clerk (Unclassified/At Will)	45	7307	7453	7602	7754	7909	8067	8228	8393	8561	8732	8907
Director of Development Services (Unclassified/At Will)	51	9792	9988	10188	10392	10600	10812	11028	11249	11474	11704	11938

An Administrative Intern temporary/part-time classification is available with the following hourly pay rates: \$12.00, \$13.00, \$14.00, \$15.00

FUND: GENERAL FUND 100
DEPARTMENT: CITY COUNCIL 01

DEPARTMENT EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 45,193	\$ 42,618	\$ 45,000	\$ 45,000	\$ 45,000	0%
Benefits	82,086	84,310	83,020	82,402	71,285	-14%
Materials	12,137	9,562	10,150	3,650	7,950	-22%
Contractual	603,649	557,267	518,100	555,100	504,100	-3%
Other Operating	43,688	46,097	49,600	33,200	51,237	3%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 786,753	\$ 739,854	\$ 705,870	\$ 719,352	\$ 679,572	-4%

DIVISION EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
100 City Council	\$ 404,258	\$ 375,980	\$ 380,870	\$ 394,352	\$ 354,572	-7%
102 City Attorney	382,495	363,874	325,000	325,000	325,000	0%
TOTAL	\$ 786,753	\$ 739,854	\$ 705,870	\$ 719,352	\$ 679,572	-4%

DEPARTMENT GOALS FOR 2010-11

- Continue to provide leadership and policy direction on a variety of issues and projects important to the citizens of the City of Hesperia.
- Continue to support conservative spending measures, prudent budgeting practices, and responsible fiscal stewardship of the citizen's monies.
- Demand transparency in government at all levels.
- Maintain funding of the City's annual Street Paving Program in an effort to repair or replace as many deteriorating streets as possible.
- Maintain the highest level of public safety services by ensuring adequate staffing levels, necessary vehicles and equipment, and quality facilities.
- Continue to seek alternative funding sources via Federal, State and County grants, as well as the current stimulus funds.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- None

FUND: GENERAL FUND 100
DEPARTMENT: CITY COUNCIL 01
DIVISION: CITY COUNCIL 100

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 45,193	\$ 42,618	\$ 45,000	\$ 45,000	\$ 45,000	0%
Benefits	82,086	84,310	83,020	82,402	71,285	-14%
Materials	12,137	9,562	10,150	3,650	7,950	-22%
Contractual	221,154	193,393	193,100	230,100	179,100	-7%
Other Operating	43,688	46,097	49,600	33,200	51,237	3%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 404,258	\$ 375,980	\$ 380,870	\$ 394,352	\$ 354,572	-7%

DIVISION DESCRIPTION

The City Council is the legislative body of the organization and is comprised of five members elected at-large to four-year overlapping terms of office. The City Council also sits as the Board of Directors/Agency Members of the Hesperia Community Redevelopment Agency, Hesperia Fire Protection District and Hesperia Water District, and is responsible for the development and adoption of all City policy. The City Council appoints a City Manager charged with the implementation of adopted policy, as well as a City Attorney that reviews Council actions and policy for legal considerations. The City Council also appoints a variety of commissions and committees, including the Planning Commission.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- None

2009-10 DIVISION ACCOMPLISHMENTS

- Worked with Tramatola LLA to conduct a Citywide Survey related to placing a measure on the November 2010 ballot which would raise funding for Public Safety Services. The results were presented to the City Council in April 2010, at which time it was decided to move forward with public education plan to gauge support and receive feedback from the community. Final decision to be made prior to August 6th.
- Received \$2,283,100 in State and Federal funds for a variety of projects including: (1) a \$1 million Federal appropriation for the Rancho Road corridor – Phase II Interchange Project, for a total of \$15.4 million in Federal allocations received to date; (2) \$775,100 in ARRA (stimulus) funds from the Department of Energy to install photovoltaic solar energy panels on the new Police Station; and (3) \$508,000 in CMAQ (Congestion Mitigation and Air Quality) funds to expand the City's Park and Ride Facility on Joshua Street to accommodate increased capacity.
- Through policy leadership Hesperia is continuing to strengthen infrastructure, provide vital services, fortify the City's financial health, provide good working conditions for employees, and increase citizen satisfaction.
- Oversaw the construction for the new Hesperia Police Station, High Desert County Administration Building, and Fire Station 305.
- Continued to maintain weekly City Hall office hours in order to provide enhanced levels of service to Hesperia citizens.

2010-11 DIVISION GOALS AND OBJECTIVES

- Continue to provide leadership and policy direction on a variety of issues and projects important to the citizens of the City of Hesperia.
- Continue to support conservative spending measures, prudent budgeting practices, and responsible fiscal stewardship of the citizen's monies.

FUND: GENERAL FUND 100
DEPARTMENT: CITY COUNCIL 01
DIVISION: CITY COUNCIL 100

2010-11 DIVISION GOALS AND OBJECTIVES (Continued)

- Demand transparency in government at all levels.
- Maintain funding of the City's annual Street Paving Program in an effort to repair or replace as many deteriorating streets as possible.
- Maintain the highest level of public safety services by ensuring adequate staffing levels, necessary vehicles and equipment.
- Continue to seek alternative funding sources via Federal, State, and County grants, as well as the current stimulus funds.
- Launch a new educational outreach program, Citizen Academy, which invites residents to get involved in local government.
- Host the 5th Annual Youth in Government Day.
- Adopt General Plan update that includes a comprehensive update of all seven elements of the General Plan text, the land use map, the Transportation Plan, and a non-vehicular Circulation Plan.

FUND: GENERAL FUND 100
DEPARTMENT: CITY COUNCIL 01
DIVISION: CITY ATTORNEY 102

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	382,495	363,874	325,000	325,000	325,000	0%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 382,495	\$ 363,874	\$ 325,000	\$ 325,000	\$ 325,000	0%

DIVISION DESCRIPTION

The City Attorney is appointed by the City Council and serves as legal counsel to the City, Water and Fire Districts, Hesperia Community Redevelopment Agency, as well as various commissions and committees. The City Attorney advises elected officials and staff on legal issues relating to policy decisions and provides necessary legal review of ordinances, resolutions, agreements, contracts, and other documents.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- None

2009-10 DIVISION ACCOMPLISHMENTS

- Provided timely and appropriate legal advice on a variety of issues.
- Resolved several outstanding and new litigation matters in an effective and cost-efficient manner.
- Assisted in negotiation, drafting, and implementation of agreements to further economic development, capital improvement and affordable housing programs.

2010-11 DIVISION GOALS AND OBJECTIVES

- Provide legal services and advice that will limit the City's exposure to claims for damages, and aggressively represent the City when engaged in litigation.
- Facilitate planning and land use projects and environmental review.
- Provide prompt drafting and review of agreements, ordinances, resolutions and memoranda in support to the City Council, City Manager, Planning Commission, and City departments.
- Act as general counsel for the Redevelopment Agency by advising and representing the Agency Board and staff on legal issues affecting the Agency, including economic development projects and development of housing rehabilitation and other affordable housing programs.
- Keep the City Council and City Manager informed on new legal developments affecting the City.
- Continue to control costs for legal services.

FUND: GENERAL FUND 100
DEPARTMENT: CITY MANAGER 07

DEPARTMENT EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 769,112	\$ 843,902	\$ 800,089	\$ 809,579	\$ 761,106	-5%
Benefits	302,720	345,233	318,645	324,328	253,036	-21%
Materials	120,104	108,071	80,333	58,910	57,253	-29%
Contractual	91,230	56,351	19,600	17,815	43,500	122%
Other Operating	177,851	80,441	106,545	80,060	62,075	-42%
Capital Outlay	30,626	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,491,643	\$ 1,433,998	\$ 1,325,212	\$ 1,290,692	\$ 1,176,970	-11%

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	Revised	Budget	From 2009-10 Budget
200 City Manager	\$ 1,076,542	\$ 995,660	\$ 957,914	\$ 922,805	\$ 827,761	-14%
210 City Clerk	415,101	438,338	367,298	367,887	349,209	-5%
TOTAL	\$ 1,491,643	\$ 1,433,998	\$ 1,325,212	\$ 1,290,692	\$ 1,176,970	-11%

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
DEPARTMENT STAFFING				
Total Full-Time Staff	9.84	9.84	9.03	8.34
Total City Manager Staff	9.84	9.84	9.03	8.34

DEPARTMENT GOALS FOR 2010-11

- Pursue Federal and State earmarks, including stimulus funds, for a variety of programs in concert with the City's legislative programs.
- Continue to expand the City's environmental programs relating to water conservation, storm water awareness, graffiti abatement, and maintain above 50% for a solid waste diversion rate via education and public outreach.
- Continue to build local and regional partnerships by working with neighboring cities and agencies including the Hesperia Unified School District, Hesperia Recreation and Parks District, Hispanic Chamber of Commerce, and the Hesperia Chamber of Commerce.
- Continue to work with the Hesperia Recreation and Parks District to develop and conduct activities at the City's Civic Plaza Park including a farmer's market, art festival, auto shows, and other special events at the new Downtown Center.
- Complete construction of the new San Bernardino County Administration Building and Hesperia Police Station, both being built in tandem in the City's Downtown.
- Conduct extensive community outreach to determine appropriate use for the Hesperia Golf Course property.
- Citywide implementation of electronic Agenda Manager.
- Assist City departments in the annual purging of documents for indexing, archiving, and/or shredding (on-going) program.

FUND: GENERAL FUND 100
DEPARTMENT: CITY MANAGER 07

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- Funding of \$25,000 included for consolidation with the San Bernardino County Registrar of Voters Office for the November 2010 General Election.
- The retirement of the Secretary to the City Manager (1.00 FTE) creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, with some temporary assistance used to help with the workload.
- The one Emergency Services Coordinator is reallocated from 0.34 FTE to 0.50 FTE in the City Manager's division, due to limited funds available in the Fire District to fund a portion of this position.
- The Administrative Analyst (Pos. #7001)(0.34 FTE) position was retitled/reclassified to a Community Relations and Media Coordinator (0.34 FTE) position to more accurately reflect the duties being performed.
- The portion of the City Manager's time (0.15 FTE) previously allocated to the Redevelopment Agency is being reallocated back to the City Manager's Department to reduce administrative costs for the Redevelopment Agency.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.34	0.34	0.34	0.00
Assistant City Clerk	1.00	1.00	2.00	2.00
Assistant to the City Manager-Community Relations	1.00	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	0.85	1.00
Community Relations and Media Coordinator	0.00	0.00	0.00	0.34
Deputy City Clerk	2.00	2.00	0.00	0.00
Emergency Services Coordinator	0.00	0.00	0.34	0.50
Environmental Programs Coordinator	0.50	0.50	0.50	0.50
Management Analyst	1.00	1.00	1.00	1.00
Secretary to the City Manager	1.00	1.00	1.00	0.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Total Full-Time Staff	9.84	9.84	9.03	8.34

FUND: GENERAL FUND 100
DEPARTMENT: CITY MANAGER 07
DIVISION: CITY MANAGER 200

DIVISION EXPENDITURE SUMMARY	% Change					
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 516,365	\$ 579,221	\$ 561,913	\$ 561,632	\$ 534,798	-5%
Benefits	199,485	236,621	220,462	226,017	175,744	-20%
Materials	101,509	90,712	63,879	47,156	44,749	-30%
Contractual	88,383	15,000	15,000	15,000	15,000	0%
Other Operating	170,800	74,106	96,660	73,000	57,470	-41%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,076,542	\$ 995,660	\$ 957,914	\$ 922,805	\$ 827,761	-14%

DIVISION DESCRIPTION

The City Manager serves as the Chief Executive Officer of the City and its subsidiary Fire and Water Districts, as well as Executive Director of the Hesperia Community Redevelopment Agency. The City Manager ensures that City Council policies and directions are implemented and provides executive level staff support for the City Council in a variety of functions, including public administration, intergovernmental relations, public information, legislative advocacy, unique challenges/special projects, policy analysis and other items that are necessary to improve the functions of government. The City Manager is responsible for the efficient and effective operation of all City/District/Agency departments, programs and services. Specifically, the City Manager's Office program is responsible for financial oversight, executive level leadership, public information, legislative advocacy, disaster planning, emergency preparedness, solid waste and cable television franchise management, grants coordination, environmental programs, oversight of the Volunteer Network; the Employee Mentoring program; response to citizen concerns, community outreach, public involvement and senior level staff support on a variety of special projects and services.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The retirement of the Secretary to the City Manager (1.00 FTE) creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, with some temporary assistance used to help with the workload.
- The one Emergency Services Coordinator is reallocated from 0.34 FTE to 0.50 FTE in the City Manager's division due to limited funds available in the Fire District to fund a portion of this position.
- The Administrative Analyst (Pos. #7001)(0.34 FTE) position was retitled/reclassified to a Community Relations and Media Coordinator (0.34 FTE) position to more accurately reflect the duties being performed.
- The portion of the City Manager's time (0.15 FTE) previously allocated to the Redevelopment Agency is being reallocated back to the City Manager's Department to reduce administrative costs for the Redevelopment Agency.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.34	0.34	0.34	0.00
Assistant to the City Manager-Community Relations	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	0.85	1.00
Community Relations and Media Coordinator	0.00	0.00	0.00	0.34
Emergency Services Coordinator	0.00	0.00	0.34	0.50

FUND: GENERAL FUND 100
DEPARTMENT: CITY MANAGER 07
DIVISION: CITY MANAGER 200

<u>PROGRAM STAFFING (Continued)</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Environmental Programs Coordinator	0.50	0.50	0.50	0.50
Management Analyst	1.00	1.00	1.00	1.00
Secretary to the City Manager	1.00	1.00	1.00	0.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Total Full-Time Staff	5.84	5.84	6.03	5.34

2009-10 DIVISION ACCOMPLISHMENTS

- Continued to evaluate, implement programs and expand the Ten-Year Strategic Plan.
- Presented the annual legislative priorities requests and worked with State and Federal delegates on behalf of Hesperia citizens, resulting in an additional \$1,000,000 in interstate maintenance funding for the Rancho Corridor Project Phase II (interchange).
- Completed the first year of the Citywide Mentoring Program designed to assist with succession planning and grooming future City leaders. Twenty-four employees completed the program in February 2010, with 5 continuing to the next level and 9 employees beginning the program. Second-year Mentees will work on a year long project under the guidance of Executive Management.
- Applied for two American Recovery Reinvestment Act (ARRA) grants: One for three fire station construction/renovation projects through the Fire Station Construction Grant Program from FEMA; and the other through the Environmental Protection Agency's (EPA) Energy Efficiency Conservation Block Grant Program for solar panels for the new Police Station, which we received.
- Successfully coordinated a Fall Safety Fair in the Civic Plaza Park, along with the Hesperia Recreation and Parks District (HRPD) and Hesperia Police and Fire Departments.
- Thirty streets have been adopted in the Citywide Adopt-a-Street Program, two Citywide Clean-up Days were held and another clean-up day added as part of a volunteer opportunity.
- Four Tire Amnesty events were held with approximately 2,400 tires received from Hesperia residents.
- Assembled an employee project team from various City divisions to examine the City's existing Development Review process in order to provide recommendations for increased level of service to citizens and the business community.
- Conducted one Electronic Waste event with a total of 68,171 pounds collected from citizens and businesses.
- Continued to work with neighboring cities and numerous agencies such as the California League of Cities, Tri-Agency, San Bernardino Associated Governments, California Redevelopment Association, Building Industry Association, Hesperia Chamber of Commerce, Hesperia Unified School District, Victor Valley Wastewater Reclamation Authority, Mojave Water Agency and the Hesperia Recreation and Park District.
- Developed a Citizens Corps Council to allow the City to conduct Citizen Emergency Response Training (CERT). Six CERT training sessions were held for City employees with additional sessions planned for outside agencies and citizens.
- Completed a revision of the City's Emergency Operations Plan and conducted a tabletop exercise for all Emergency Operations Center staff.
- Supported Census 2010 efforts by providing outreach materials and hosting a volunteer Census worker at City Hall during March and part of April.
- Worked in conjunction with Federal Emergency Management Authority (FEMA) to declare a local emergency, enabling the City and citizens to apply for Federal emergency assistance funds.

FUND: GENERAL FUND 100
DEPARTMENT: CITY MANAGER 07
DIVISION: CITY MANAGER 200

2009-10 DIVISION ACCOMPLISHMENTS (Continued)

- Completed implementation of a new, interactive website that provides citizens with a variety of new options aimed at supplying information in a fast, intuitive manner.
- Introduced the Hesperia Volunteer Network, an online program integrated into the City's website which allows citizens to be matched with local non-profit agencies requiring assistance. In addition, the City was named a participant in the national Disney Give a Day, Get a Day Program which allowed volunteers to earn a free Disney pass.
- Hosted an End of Summer Concert in the Hesperia Civic Plaza Park.
- Collaborated with staff from Water Distribution and Utility Billing to issue a Lead Public Information campaign to Hesperia residents as required by the California Department of Public Health.
- Produced the annual State of the City video completely in-house, saving production costs of \$8,000.
- Staff coordinated joint events with the County of San Bernardino for the groundbreaking of the High Desert Government Center and for the grand opening of Fire Station 305.

2010-11 DIVISION GOALS AND OBJECTIVES

- Continue to manage citizen requests and complaints.
- Pursue Federal and State earmarks, including stimulus funds, for a variety of programs in concert with the City's legislative programs.
- Plan, develop, and implement the City Budget.
- Continue working with the City Council, staff and citizens on strategic planning efforts.
- Further develop the City's emergency preparedness plans and procedures so as to be suitably prepared in case of a disaster.
- Coordinate with Advance Disposal to further improve solid waste services in the City.
- Explore alternative energy options for City facilities.
- Continue to expand the City's environmental programs relating to water conservation, storm water awareness, graffiti abatement, and maintain above 50% for a solid waste diversion rate via education and public outreach.
- Continue to build local and regional partnerships by working with neighboring cities and agencies including the Hesperia Unified School District, Hesperia Recreation and Parks District, Hispanic Chamber of Commerce, and the Hesperia Chamber of Commerce.
- Continue to work with the Hesperia Recreation and Parks District to develop and conduct activities at the City's Civic Plaza Park including a farmer's market, art festival, auto shows, and other special events at the new Downtown Center.
- Oversee completion of the new San Bernardino County Administration Building and Hesperia Police Station, both being built in tandem in the City's Downtown.
- Oversee a Golf Course Feasibility Study including community meetings and surveys.
- CERT Training for each City staff member.
- Implementation of a City Council Candidate Orientation workshop to familiarize candidates with City functions.

FUND: GENERAL FUND 100
DEPARTMENT: CITY MANAGER 07
DIVISION: CITY MANAGER 200

PERFORMANCE AND

WORKLOAD INDICATORS

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Number of community events	17	15	27	20
Number of legislative letters	n/a	10	20	20
Number of website hits	405,863	667,612	553,232	668,000
Number of environmental school programs presented	n/a	12	15	12
Number of recycling/clean-up events held	n/a	32	36	32
Number of Mentoring participants	n/a	n/a	24	15
Number of Volunteers referred	n/a	n/a	110	120
Number of CERT trainings held	n/a	n/a	6	6

FUND: GENERAL FUND 100
DEPARTMENT: CITY MANAGER 07
DIVISION: CITY CLERK 210

DIVISION EXPENDITURE SUMMARY	% Change From 2009-10 Budget					
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 252,747	\$ 264,681	\$ 238,176	\$ 247,947	\$ 226,308	-5%
Benefits	103,235	108,612	98,183	98,311	77,292	-21%
Materials	18,595	17,359	16,454	11,754	12,504	-24%
Contractual	2,847	41,351	4,600	2,815	28,500	520%
Other Operating	7,051	6,335	9,885	7,060	4,605	-53%
Capital Outlay	30,626	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 415,101	\$ 438,338	\$ 367,298	\$ 367,887	\$ 349,209	-5%

DIVISION DESCRIPTION

The City Clerk serves as the legislative support staff to the City Council, City staff, and the public, and also serves as the elections official, filing officer for Conflict of Interest Statements, and the records manager.

Duties for the City Clerk include the preparation of the legislative agenda (Council, Fire Protection District, Redevelopment Agency and Water District), attendance at Council/Agency/Board meetings, publication/posting of legal notices, as well as preparation of meeting minutes.

As the election official, the Clerk administers Federal, State, and local procedures and legal requirements to ensure a fair and impartial election, prepares the election handbook, and assists candidates in meeting their legal responsibilities before, during, and after an election (Fair Political Practices Commission and campaign filings).

As the records manager, by statute, the Clerk is responsible for the preservation and protection of the public record and is required to maintain and index the minutes, ordinances, and resolutions adopted by the legislative body. The City Clerk also ensures that other municipal records (contracts, recorded documents, claims, etc.) are readily accessible to the public. The public record under the conservatorship of the City Clerk provides fundamental integrity to all Council/Agency/Board actions and records. The City Clerk also oversees the Citywide Records Retention Program and is responsible for maintaining archived record storage and destruction of records.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Funding of \$25,000 included for consolidation with the San Bernardino County Registrar of Voters Office for the November 2010 General Election.

PROGRAM STAFFING	2007-08	2008-09	2009-10	2010-11
<u>Full-Time Staff</u>				
Assistant City Clerk	1.00	1.00	2.00	2.00
City Clerk	1.00	1.00	1.00	1.00
Deputy City Clerk	2.00	2.00	0.00	0.00
Total Full-Time Staff	4.00	4.00	3.00	3.00

FUND: GENERAL FUND 100
DEPARTMENT: CITY MANAGER 07
DIVISION: CITY CLERK 210

2009-10 DIVISION ACCOMPLISHMENTS

- Transitioned information to the City's new website which also allows for electronic submittals of records requests.
- Created City Council Procedures Manual and public information brochure for City Council meetings.
- Facilitated the set-up of Laserfiche directories and staff training for Utility Billing, Accounts Payable, Purchasing, and Payroll for electronic storage of documents.
- Maintained off-site Records Storage Center housing 1,400+ boxes of indexed City records.
- Transferred over 350 archived records boxes to the off-site Records Storage Center.
- Purged and shredded 400 boxes of archived records per the City's Retention/Destruction schedule.
- Scanned over 10,000 pages of historical documents into the City's Optical Imaging Program.
- Completed electronic procedures manual for the City Clerk's Division.
- Complied with the provisions of the Political Reform Act and managed 2009-2010 Statement of Economic Interests and Campaign Statements.
- Completed annual codification of the Hesperia Municipal Code and monthly updates on the City's website.
- Completed a Request For Proposal for Citywide legal publications with an adjudicated newspaper.
- Completed data for mandated cost reimbursement for Fiscal Year 2005 through 2009.
- Prepared Candidates Handbook for the November 2, 2010 Municipal Election.
- Continued to facilitate the codification of Water District ordinances into the Hesperia Municipal Code.
- Continued to work with Management Information Services (MIS) on the implementation of Agenda Manager (electronic agenda) and integration with Granicus.

2010-11 DIVISION GOALS AND OBJECTIVES

- Citywide implementation of Agenda Manager (electronic agenda) and integration with Granicus.
- Completion of Water Code codification.
- Create and implement a Legal Hold Policy for City records.
- Create and implement an Electronic Records Policy.
- Complete a Request For Proposal for codification of the Municipal Code and possible transition to new vendor.
- Complete annual codification of Municipal Code with monthly updates on the City's website.
- Assist departments in the annual purging of documents for indexing, archiving and shredding.
- Comply with provisions of the Political Reform Act managed 2009-2010 Statement of Economic Interests and Campaign Statements.
- Conduct the November 2, 2010 Municipal Election and prepare associated resolutions, public notices, etc.
- Posting of all campaign filings for the November 2, 2010 Municipal Election to the City Clerk's webpage.

FUND: GENERAL FUND 100
DEPARTMENT: CITY MANAGER 07
DIVISION: CITY CLERK 210

PERFORMANCE AND

WORKLOAD INDICATORS

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Average Number of Council/Board Meetings	45	45	45	45
Annual Number of Ordinances Processed	30	30	17	20
Annual Number of Resolutions Processed	225	254	141	150
Annual Contracts Approved and Processed	240	239	151	180
Annual Claims/Lawsuits Processed	50	43	88	100
Recorded Documents Processed	260	144	105	125
Public Hearing Notices/Postings	67	60	30	40
Records Requests/Pages Provided	172/10,259	160/7,000	381/13,938	400/11,000
Maps Processed	68	52	3	10
Records Requested from Storage	150	185	219	225
Bonds Processed	140	142	30	40
Archived Boxed in Records Storage	n/a	1,596	1,642	1,700
Library Community Room Bookings	n/a	165	231	255

*Council Standing Committees discontinued January 2006.

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FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19

DEPARTMENT EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 1,723,616	\$ 1,964,420	\$ 1,800,683	\$ 1,790,099	\$ 1,635,660	-9%
Benefits	658,091	751,833	723,803	725,818	559,729	-23%
Materials	675,075	632,731	499,700	497,924	525,210	5%
Contractual	1,015,109	1,059,464	1,156,600	1,246,405	1,151,900	0%
Other Operating	90,951	81,728	88,169	76,495	77,551	-12%
Capital Outlay	170,422	54,729	10,000	2,650,218	10,000	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 4,333,264	\$ 4,544,905	\$ 4,278,955	\$ 6,986,959	\$ 3,960,050	-7%

DIVISION EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
220 Finance	\$ 1,700,775	\$ 1,647,332	\$ 1,551,470	\$ 4,153,656	\$ 1,402,569	-10%
225 Human Resources/ Risk Management	1,336,887	1,500,170	1,444,399	1,545,979	1,403,464	-3%
228 Management Information Services	1,295,602	1,397,403	1,283,086	1,287,324	1,154,017	-10%
TOTAL	\$ 4,333,264	\$ 4,544,905	\$ 4,278,955	\$ 6,986,959	\$ 3,960,050	-7%

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>DEPARTMENT STAFFING</u>				
Total Full-Time Staff	27.00	27.00	24.75	23.00
Total Part-Time Staff	0.00	0.00	0.00	0.46
Total Management Services Staff	27.00	27.00	24.75	23.46

DEPARTMENT GOALS FOR 2010-11

- Develop a successor Memorandum of Understanding (MOU) with the San Bernardino Public Employees' Association (SBPEA) before December 31, 2010.
- Continue to manage the City's resources in a fiscally prudent manner during the current prolonged economic downturn.
- Manage the City's variable rate debt obligations and Redevelopment Agency debt as effectively as possible in a declining property tax revenue environment.

FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- Eliminate one vacant Payroll Analyst (1.00 FTE) position to reduce expenditures during the continuing economic downturn and add one part-time Payroll Analyst position (0.46 FTE) to help deal with the payroll workload.
- Eliminate the vacant Information Systems Manager (1.00 FTE) position to reduce expenditures during the continuing economic downturn and have one existing Information Systems Specialist serve as interim division manager.
- The Deputy Finance Director, Senior Management Analyst, and Senior Accountant will have their time (0.05 FTE for each position) previously allocated to the Redevelopment Agency is being reallocated back to the Finance Division to reduce administrative costs for the Redevelopment Agency.
- The Assistant City Manager – Management Services time (0.10 FTE) previously allocated to the Redevelopment Agency is being reallocated back to the Human Resources/Risk Management Division and Management Information Services Division to reduce administrative costs for the Redevelopment Agency.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Accountant	2.00	2.00	2.00	2.00
Administrative Analyst	1.00	1.00	1.00	1.00
Assistant City Manager/Management Services	1.00	1.00	0.90	1.00
Deputy Finance Director	1.00	1.00	0.95	1.00
Deputy Human Resources/Risk Management Director	1.00	1.00	1.00	1.00
Executive Secretary	1.00	1.00	1.00	1.00
Human Resources Analyst	1.00	1.00	1.00	1.00
Information Systems Manager	1.00	1.00	1.00	0.00
Information Systems Specialist	3.00	3.00	3.00	3.00
Information Systems Technician	1.00	2.00	2.00	2.00
Management Analyst	1.00	1.00	0.00	0.00
Payroll Analyst	1.00	1.00	1.00	0.00
Personnel Technician	2.00	2.00	2.00	2.00
Purchasing Analyst	2.00	1.00	1.00	1.00
Purchasing Supervisor	1.00	1.00	1.00	1.00
Risk Manager	1.00	1.00	0.00	0.00
Senior Account Clerk	2.00	2.00	2.00	2.00
Senior Accountant	2.00	2.00	1.95	2.00
Senior Management Analyst	1.00	1.00	0.95	1.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Total Full-Time Staff	27.00	27.00	24.75	23.00
<u>Part-Time Staff</u>				
Payroll Analyst	0.00	0.00	0.00	0.46
Total Part-Time Staff	0.00	0.00	0.00	0.46
Total Full & Part-Time Staff	27.00	27.00	24.75	23.46

FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19
DIVISION: FINANCE 220

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 918,326	\$ 991,420	\$ 949,494	\$ 926,835	\$ 893,568	-6%
Benefits	334,558	365,272	358,447	349,575	277,330	-23%
Materials	262,651	182,548	130,200	129,810	131,610	1%
Contractual	88,752	55,856	65,600	59,905	55,400	-16%
Other Operating	44,487	52,236	47,729	43,531	44,661	-6%
Capital Outlay	52,001	0	0	2,644,000	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,700,775	\$ 1,647,332	\$ 1,551,470	\$ 4,153,656	\$ 1,402,569	-10%

DIVISION DESCRIPTION

- Financial Management and Analysis – Develop the City’s financial management policies and plans and coordinate the preparation of the Annual Budget and Capital Improvement Plan; monitor City revenue and expenditures with periodic reporting to the City Council; perform City debt management functions; and provide financial and program analysis for various Citywide projects and initiatives, as well as employee negotiations.
- Revenue Management – Perform City’s treasury management functions to include preparing the City’s investment policy and managing City investments in accordance with the policy, and maintain a comprehensive revenue management information system.
- Accounting Services – Develop and maintain accounting policies and operate the City’s automated financial management and record keeping system, which consists of the general ledger, accounts payable, accounts receivable, payroll, and provide monthly reports; prepare the annual Comprehensive Annual Financial Report (CAFR) for review by the City’s auditors, and prepare various reports for the State and Federal government; maintain the City’s fixed assets inventory system, and provide other support service functions.
- Purchasing System – Perform the City’s central purchasing functions and administer the process.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Accountant	2.00	2.00	2.00	2.00
Administrative Analyst	1.00	1.00	1.00	1.00
Assistant City Manager/Management Services	0.50	0.50	0.50	0.50
Deputy Finance Director	1.00	1.00	0.95	1.00
Executive Secretary	0.50	0.50	0.50	0.50
Management Analyst	1.00	1.00	0.00	0.00
Payroll Analyst	1.00	1.00	1.00	0.00
Purchasing Analyst	2.00	1.00	1.00	1.00
Purchasing Supervisor	1.00	1.00	1.00	1.00
Senior Account Clerk	2.00	2.00	2.00	2.00
Senior Accountant	2.00	2.00	1.95	2.00
Senior Management Analyst	1.00	1.00	0.95	1.00
Senior Office Assistant	0.50	0.50	0.50	0.50
Total Full-Time Staff	15.50	14.50	13.35	12.50

FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19
DIVISION: FINANCE 220

<u>PROGRAM STAFFING (Continued)</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Part-Time Staff</u>				
Payroll Analyst	0.00	0.00	0.00	0.46
Total Part-Time Staff	0.00	0.00	0.00	0.46
Total Full & Part-Time Staff	15.50	14.50	13.35	12.96

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Eliminate one vacant Payroll Analyst (1.00 FTE) position to reduce expenditures during the continuing economic downturn and add one part-time Payroll Analyst position (0.46 FTE) to help deal with the payroll workload.
- The Deputy Finance Director, Senior Management Analyst, and Senior Accountant will have their time (0.05 FTE for each position) previously allocated to the Redevelopment Agency is being reallocated back to the Finance Division to reduce administrative costs for the Redevelopment Agency.

2009-10 DIVISION ACCOMPLISHMENTS

- Completed the City's Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2008-09. The City received notification from the Governmental Finance Officers' Association (GFOA) that the Fiscal Year 2007-08 CAFR earned the award for Excellence in Financial Reporting. This is the seventh consecutive year the City has earned this recognition.
- Coordinated the Fiscal Year 2010-11 Budget Process.
- Updated the City and Subsidiary District's Statement of Investment Policy for Fiscal Year 2009-10, and provided the monthly Treasurer's Reports verifying the City's cash and investment position.
- Completed the update to the Travel Policy and implemented a CalCard Procurement Card Program.
- Worked with the City Manager's Office to evaluate Electronic Payment and Processing providers (E-Pay) and began implementation an E-Pay Program for water/sewer payments.
- Conducted the Fiscal Year 2009-10 First Quarter, Mid-Year, and Fourth Quarter Budget Reviews.
- Provided Budget-to-Actual, Open Purchase Order, and Payroll Leave Reports to departments to assist them in the management of their sections.
- Renewed the letters of credit supporting the 2004 Measure I Bonds, 2005 Civic Plaza Certificates of Participation and the 1998 Series A & B Water Bonds. Also issued the related Amended and Restated Reimbursement Agreements.
- Submitted State Controller's Reports for the City, Fire, Redevelopment, and Water, as well as the Redevelopment Agency's Statement of Indebtedness and the City's State Street Report.
- Implemented Governmental Accounting Standards Board (GASB) Statements 43 and 45 Accounting, Reporting and Disclosure Requirements for Government Other Post Employment Benefits.
- Purchasing worked with the City Manager's Office to create an Emergency Vendor Program that will aid in procurement of essential materials, supplies, and contract services in the event of an emergency.
- Prepared annual financial compliance calculations along with budget and insurance certifications for several debt issues, as required by the applicable bond indentures.
- Purchasing hosted a "How To Conduct Business With Hesperia" seminar and distributed the corresponding guidebook to aid local businesses in their effort to respond to City bids.
- Payroll developed a direct deposit policy.

FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19
DIVISION: FINANCE 220

2010-11 DIVISION GOALS AND OBJECTIVES

- Complete the CAFR for Fiscal Year 2009-10 and submit the CAFR to the Government Finance Officers' Association (GFOA) for evaluation and award consideration.
- Coordinate the Fiscal Year 2011-12 Budget Process and submit the Fiscal Year 2010-11 Budget document to the Government Finance Officers' Association (GFOA) for evaluation and award consideration.
- Review and update the Statement of Investment Policy for the City and subsidiary districts and provide monthly Treasurer's Reports verifying the City's cash and investment position.
- Complete implementation of an E-Pay Program for water/sewer payments, and look at expanding program to include other City fees such as Animal Control license renewals and business license renewals.
- Conduct the Fiscal Year 2010-11 First Quarter, Mid-Year, and Fourth Quarter Budget Reviews.
- Provide City Management and the City Council with financial analytical support on various projects.
- Provide City Departments with monthly financial reports in a timely manner.
- Develop and present Quarterly and Mid-Year Budget Reviews for the City Council's consideration.
- Prepare annual financial compliance calculations along with budget and insurance certifications for several debt issues, as required by the applicable bond indentures.
- Perform a Citywide Fee Study analysis and make a recommendation regarding Citywide fee schedule change.
- Submit State Controller's Reports for the City, Fire, Redevelopment, and Water, as well as the Redevelopment Agency's Statement of Indebtedness and the City's State Street Report.
- Purchasing to host a "How To Conduct Business With Hesperia" seminar and distribute the corresponding guidebook to aid local businesses in their effort to respond to City bids.
- Implement Governmental Accounting Standards Board (GASB) Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions.

<u>PERFORMANCE AND WORKLOAD INDICATORS</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Invoices Processed	14,322	12,858	12,250	12,000
Accounts Payable Checks Issued	6,432	6,531	6,500	6,500
Number of Payroll Checks/Direct Deposits Processed	7,529	6,534	6,603	6,637
Average Annual Yield	4.33%	2.22%	0.68%	0.70%
Number of Monthly Financial Reports Issued	149	149	149	149
Number of Requests for Proposal/Qualification	29	33	25	40
Number of Informal Bids Produced	445	182	70	70
Number of Contracts Issued	102	91	90	90
Number of Amendments to Contracts	62	69	62	50
Number of Purchase Orders Issued	928	925	752	700
Number of Contracts Administered	295	480	489	450

FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19
DIVISION: HUMAN RESOURCES/RISK MANAGEMENT 225

DIVISION EXPENDITURE SUMMARY	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
Salaries	\$ 439,420	\$ 501,256	\$ 387,374	\$ 393,731	\$ 379,642	-2%
Benefits	191,833	212,542	187,875	198,449	164,722	-12%
Materials	96,935	65,471	56,500	66,689	61,000	8%
Contractual	584,285	710,991	788,000	869,500	781,000	-1%
Other Operating	24,414	9,910	24,650	17,610	17,100	-31%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,336,887	\$ 1,500,170	\$ 1,444,399	\$ 1,545,979	\$ 1,403,464	-3%

DIVISION DESCRIPTION

The Human Resources Division provides the City Council, City Manager, City executive staff, its subsidiary districts, City employees, and the general public with a fair employment selection system, maintains City personnel files and records, and administers and implements City personnel policies and procedures. Ensures that the City of Hesperia's hiring and employment policies and practices comply with Federal and State legislation, and assures that the City's approach and efforts to equal employment opportunity are in accordance with adopted law and City Council policy. The Division manages all employee benefit plans as well.

Facilitates and ensures that the City's actions on employer employee relations are in accordance with Federal and State legislation on the collective bargaining process through negotiations and administration of Memorandums of Understanding (MOU), and related agreements with represented employee groups, to include the San Bernardino Public Employees' Association (SBPEA); and the administration of salaries, benefits and related policies for non-represented employee groups.

Risk Management strives to protect personnel and the physical assets of the City from injury and loss, respectively, by managing all City insurance policies, processing liability claims, lawsuits, coordinating and providing employee safety training programs, coordinating Occupational Safety and Health Administration (OSHA), and Americans with Disabilities Act (ADA) compliance, and workers' compensation claims management.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Assistant City Manager/Management Services	0.35	0.35	0.30	0.35
Deputy Human Resources/Risk Management Director	1.00	1.00	1.00	1.00
Executive Secretary	0.35	0.35	0.35	0.35
Human Resources Analyst	1.00	1.00	1.00	1.00
Personnel Technician	2.00	2.00	2.00	2.00
Risk Manager	1.00	1.00	0.00	0.00
Senior Office Assistant	0.35	0.35	0.35	0.35
Total Full-Time Staff	6.05	6.05	5.00	5.05

FUND:	GENERAL FUND	100
DEPARTMENT:	MANAGEMENT SERVICES	19
DIVISION:	HUMAN RESOURCES/RISK MANAGEMENT	225

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The Assistant City Manager – Management Services time (0.05 FTE) previously allocated to the Redevelopment Agency is being reallocated back to the Human Resources/Risk Management Division to reduce administrative costs for the Redevelopment Agency.

2009-10 DIVISION ACCOMPLISHMENTS

Human Resources

- Conducted Meet and Confer with the San Bernardino Public Employees' Association (SBPEA) representatives in the areas of labor negotiations and employee relations matters. Negotiated a one year successor Memorandum of Understanding (MOU) with the SBPEA.
- Met with health insurance brokerage representatives to ensure the continuance of employee comprehensive insurance coverage, and obtained premium reductions, while maintaining same or enhanced level of benefits, and secured a three (3) year premium rate guarantee. Coordinated annual open enrollment for health, dental and optical insurance coverage, and successfully implemented all changes with the assistance of payroll. Managed the administration of the City's sponsored, pre-tax, IRS 125 Cafeteria Plan, and the 457(b) deferred compensation plans and 401(a) retirement plan.
- Managed all employee recruitment efforts and the City's Volunteer and Work Investment Act (WIA) Volunteer Programs; conducted all pre-employment background checks, physicals and employee orientations; conducted compensation, and classification analysis as necessary.
- Complied with administration and monitoring of the Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985 and the 2009/2010 American Recovery and Reinvestment Act (ARRA) amendment, for health insurance benefit coverage, and Federal legislation, such as the Uniformed Services Employment and Reemployment Rights Act (USERRA), and Family Medical Leave Act (FMLA).
- Processed employee Personnel Action Forms for compensation adjustments and other amendments in accordance with adopted City Resolutions, Memorandum of Understanding (MOU), and Personnel Rules and Regulations.
- Coordinated various employee recognition programs, and administered and monitored the automated system for employee identification and accessibility (proximity cards); coordinated efforts with adopted Records Management Retention Program.
- Assisted City Departments and Divisions' management staff to resolve employee relation matters, investigations, disciplinary actions, disagreements and miscellaneous labor related matters; assisted and processed employee (CalPERS) retirement requests, including additional retirement service credits (ARSC), military time, and plan-to-plan transfer options. Coordinated and assisted with the implementation of recently adopted employee programs, such as the Bilingual Incentive Program.

Risk Management

- Completed extensive review of the City's General Liability and Workers' Compensation insurance pool programs; secured a consolidation and comprehensive premium reduction with an overall enhancement of coverage options. Administered and processed insurance policies for all City owned property and fixed assets; and conducted field inspections for damage assessment of general liability claims.
- Monitored, processed and managed workers' compensation claims and updated the database reporting system, in accordance with new State of California legislation.
- Assisted, provided, and responded to legal counsel inquiries regarding liability claims and lawsuit settlements.
- Coordinated and implemented the new Medicare Secondary Payer (MSP) Mandatory Reporting Provisions for general liability, and workers' compensation programs, in accordance with State and Federal legislation.

FUND:	GENERAL FUND	100
DEPARTMENT:	MANAGEMENT SERVICES	19
DIVISION:	HUMAN RESOURCES/RISK MANAGEMENT	225

2009-10 DIVISION ACCOMPLISHMENTS (Continued)

Risk Management (Continued)

- Received Council adoption for the proposed updated Employee Injury and Illness Prevention Program (EIIPP); and completed two additional employee programs: Heat Illness Prevention Program and Employee Return to Work Program, in accordance with the State of California OSHA, and workers' compensation mandated guidelines and new legislation.
- Administered and managed comprehensive employee training program, in compliance with City, State, and Federal requirements.

2010-11 DIVISION GOALS AND OBJECTIVES

Human Resources

- Conduct and process employee annual open enrollment for City sponsored medical, health, IRS 125 Cafeteria Plan, and optional insurance benefits; continue to manage City's sponsored 457(b) and 401(a) deferred compensation plans; coordinate all requested modifications or adjustments with payroll and outside agencies.
- Revise and update all employee comprehensive benefits as necessary and monitor and process employee worksheets and retiree insurance benefits and premiums. Assist with reconciliation of related budget accounts; and process monthly insurance payments.
- Monitor and manage the City's Volunteer Program and coordinate the Work Investment Act (WIA) Volunteer Program; continue to work with outside agencies for the successful management of the City's Employee Wellness Program and Bilingual Incentive Program.
- Coordinate, administer, and comply with the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) for insurance benefits for non-active employees and qualified family members. Manage the administration of Federal legislation for employee military deployments (USERRA) and employee leaves under FMLA, including administrative, workers' compensation, short/long-term disability, illnesses, and disciplinary.
- Monitor, implement, and process reporting requirements in accordance with new Federal legislation of the Patient Protection and Affordable Care Act and the Health Care and Education Affordability Reconciliation Act of 2010.
- Monitor and update Citywide, departmental and divisional policies, procedures, and programs in compliance with City rules and regulations, and State and Federal laws; assist with employee relations, discipline matters, and investigative efforts; monitor, revise, update, and implement changes to forms to ensure consistency and adherence to City policies, procedures, rules and regulations, and programs, and continue to support and coordinate the Records Management Retention Program.
- Maximize the use of the City's Intranet for easy employee accessibility of Memorandum of Understanding (MOU), policies, procedures, programs, job classification specifications, salary schedules, job recruitment, and other related employee information.

Risk Management

- Maintain and manage the City's general liability and workers' compensation insurance policies; update procedures for handling subpoenas, general liability claims and lawsuits, and conduct field inspections relating to liability claims for damage assessment.
- Manage and process workers' compensation claims, in accordance with the State of California legislation; coordinate and participate with employee interactive process in support of the Employee Return to Work Program. Manage and update the workers' compensation database reporting system.

FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19
DIVISION: HUMAN RESOURCES/RISK MANAGEMENT 225

2010-11 DIVISION GOALS AND OBJECTIVES (Continued)

Risk Management (Continued)

- Promote and manage employee safety awareness and training in the workplace in support of the City's EIIPP and the State of California OSHA, including Heat Illness Prevention Program. Update and monitor changes in laws affecting Citywide employee safety programs to ensure compliance with City rules and regulations and State and Federal laws, and manage and coordinate all employee training in accordance to City, State, and Federal requirements.
- Coordinate the implementation of the City's Employee Injury and Illness Prevention Program; resume Safety Committee meetings in support of employee safe working conditions.
- Coordinate, process, and manage legal reporting for Medicare Secondary Payer Mandatory Reporting Provisions for general liability and workers' compensation in compliance with Federal law.
- Mutually coordinate and assist City departments and outside agencies towards the creation and implementation of the City's ADA Transition Plan to ensure compliance with Federal legislation and the Americans with Disabilities Act, Title II (ADA), and Public Accommodations.

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Human Resources</u>				
Advertising/Marketing	79	14	4	3
Background Checks (includes rescinds and hires)	64	59	40	45
Benefit Worksheets Processed	596	620	860	900
Employee Evaluations Processed	184	188	150	190
Employee Promotions Processed	17	10	5	0
Employment Separations/Retirements Processed	16	13	10	5
Employment Applications Reviewed/Processed	3,226	1,872	705	550
Employment Interviews Coordinated and Monitored	83	38	17	15
Employment Testing and Assessments Proctored	7	4	3	1
New Employee (hires) Processed	47	20	8	5
Personnel Action Forms Processed	489	509	450	350
Records Retention Program Processed	52	47	12	10
Recruitments and Selection	43	16	5	5
Staff Professional Development Attended	42	54	30	30
Volunteers Processed	0	20	15	15

FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19
DIVISION: HUMAN RESOURCES/RISK MANAGEMENT 225

**PERFORMANCE AND
 WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Risk Management</u>				
Court Appearances	4	2	4	4
Damaged City Property Claims Recovery	n/a	18	40	40
Field Inspections	3	3	3	5
Insurance Certificates Received/Processed	n/a	n/a	1,000	1,000
Lawsuits Filed and Monitored	12	9	5	5
Lawsuits Settled	4	3	5	3
Liability Claims	79	42	65	50
Liability Claims Settled	5	2	5	3
Liability Investigations Handled	9	21	10	12
Liability Subrogation Notices Sent	21	21	30	45
Subpoenas Processed	6	22	20	15
Training and Drills Coordinated	13	16	16	15
Workers' Compensation Claims Processed/Monitored	22	20	20	15
Workers' Compensation Claims Settled	13	28	20	13

FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19
DIVISION: MANAGEMENT INFORMATION SERVICES 228

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 365,870	\$ 471,744	\$ 463,815	\$ 469,533	\$ 362,450	-22%
Benefits	131,700	174,019	177,481	177,794	117,677	-34%
Materials	315,489	384,712	313,000	301,425	332,600	6%
Contractual	342,072	292,617	303,000	317,000	315,500	4%
Other Operating	22,050	19,582	15,790	15,354	15,790	0%
Capital Outlay	118,421	54,729	10,000	6,218	10,000	0%
Debt Service	0		0	0	0	0%
TOTAL	\$ 1,295,602	\$ 1,397,403	\$ 1,283,086	\$ 1,287,324	\$ 1,154,017	-10%

DIVISION DESCRIPTION

The MIS Division works with all other departments and divisions throughout the City to ensure that all technology needs are being met and that the technology is being adequately utilized to advance the overall mission of the City. In doing this, the MIS Division is responsible for the design, development, administration, and maintenance of various telecommunications and computer networks, operating systems, and related services, such as core systems management, equipment installation, coordination of services, and billing and budget requirements. The MIS Division supports a Wide Area Network comprised of 5 distinct locations, 6 Local Area Networks, 277 individual computers, 166 separate software applications, 6 operating systems, 94 servers, 21 databases, etc

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Assistant City Manager/Management Services	0.15	0.15	0.10	0.15
Executive Secretary	0.15	0.15	0.15	0.15
Information Systems Manager	1.00	1.00	1.00	0.00
Information Systems Specialist	3.00	3.00	3.00	3.00
Information Systems Technician	1.00	2.00	2.00	2.00
Senior Office Assistant	0.15	0.15	0.15	0.15
Total Full-Time Staff	5.45	6.45	6.40	5.45

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Eliminate the vacant Information Systems Manager (1.00 FTE) position to reduce expenditures during the continuing economic downturn and have one existing Information Systems Specialist serve as interim division manager.
- The Assistant City Manager – Management Services time (0.05 FTE) previously allocated to the Redevelopment Agency is being reallocated back to the Management Information Services Division to reduce administrative costs for the Redevelopment Agency.

2009-10 DIVISION ACCOMPLISHMENTS

- Completed a site survey and spectrum analysis as the third phase of the City's wireless network, which will include full Citywide broadband wireless for public safety use.

FUND:	GENERAL FUND	100
DEPARTMENT:	MANAGEMENT SERVICES	19
DIVISION:	MANAGEMENT INFORMATION SERVICES	228

2009-10 DIVISION ACCOMPLISHMENTS (Continued)

- Coordinated with the General Contractor and the County to ensure that all communication and technology needs were addressed in the design and construction of the Police Headquarters building.
- Upgraded the City's Supervisory Control and Data Acquisition (SCADA) servers with newer, more robust systems, and additional data storage capabilities.
- Continued working with Community Development on the implementation of Accela and its integration with the New World System's financial package.
- Worked collaboratively with Utility Billing to acquire an online bill pay system that allows City residents to pay their water bill online.
- Implemented a new Call Center solution for Utility Billing that allows them to automatically track and report on incoming call volumes, while at the same time providing a queuing functionality that automatically routes incoming calls to any available Customer Service Representative.
- Worked collaboratively with the Public Information Officer (PIO) to migrate the City's website to a newer, more secure web platform.
- Implemented an enhancement to the City's phone system that integrates an internal instant messaging solution with the City's phone and email systems for internal collaboration.
- Implemented Symantec's Altiris solution, which allows full remote helpdesk support capabilities and automatic monitoring/reporting on the health of all of the City's workstations and servers.
- Updated the Information Technology Strategic Plan.
- Conducted a configuration and security assessment of the City's Information Systems.
- Provided various technology training classes to City staff, particularly in regard to the Microsoft Office Suite.
- Continued providing full operational support to City staff with regard to all technology needs, including workstations, laptops, printers, peripherals, software applications, databases, core operational systems, and special projects.

2010-11 DIVISION GOALS AND OBJECTIVES

- Continue to work with Community Development on managing and streamlining workflows within the Accela system, with an eventual integration with the City's New World System's financial package and online bill pay system.
- Implementation of the next phase of the City's wireless network.
- Implementation of an energy saving software system that will integrate with the City's computer network to turn power off to phones and computer systems during nights, weekends, and holidays in order to reduce the City's carbon footprint and power consumption.
- Relocation of the telephone system and all associated circuits from the existing Police Headquarters to their new building.
- Integration of Service Level Objectives with the MIS Helpdesk in order to improve service levels to City staff.
- Establish a Remote Access Policy for vendors and City staff to remotely access the City's network.
- Continue providing training classes to City staff on the various technology products in use at the City.
- Continued providing full operational support to City staff in regard to all technology needs, including workstations, laptops, printers, peripherals, software applications, databases, core operational systems, and special projects.

FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19
DIVISION: MANAGEMENT INFORMATION SERVICES 228

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
City Sites Serviced	5	5	5	5
Data Backed Up Nightly (Gigabytes)	885	2,300 ⁽¹⁾	2,400	2,400
Databases Managed	18	16	21	21
Local Area Networks Managed	5	5	6	6
Operating Systems Managed	5	6	6	7
Blackberries/Personal Data Assistants (PDAs)	32	37	38	38
Printers, Plotters, and Copiers Supported	53	51	52	53
Routers and Switches Managed	37	44	35	37
Software Applications Supported	151	166	166	167
E-mails Processed (Outgoing)	121,779	162,297	179,000	190,000
E-mails Processed (Incoming)	3,744,848	3,298,644	2,830,000	2,794,000
▪ Valid Emails (Incoming)	212,503	276,338	349,000	394,000
▪ Spam Emails (Incoming)	3,532,345	3,022,306	2,481,000 ⁽⁶⁾	2,400,000 ⁽⁶⁾
Help Desk Statistics				
Trouble Calls Processed	3,951	3,917	4,664	4,600
Average Time Per Trouble Call	28 min	36 min	40	38 min
Computer Systems Managed	290	316	371 ⁽⁵⁾	375
▪ File Servers	35	43	94 ⁽⁵⁾	98
▪ Workstations	186	188	201	201
▪ Laptops	69	85	76	76
User Accounts Managed	715 ⁽²⁾	864 ⁽⁴⁾	731	721
▪ Network Accounts	356 ⁽²⁾	389	223 ⁽⁷⁾	223 ⁽⁷⁾
▪ AS/400 Accounts	63	21 ⁽³⁾	21	10
▪ New World .Net Accounts	n/a	110 ⁽⁴⁾	111	111
▪ Telephone Accounts	242	248	251	251
▪ Wireless Network Clients	54	96	125	126

⁽¹⁾Includes backups of the new GIS system

⁽²⁾Includes Email accounts to house voicemails for the Police Department

⁽³⁾Migration from AS/400 to .Net SQL environment will result in fewer accounts

⁽⁴⁾ Migration to the .Net SQL environment requires maintenance and administration of new .Net accounts for the City's financial system

⁽⁵⁾ Introduction of Virtual Server technology has allowed for true redundancy and dedicated servers for specialized functions

⁽⁶⁾ Updated SPAM filtering technology and a move to a new web hosting solution have substantially reduced the amount of incoming SPAM

⁽⁷⁾ Voicemail network accounts are no longer being included in this number. All voicemail network accounts have already been included under Telephone Accounts. Due to the City's Voice Over Internet (VOIP) System, these accounts are to appear in multiple areas.

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FUNDS: REDEVELOPMENT AGENCY AND COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
DEPARTMENT: ECONOMIC DEVELOPMENT 25

FUND EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 634,599	\$ 712,198	\$ 814,982	\$ 804,131	\$ 719,148	-12%
Benefits	240,742	263,468	309,308	307,325	231,340	-25%
Materials	383,483	434,892	392,850	451,366	534,594	36%
Contractual	44,102,812	41,921,750	83,237,629	38,345,887	44,425,409	-47%
Other Operating	294,398	255,362	722,270	332,159	2,553,289	254%
Capital Outlay	15,255,450	8,272,918	11,875,148	8,419,318	2,637,032	-78%
Debt Service	7,497,717	13,962,270	13,797,132	15,234,638	14,985,396	9%
TOTAL	\$ 68,409,201	\$ 65,822,858	\$ 111,149,319	\$ 63,894,824	\$ 66,086,208	-41%

FUND EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Budget	2010-11 Budget	2009-10 Budget
Redevelopment Agency						
385 Low/Moderate Income	\$ 10,269,274	\$ 11,110,651	\$ 26,315,487	\$ 6,251,095	\$ 24,446,725	-7%
389 RDA Administration	1,515,989	1,459,008	1,867,173	1,475,761	1,583,961	-15%
486 RDA Project Area #1 D/S	18,663,846	23,077,694	23,758,655	21,189,892	17,348,901	-27%
487 RDA Project Area #2 D/S	1,774,317	2,015,658	2,224,322	1,706,589	1,369,530	-38%
586 RDA Project Area #1-CIP	32,985,528	24,162,024	45,499,498	28,632,017	14,185,060	-69%
587 RDA Project Area #2-CIP	2,151,922	75,365	2,498,638	2,000	2,098,638	-16%
588 RDA WEDA	0	0	1,702,035	0	1,702,035	0%
Sub-Total Redevelopment Agency	\$ 67,360,876	\$ 61,900,400	\$ 103,865,808	\$ 59,257,354	\$ 62,734,850	-40%
Community Development Block Grant						
251 CDBG Administration	460,124	575,305	1,477,664	885,974	1,572,665	6%
252 CDBG HOME Grant	63,295	3,017,783	0	0	0	0%
253 CDBG Revolving Loans	524,906	270,000	1,273,998	0	997,610	-22%
257 CDBG Neighborhood Stabilization Program	0	59,370	4,531,849	3,751,496	781,083	-83%
Sub-Total CDBG	\$ 1,048,325	\$ 3,922,458	\$ 7,283,511	\$ 4,637,470	\$ 3,351,358	-54%
Total Economic Development	\$ 68,409,201	\$ 65,822,858	\$ 111,149,319	\$ 63,894,824	\$ 66,086,208	-41%

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
DEPARTMENT STAFFING				
Total Full-Time Staff	11.33	10.33	10.73	10.33
Total Economic Development Staff	11.33	10.33	10.73	10.33

DEPARTMENT GOALS FOR 2010-11

- Issue Notice to Proceed (NTP) for the Agency's G Avenue Industrial Rail Lead Track Project.
- Prepare a Master Plan for Agency's G Avenue Industrial Rail Park.
- Implement Hesperia Enterprise Zone (EZ) Memorandum of Understanding (MOU).
- Obligate 100% of City's Neighborhood Stabilization Program (NSP) funding.
- Administer the City's Recycling Market Development Zone (RMDZ).
- Issue a Notice of Funding Availability (NOFA) for Agency affordable multi-family housing projects.
- Initiate SB 211 Redevelopment Plan Amendment.
- Evaluate formation of two non-profit 501(c)(3) organizations to facilitate Agency's real estate holdings and general City functions.
- Rehabilitate NSP and Agency-acquired residential properties for lease or resale.
- Continue retail, commercial, and industrial recruitment within Redevelopment Project Areas.

SIGNIFICANT DEPARTMENT EXPENDITURES AND STAFFING CHANGES

Redevelopment:

- One Administrative Analyst (Pos. #7001)(0.33 FTE) position was retitled/reclassified to a Community Relations and Media Coordinator (0.33 FTE) position to more accurately reflect the duties being performed.
- To reduce administrative costs for the Redevelopment Agency the following positions and FTE's are being reallocated to their primary department and funding sources: City Manager (0.15 FTE), Assistant City Manager – Management Services (0.10 FTE), Deputy Finance Director (0.05 FTE), Senior Management Analyst (0.05 FTE), and Senior Accountant (0.05 FTE).

Community Development Block Grant:

- None

FUNDS: REDEVELOPMENT AGENCY (RDA) AND COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
DEPARTMENT: ECONOMIC DEVELOPMENT 25

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Redevelopment Agency (RDA)						
Funds						
(385, 389, 486, 487, 586, 587, 588)						
Taxes						
RDA Debt Service - Project Area #1						
Tax Increment	\$ 21,493,061	\$ 21,654,382	\$ 22,560,000	\$ 16,451,074	\$ 11,018,711	-51%
486 25 261 0000 4060						
RDA Debt Service - Project Area #1						
Amendment Tax Increment	3,692,552	3,845,255	4,160,000	3,020,516	2,158,457	-48%
486 25 261 0000 4062						
RDA Debt Service - Project Area #2						
Tax Increment	2,218,461	2,213,778	2,560,000	1,728,410	1,186,676	-54%
487 25 261 0000 4060						
RDA Project Area #1 Low/Mod - LMI						
20% Property Tax	5,373,265	5,413,596	5,640,000	4,112,769	2,754,678	-51%
385 25 263 2700 4070						
RDA Project Area #1 Amendment						
Low/Mod - LMI 20% Property Tax	923,138	961,314	1,040,000	755,129	539,614	-48%
385 25 263 2700 4073						
RDA Project Area #2 Low/Mod - LMI						
20% Property Tax	554,615	553,444	640,000	432,102	296,669	-54%
385 25 263 2700 4075						
SubTotal Property Tax Increment	\$ 34,255,092	\$ 34,641,769	\$ 36,600,000	\$ 26,500,000	\$ 17,954,805	-51%
VVEDA - Low/Mod	363,344	345,887	364,225	208,012	168,261	-54%
385 25 263 2700 4078						
VVEDA - Capital Project	304,364	201,811	390,192	259,170	209,643	-46%
588 25 261 0000 4068						
Total Taxes	\$ 34,922,800	\$ 35,189,467	\$ 37,354,417	\$ 26,967,182	\$ 18,332,709	-51%
Interest						
RDA - Debt Service - Interest Project						
Area #1	\$ 780,921	\$ 404,157	\$ 447,851	\$ 93,578	\$ 91,758	-80%
486 19 220 0000 5600						
RDA - Debt Service - Interest Project						
Area #2	46,069	22,514	24,506	200	144	-99%
487 19 220 0000 5600						
RDA Low/Mod Fund-Interest Income	2,605,127	2,503,516	1,186,894	1,550,000	121,089	-90%
385 19 220 0000 5600						
RDA CIP Area #1 - Interest	2,681,275	1,911,162	1,966,002	1,500,000	22,213	-99%
586 19 220 0000 5600						
RDA CIP Area #2 - Interest	143,720	17,500	25,650	4,000	634	-98%
587 19 220 0000 5600						
RDA CIP VVEDA - Interest	15,884	72,621	12,072	5,093	6,242	-48%
588 19 220 0000 5600						
Total Interest Income	\$ 6,272,996	\$ 4,931,470	\$ 3,662,975	\$ 3,152,871	\$ 242,080	-93%
Redevelopment Agency (RDA)						
Funds						
(385, 389, 486, 487, 586, 587, 588)						
Other						
Other-All Other Combined	\$ 2,699,944	\$ 1,702,157	\$ 15,300	\$ 118,600	\$ 2,388,329	15510%
Total RDA Other	\$ 2,699,944	\$ 1,702,157	\$ 15,300	\$ 118,600	\$ 2,388,329	15510%
Total Redevelopment Agency Revenue	\$ 43,895,740	\$ 41,823,094	\$ 41,032,692	\$ 30,238,653	\$ 20,963,118	-49%

FUNDS: REDEVELOPMENT AGENCY (RDA) AND COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION RELATED REVENUE DETAIL

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
Community Development Block Grant (CDBG) Funds (251, 252, 253, 257)						
251 CDBG Fund						
Intergovernmental						
CDBG Administration Reimbursement 251 25 270 2700 4730	\$ 964,085	\$ 575,368	\$ 1,477,580	\$ 1,477,580	\$ 1,209,777	-18%
CDBG Loan Repayment 251 25 270 2700 4746	18,570	17,238	45,000	15,000	45,000	0%
CDBG Administration Reimbursement 251 29 700 7091 4730	0	0	0	0	365,335	n/a
Total Intergovernmental	\$ 982,655	\$ 592,606	\$ 1,522,580	\$ 1,492,580	\$ 1,620,112	6%
Total CDBG Fund 251	\$ 982,655	\$ 592,606	\$ 1,522,580	\$ 1,492,580	\$ 1,620,112	6%
252 HOME Grant Fund						
Interest						
CDBG HOME Grant Program Interest Income 252 19 220 0000 5600	\$ 6,724	\$ 1,712	\$ 50	\$ 608	\$ 734	1368%
Total Interest Income	\$ 6,724	\$ 1,712	\$ 50	\$ 608	\$ 734	1368%
Grants						
CDBG HOME Grant 2000 252 25 264 2700 4750	\$ 63,295	\$ 0	\$ 30,000	\$ 0	\$ 30,000	0%
1999 Home-DAP Loan Repayment 252 25 264 2700 4747	19,894	0	0	0	0	n/a
1999 Home-HRLP Loan Repayment 252 25 264 2700 4748	(22)	0	30,000	0	30,000	0%
CDBG 2002 HOME Construction 252 25 264 2700 4756	0	3,176,111	0	0	0	n/a
Total Grants	\$ 83,167	\$ 3,176,111	\$ 60,000	\$ 0	\$ 60,000	0%
Total HOME Fund 252	\$ 89,891	\$ 3,177,823	\$ 60,050	\$ 608	\$ 60,734	1%
253 CDBG-Revolving Loan Fund						
Interest						
CDBG Revolving Loan Program Interest Income 253 19 220 0000 5600	\$ 59,169	\$ 19,018	\$ 21,298	\$ 4,915	\$ 6,040	-72%
CDBG-Revolving Loan Fund - Miscellaneous Income	0	0	420,000	48,952	48,952	-88%
Total CDBG-Revolving Loan Fund 253	\$ 59,169	\$ 19,018	\$ 441,298	\$ 53,867	\$ 54,992	-88%
257 CDBG-Neighborhood Stabilization Program (NSP) Fund						
Neighborhood Stabilization Program 257 270 2700 0000 4760	\$ 0	\$ 59,369	\$ 4,531,849	\$ 3,751,496	\$ 781,083	-83%
NSP - Proceeds from Sales 257 270 2700 0000 5901	0	0	0	0	1,739,573	n/a
NSP - Rents/Lease 257 270 2700 0000 5870	0	0	0	0	78,519	n/a
Total CDBG-Neighborhood Stabilization Fund 257	\$ 0	\$ 59,369	\$ 4,531,849	\$ 3,751,496	\$ 2,599,175	-43%
Total CDBG Funds (251, 252, 253, 257)	\$ 1,131,715	\$ 3,848,816	\$ 6,555,777	\$ 5,298,551	\$ 4,335,013	-34%

FUNDS: REDEVELOPMENT AGENCY (RDA) AND COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
DEPARTMENT: ECONOMIC DEVELOPMENT 25

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Aide	1.00	1.00	1.00	1.00
Administrative Analyst	3.33	3.33	3.33	3.00
Administrative Secretary	0.00	1.00	1.00	1.00
Assistant City Manager-Management Services	0.00	0.00	0.10	0.00
City Manager	0.00	0.00	0.15	0.00
Community Relations and Media Coordinator	0.00	0.00	0.00	0.33
Deputy Economic Development Director	1.00	1.00	1.00	1.00
Deputy Finance Director	0.00	0.00	0.05	0.00
Director of Economic Development	1.00	0.00	0.00	0.00
Executive Secretary	1.00	0.00	0.00	0.00
Management Analyst	1.00	2.00	2.00	2.00
Senior Accountant	0.00	0.00	0.05	0.00
Senior Management Analyst	2.00	2.00	2.05	2.00
Senior Office Assistant	1.00	0.00	0.00	0.00
Total Full-Time Staff	11.33	10.33	10.73	10.33

FUNDS: REDEVELOPMENT AGENCY SUMMARY
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: REDEVELOPMENT AGENCY

FUND EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 621,074	\$ 697,487	\$ 787,784	\$ 775,228	\$ 693,258	-12%
Benefits	235,912	258,316	299,191	296,895	223,334	-25%
Materials	378,380	430,262	380,720	434,504	491,994	29%
Contractual	43,438,416	38,499,592	80,821,211	37,844,887	42,069,568	-48%
Other Operating	153,387	112,290	136,670	129,000	2,176,700	1493%
Capital Outlay	15,255,450	8,272,918	7,843,500	4,699,102	2,280,000	-71%
Debt Service	7,278,257	13,629,535	13,596,732	15,077,738	14,799,996	9%
TOTAL	\$ 67,360,876	\$ 61,900,400	\$ 103,865,808	\$ 59,257,354	\$ 62,734,850	-40%

DEPARTMENT EXPENDITURE SUMMARY						From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Budget	2010-11 Budget	2009-10 Budget
Redevelopment Agency						
385 Low/Moderate Income	\$ 10,269,274	\$ 11,110,651	\$ 26,315,487	\$ 6,251,095	\$ 24,446,725	-7%
389 RDA Administration	1,515,989	1,459,008	1,867,173	1,475,761	1,583,961	-15%
486 RDA Project Area #1 D/S	18,663,846	23,077,694	23,758,655	21,189,892	17,348,901	-27%
487 RDA Project Area #2 D/S	1,774,317	2,015,658	2,224,322	1,706,589	1,369,530	-38%
586 RDA Project Area #1-CIP	32,985,528	24,162,024	45,499,498	28,632,017	14,185,060	-69%
587 RDA Project Area #2-CIP	2,151,922	75,365	2,498,638	2,000	2,098,638	-16%
588 RDA WEDA	0	0	1,702,035	0	1,702,035	0%
TOTAL	\$ 67,360,876	\$ 61,900,400	\$ 103,865,808	\$ 59,257,354	\$ 62,734,850	-40%

<u>REDEVELOPMENT STAFFING SUMMARY</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Total Full-Time Staff	8.18	6.93	7.13	6.73
Total Part-Time Staff	0.00	0.00	0.00	0.00
Total Full & Part Time Staff	8.18	6.93	7.13	6.73

FUND: RDA-ADMINISTRATION 389
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: REDEVELOPMENT PROJECTS 261
PROGRAM: RDA-ADMINISTRATION 2700

DEPARTMENT EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 387,691	\$ 509,179	\$ 547,190	\$ 540,192	\$ 460,956	-16%
Benefits	149,159	186,437	207,583	204,169	148,195	-29%
Materials	360,629	306,000	361,400	348,900	359,310	-1%
Contractual	414,658	354,325	625,000	270,000	504,300	-19%
Other Operating	131,938	100,169	123,500	112,500	111,200	-10%
Capital Outlay	71,914	2,898	2,500	0	0	-100%
Debt Service	0	0	0	0	0	0%
SUBTOTAL	\$ 1,515,989	\$ 1,459,008	\$ 1,867,173	\$ 1,475,761	\$ 1,583,961	-15%
Transfers Out - Fund 586 CIP Area 1	(1,364,848)	(1,313,546)	0	0	0	0%
Transfers Out - Fund 587 CIP Area 2	(151,141)	(145,462)	0	0	0	0%
TOTAL EXPENDITURES	\$ 0	\$ 0	\$ 1,867,173	\$ 1,475,761	\$ 1,583,961	-11%

DEPARTMENT DESCRIPTION

The Economic Development Department (Department) implements all of the City's business development initiatives with the intended goals of job creation, capital investment, and economic diversification. The Department includes many distinct divisions and program including redevelopment, housing, Community Development Block Grant (CDBG) and others.

The Economic Development Department administers the Hesperia Community Redevelopment Agency's (Agency) programs and activities. The City has three redevelopment project areas within its border, two operated by the HCRA, while the third falls under the jurisdiction of the Victor Valley Economic Development Authority (VVEDA), a Joint Powers Authority (JPA), charged with responding to the economic impacts caused by the closure of George Air Force Base (GAFB). The City's Redevelopment Program officially began in 1993, with the establishment of the first project area, (PA1) followed closely by a second area (PA2). The redevelopment plans for both project areas were amended in 1999 for the purpose of adding additional areas and transferring properties between them. The plans were amended for the second time in 2006 for the purpose of adding or reauthorizing eminent domain authority. The most recent amendment to PA1 was in 2008 to eliminate the outstanding bonded indebtedness limit specific to the Added Territory and extend the outstanding bonded indebtedness limit that is specific to the Original Project Area to also include the Added Territory, thereby, establishing one outstanding bonded indebtedness limit for the Project Area. The primary goal of redevelopment is to eliminate and/or reverse blighting conditions that exist within the City's project areas. Tax increment generated by the Redevelopment Project Areas is targeted to support capital and development projects that assist in the rehabilitation of residential, industrial, and retail properties.

To receive tax increment, a Redevelopment Agency must have "debt" on its books. The Agency issued bonds in 1994 to support community development projects. These 1994 bonds were refinanced with 2005 Tax Allocation Bonds (TABs). Additional bond proceeds were derived from the sale and are earmarked for qualified capital and redevelopment projects. In September 2007 the HCRA issued \$154,320,000 in Series A and B TABs. The 2007 bond proceeds will be used to fund additional qualified capital redevelopment and housing projects. To intensify the collection of tax increment, Redevelopment staff is tasked with developing and implementing new and existing programs that will facilitate residential, commercial, and industrial development.

FUND: RDA-ADMINISTRATION 389
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: REDEVELOPMENT PROJECTS 261
PROGRAM: RDA-ADMINISTRATION 2700

The Agency is also charged with the administration of two state programs that provide significant and lucrative incentives to eligible businesses. Effective April 1, 2010 Hesperia received its final designation as California Enterprise Zone (EZ). The EZ provides state tax incentives in concert with local incentives to qualified businesses located within its boundaries. Administration activities include: (i) promoting the EZ and its incentives to prospective and existing businesses; (ii) vouchering of qualified employees as evidence for utilization of the hiring credits, and; (iii) providing other resources that encourage the use of the program and economic revitalization.

The Hesperia Recycling Market Development Zone (RMDZ) targets responsible development of the recycling industry through discounted loans and technical assistance along with local incentives administered by the City/Agency. The ten-year RMDZ designation promotes initiatives that reduce the overall tonnage deposited by the City into local landfills.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Aide	0.50	0.50	0.50	0.50
Administrative Analyst	2.83	2.83	2.83	2.50
Administrative Secretary	0.00	0.60	0.50	0.50
Assistant City Manager-Management Services	0.00	0.00	0.10	0.00
City Manager	0.00	0.00	0.15	0.00
Community Relations and Media Coordinator	0.00	0.00	0.00	0.33
Deputy Economic Development Director	0.50	0.50	0.50	0.50
Deputy Finance Director	0.00	0.00	0.05	0.00
Director of Economic Development	0.75	0.00	0.00	0.00
Executive Secretary	0.50	0.00	0.00	0.00
Management Analyst	1.00	1.00	1.00	1.00
Senior Accountant	0.00	0.00	0.05	0.00
Senior Management Analyst	1.50	1.50	1.45	1.40
Senior Office Assistant	0.60	0.00	0.00	0.00
Total Full-Time Staff	8.18	6.93	7.13	6.73

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- One Administrative Analyst (Pos. #7001)(0.33 FTE) position was retitled/reclassified to a Community Relations and Media Coordinator (0.33 FTE) position to more accurately reflect the duties being performed.
- To reduce administrative costs for the Redevelopment Agency the following positions and FTE's are being reallocated to their primary department and funding sources: City Manager (0.15 FTE), Assistant City Manager – Management Services (0.10 FTE), Deputy Finance Director (0.05 FTE), Senior Management Analyst (0.05 FTE), and Senior Accountant (0.05 FTE).

2009-10 DEPARTMENT ACCOMPLISHMENTS

- Prepared and adopted the Agency's 2009-14 Five-Year Implementation Plan and Housing Compliance Plan.
- Completed necessary right-of-way acquisitions for the G Avenue Industrial Rail Lead Track Project.
- Awarded California Enterprise Zone (EZ) Designation by the State's Housing and Community Development Department (HCD).
- Executed a Memorandum of Understanding (MOU) with HCD to secure final designation of the EZ.
- Secured a Targeted Employment Area (TEA) designation that compliments the hiring credit benefit within the EZ.

FUND:	RDA-ADMINISTRATION	389
DEPARTMENT:	ECONOMIC DEVELOPMENT	25
DIVISION:	REDEVELOPMENT PROJECTS	261
PROGRAM:	RDA-ADMINISTRATION	2700

2009-10 DEPARTMENT ACCOMPLISHMENTS (Continued)

- Facilitated the rehabilitation and reopening of a shuttered Sizzler restaurant via the Agency's Franchise Founders Program.
- Approved two Façade Improvement Program (FIP) loans resulting in the conversion of blighted properties into locations for productive commercial enterprises.
- Implemented the "Feet on the Street" retention and expansion program, linking existing businesses to the economic development services and small business resources.
- Successfully sited two businesses in Hesperia as a result of the consulting services supported by the Inland Empire Small Business Development Center (IE SBDC).
- Approved Agency's first "Broker Incentive" for the land purchase resulting in the construction of the Golden Corral Restaurant at the High Desert Gateway Shopping Center.
- Negotiated and executed an Owner Participation Agreement (OPA) enabling The Litzenberger Company to increase its manufacturing space by 240%.
- Facilitated the lease of two junior anchors (Rue 21 and Radio Shack) and two large spaces (Ross Dress for Less and Marshalls) tenants in the High Desert Gateway retail center.
- Prepared and submitted an application for designation as a Recycling Market Development Zone which was ultimately approved by the California Integrated Waste Management Board (CIWMB).
- Negotiated and executed a Program Management Agreements (PMA) between the City, County of San Bernardino, and Griffin Structures to cause the installation of solar power system on new San Bernardino County High Desert Government Center.
- Redesigned the City's Economic Development Department website as a function of the overall City website reconstruction.
- Assumed management responsibilities of the Eagle Plaza Shopping Center for the Hesperia Water District.
- Negotiated and executed four revenue producing licenses for cellular towers constructed on City/Agency/Water District property.
- Partnered with the Hesperia Chamber of Commerce in a business retention task force.
- Entered into an Exclusive Negotiation Agreement (ENA) with Lewis Investment Company (LIC) for development of Agency-owned property adjacent to the High Desert Gateway Shopping Center.
- Continued master planning efforts of Auto Mall concept.
- Negotiated an owner participation agreement for a 3,292 square foot Farmer Boys restaurant through Restaurant Rewards Program.
- Sponsored the "How to Grow your Business in a Declining Market" seminar benefitting the Boys and Girls Club.

2010-11 DEPARTMENT GOALS AND OBJECTIVES

- Issue Notice to Proceed (NTP) for the Agency's G Avenue Industrial Rail Lead Track Project.
- Prepare a Master Plan for Agency's G Avenue Industrial Rail Park.
- Formulate a "Small Cap" Revolving Loan Fund Program to facilitate small business formation, expansion, or location.
- Implement Hesperia Enterprise Zone (EZ) Memorandum of Understanding (MOU).
- Administer the City's Recycling Market Development Zone (RMDZ) Program.

FUND: RDA-ADMINISTRATION 389
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: REDEVELOPMENT PROJECTS 261
PROGRAM: RDA-ADMINISTRATION 2700

2010-11 DEPARTMENT GOALS AND OBJECTIVES (Continued)

- Initiate SB 211 Redevelopment Plan Amendment.
- Continue aggressive, targeted retail, commercial, and industrial recruitment within Redevelopment Project Areas.
- Continue aggressive retail marketing of regional shopping center/power centers within the Agency's project areas, and recruit one anchor establishment to each of the following: (i) Mountain Vista; and (ii) The Marketplace at Main.
- Facilitate, through Agency's marketing and incentive programs the attraction of four junior anchor tenants to the following retail centers: (i) High Desert Gateway; The Marketplace on Main; and Mountain Vista Plaza.
- Increase utilization of Agency's incentives programs including the Restaurant Rewards, Franchise Founders, and Broker's Incentive by approving Owner Participation Agreements with seven recipients.
- Develop Policies and Procedures for Owner Participation Agreement (OPA) monitoring.
- Continue services from Inland Empire Small Business Development Center (IE SBCD) to provide no-cost business consultation for Hesperia businesses in order to counteract the economic downturn.
- Complete 250 visits and surveys of Hesperia businesses as part of the "Feet on the Street" Program.
- Participate in local, regional, and national trade shows to promote doing business in the City of Hesperia.
- Prepare and assume property management functions of Eagle Plaza.
- Evaluate formation of two non-profit 501(c)(3) organizations to facilitate Agency's real estate holdings and general City functions.

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Active Development Leads	60	47	61	75
Formal Proposals Prepared and Submitted	110	61	31	38
Quarterly Newsletters	4	4	4	4
Focused Event Sponsorships	11	7	10	8
Groundbreakings	4	6	6	16
Ribbon Cuttings	4	7	3	20
Advertising Placements	48	50	45	50
Trade Shows/Exhibitions Attended and Booth Displayed	6	11	9	9

FUND: REDEVELOPMENT CAPITAL IMPROVEMENT 586, 587, 588
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: REDEVELOPMENT PROJECTS 261

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	115,707	0	73,786	100,000	100%
Contractual	21,130,248	18,367,703	45,839,171	25,384,731	15,235,733	-67%
Other Operating	13,031	0	0	7,500	2,050,000	100%
Capital Outlay	13,994,171	5,753,979	3,861,000	3,168,000	600,000	-84%
Debt Service	0	0	0	0	0	0%
SUBTOTAL	\$ 35,137,450	\$ 24,237,389	\$ 49,700,171	\$ 28,634,017	\$ 17,985,733	-64%
Transfers In - Fund 389 Hesperia Redevelopment Agency	1,515,989	1,459,008	0	0	0	0%
TOTAL EXPENDITURES	\$ 36,653,439	\$ 25,696,397	\$ 49,700,171	\$ 28,634,017	\$ 17,985,733	-11%

DIVISION DESCRIPTION

To effect redevelopment in the Project Areas within the City, capital improvements must be made. In some cases, incentives are funded, and in others, infrastructure development or enhancements are funded. Fund 586 and 587 underwrite expenses incurred as a result of Owner's Participation Agreements (OPAs), Disposition and Development Agreements (DDAs) and other obligations associated with debts incurred to fund the necessary capital improvements. Actual capital expenditures are allocated by project area and are specifically delineated in Funds 586 and 587. Land acquisition, disposition, and leasing functions are discharged in the Agency's Project Areas and reported in these funds.

DIVISION STAFFING

- None

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- None

2009-10 DIVISION ACCOMPLISHMENTS

- Continued land acquisition effort to support development in the capital project areas.
- Acquired the Hesperia Golf and Country Club (HG&CC).
- Acquired Competitive Edge Motocross Park (CEMX) and leased facility for its continued operations.
- Funded an OPA through the Agency's Franchise Founder's Program to facilitate the opening of a new Golden Corral restaurant at the High Desert Gateway Shopping Center.
- Completed right-of-way acquisitions for the G Avenue Industrial Rail Lead Track.
- Provided funding of approximately \$14.3 million for various City/Agency/Fire/Water CIP projects, such as Ranchero Road Undercrossing, Police Station, the Industrial Park Lead Track project, Township Improvements, and street improvements.
- Funded infrastructure improvements for the High Desert Gateway Shopping Center through a Reimbursement Agreement.
- Acquired open space property for Burrowing Owl Habitat as function of Agency's Industrial Lead Track Project.

FUND: REDEVELOPMENT CAPITAL IMPROVEMENT 586, 587, 588
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: REDEVELOPMENT PROJECTS 261

2009-10 DIVISION ACCOMPLISHMENTS (Continued)

- Acted as the City's Real Estate Division undertaking all acquisitions, leasing, sales, etc., or City-owned real estate assets.
- Developed formal incentive/inducement/lending underwriting criteria and policies.
- Provided financial support and negotiated "open market" real property acquisition(s) for Rancho Road Undercrossing.
- Negotiated real property lease on Hesperia Water District site for Sol Focus Solar Energy Farm.
- Disbursed the required Supplemental Education Revenue Augmentation Fund (SERAF) to San Bernardino County pursuant to AB 26 4x for the Agency, including the VVEDA obligation.

2010-11 DIVISION GOALS AND OBJECTIVES

- Pursue Master Planning of the G Avenue Rail Park.
- Prepare and submit application to International Economic Development Council (IEDC) for accreditation as an Accredited Economic Development Organization (AEDO).
- Prepare and submit eligible, shovel-ready sites to State of California, Department of Real Estate (DRE) Site Certification Program.
- Participate and fund the redevelopment efforts of the Township Area including promotion of the Agency's Downpayment Assistance Program (DAP), Housing Rehabilitation Loan Program, with integrated Sewer Connection Program (HRLP-SCP).
- Pursue property acquisition in Redevelopment Project Areas to support the Agency's redevelopment goals.
- Rehabilitate Agency-owned properties for the purpose of sale or lease.
- Negotiate a Master Lease of Eagle Plaza Shopping Center.
- Manage the transition of the Hesperia Golf and Country Club.
- Provide incentives and/or inducements to facilitate development of projects that support the Agency's redevelopment plans.
- Provide real estate expertise to support City's capital projects.
- Obligate and expend the balance of the Agency's 2005 and 2007 Tax Allocation Bond proceeds.

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Real Property Purchase Contracts Negotiated	9	11	10	5
Real Property Escrows Opened	9	11	10	5
Real Property Escrows Closed	9	11	10	5
Owner Participation Agreements (OPAs) Negotiated	14	11	8	3
OPAs Negotiated for Enterprise Zone	0	0	0	15
Job Creation via OPAs	600	352	253	393

FUND: RDA-LOW/MOD HOUSING 385
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: RDA-LOW/MODERATE INCOME 263

DIVISION EXPENDITURE SUMMARY							% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget	
Salaries	\$ 233,383	\$ 188,308	\$ 240,594	\$ 235,036	\$ 232,302	-3%	
Benefits	86,753	71,879	91,608	92,726	75,139	-18%	
Materials	17,751	8,555	19,320	11,818	32,684	69%	
Contractual	6,351,539	4,067,801	17,811,186	211,851	18,254,700	2%	
Other Operating	8,418	12,121	13,170	9,000	15,500	18%	
Capital Outlay	1,189,365	2,516,041	3,980,000	1,531,102	1,680,000	-58%	
Debt Service	2,382,065	4,245,946	4,159,609	4,159,562	4,156,400	0%	
TOTAL	\$ 10,269,274	\$ 11,110,651	\$ 26,315,487	\$ 6,251,095	\$ 24,446,725	-7%	

DIVISION DESCRIPTION

California Redevelopment Law (section 33334.2) requires a redevelopment agency to set aside at least twenty percent (20%) of all tax increment generated from the project area(s) for the purpose of increasing, improving, and preserving the community's supply of low- and moderate-income housing. The Economic Development Department is charged with administering this program on behalf of the Hesperia Community Redevelopment Agency (Agency).

Activities carried out by staff are directed at enticing private and public sector affordable housing investment within the City's Redevelopment and Community Development Block Grant (CDBG) target areas.

The Economic Development Department develops, manages and promotes programs and projects that preserve and improve the supply of affordable housing in the City of Hesperia. Staff coordinates several Agency supported affordable housing programs, including the Housing Rehabilitation Loan Program with Integrated Sewer Connection Program, (HRLP-SCP) First-Time Homebuyer Down Payment Assistance Program (DAP), and the Emergency/Disaster Housing Rehabilitation Loan Program (EDHRLP), plus numerous rental housing new construction projects all funded by its Low-Moderate Income Housing Fund (LMIHF). The (DAP) offers to eligible first-time homebuyer families zero percent (0%) interest loans of up to \$125,000 or 45% of the purchase price for use towards down payment and closing costs. The new HRLP-SCP provides for deferred payments for loans of up to \$40,000 for lower income owner-occupied households for repair to basic home systems (water/wastewater, plumbing, electrical, HVAC, roof, and other items.), and up to \$50,000 to borrowers improving their properties located within the City's Township Revitalization Program (TRP) area and connecting to City sewer via the SCP.

The Agency provides initial and on-going subsidies to affordable rental housing projects within its project areas. These affordable housing projects are targeted to low and moderate income persons. The Department also contemplates participation in developer-based proposals for affordable housing projects throughout the year.

Department staff also endeavors to identify external funding sources to promote affordable housing development projects. Linkages with San Bernardino County provide Hesperia residents with access to a Mortgage Assistance Program (MAP) and other services. Additionally, the Agency is the repository for VVEDA LMI Tax Increment revenue and responsible for overseeing affordable housing development and maintenance in the VVEDA Project Area.

FUND: RDA-LOW/MOD HOUSING 385
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: RDA-LOW/MODERATE INCOME 263

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Aide	0.50	0.50	0.50	0.50
Administrative Analyst	0.50	0.50	0.50	0.50
Administrative Secretary	0.00	0.40	0.40	0.40
Deputy Economic Development Director	0.40	0.40	0.40	0.40
Director of Economic Development	0.25	0.00	0.00	0.00
Executive Secretary	0.50	0.00	0.00	0.00
Management Analyst	1.00	1.00	1.00	1.00
Senior Management Analyst	0.50	0.50	0.50	0.50
Senior Office Assistant	0.40	0.00	0.00	0.00
Total Full-Time Staff	4.05	3.30	3.30	3.30

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- None

2009-10 DIVISION ACCOMPLISHMENTS

- Celebrated the grand opening of San Remo Phase II, a 100% affordable multi-family apartment complex of 58 units wherein the Agency provided \$6.8 million in gap financing from its Low-Moderate Income Housing Fund (LMIHF).
- Celebrated the grand opening of the Villas at Hesperia, a 154 unit apartment complex with an affordability component of 31 units. The Agency provided \$2.2 million in gap financing from its LMIHF.
- Celebrated the groundbreaking of Horizons at Olive Street, a 100% affordable multi-family apartment complex of 67 units. The Agency has encumbered \$7.25 million in gap financing for the project from its LMIHF.
- Continued negotiations with KDF Communities, LLC to develop Phase II of the Villages at Hesperia supporting the development of 68 affordable senior units.
- Continued Agency’s \$10 million Housing Investment Program (HIP) designed to proactively respond to “sub-prime” and “credit crunch” phenomenon and counter the erosion of housing market through purchases of foreclosed and abandoned homes.
- Completed the Agency’s Five-Year Implementation Plan 2010-14.
- Completed Agency’s portion of the Victor Valley Economic Development Authority (VVEDA) Five-Year Implementation Plan.
- Completed and adopted an Inclusionary Housing Policy Statement.
- Complied with AB 987 requirements, which requires disclosure of affordable units counted toward inclusionary units.
- Managed and maintained the affordable housing database in Compliance with AB 987 with assistance from Agency consultant, U.S. Communities.
- Assisted Planning Department with Housing Element component of the General Plan.
- Assisted in completion of the Housing Element Annual Report.
- Completed Annual Report to the Legislative Body per Redevelopment Law.
- Completed Agency’s Housing Compliance Plan in accordance with California Redevelopment Law Section 33413(b)(4).

FUND: RDA-LOW/MOD HOUSING 385
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: RDA-LOW/MODERATE INCOME 263

2009-10 DIVISION ACCOMPLISHMENTS (Continued)

- Continued efforts to identify and provide financial support to affordable housing developments within the Agency's project areas.
- Evaluated inclusionary housing production requirements for Hesperia's VVEDA project area.
- Developed and implemented affordable housing monitoring guidelines for affordable units restricted by HOME regulations.
- Completed annual on-site monitoring of affordable HOME units and RDA units.
- Established monitoring database through U.S. Communities Housing Compliance Services Software.
- Trained property managers from four affordable housing projects on U.S. Communities Housing Compliance Services software for bi-annual reporting.
- Underwrote DAP applications in-house as opposed to contracting for service.
- Closed escrow on four acre R-3 site for future affordable housing development.

2010-11 DIVISION GOALS AND OBJECTIVES

- Issue a Notice of Funding Availability (NOFA) for Agency affordable multi-family housing projects.
- Continue efforts to identify and provide financial support to affordable housing developments within the Agency's project areas.
- Facilitate production of affordable housing units by providing subsidized financing to qualified developers currently in discussions with the Agency including AMCAL, The Related Companies of California, and The Northridge Group, Inc.
- Negotiate an OPA with KDF Communities, LLC to develop Phase II of the Villages at Hesperia supporting the development of 68 affordable senior units.
- Negotiate an OPA with AmCal to develop a 100% affordable apartment complex.
- Negotiate an OPA with The Related Companies of California to develop a 100% affordable apartment complex.
- Manage and maintain the affordable housing database in compliance with AB 987 with assistance from U.S. Communities.
- Complete annual on-site monitoring of affordable HOME units and RDA units.
- Complete bi-annual review and monitoring of HOME and RDA unit reports through U.S. Communities Housing Compliance Services software.
- Establish accounts receivable for affordable housing new construction, downpayment assistance and housing rehabilitation loan repayments.
- Underwrite HRLP applications in-house as opposed to contracting for service.
- Develop housing underwriting policies and procedures.

FUND: RDA-LOW/MOD HOUSING 385
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: RDA-LOW/MODERATE INCOME 263

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
DAP Loans Approved	n/a	0	14	5
DAP Loans Submitted	n/a	0	40	40
Deed Restricted Units Funded	332	155	0	454
Housing Developer Proposal Reviews	10	10	8	10
HRLP & Sewer Loans Submitted	n/a	3	16	20
HRLP Loans & Sewer Approved	14	0	3	20
HRLP Loans Approved	n/a	0	0	5
Inclusionary Housing Production Requirement	225	193	105	33
Inclusionary Units Approved (OPA)	64	155	0	454
Inclusionary Units Constructed	0	58	89	133
Low-Mod Funds Committed via Owner Participation Agreements to support affordable housing	\$10.6M	\$16.05M	\$0	\$29M
Real Property Purchase Contracts Negotiated	0	4	0	5
Real Property Escrows Opened	0	5	0	5
Real Property Escrows Closed	0	4	1	5

FUND: RDA DEBT SERVICE 486 & 487
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: DEBT SERVICE 261

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	15,541,971	15,709,763	16,545,854	11,978,305	8,074,835	-51%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	4,896,192	9,383,589	9,437,123	10,918,176	10,643,596	13%
TOTAL	\$ 20,438,163	\$ 25,093,352	\$ 25,982,977	\$ 22,896,481	\$ 18,718,431	-28%

DIVISION DESCRIPTION

Redevelopment tax increment (net of Low-Mod Set-Aside) generated in Project Areas 1 and 2 are deposited into Fund 486 and 487 respectively. Funds 486 and 487 also accrue, and ultimately disburse, gross tax increment to the various taxing entities that executed Pass-Thru Agreements with the Hesperia Community Redevelopment Agency (RDA). Capital improvements within Redevelopment Project Areas 1 and 2 are expensed within Funds 586 and 587 respectively. Hesperia Community Redevelopment Agency (Agency) debt expenses are charged to Funds 385, 486, and 487. Overall accomplishments for Capital Projects are reflected in earlier sections of this document.

DIVISION STAFFING

- None

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- None

2009-10 DIVISION ACCOMPLISHMENTS

- Allocated appropriate tax increment revenue (20%) to the Low-Mod Housing Set-Aside (Fund 385).
- Continued timely pass-through payments to various taxing entities.
- Continued timely debt service payments on 2005 and 2007 Tax Allocation Bonds (TABs) and other financial obligations of the Agency.
- Allocated TAB proceeds to Funds 385, 586, and 587 for capital and affordable housing projects in the Redevelopment project areas.
- Made timely Education Revenue Augmentation Fund (ERAF) payments to San Bernardino County.
- Reported AB1389 Report of Pass-Through payments to San Bernardino County in compliance with Health and Safety Code (H&S) Section 33684.

2010-11 DIVISION GOALS AND OBJECTIVES

- Continue timely Pass-Through payments to taxing entities.
- Continue timely debt service payments on 2005 and 2007 TABs and other financial obligations of the Agency.
- Allocate TAB proceeds to Funds 385, 586, and 587 for capital and affordable housing projects in the Redevelopment project areas.

FUND: CDBG 251, HOME GRANT 252, CDBG REVOLVING LOAN 253, and NSP 257
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 270

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 13,525	\$ 14,711	\$ 27,198	\$ 28,903	\$ 25,890	-5%
Benefits	4,830	5,152	10,117	10,430	8,006	-21%
Materials	5,103	4,630	12,130	16,862	42,600	251%
Contractual	664,396	3,422,158	2,416,418	501,000	2,355,841	-3%
Other Operating	141,011	143,072	585,600	203,159	376,589	-36%
Capital Outlay	0	0	4,031,648	3,720,216	357,032	-91%
Debt Service	219,460	332,735	200,400	156,900	185,400	-7%
TOTAL	\$ 1,048,325	\$ 3,922,458	\$ 7,283,511	\$ 4,637,470	\$ 3,351,358	-54%

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Budget	2010-11 Budget	From 2009-10 Budget
Community Development Block Grant						
251 CDBG Administration	\$ 460,124	\$ 575,305	\$ 1,477,664	\$ 885,974	\$ 1,572,665	6%
252 CDBG HOME Grant	63,295	3,017,783	0	0	0	0%
253 CDBG Revolving Loans	524,906	270,000	1,273,998	0	997,610	-22%
257 CDBG Neighborhood Stabilization	0	59,370	4,531,849	3,751,496	781,083	-83%
Total CDBG	\$ 1,048,325	\$ 3,922,458	\$ 7,283,511	\$ 4,637,470	\$ 3,351,358	-54%

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Secretary	0.00	0.00	0.10	0.10
Deputy Economic Development Director	0.10	0.10	0.10	0.10
Senior Management Analyst	0.00	0.00	0.10	0.10
Total Full-Time Staff	0.10	0.10	0.30	0.30

FUND: CDBG 251
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 270
PROGRAM: CDBG ADMINISTRATION

DIVISION EXPENDITURE SUMMARY						% Change From	
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget	
Salaries	\$ 13,525	\$ 14,711	\$ 27,198	\$ 28,903	\$ 25,890	-5%	
Benefits	4,830	5,152	10,117	10,430	8,006	-21%	
Materials	5,103	3,760	8,000	4,632	6,200	-23%	
Contractual	76,195	75,875	649,349	482,100	971,580	50%	
Other Operating	141,011	143,072	582,600	203,009	375,589	-36%	
Capital Outlay	0	0	0	0	0	0%	
Debt Service	219,460	332,735	200,400	156,900	185,400	-7%	
TOTAL	\$ 460,124	\$ 575,305	\$ 1,477,664	\$ 885,974	\$ 1,572,665	6%	

DIVISION DESCRIPTION

The Economic Development Department administers the City's Community Development Block Grant (CDBG) Program and related activities. These activities are directed at enticing public and private sector investment within targeted geographic areas of the City. The Department is tasked with implementing existing programs and developing innovative, new initiatives to promote economic and housing development and rehabilitation projects, with an emphasis on activities that create jobs, build or enhance infrastructure, provide affordable housing, primarily benefiting low-to-moderate income persons residing within the City, expanding the tax base, and promoting economic diversity. In Program Year (PY) 2010-11, the City will receive a CDBG entitlement of \$798,816, an eight percent (8%) increase from PY 2009-10. Of this, 20% is allocated to administration and planning, 15% to Public Service activities and programs, with the remainder obligated to Section 108 debt service and other eligible CDBG uses that are guided by the City's CDBG Consolidated Plan and approved annually as a function of the City's CDBG Action Plan.

The City's annual CDBG development activities are designed to foster private and public sector investment with Redevelopment Project and CDBG target areas. Federal regulations mandate that programs funded by CDBG meet one or all of the national objectives: (1) elimination of slums or blight; (2) benefit low-to-moderate income individuals; or (3) address other community needs having a particular urgency. Economic Development activities have garnered increased support by HUD, particularly because of the Federal government's welfare reform mandates.

For consistency in presenting the CDBG information, all activities of the City's Annual Action Plan are discussed herein and likewise, the accomplishments, staffing, goals and objectives. Debt service for the Economic Development Revolving Loan Fund (EDRLF), although the implementation is accounted for in Fund 253, is paid annually from the City's CDBG entitlement.

<u>DIVISION STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Secretary	0.00	0.00	0.10	0.10
Deputy Economic Development Director	0.10	0.10	0.10	0.10
Senior Management Analyst	0.00	0.00	0.10	0.10
Total Full-Time Staff	0.10	0.10	0.30	0.30

FUND:	CDBG	251
DEPARTMENT:	ECONOMIC DEVELOPMENT	25
DIVISION:	COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)	270
PROGRAM:	CDBG ADMINISTRATION	

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- None

2009-10 DIVISION ACCOMPLISHMENTS

- Developed and submitted 2010-11 CDBG Action Plan to U.S. Department of Housing and Urban Development (HUD).
- Prepared the City's 2010-14 Five-Year CDBG Consolidated Plan.
- Reprogrammed prior years' unspent CDBG entitlements.
- Met HUD timeliness test for Program Year (PY) 2009-10.
- Submitted 2008-09 Consolidated Annual Performance and Evaluation Report (CAPER).
- Implemented programs and projects consistent with the City's CDBG Five-Year Consolidated Plan.
- Submitted timely required financial and performance reports to HUD, including the Section 3 Report.
- Supported capital/public improvement projects in CDBG target area.
- Continued implementation of the CDBG Housing Rehabilitation Loan Program (HRLP).
- Provided staffing support to the City's HOME Programs (Fund 252) and Housing Rehabilitation Loan Program (HRLP).
- Provided staff support for Economic Development Revolving Loan Fund (253) efforts.
- Prepared and submitted a substantial amendment to the City's 2009-10 Action Plan to appropriate \$365,334 funds for an "urgent need" need project to reconstruct Third Avenue.
- Applied and received \$197,549 CDBG-R for economic development through a Substantial Amendment to Action Plan 2008-09.
- Supported Golden Corral with the CDBG-R funding.

2010-11 DIVISION GOALS AND OBJECTIVES

- Support the rehabilitation of Neighborhood Stabilization Program (NSP) purchased properties.
- Identify unspent prior years' CDBG entitlements and initiate appropriate reprogramming.
- Support capital/public improvement projects in CDBG target areas.
- Continue timely draw-down CDBG resources.
- Submit 2009-10 Consolidated Annual Performance and Evaluation Report (CAPER).
- Continue land acquisition efforts within the CDBG target areas.
- Support the development of affordable, safe, and decent housing within the CDBG target areas.
- Continue funding and support of CDBG Housing Rehabilitation Loan Program (HRLP).
- Continue staffing support for the City's HOME Grant Program (Fund 252) and Economic Development Revolving Loan Fund (Fund 253).

FUND: CDBG 251
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 270
PROGRAM: CDBG ADMINISTRATION

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
HRLP Loans Funded	0	0	2	5
Annual IDIS Draw-downs	6	5	3	4
Public Service Agencies Funded	11	9	9	12

FUND: CDBG HOME GRANT 252
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 270
PROGRAM: CDBG HOME GRANT

DIVISION EXPENDITURE SUMMARY	% Change From					
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	63,295	3,017,783	0	0	0	0%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 63,295	\$ 3,017,783	\$ 0	\$ 0	\$ 0	0%

DIVISION DESCRIPTION

The Economic Development Department administers and implements the State Housing and Community Development Department (HCD) HOME Program and all related activities. The mission of the HOME Program is to expand the supply of affordable housing for very low and low-income families through a variety of eligible strategies including new construction, rehabilitation, and down payment assistance. The purpose of the HOME Program is to encourage home ownership or rehabilitation assistance to residents earning less than 80% of the area median income.

The City received its first HOME Grant in the 1999 funding cycle resulting from the grant application prepared by the Economic Development Division. The \$500,000 Grant provided \$150,000 for the City's Housing Rehabilitation Loan Program (HRLP) and \$350,000 to initiate a new Down Payment Assistance Program (DAP).

In January 2001, the City was awarded a 2000 HOME Grant appropriation of \$651,900. The grant funds were reprogrammed in FY 2002-03 to augment the City's HRLP and DAP Programs.

In February 2003, the City was awarded a 2002 HOME grant in the amount of \$3,466,000 allocated to: (a) a rental affordable senior housing new construction project (\$3,066,000), and; (b) the on-going DAP Program (\$400,000). The senior housing new construction project funds funded the 68-unit Village at Hesperia complex.

In February, 2004, the City was awarded a 2003 HOME grant totaling \$600,000, equally divided (\$300,000) between the City's on-going HRLP and DAP programs including \$15,000 for grant administration costs.

In February 2005, the City was awarded a 2004 HOME grant totaling \$4,100,000, of which \$3,500,000 was allocated to a rental housing new construction project, and \$600,000 was allocated to the on-going DAP Program. The rental new construction project funded was the 110-unit Sunrise Terrace I family apartment complex. In March 2005, the City was awarded a 2004 HOME supplemental grant in the amount of \$434,000 to underwrite cost escalation in The Village at Hesperia project.

In November 2005, the City was awarded a 2005 HOME grant totaling \$4,000,000 for the 72-unit Sunrise Terrace II family apartment complex which is now complete and fully occupied. All rental new construction projects funded by HOME have been completed and are now being monitored by Agency staff.

All grant Funding for the City's HOME programs (DAP and HRLP) has been utilized. Although the DAP and HRLP programs remain other existing loans must be repaid to provide the capital for new loan disbursements. The City may contemplate future HOME grants for projects (construction) should an eligible proposal be submitted. The City will realize program income (PI) from the repayment of loans made to affordable housing construction projects as referenced herein. The PI must be utilized for HOME-eligible projects and programs.

The HOME Program is consistent with the City's Five-Year CDBG Consolidated Plan's Goals of affordable housing opportunities, the City's housing element, and the Council's goal of improving the existing housing stock through home ownership and rehabilitation.

FUND: CDBG HOME GRANT 252
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 270
PROGRAM: CDBG HOME GRANT

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- None

2009-10 DIVISION ACCOMPLISHMENTS

- Monitored HOME rents and made quality control inspections of HOME-assisted units to ensure that the units met HUD and housing standards and that owners and participants met their mutual obligations under the programs.
- Completed and submitted Annual HOME Monitoring Reports to the Department of Housing and Community Development.
- Prepared and submitted required Semi-Annual Labor Standards Enforcement Report and HOME Annual Performance Report to the Department of Housing and Community Development.
- Proactively administered the HOME Program including processing subordination and demand requests.

2010-11 DIVISION GOALS AND OBJECTIVES

- Monitor HOME rents and quality control inspections of HOME-assisted units (income must be verified annually) to ensure that the units meet HUD and housing standards and that owners and participants meet their mutual obligations under the programs.
- Complete and submit Annual HOME Monitoring Reports to the Department of Housing and Community Development.
- Prepare and submit required Semi-Annual Labor Standards Enforcement Report and HOME Annual Performance Report to the Department of Housing and Community Development.
- Strategically manage receipt of HOME Program Income (PI) and Recapture Funds (RF) to maximize program performance and operational efficiency.
- Make timely disbursements of HOME Program income.
- Continue staffing support through the Agency for City's Home Grant Program (Fund 252).

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
HOME Program Funds Remaining	0%	0%	0%*	0
HOME Asset Portfolio	\$14Mil	\$11.4Mil	\$14Mil	\$14Mil
Cumulative Units Constructed	247	247	247	247

*Administrative duties have been moved to EDD.

FUND: CDBG REVOLVING LOAN 253
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 270
PROGRAM: CDBG REVOLVING LOANS

DIVISION EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	524,906	270,000	1,273,998	0	997,610	-22%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 524,906	\$ 270,000	\$ 1,273,998	\$ 0	\$ 997,610	-22%

DIVISION DESCRIPTION

The City was awarded a Department of Housing and Urban Development (HUD) \$3,000,000 Section 108 Loan in Fiscal Year 1996-97. Some of the proceeds were expended on infrastructure projects, with the remainder targeted to fire sprinkler retrofit projects. The Fire Sprinkler Retrofit Program had a pre-determined sunset clause enabling the creation of the Economic Development Revolving Loan Fund (EDRLF). The EDRLF was designed to provide the City with resources to facilitate economic development through business lending activities or the provision of other inducements. The EDRLF serves as an important economic development tool for both business expansion and attraction efforts.

PROGRAM STAFFING

- None

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- None

2009-10 DIVISION ACCOMPLISHMENTS

- None

2010-11 DIVISION GOALS AND OBJECTIVES

- Encumber 100% of EDRLF.
- Aggressively market availability of EDRLF.
- Incorporate EDRLF in City/HCRA Owner's Participation Agreements (OPAs) and Disposition and Development Agreements (DDAs).
- Develop creative inducements to encourage development and job creation.

PERFORMANCE AND WORKLOAD INDICATORS

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Percentage of Section 108 Loan Encumbered	33%	16%	0%	100%
Inducement Offers Made	1	1	1	2

FUND: CDBG NEIGHBORHOOD STABILIZATION PROGRAM 257
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 270
PROGRAM: CDBG NEIGHBORHOOD STABILIZATION PROGRAM

DIVISION EXPENDITURE SUMMARY	% Change From					
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	870	4,130	12,230	36,400	781%
Contractual	0	58,500	493,071	18,900	386,651	-22%
Other Operatin	0	0	3,000	150	1,000	-67%
Capital Outlay	0	0	4,031,648	3,720,216	357,032	-91%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 0	\$ 59,370	\$ 4,531,849	\$ 3,751,496	\$ 781,083	-83%

DIVISION DESCRIPTION

In 2008, Congress passed the Housing and Economic Recovery Act (HERA) which created the Neighborhood Stabilization Program (NSP). The NSP program allocated \$3.92 Billion to communities and states across the nation to address the growing foreclosure problem and stabilize neighborhoods. Hesperia was allocated \$4.59M in NSP grant funds to address increasing foreclosures. Allocations of the NSP funds were based on (1) the number and percentage of home foreclosures, (2) the number and percentage of homes financed by a subprime mortgage, and (3) the number and percentage of homes in default or delinquency. The NSP provides emergency assistance for the redevelopment of abandoned and foreclosed residential properties. Eligible activities include financing mechanisms for purchase of foreclosed homes, purchase and rehabilitation of foreclosed or abandoned homes, land banks for foreclosed homes, demolition of blighted structures, and redevelopment of demolished or vacant property.

The City completed an NSP Draft Substantial Amendment to its Fiscal Year 2008-09 Consolidated Annual Action Plan. The NSP Substantial Amendment was approved by HUD on January 15, 2009. The City received an executed contract from HUD on March 5, 2009, and must obligate all of the grant funds by September 10, 2010.

Originally, the City had committed \$2,883,967 in NSP funds for acquisition/rehabilitation resale, \$1,147,680 for acquisition/rehabilitation rental, \$100,000 for financing mechanisms, and \$459,072 in administration, for a total of \$4,590,719. On September 15, 2009, the City Council approved Amendment 1 to the NSP Substantial Amendment which allowed the City to include land banking as an activity. Land banking will allow the City to acquire foreclosed, vacant property that can be utilized for housing developments. Amendment 1 also reallocated funds that had been set aside for Financing Mechanisms to the Land Bank activity. After the approval of Amendment 1, the NSP funds were allocated as follows: Acquisition/Rehabilitation and Resale \$1,428,967.00; Acquisition/Rehabilitation and Rental \$1,147,680.00; Financing Mechanisms \$0.00; Redevelop Demolished or Vacant Properties \$0.00; Establish Land Banks \$1,555,000.00 and Administration \$459,072.00.

All NSP funds are to be used to benefit individuals and families whose incomes do not exceed 120% of area median income (AMI) and 25% of the NSP funds must be used for housing that is affordable to individuals and families whose incomes do not exceed 50% of area median income. Homes must be purchased at a 1 percent discount, per NSP requirements. The NSP effort will provide affordable housing opportunities and arrest blighting conditions caused by home vacancy. This effort is intended to transform neighborhoods in the City.

The City has acquired 20 single family residences and one land bank. The City is now looking forward to the rehabilitation of the homes which will be marketed for ultimate sale or lease.

FUND:	CDBG NEIGHBORHOOD STABILIZATION PROGRAM	257
DEPARTMENT:	ECONOMIC DEVELOPMENT	25
DIVISION:	COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)	270
PROGRAM:	CDBG NEIGHBORHOOD STABILIZATION PROGRAM	

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- None

2009-10 DIVISION ACCOMPLISHMENTS

- Obligated \$4,090,065.06 of NSP funds.
- Completed and submitted Amendment 1 to the NSP Substantial Amendment to the Department of Housing and Urban Development (HUD), adding Land Banking as an activity.
- Received approval from HUD on Amendment 1 to the NSP Substantial Amendment.
- Purchased 10.69 acres of foreclosed, vacant land in accordance with NSP Land Bank activity for future affordable housing project.
- Acquired twenty foreclosed properties in accordance with NSP acquisition/rehabilitation/resale and acquisition/rehabilitation/lease activities.
- Issued Request for Qualifications for NSP Housing Rehabilitation General Contractor.
- Issued Request for Bids for rehabilitation on homes purchased through the NSP.
- Identified homes acquired for lease to households earning 50% or less of AMI.
- Completed NSP Policies and Procedures.
- Submitted timely quarterly reports on the DRGR reporting system.
- Completed two draws on the DRGR System.

FUND: CDBG NEIGHBORHOOD STABILIZATION PROGRAM 257
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 270
PROGRAM: CDBG NEIGHBORHOOD STABILIZATION PROGRAM

2010-11 DIVISION GOALS AND OBJECTIVES

- Obligate the remaining \$500,654 of NSP funds for Administration and Land Bank activity.
- Rehabilitate 24 homes acquired through NSP and market for lease or sale.
- Submit timely quarterly reports on the DRGR Reporting System.
- Complete additional draws on the DRGR System as necessary.
- Acquire Property Management firm for NSP homes.

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Real Property Purchase Contracts Negotiated	0	0	20	4
Real Property Escrows Opened	0	0	17	7
Real Property Escrows Closed	0	0	17	7
Real Property Rehabilitation	0	0	0	24
Real Property Sale	0	0	0	12
Real Property Lease	0	0	0	12

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FUND: GENERAL FUND 100
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: COMMUNITY DEVELOPMENT 300

DIVISION EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 1,387,333	\$ 1,482,229	\$ 1,527,342	\$ 1,473,634	\$ 1,171,109	-23%
Benefits	520,669	578,391	589,917	577,942	370,034	-37%
Materials	67,824	43,287	39,110	30,376	44,090	13%
Contractual	1,345,995	670,636	485,060	438,245	140,100	-71%
Other Operating	39,031	36,845	49,080	33,370	36,421	-26%
Capital Outlay	40,425	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 3,401,277	\$ 2,811,388	\$ 2,690,509	\$ 2,553,567	\$ 1,761,754	-35%

DIVISION EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Budget	2010-11 Budget	2009-10 Budget
Planning	\$ 1,851,166	\$ 1,462,968	\$ 1,497,449	\$ 1,478,316	\$ 1,003,652	-33%
Building & Safety	1,550,111	1,348,420	1,193,060	1,075,251	758,102	-36%
TOTAL	\$ 3,401,277	\$ 2,811,388	\$ 2,690,509	\$ 2,553,567	\$ 1,761,754	-35%

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>DEPARTMENT STAFFING</u>				
Total Full-Time Staff	23.03	22.03	21.03	17.03
Total Part-Time Staff	0.92	0.92	0.46	0.70
Total D.S. Community Development Staff	23.95	22.95	21.49	17.73

DIVISION GOALS FOR 2010-11

- Complete the General Plan Update by summer 2010, including updates to the traffic study to address land use changes made in the 2008 Main Street/I-15 Corridor Specific Plan. Major additions to the plan will also be made to address greenhouse gas emissions required from State Assembly Bill 32 and Senate Bill 375.
- Continue the Development Code update using in-house staff. During Fiscal Year 2010-11, additional revisions will be made to Chapter 16.12 entitled "Permits and Procedures" and Chapter 16.20 entitled "General Regulations". Remaining sections will be revised in Fiscal Year 2011-12.
- At the request of Local Agency Formation Commission (LAFCO), complete an annexation to bring the area between Maple Avenue and Topaz Avenue, south of Muscatel, into the Hesperia Water District. The area is within the City limits, but is currently in the CSA 70 Zone J Water District. This application will be filed with LAFCO in fall 2010 with approval expected in spring 2011.
- Adopt the 2010 California Building Codes. This will include the Building, Electrical, Plumbing, Mechanical, Fire, and for the first time, the California Residential Code.

FUND: GENERAL FUND 100
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: COMMUNITY DEVELOPMENT 300

DIVISION GOALS FOR 2010-11 (Continued)

- Complete implementation of Rental Housing Program. Approximately 2,000 rental units have received certificates. Approximately 1,800 rental units have not complied. Aggressive enforcement will be necessary to bring the remaining units into compliance.
- Implement the Fats, Oils, and Grease (FOG) Program. This will involve licensing and inspecting approximately 200 food processing and preparation businesses within the City.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The Hogle-Ireland General Plan Update was budgeted at \$340,000 for Fiscal Year 2009-10. The 2010-11 Budget includes \$20,000 to complete this contract to address greenhouse gas emissions and to complete the public hearing process.
- The retirement of the Deputy Director Development Service – Community Development (1.00 FTE) creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, with some consulting assistance included to help deal with the General Plan workload.
- Eliminate one vacant Receptionist (1.00 FTE) position to reduce expenditures during the continuing economic downturn.
- The retirement of the Senior Plans Examiner (1.00 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, and add one part-time Senior Plans Examiner (0.24 FTE) position to help deal with some development projects.
- Eliminate one vacant Building Inspector (1.00 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.

<u>DIVISION STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Assistant Planner	1.00	1.00	1.00	1.00
Associate Planner	1.00	1.00	0.00	0.00
Building Inspector	3.00	2.00	2.00	1.00
Community Development Coordinator	1.00	1.00	1.00	1.00
Community Development Supervisor	1.00	1.00	1.00	1.00
Community Development Technician	0.75	1.75	1.75	1.75
Deputy Director Development Services-Community Development	1.00	1.00	1.00	0.00
Director of Development Services	0.14	0.14	0.14	0.14
Executive Secretary	0.14	0.14	0.14	0.14
Management Analyst	1.00	1.00	1.00	1.00
Plans Examiner	3.00	2.00	2.00	2.00
Principal Planner	1.00	1.00	1.00	1.00
Receptionist	1.00	1.00	1.00	0.00
Senior Community Development Technician	2.00	2.00	2.00	2.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Senior Office Specialist	1.00	1.00	1.00	1.00
Senior Planner	2.00	2.00	2.00	2.00
Senior Plans Examiner	1.00	1.00	1.00	0.00
Total Full-Time Staff	23.03	22.03	21.03	17.03

FUND: GENERAL FUND 100
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: COMMUNITY DEVELOPMENT 300

<u>DIVISION STAFFING (Continued)</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Part-Time Staff</u>				
Receptionist	0.92	0.92	0.46	0.46
Senior Plans Examiner	0.00	0.00	0.00	0.24
Total Part-Time Staff	0.92	0.92	0.46	0.70
Total Full & Part-Time Staff	23.95	22.95	21.49	17.73

FUND: GENERAL FUND 100
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: COMMUNITY DEVELOPMENT 300
PROGRAM: PLANNING 3000

PROGRAM EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 701,732	\$ 779,029	\$ 797,611	\$ 808,796	\$ 684,506	-14%
Benefits	265,893	306,855	314,978	314,744	219,925	-30%
Materials	28,156	16,185	14,380	11,076	13,500	-6%
Contractual	833,921	342,310	340,000	320,000	59,000	-83%
Other Operating	21,464	18,589	30,480	23,700	26,721	-12%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,851,166	\$ 1,462,968	\$ 1,497,449	\$ 1,478,316	\$ 1,003,652	-33%

PROGRAM DESCRIPTION

Planning provides public information, project review, and approvals or recommendations for development proposals to ensure that new development conforms with Hesperia's environment as described in the General Plan, specific plans, and Development Code. This Division assures conformance with the California Environmental Quality Act (CEQA), the Subdivision Map Act, the National Environmental Policy Act, and the Endangered Species act. The Program also supports the Development Review Committee, the Planning Commission, and the City Council in all planning matters. Planning prepares applications for the annexation of sphere areas as well as environmental documents for Redevelopment Agency and Public Works projects. Planning also recommends changes to land use for Hesperia's future growth and success.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Assistant Planner	1.00	1.00	1.00	1.00
Associate Planner	1.00	1.00	0.00	0.00
Community Development Coordinator	0.50	0.50	0.50	0.50
Community Development Supervisor	0.25	0.25	0.25	0.25
Community Development Technician	0.75	1.75	1.75	1.75
Deputy Director Development Services-Community Development	0.60	0.60	0.60	0.00
Director of Development Services	0.10	0.10	0.10	0.10
Executive Secretary	0.10	0.10	0.10	0.10
Management Analyst	1.00	1.00	1.00	1.00
Office Assistant	0.00	0.00	0.00	0.00
Principal Planner	1.00	1.00	1.00	1.00
Senior Community Development Technician	1.00	1.00	1.00	1.00
Senior Office Assistant	0.60	0.60	0.60	0.60
Senior Office Specialist	1.00	1.00	1.00	1.00
Senior Planner	2.00	2.00	2.00	2.00
Senior Plans Examiner	0.10	0.10	0.00	0.00
Total Full-Time Staff	11.00	12.00	10.90	10.30

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	COMMUNITY DEVELOPMENT	300
PROGRAM:	PLANNING	3000

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- The Hogle-Ireland General Plan Update was budgeted at \$340,000 for Fiscal Year 2009-10. The 2010-11 Budget includes \$20,000 to complete this contract to address greenhouse gas emissions and to complete the public hearing process.
- The retirement of the Deputy Director Development Service – Community Development (0.60 FTE) creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, with some consulting assistance included to help deal with the General Plan and Building Code adoption workload.

2009-10 PROGRAM ACCOMPLISHMENTS

- A draft of the General Plan Update was completed in 2009-10. This included all seven elements of the General Plan text, the land use map, the Master Plan of Arterial Highways, and a non-vehicular circulation plan. This also included the Background Technical Reports to be appended to the EIR. The update will refresh the City’s General Plan that was originally drafted in 1991. The update will address the many changes that have occurred in population and land area, new requirements regarding climate change, transportation and housing, as well as the improved City facilities completed during that time.
- Staff received and provided comments on a completely re-formatted Rancho Las Flores Specific Plan. The plan has been re-worked to address contemporary land use thought, including the concept of pedestrian centered neighborhoods with schools, parks, and shopping in walking distance of the majority of residents. The developer will submit the financing program to the City for review and when accepted, the processing of the plan and Environmental Impact Report will commence. The developer anticipates submittal to the City in mid 2010.
- The development process for Planning applications was automated in November 2009. This involved a careful charting of all land development processes for site plans, tract maps, and other minor applications. A consultant was hired to augment the process and the program went live in November.
- Several Development Code changes were processed during the year, including revisions to allowed projections into yards, alternative energy approval procedures for wind and solar, dogs and cats in apartments, and recycling facilities.
- The Initial Study and Negative Declaration for the City’s Recycling Zone was completed. The State awarded the City the Recycling Zone designation in December 2009.
- Staff processed several major projects during the year, including Fire Stations 304 and 305, the Hesperia Police Station, and the County Government Center.
- The Wal-Mart shopping center construction plans were submitted and reviewed.
- Began the annual task of preparing a General Plan Annual Report that was presented to the City’s Planning Commission and City Council before transmitting to the State.

2010-11 PROGRAM GOALS AND OBJECTIVES

- Complete the General Plan Update by summer 2010. The traffic study has been updated to address the land use changes made in the 2008 Main Street/I-15 Corridor Specific Plan. Major additions to the plan will also be made to address greenhouse gas emissions required from State Assembly Bill 32 and Senate Bill 375.
- Continue the Development Code update using in-house staff. During Fiscal Year 2010-11, additional revisions will be made to Chapter 16.12 entitled “Permits and Procedures” and Chapter 16.20 entitled “General Regulations”. Remaining sections will be revised in Fiscal Year 2011-12.
- At the request of Local Agency Formation Commission (LAFCO), complete an annexation to bring the area between Maple Avenue and Topaz Avenue, south of Muscatel, into the Hesperia Water District. The area is within the City limits, but is currently in the CSA 70 Zone J Water District. This application will be filed with LAFCO in fall 2010 with approval expected in spring 2011.
- Implement all agreed upon recommendations for the development review process.

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	COMMUNITY DEVELOPMENT	300
PROGRAM:	PLANNING	3000

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Parcel/Tract Maps	40	11	3	2
Site Plan Reviews and Revisions	80	51	30	15
General Plan Amendments/Zone Changes	30	3	0	1
Total Applications	600	485	332	400
Apartment Units Approved	150	10	68	25
Public Hearings	80	71	48	40
Business Licenses Issued	3,800	3,686	3,619	3,600

FUND: GENERAL FUND 100
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: COMMUNITY DEVELOPMENT 300
PROGRAM: BUILDING & SAFETY 3020

PROGRAM EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 685,601	\$ 703,200	\$ 729,731	\$ 664,838	\$ 486,603	-33%
Benefits	254,776	271,536	274,939	263,198	150,109	-45%
Materials	39,668	27,102	24,730	19,300	30,590	24%
Contractual	512,074	328,326	145,060	118,245	81,100	-44%
Other Operating	17,567	18,256	18,600	9,670	9,700	-48%
Capital Outlay	40,425	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,550,111	\$ 1,348,420	\$ 1,193,060	\$ 1,075,251	\$ 758,102	-36%

PROGRAM DESCRIPTION

Building and Safety is responsible for permitting, plan checking, building inspection, and land grading for compliance with adopted building codes and State and Federal Laws. Technicians at the public counter process permits and provide public information for a wide variety of development related issues. The technicians are also responsible for providing inspections for the Rental Housing program. The program also reviews storm water pollution prevention plans and provides consultation for disabled access issues that businesses in the community may have.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Building Inspector	3.00	2.00	2.00	1.00
Building Inspection Supervisor	1.00	1.00	1.00	1.00
Community Development Coordinator	0.50	0.50	0.50	0.50
Community Development Supervisor	0.75	0.75	0.75	0.75
Deputy Director Development Services-Community Development	0.40	0.40	0.40	0.00
Director of Development Services	0.04	0.04	0.04	0.04
Executive Secretary	0.04	0.04	0.04	0.04
Plans Examiner	3.00	2.00	2.00	2.00
Receptionist	1.00	1.00	1.00	0.00
Senior Community Development Technician	1.00	1.00	1.00	1.00
Senior Office Assistant	0.40	0.40	0.40	0.40
Senior Plans Examiner	0.90	0.90	1.00	0.00
Total Full-Time Staff	12.03	10.03	10.13	6.73
<u>Part-Time Staff</u>				
Receptionist	0.92	0.92	0.46	0.46
Senior Plans Examiner	0.00	0.00	0.00	0.24
Total Part-Time Staff	0.92	0.92	0.46	0.70
Total Full & Part-Time Staff	12.95	10.95	10.59	7.43

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	COMMUNITY DEVELOPMENT	300
PROGRAM:	BUILDING & SAFETY	3020

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGE

- The retirement of the Deputy Director Development Service – Community Development (0.40 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, with some consulting assistance included to help deal with the General Plan and Building Code adoption workload.
- Eliminate one vacant Receptionist (1.00 FTE) position to reduce expenditures during the continuing economic downturn.
- The retirement of the Senior Plans Examiner (1.00 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, and add one part-time Senior Plans Examiner (0.24 FTE) position to help deal with some development projects.
- Eliminate one vacant Building Inspector (1.00 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.

2009-10 PROGRAM ACCOMPLISHMENTS

- Fire Station 305 (Caliente) was completed and a Certificate of Occupancy was issued. The Police Station and County Government Center are nearing completion. They should be completed in the first half of 2010-11.
- Senate Bill 1608 requires that every California building department have a State certified accessibility specialist on staff. This certification is granted through the Division of the State Architect's Certified Access Specialist program (CAsp). The City's Building Inspection Supervisor has attained his Certified Access Specialist certification and the City is now compliant with Senate Bill 1608.
- The Rental Housing Program transitioned fully to Building and Safety. Technicians are reviewing rental properties to verify compliance.
- During Fiscal Year 2009-10, 12 policies for Building and Safety were reviewed, updated, or re-written to concur with current practice. Included in the 12 are new policies for the Police Party Response Program, Essential Facilities, the Rental Housing Program, Private Water Wells in the City, State Required Certification, and Title 24 Compliance for HVAC Replacement.

2010-11 PROGRAM GOALS AND OBJECTIVES

- Adopt the 2010 California Building Codes. This will include the Building, Electrical, Plumbing, Mechanical, Fire, and for the first time, the California Residential Code.
- Complete implementation of Rental Housing Program. Approximately 2,000 rental units have received certificates. Approximately 1,800 rental units have not complied. Aggressive enforcement will be necessary to bring the remaining units into compliance.
- Implement the Fats, Oils, and Grease (FOG) Program. This will involve licensing and inspecting approximately 200 food processing and preparation businesses within the City.
- Develop the survey procedures and complete the survey for the City's Transition Plan. This plan will include all City owned facilities and develop a plan to bring them into compliance with the Americans with Disabilities Act (ADA).
- Complete inspections on major public projects including the Hesperia Police Station, the County Government Center, and the Victor Valley Transit Authority.
- Complete inspections on major private projects including Ross, Marshalls, and Golden Corral.
- Complete plan review (in-house) of the Wal-Mart superstore. Permits should be issued by mid-year and inspections will be conducted during the second half of the year. Completion is not anticipated until 2011-12.

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	COMMUNITY DEVELOPMENT	300
PROGRAM:	BUILDING & SAFETY	3020

<u>PERFORMANCE AND WORKLOAD INDICATORS</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Permits Issued	3,800	922	1,506	1,500
New Residential Permits	110	5	3	20
Plans Reviewed	1,500	1,070	850	850
Inspections	13,600	6,874	5,800	5,500
Inspections Per Day Per Inspector	15.3	16	13.5	12.8
Rental Housing – Inspections	n/a	n/a	4,077	2,115
Rental Housing – Certificates Issued	n/a	n/a	1,344	2,114
Fats, Oil, Grease (FOG) Program – Inspections Performed	n/a	n/a	25	185

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FUND: GENERAL FUND 100
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: CODE COMPLIANCE 305

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 1,078,886	\$ 1,215,384	\$ 1,353,533	\$ 1,073,297	\$ 1,150,429	-15%
Benefits	444,671	524,686	610,877	496,890	423,836	-31%
Materials	208,603	174,366	191,005	177,990	193,245	1%
Contractual	213,016	192,163	200,930	184,155	207,818	3%
Other Operating	39,735	33,190	37,070	23,970	31,670	-15%
Capital Outlay	47,448	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 2,032,359	\$ 2,139,789	\$ 2,393,415	\$ 1,956,302	\$ 2,006,998	-16%

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Budget	2010-11 Budget	From 2009-10 Budget
Code Enforcement	\$ 802,487	\$ 957,591	\$ 979,618	\$ 817,722	\$ 824,559	-16%
Animal Control	1,229,872	1,182,198	1,413,797	1,138,580	1,182,439	-16%
TOTAL	\$ 2,032,359	\$ 2,139,789	\$ 2,393,415	\$ 1,956,302	\$ 2,006,998	-16%

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
DEPARTMENT STAFFING				
Total Full-Time Staff	29.32	28.32	26.32	23.32
Total Part-Time Staff	1.32	0.46	0.46	0.46
Total D.S. Code Compliance Staff	30.64	28.78	26.78	23.78

DIVISION GOALS FOR 2010-11

- Continue the work release clean-up crew, restoring the Environment for a Cleaner Hesperia (REACH) Program 40 hours per week to remove weeds, tires, trash and debris throughout the City.
- Continue the conduct of special enforcement programs, concentrating on commercial truck parking and illegal dumping outside of regular business hours.
- Increase door-to-door canvassing of the entire City for unlicensed/unvaccinated pets, increasing license revenues.
- Review and revise Animal Control ordinances.
- Coordinate with San Bernardino County for the pilot cat care contract service.

FUND: GENERAL FUND 100
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: CODE COMPLIANCE 305

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- In the Code Enforcement program, eliminate one vacant Code Enforcement Officer (1.00 FTE) position to reduce expenditures during the continuing economic downturn.
- In the Animal Control program, eliminate one vacant Animal Control Officer (1.00 FTE) position and one vacant Office Assistant (1.00 FTE) position to reduce expenditures during the continuing economic downturn.

<u>DIVISION STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Animal Control Officer	2.00	2.00	3.00	2.00
Animal Control Supervisor	1.00	1.00	1.00	1.00
Animal Control Technician	4.00	4.00	4.00	4.00
Code Compliance Manager	1.00	1.00	0.00	0.00
Code Enforcement Officer	7.00	7.00	6.00	5.00
Code Enforcement Supervisor	1.00	1.00	1.00	1.00
Director of Development Services	0.16	0.16	0.16	0.16
Executive Secretary	0.16	0.16	0.16	0.16
Office Assistant	6.00	5.00	5.00	4.00
Senior Animal Control Officer	3.00	3.00	2.00	2.00
Senior Code Enforcement Officer	1.00	1.00	1.00	1.00
Senior Office Assistant	2.00	2.00	2.00	2.00
Shelter Supervisor	1.00	1.00	1.00	1.00
Total Full-Time Staff	29.32	28.32	26.32	23.32
<u>Part-Time Staff</u>				
Animal Control Technician	0.46	0.46	0.46	0.46
Code Enforcement Officer	0.40	0.00	0.00	0.00
Office Assistant	0.46	0.00	0.00	0.00
Total Part-Time Staff	1.32	0.46	0.46	0.46
Total Full & Part-Time Staff	30.64	28.78	26.78	23.78

FUND: GENERAL FUND 100
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: CODE COMPLIANCE 305
PROGRAM: CODE ENFORCEMENT 3010

PROGRAM EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 436,402	\$ 567,107	\$ 597,527	\$ 484,397	\$ 512,580	-14%
Benefits	168,251	233,653	246,821	203,860	176,349	-29%
Materials	66,746	56,496	56,300	43,140	49,520	-12%
Contractual	65,395	90,113	65,000	78,155	75,740	17%
Other Operating	18,245	10,222	13,970	8,170	10,370	-26%
Capital Outlay	47,448	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 802,487	\$ 957,591	\$ 979,618	\$ 817,722	\$ 824,559	-16%

PROGRAM DESCRIPTION

Code Enforcement provides enforcement of City health, safety, aesthetic, housing, development, and dangerous building codes, as well as coordination for Citywide clean-up programs. The program also supports the Community Development Advisory Committee and testifies in support of civil, administrative and criminal court cases. Code Enforcement operates seven days per week, with officers working weekends and a clean-up crew working Monday through Thursdays.

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Eliminate one vacant Code Enforcement Officer (1.00 FTE) position to reduce expenditures during the continuing economic downturn.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Code Compliance Manager	0.50	0.50	0.00	0.00
Code Enforcement Officer	7.00	7.00	6.00	5.00
Code Enforcement Supervisor	1.00	1.00	1.00	1.00
Director of Development Services	0.10	0.10	0.10	0.10
Executive Secretary	0.10	0.10	0.10	0.10
Office Assistant	2.00	1.00	1.00	1.00
Senior Code Enforcement Officer	1.00	1.00	1.00	1.00
Senior Office Assistant	0.00	1.00	1.00	1.00
Total Full-Time Staff	11.70	11.70	10.20	9.20
<u>Part-Time Staff</u>				
Code Enforcement Officer	0.40	0.00	0.00	0.00
Office Assistant	0.46	0.00	0.00	0.00
Total Part-Time Staff	0.86	0.00	0.00	0.00
Total Full & Part-Time Staff	12.56	11.70	10.20	9.20

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	CODE COMPLIANCE	305
PROGRAM:	CODE ENFORCEMENT	3010

2009-10 PROGRAM ACCOMPLISHMENTS

- Assisted Advance Disposal in the removal of trash and debris during the two City clean-up days held in October 2009 and April 2010.
- Utilized the Code Enforcement staff to secure vacant properties and pump abandoned pools that would normally be performed by contractors. This had an average savings of sixty percent per property abated.
- Provided seven-day per week coverage of the City, with proactive code enforcement focusing on reducing illegal street vending, illegal subdivision signage, non-permitted yard/garage sales, and illegally parked commercial vehicles.
- Assisted in a mattress clean-up day where illegally dumped mattresses were picked up by the REACH clean-up crew throughout the City, a drop off point for the public to drop off mattresses, which were either recycled or legally disposed of.
- Assisted in four tire amnesty days and utilized the REACH clean-up crew to pick-up and dispose of illegally discarded tires throughout the City.
- Conducted two special enforcement programs concentrating on illegal dumping outside of regular business hours.
- In conjunction with the Police Department, continued proactive enforcement in Neighborhood Enhancement Program (NEP) area. Assisted Police Department in nighttime sweeps throughout NEP area.
- Caused seven abandoned, unsecured houses that were being used for illegal activity in northwest Hesperia to be demolished by the property owners.

2010-11 PROGRAM GOALS AND OBJECTIVES

- Continue the work release clean-up crew, restoring the Environment for a Cleaner Hesperia (REACH) Program 40 hours per week to remove weeds, tires, trash and debris throughout the City.
- Participate in a mattress clean-up day by removing mattresses from desert areas and providing a drop off location.
- Assist Advance Disposal staff in removal of trash and debris during the two City clean-up days.
- Assist in the City's four tire amnesty days. Utilize the clean-up crew from Restoring the Environment for a Cleaner Hesperia (REACH) to pick-up and dispose of illegally discarded tires throughout the City.
- Continue the conduct of special enforcement programs concentrating on commercial truck parking and illegal dumping outside of regular business hours.
- Participate in multi-agency graffiti task force with City Public Works staff, Sheriff's department, and Hesperia Unified School District to address enforcement and prevention measures.
- Continue proactive enforcement on a seven-day service, focusing on reducing street vendors, illegal subdivision signs, unpermitted yard/garage sales, and illegal dumping.
- Make bullet-resistant vests available to field officers in order to enhance staff protection and safety.

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	CODE COMPLIANCE	305
PROGRAM:	CODE ENFORCEMENT	3010

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
New Enforcement Cases	3,357	3,006	2,500	4,000
Inspections (New and Recheck)	9,294	6,165	6,000	7,000
Notices Issued	2,610	2,092	1,800	2,000
Citations	850	610	400	500
Warrants	111	121	180	200
Court Hearings	473	199	210	400
Administrative Citations	994	795	450	500
New Rental Housing Inspections	n/a	1,373	n/a	n/a*
Rental Housing Re-Inspections	n/a	314	n/a	n/a*

*Items now being handled under Community Development/Building and Safety

FUND: GENERAL FUND 100
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: CODE COMPLIANCE 305
PROGRAM: ANIMAL CONTROL 5000

PROGRAM EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 642,484	\$ 648,277	\$ 756,006	\$ 588,900	\$ 637,849	-16%
Benefits	276,420	291,033	364,056	293,030	247,487	-32%
Materials	141,857	117,870	134,705	134,850	143,725	7%
Contractual	147,621	102,050	135,930	106,000	132,078	-3%
Other Operating	21,490	22,968	23,100	15,800	21,300	-8%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,229,872	\$ 1,182,198	\$ 1,413,797	\$ 1,138,580	\$ 1,182,439	-16%

PROGRAM DESCRIPTION

Animal Control provides a number of public safety functions including rabies control, stray and dangerous animal abatement, hearings for public nuisance, quarantine and hearings for dangerous and/or vicious animals. Animal Control also provides care, shelter, and treatment for unwanted and abused animals. Animal Control maintains a large population of adoptable animals and provides monthly shot clinics for High Desert residents.

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Eliminate one vacant Animal Control Officer (1.00 FTE) position and one vacant Office Assistant (1.00 FTE) position to reduce expenditures during the continuing economic downturn.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Animal Control Officer	2.00	2.00	3.00	2.00
Animal Control Supervisor	1.00	1.00	1.00	1.00
Animal Control Technician	4.00	4.00	4.00	4.00
Code Compliance Manager	0.50	0.50	0.00	0.00
Director of Development Services	0.06	0.06	0.06	0.06
Executive Secretary	0.06	0.06	0.06	0.06
Office Assistant	4.00	4.00	4.00	3.00
Senior Animal Control Officer	3.00	3.00	2.00	2.00
Senior Office Assistant	2.00	1.00	1.00	1.00
Shelter Supervisor	1.00	1.00	1.00	1.00
Total Full-Time Staff	17.62	16.62	16.12	14.12
<u>Part-Time Staff</u>				
Animal Control Technician	0.46	0.46	0.46	0.46
Total Part-Time Staff	0.46	0.46	0.46	0.46
Total Full & Part-Time Staff	18.08	17.08	16.58	14.58

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	CODE COMPLIANCE	305
PROGRAM:	ANIMAL CONTROL	5000

2009-10 PROGRAM ACCOMPLISHMENTS

- Increased investigation of aggressive animals resulting in increased number of hearings being held for potentially dangerous or vicious dogs.
- Revised a new written procedure manual for kennel technician staff, eliminating confusion and increasing productivity.
- Coordinated with Code Enforcement for door-to door canvassing of a “targeted” neighborhood to comply with dog licensing.
- Increased number of volunteers who were instrumental in supplementing Shelter operation needs while reducing manpower costs.
- Increased number of foster homes which enabled litters of puppies and kittens to be saved for adoption, which otherwise would be euthanized.
- Increased offsite adoption program with PetSmart Adoption Charities, which resulted in monies paid to the City’s, adoption program fund. To date the City has received over \$2,300. Other adoption events include Orange County Pet Expo, Hesperia Days, and Rodeo.
- Increased number of animals rescued, due in part to an Orange County rescue volunteer who selected Hesperia Animal Control as a participant in this program. Since coordinating with this person in February 2010, 114 animals have been saved and rescued.
- Increased adoption statistics and revenues from last year at \$32,883 to over \$50,000 this year.
- Coordinated with local veterinarian to assist with monthly after-hours vaccination/microchip/licensing clinics, which brought increased revenues.
- Enhanced advertising for pet adoptions through “Pet of the Week” radio show.
- Increased Community outreach through education with Boy Scout and Girl Scout tours.
- Increased Community outreach through Disaster Preparedness with the First Baptist Church regarding animal evacuations.

2010-11 PROGRAM GOALS AND OBJECTIVES

- Continue the established Volunteer Program to assist with shelter operations.
- Increase door-to-door canvassing of the entire City for unlicensed/unvaccinated pets, increasing license revenues.
- Continue to develop a written training protocol for new and existing staff.
- Develop a written procedure manual for staff, eliminating confusion and increasing productivity.
- Review and revise Animal Control ordinances.
- Revise all fees, especially those pertaining to cost recovery.
- Increase community outreach and education for animal control issues.
- Hire an in-shelter veterinarian to perform spays/neuters on shelter animals, treatment of injured animals and provide low-cost spay/neuter services to High Desert residents to reduce animal over population.
- Coordinate with San Bernardino County for the pilot cat care contract service.

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	CODE COMPLIANCE	305
PROGRAM:	ANIMAL CONTROL	5000

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Officer call response	n/a	7,029	8,050	8,700
Owner Turn-in-Alive	800	783	901	845
Owner Turn-in-DOA	n/a	127	71	100
Strays Recovered-Alive	5,200	6,820	6,438	6,625
Strays Recovered-DOA	n/a	633	639	635
Seized/Abandoned/Agency Assist	n/a	108	146	125
Return to Owners	n/a	838	816	825
Animals Adopted	1,300	1,789	2,093	2,100
Stray Animals Euthanized	4,100	4,619	4,107	4,350
Transfer to another Agency	n/a	27	39	35
Animal Licenses Issued	8,500	8,594	9,250	9,600
Number of Animals Processed (Intake)	6,827	8,471	8,195	8,300

FUNDS: GENERAL FUND 100 AND STREETS MAINTENANCE FUND 263
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: PUBLIC WORKS 310

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 1,903,456	\$ 2,040,823	\$ 2,037,965	\$ 1,949,605	\$ 1,924,442	-6%
Benefits	784,990	882,277	914,186	851,054	716,878	-22%
Materials	815,880	787,095	907,890	825,315	875,325	-4%
Contractual	1,487,169	739,854	690,700	673,786	647,280	-6%
Other Operating	155,978	200,959	175,921	171,681	244,351	39%
Capital Outlay	565,949	0	0	28,000	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 5,713,422	\$ 4,651,008	\$ 4,726,662	\$ 4,499,441	\$ 4,408,276	-7%

DIVISION EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Budget	2010-11 Budget	From 2009-10 Budget
Street Maintenance (263)						
3150 Street Maintenance	3,329,041	3,118,990	3,417,362	3,123,387	3,130,258	-8%
Total Fund Street Maintenance (Fund 263)	\$ 3,329,041	\$ 3,118,990	\$ 3,417,362	\$ 3,123,387	\$ 3,130,258	-8%
General Fund (100)						
3100 Engineering	\$ 1,174,653	\$ 884,281	\$ 572,541	\$ 529,676	\$ 519,782	-9%
3110 Building Maintenance	643,553	647,737	736,759	721,092	758,236	3%
CIP	566,175	0	0	125,286	0	0%
Total General Fund (100)	\$ 2,384,381	\$ 1,532,018	\$ 1,309,300	\$ 1,376,054	\$ 1,278,018	-2%
Total Public Works	\$ 5,713,422	\$ 4,651,008	\$ 4,726,662	\$ 4,499,441	\$ 4,408,276	-7%

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>DEPARTMENT STAFFING</u>				
Total Full-Time Staff		37.45	37.45	35.90
Total Part-Time Staff		0.46	0.23	0.00
Total D.S. Public Works Staff		37.91	37.68	35.90

DIVISION GOALS FOR 2010-11

- Maintain existing roads to provide a safe, reliable road system:
 - Complete paving repairs (potholes, shoulder paving/grading, street sweeping, trench repair and crack-sealing) to provide a safe driving surface.
 - Replace all downed regulatory signage consistent with the City's sign program.
 - Maintain legible legends, striping and curb markings.
 - Inspect and trim all landscaping that inhibits regulation signage visibility.
- Respond to graffiti within 24 hours of reporting.

FUNDS: GENERAL FUND 100 AND STREETS MAINTENANCE FUND 263
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: PUBLIC WORKS 310

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Eliminate one vacant Engineering Aide position (0.30 FTE Street Maintenance and 0.20 FTE Engineering) to reduce expenditures during the continuing economic downturn and related reduced development activity.

<u>DIVISION STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Analyst	1.00	1.00	0.50	0.50
Administrative Secretary	0.00	0.00	0.50	0.50
Assistant Engineer	0.65	0.65	0.35	0.35
City Engineer	0.50	0.50	0.50	0.50
Community Development Technician	0.25	0.25	0.25	0.25
Construction Inspection Supervisor	0.65	0.65	0.35	0.35
Construction Inspector	1.65	1.65	1.45	1.45
Custodian	1.50	1.50	1.50	1.50
Director of Development Services	0.30	0.30	0.30	0.30
Engineering Aide	1.00	0.50	0.50	0.00
Engineering Technician	0.00	0.50	0.40	0.40
Equipment Operator	4.30	4.30	4.30	4.30
Executive Secretary	0.30	0.30	0.30	0.30
Facilities Supervisor	0.50	0.50	0.50	0.50
Geographical Information Systems Manager	0.50	0.50	0.30	0.30
Geographical Information Systems Technician	0.50	0.50	0.30	0.30
Maintenance Crew Supervisor	2.30	2.30	2.30	2.30
Maintenance Worker	9.10	9.10	9.10	9.10
Office Assistant	1.50	2.00	2.00	2.00
Project Construction Manager	0.75	0.75	0.75	0.75
Public Works Manager	0.50	0.50	0.50	0.50
Public Works Supervisor	1.00	1.00	1.00	1.00
Senior Engineer	0.50	0.50	0.50	0.50
Senior Engineering Technician	1.15	0.65	0.40	0.40
Senior Maintenance Worker	5.90	5.90	5.90	5.90
Senior Office Assistant	1.15	1.15	1.15	1.15
Total Full-Time Staff	37.45	37.45	35.90	35.40
<u>Part-Time Staff</u>				
Office Assistant	0.46	0.23	0.00	0.00
Total Part-Time Staff	0.46	0.23	0.00	0.00
Total Full & Part-Time Staff	37.91	37.68	35.90	35.40

FUND: STREETS MAINTENANCE FUND 263
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: PUBLIC WORKS 310
PROGRAM: STREET MAINTENANCE 3150

PROGRAM EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 1,386,831	\$ 1,483,734	\$ 1,588,038	\$ 1,529,926	\$ 1,501,195	-5%
Benefits	576,698	648,610	727,310	674,697	572,149	-21%
Materials	475,298	443,103	544,150	464,000	471,750	-13%
Contractual	245,316	393,172	430,700	304,300	399,000	-7%
Other Operating	116,799	150,371	127,164	122,464	186,164	46%
Capital Outlay	528,099	0	0	28,000	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 3,329,041	\$ 3,118,990	\$ 3,417,362	\$ 3,123,387	\$ 3,130,258	-8%

PROGRAM DESCRIPTION

The Street Maintenance Division is responsible for operations and maintenance of the street and right-of-way network within the City. These responsibilities include, but are not limited to, street and shoulder repair, crack sealing, asphalt repair of water trenches, sign maintenance, traffic signal maintenance, striping, street sweeping, weed abatement, graffiti removal, flood control, box culverts, debris removal, ice control, and support of Code Compliance issues and City-sponsored functions. This division is responsible for ensuring safe traffic flow within the City through the proper use and maintenance of signs and markings, traffic signals, and related traffic control devices, practices, and techniques. This program is also responsible for the maintenance of all storm water inlets and outlets, and to ensure that they remain unobstructed for the free flow of storm water runoff.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.75	0.75	0.25	0.25
Administrative Secretary	0.00	0.00	0.50	0.50
Assistant Engineer	0.30	0.30	0.20	0.20
City Engineer	0.25	0.25	0.25	0.25
Construction Inspection Supervisor	0.30	0.30	0.25	0.25
Construction Inspector	0.30	0.30	0.30	0.30
Director of Development Services	0.30	0.30	0.30	0.30
Engineering Aide	0.00	0.00	0.30	0.00
Engineering Technician	0.00	0.00	0.20	0.20
Equipment Operator	4.30	4.30	4.30	4.30
Executive Secretary	0.30	0.30	0.30	0.30
Geographical Information Systems Manager	0.00	0.00	0.15	0.15
Geographical Information Systems Technician	0.00	0.00	0.15	0.15
Maintenance Crew Supervisor	2.30	2.30	2.30	2.30
Maintenance Worker	9.10	9.10	9.10	9.10
Office Assistant	1.00	1.00	1.60	1.60
Public Works Manager	0.50	0.50	0.50	0.50
Public Works Supervisor	1.00	1.00	1.00	1.00

FUND: STREETS MAINTENANCE FUND 263
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: PUBLIC WORKS 310
PROGRAM: STREET MAINTENANCE 3150

<u>PROGRAM STAFFING (Continued)</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Senior Engineering Technician	0.30	0.30	0.20	0.20
Senior Maintenance Worker	5.90	5.90	5.90	5.90
Senior Office Assistant	0.80	0.80	0.80	0.80
Total Full-Time Staff	27.70	27.70	28.85	28.55
<u>Part-Time Staff</u>				
Office Assistant	0.23	0.23	0.00	0.00
Total Part-Time Staff	0.23	0.23	0.00	0.00
Total Full & Part-Time Staff	27.93	27.93	28.85	28.55

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Eliminate one vacant Engineering Aide (0.30 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.

2009-10 PROGRAM ACCOMPLISHMENTS

- Used 1,900 tons of asphalt to pave 169,000 square feet of roads, trench repairs, and 3,900 linear feet of berm.
- Used 160 tons of cold mix to repair 12,000 potholes.
- Completed 43,000 square feet of trench repair for Water Division.
- Hauled 18,000 yards of material in the process of debris removal, shoulder backfill, and dirt road rebuilding.
- Graded 125 miles of dirt roads.
- Crack sealed 200,000 linear feet of pavement.
- Maintained 6,500 street signs and replaced 560 street signs due to vandalism, theft, and traffic collisions.
- Used 950 gallons of paint and painted 1,300 legends throughout the City.
- Removed graffiti from 6,400 public and private locations within the City.
- Contributed 6,500 hours to miscellaneous programs within the City that included furniture moving, meeting set-ups, parades, clean-up days, and various other staffing needs that were not, or could not, be met by other divisions.
- Administered and utilized court-appointed, work-sentence personnel an average of 100 additional staff hours per week to supplement department projects.
- Administered service contracts that provide street sweeping to all housing tracts and the following arterials: Main Street, Bear Valley, "I" Avenue, "E" Avenue, and Hesperia Road.
- Provided annual striping services to maintain safe guidance for all motorists, and provided services for traffic signals to maintain consistent operation of the entire system.
- Provided services for weed abatement to provide a clean appearance to the right-of-way.
- Provided services for bus shelter maintenance to provide clean shelters for the public.
- Seventy-five percent of the storm drain system was hydro-cleaned and flushed.
- Inventoried retention basins and associated dry-wells to maintain the cleaning and maintenance program.

FUND:	STREETS MAINTENANCE FUND	263
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	PUBLIC WORKS	310
PROGRAM:	STREET MAINTENANCE	3150

2010-11 PROGRAM GOALS AND OBJECTIVES

- Maintain existing roads to provide a safe, reliable road system:
 - Complete pavement repairs as needed to provide a safe driving surface, including pothole repair, overlays, shoulder paving, crack sealing, trench repair for Water Division, and other maintenance related to asphalt pavement management.
 - Provide services for weed abatement and tree trimming in City right-of-ways to maintain safe movement of pedestrian and vehicle traffic.
 - Grade dirt roads every 12 to 18 weeks, or as needed, for an improved ride.
 - Minimize flood damage on public right-of-ways by removing flood debris from right-of-way, maintain detention ponds owned by the City, and maintain box culverts, including inlet and outlet areas and open concrete channels.
 - Street sweeping shall be performed on a weekly and monthly basis so that streets will be free of debris and trash.
 - Keep storm drains free and unobstructed.
 - Proactively clean and flush the storm drain systems.
- Provide safe and efficient traffic movement throughout the City:
 - Monitor Traffic Control System and ensure an adequate preventative system.
 - Provide adequate training to ensure that personnel properly maintain traffic signal controllers to minimize downtime, as well as contractor call-outs.
 - Visually inspect traffic control signs every 18 months and annually for nighttime reflectivity.
 - Replace downed stop signs within one hour of notification. Replace all other regulatory signs within one working day. Replace/repair information signs within five working days.
 - Keep the City graffiti-free. Respond within twenty-four hours of reporting to eliminate graffiti and continue to meet with Graffiti Task Force bi-weekly.
 - Work with the Police Department to document and provide information for the potential prosecution of suspects apprehended for painting graffiti.
- Legends, striping, and curb markings shall be maintained:
 - Continue to inventory legend, striping, and curb markings throughout the City and establish maintenance service levels.
 - Stripe City streets on a semi-annual basis (approximately 600,000 linear feet).
 - Evaluate the roadway network to determine where additional markings may be necessary (example: lane limit lines on arterials).

FUND: STREETS MAINTENANCE FUND 263
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: PUBLIC WORKS 310
PROGRAM: STREET MAINTENANCE 3150

PERFORMANCE AND

WORKLOAD INDICATORS

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Pavement Repaired (Square Feet)	191,500	247,947	169,000	170,000
Pavement Repaired/Water Patches (sq. ft.)	61,224	35,221	43,000	40,000
Berms Constructed (Feet)	7,800	6,981	3,900	4,500
Hot Mix (Tons)	2,500	2,305	1,900	1,900
Potholes Repaired	27,000	18,884	12,000	10,000
Cold Mix (Tons)	333	198	160	150
Dirt Roads Graded (Miles)	88	91	125	125
Shoulders Graded (Miles)	8	20	42	40
Debris Removed (Loads)	730	1,320	1,400	1,500
Fill Dirt (Loads)	560	607	900	900
Legends Painted	2,100	1,288	1,300	1,500
Signs Maintained	6,350	5,798	6,500	6,500
Graffiti Sites Addressed	7,800	7,100	6,400	6,500
Striping (Feet)	540,000	600,000	675,000	700,000
Street Sweeping (Curb Miles)	3,300	3,500	3,500	3,500
Storm Drains Cleaned (Counts)	35	478	235	235
Crack Seal (feet)	110,420	283,410	200,000	225,000

FUND: GENERAL FUND 100
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: PUBLIC WORKS 310
PROGRAM: ENGINEERING 3100

PROGRAM EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 436,336	\$ 469,516	\$ 355,428	\$ 330,466	\$ 330,501	-7%
Benefits	169,298	190,112	139,398	131,635	106,446	-24%
Materials	25,489	20,417	18,715	14,815	17,675	-6%
Contractual	525,473	194,082	44,750	43,950	52,630	18%
Other Operating	18,057	10,154	14,250	8,810	12,530	-12%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,174,653	\$ 884,281	\$ 572,541	\$ 529,676	\$ 519,782	-9%

PROGRAM DESCRIPTION

The Engineering Division is responsible for the planning, design, and construction of the infrastructure of the City to address the needs of the community today, as well as 20 years into the future and beyond. The Division also reviews all development proposals to ensure that they conform to City codes and standards, and provides technical input to street, transit, and wastewater member agencies. The Division also oversees many aspects of the City's Capital Improvement Program, most notably the Annual Paving Program and street and storm drain related construction projects. Most recently, the Engineering Division has taken over the Traffic Engineering responsibilities, and works closely with the Public Works Department to respond to these issues.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.25	0.25	0.25	0.25
Assistant Engineer	0.35	0.35	0.15	0.15
City Engineer	0.25	0.25	0.25	0.25
Community Development Technician	0.25	0.25	0.25	0.25
Construction Inspection Supervisor	0.35	0.35	0.10	0.10
Construction Inspector	1.35	1.35	1.15	1.15
Engineering Aide	1.00	0.50	0.20	0.00
Engineering Technician	0.00	0.50	0.20	0.20
Geographical Information Systems Manager	0.50	0.50	0.15	0.15
Geographical Information Systems Technician	0.50	0.50	0.15	0.15
Office Assistant	0.50	1.00	0.40	0.40
Project Construction Manager	0.75	0.75	0.75	0.75
Senior Engineer	0.50	0.50	0.50	0.50
Senior Engineering Technician	0.85	0.35	0.20	0.20
Senior Office Assistant	0.35	0.35	0.35	0.35
Total Full-Time Staff	7.75	7.75	5.05	4.85
<u>Part-Time Staff</u>				
Office Assistant	0.23	0.00	0.00	0.00
Total Part-Time Staff	0.23	0.00	0.00	0.00
Total Full & Part-Time Staff	7.98	7.75	5.05	4.85

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	PUBLIC WORKS	310
PROGRAM:	ENGINEERING	3100

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Eliminate one vacant Engineering Aide (0.20 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.

2009-10 PROGRAM ACCOMPLISHMENTS

- Prepared the Capital Improvement Program, utilizing the City's Master Plans for Water and Wastewater and Public Safety Needs Report.
- Continued the City's Annual Pavement Rehabilitation Program by paving and maintaining over 20 miles of roadways throughout the City, including rehabilitation and widening work on several key roadways such as Arrowhead Lake Road to Hesperia Lakes, Mariposa Road south of Bear Valley Road, and ultimate improvements to Bear Valley Road east of Mariposa Avenue.
- Completed improvements to eight VVTA bus stops making the stops more compliant with ADA accessibility requirements. The work was funded through an Article 3 transportation grant, which can only be utilized for these types of improvements.
- Continued to implement the City's Non-Motorized Transportation Plan by striping miles of Class II bike trails throughout the City, including Arrowhead Lake Road (which completes the connection from Main Street to Hesperia Lakes) and Willow Street, which links three schools along the bike path.
- With a fully functional Geographical Information Systems (GIS) Map and Public Works utilizing the Cityworks program to generate, track, and execute work orders within the City's GIS Map, the Storeroom Program was brought on-line. This next component of Cityworks tracks material levels at the Public Works Warehouse in real-time as work orders are issued. The information is compiled and linked with Finance's software to maintain a real-world inventory at the warehouse.
- The Geoviewer Program, which enables the balance of City staff outside of Public Works to access and utilize the GIS Map from their desktop computers, was upgraded to a more user-friendly platform, which makes accessing the plethora of information available easier to manipulate and maintain. The database, which Geoviewer accesses to provide its information, was brought in-house with the purchase of a new server. Having this database at City Hall will make it possible to integrate this database with other City programs such as Accela.
- Worked in conjunction with the Victor Valley Transit Authority (VVTA) to improve the transit routes throughout the City. Interlining of the highly successful Route 48 with the Victor Valley College-bound Route 45, enabled the route to remain on schedule even during the high traffic times along Main Street, and eliminated the required transfer for students heading to the college.
- Continued to support the various departments and divisions throughout the City through the production of maps, exhibits, standards, and other documents required.
- Coordinated with Parsons Engineering, the project management firm for several large CIP projects such as the aqueduct crossing bridges at Main Street and Rancho Road, the Rancho Road interchange, a sewer tributary area study south of Rancho Road, and several other large projects.
- Completed the design of a fully-signalized intersection at Rock Springs Road and Main Street. It is anticipated that the right-of-way acquisition will be completed by the end of FY 2009-10 and that construction will begin in Summer, 2010.
- The contract for new signal work and upgrades at several intersections was awarded as a design build project. The project includes a new traffic signal at the intersection of Seventh Avenue and Smoketree Street to handle the additional traffic generated by the opening of the County Government Center and the new Police Station as well as a signalized pedestrian crossing at the Eighth Avenue paseo into the City Civic Park. Signal equipment upgrades are also planned for the intersection of Main Street and "C" Avenue.

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	PUBLIC WORKS	310
PROGRAM:	ENGINEERING	3100

2009-10 PROGRAM ACCOMPLISHMENTS (Continued)

- The long-anticipated completion of the infrastructure and street improvements within Spruce and Smoketree Streets occurred as part of the Township Rehabilitation Project. Landscaping and the installation of the fencing is anticipated to carry-over into FY 2010-11, but all work should be complete in the summer of 2010. Future phases of the Township Project will be designed in-house utilizing the master plan document for the project.
- Worked with the City's Finance Department to update the next Five Year Waterline replacement plan, as well as the Five Year Pavement Rehabilitation Schedules based upon projected funding levels over this time frame. These documents will guide the Engineering Staff in making determinations of where to commit the limited funds allocated by the City Council for these projects.
- Continued the implementation of the City's Flood Hazard Protection Ordinance through the acquisition of drainage easements where required, and reviewed all development that is potentially impacted by storm water run-off.
- Completed the fifth and final year of the Annual Report for compliance with the City's general storm water permit. Staff is actively working with the Mojave River Watershed Group and the Regional Water Quality Control Board (Lahontan) to examine the potential requirements of the new permit and its impact to City operations. Staff also reviewed the new General Stormwater Construction Permit to determine any new requirements which the City will need to implement in order to comply with this new permit.
- Engineering staff continued to expand its in-house design capacity in order to save City funds on contract services. Examples of projects completed in-house include the rehabilitation and expansion of Arrowhead Lake Road, continuation of the H-01 storm drain to Third Avenue, Main Street storm drain crossing along the A-04 drain line, intersection improvements at Escondido Avenue and Sultana Street, interim widening plans for Hesperia Road from Bear Valley Road to Sequoia Avenue, including the addition of a double left turn pocket at Bear Valley Road, and paseo improvements along Eighth Avenue from Willow Street to the Civic Park. The emergency repairs to Seventh Avenue necessitated by a long term water leak were also completed by the Engineering staff working closely with a local contractor.
- The City Engineer assumed the duties of the City Traffic Engineer and was able to integrate traffic collision data into the "Crossroads" Program to track and query accidents throughout the City which enables response to questions regarding the safety of intersections within the City.

2010-11 PROGRAM GOALS AND OBJECTIVES

- Complete the FY 2010-11 annual Pavement Rehabilitation Program on a reduced scale from previous years. Maximize the limited funding which is available for this program by prioritizing those roads affected by new water line installation while coordinating efforts with the Public Works Department to increase the maintenance on those roadways paved over the last 20 years.
- Utilize the in-house design of the H-01 storm drain facility from the completed outlet structure to Third Avenue in order to construct the most economically feasible facility to control and dissipate the voluminous storm flows. Construction of this facility would reduce or eliminate the erosive impact to the existing residences that are downstream of the newly constructed outlet basin.
- Continue to implement the City's Non-Motorized Transportation Plan by actively pursuing all grants which may be utilized to construct Class I or II bike lanes, or safe routes to school grants.
- Continue to improve and update the features of the City's fully-functional Geographical Information System (GIS) Map by maintaining the new version of "Geoviewer" and expanding its use by City staff through additional training. Depending on funding levels, future integration with New World (Finance software) and Accela (project tracking software) will provide a seamless integration between departments throughout the City.

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	PUBLIC WORKS	310
PROGRAM:	ENGINEERING	3100

2010-11 PROGRAM GOALS AND OBJECTIVES (Continued)

- In light of dwindling transit funding levels, examine ways to maintain service levels within the City's public transit system while protecting a portion of the City's local transportation funds for roadway maintenance. This may be performed by tracking the productivity of the City's fixed transit routes and realigning or eliminating the least productive routes.
- Continue to support the various departments and divisions throughout the City through the production of maps, exhibits, and applications through Geoviewer and Cityworks to make the best productive use of the City's GIS Map while meeting the demands of all City staff.
- Work with Parsons Engineering, the CIP Program management firm, to complete studies and design of the infrastructure projects identified by the City Council and senior staff as high priority projects for this fiscal year, including the Main Street Aqueduct Crossing and the Ranchero Road Corridor Improvements.
- Continue to implement the City's Flood Hazard Protection Ordinance through the acquisition of drainage easements where required, and review all development that is potentially impacted by storm water run-off.
- Continue to provide timely and professional plan checking and inspection services to the development community utilizing existing City staff.
- Work with the Mojave River Watershed Group and the Regional Water Quality Control Board (Lahontan) to develop the next general storm water permit. General permits developed in other watershed areas have requirements which would not be practicable in this area, so staff will work with other agencies (especially Lahontan) to preclude a "one-size fits all" general permit.
- Construct a fully-signalized intersection at Rocks Springs Road and Main Street, which will complete the improvements of the Rock Springs Road and Main Street corridor.
- Complete the landscaping and fence installation along Spruce and Smoketree Streets which will complete the first two streets of the Township Rehabilitation Program. Monitor the condition of the newly installed improvements to determine levels of improvement for the future streets in the Township area. Hire a consultant to provide design survey services for the next two streets which will be designed in-house by the Engineering Staff.
- Design the A-04 storm water crossing of Main Street utilizing the street plans prepared by Parsons Engineering for Main Street. The project will include catch basins, the underground culvert, and street improvements to accommodate the ultimate configuration of the culvert.

FUND: GENERAL FUND 100
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: PUBLIC WORKS 310
PROGRAM: BUILDING MAINTENANCE 3110

PROGRAM EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 80,289	\$ 87,573	\$ 94,499	\$ 89,213	\$ 92,746	-2%
Benefits	38,994	43,555	47,478	44,722	38,283	-19%
Materials	315,093	323,575	345,025	346,500	385,900	12%
Contractual	150,205	152,600	215,250	200,250	195,650	-9%
Other Operating	21,122	40,434	34,507	40,407	45,657	32%
Capital Outlay	37,850	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 643,553	\$ 647,737	\$ 736,759	\$ 721,092	\$ 758,236	3%

PROGRAM DESCRIPTION

The Building Maintenance Division shall support all City departments and facilities through a Predictive/Preventive Maintenance (PPM) Program that will reduce facility depreciation and reduce equipment/structural failures. The objective of this Program is to reduce the amount of unknown trouble calls that inconvenience customers and escalate maintenance costs.

A PPM Program supported by the Cityworks maintenance software will allow the Building Maintenance Division to better serve customers through planning and scheduling of maintenance activities. PPM will provide customers with advanced notification of maintenance that will be conducted in their work areas, while reducing the effects of catastrophic mechanical and structural failures leading to prolonged customer inconvenience and interruption of daily operations.

This Program is responsible for supporting the operations of City Hall/Branch Library (9700 and 9650 Seventh Avenue), Code Compliance (11011 East Santa Fe Avenue), Fire Department facilities (various locations), and the City of Hesperia Park and Ride Facility (Joshua at Highway 395).

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Custodian	1.50	1.50	1.50	1.50
Facilities Supervisor	0.50	0.50	0.50	0.50
Total Full-Time Staff	2.00	2.00	2.00	2.00

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- None

FUND: GENERAL FUND 100
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: PUBLIC WORKS 310
PROGRAM: BUILDING MAINTENANCE 3110

2009-10 PROGRAM ACCOMPLISHMENTS

- Reduced irrigation water consumption at Civic Center and the County Library throughout the use of automated irrigation contract.
- Established Cityworks database for facility maintenance.
- Provided guidance to 11 sub-contractors under the direction of Public Works facility’s management.
- Saved the Public Works/Facility Maintenance division money through the use of RS Means cost estimating tools, as a means of verifying contractors’ pricing for maintenance/repair and light construction.
- Installed steel cover over Civic Park electrical enclosures.
- Installed new parts counter at Mojave Yard.
- Slurry sealed and restriped Civic Center parking area.
- Installed new roof access at Mojave Yard.
- Installed fencing around exposed electrical panels in Civic Park.
- Completed final punch list items at Civic Center (slate and restroom tile).
- Implemented new facility maintenance and repair contract.

2010-11 PROGRAM GOALS AND OBJECTIVES

- Provide a safe, clean work environment for all employees at City Hall, the County Library, Code Compliance, and the Park and Ride.
- Provide key control for all facilities.
- Reduce the number of unforeseen trouble calls through the use of preventive/predictive maintenance.
- Increase the use of Cityworks through the additional of detailed equipment associated to each facility.
- Identify and catalog all interior office furniture at the Civic Center.
- Provide quality environment control to City Hall, County Library, and Code Compliance facilities.
- Improve custodial cleaning schedule to eliminate disruption of daily operations at facilities.
- Continue to increase the use of green cleaning products for custodial activities.

PERFORMANCE AND

WORKLOAD INDICATORS

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Customer Service Request Orders	420	233	255	230
Carpets Cleaned (square feet)	n/a	n/a	2,500	2,500
Painting (square feet)	n/a	n/a	5,000	0

FUND: WATER OPERATING 700 AND WATER CAPITAL 701
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400

DIVISION EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 3,320,113	\$ 3,562,270	\$ 3,996,699	\$ 3,728,317	\$ 3,820,480	-4%
Benefits	1,185,948	1,460,832	1,571,398	1,476,801	1,356,180	-14%
Materials	6,886,946	7,165,051	8,294,875	6,386,082	6,225,975	-25%
Contractual	16,543,567	9,049,923	4,501,991	4,114,247	973,720	-78%
Other Operating	1,182,103	1,151,558	1,992,241	1,911,569	1,908,622	-4%
Capital Outlay	693,407	841,691	25,000	81,759	0	-100%
Debt Service	2,106,463	2,021,052	2,052,541	1,847,216	1,827,175	-11%
TOTAL	\$ 31,918,547	\$ 25,252,377	\$ 22,434,745	\$ 19,545,991	\$ 16,112,152	-28%

DIVISION EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Budget	2010-11 Budget	2009-10 Budget
Water Operating (700)						
4010 Source of Supply	\$ 2,789,826	\$ 3,891,973	\$ 3,966,791	\$ 2,559,891	\$ 2,703,416	-32%
4020 Production	3,088,250	3,331,966	3,305,012	3,189,579	2,993,711	-9%
4030 Distribution	1,393,783	1,167,530	1,241,137	1,523,899	1,068,100	-14%
4035 Pipeline Maintenance	1,600,885	1,044,832	1,709,377	1,426,462	1,247,427	-27%
4040 Engineering	1,253,277	1,156,433	1,027,279	973,646	952,589	-7%
4050 Customer Service	1,270,069	1,209,098	1,290,510	1,189,708	1,232,063	-5%
4060 Utility Billing	895,928	962,818	857,569	856,525	831,232	-3%
4070 Administration	4,180,584	4,246,184	5,179,663	4,914,961	4,833,512	-7%
4080 Property Management	273,079	318,753	331,228	315,653	250,102	-24%
Total Water Operating	\$ 16,745,681	\$ 17,329,587	\$ 18,908,566	\$ 16,950,324	\$ 16,112,152	-15%
Water CIP (701)	\$ 15,172,866	\$ 7,922,790	\$ 3,526,179	\$ 2,595,667	\$ 0	-100%
Total Water Operating & Capital Projects	\$ 31,918,547	\$ 25,252,377	\$ 22,434,745	\$ 19,545,991	\$ 16,112,152	-28%

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>DEPARTMENT STAFFING</u>				
Total Full-Time Staff	69.53	70.53	72.41	72.08
Total Part-Time Staff	2.03	1.80	0.65	0.46
Total D.S. Water Staff	71.56	72.33	73.06	72.54

FUND:	WATER OPERATING 700 AND WATER CAPITAL	701
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	WATER	400

DIVISION GOALS FOR 2010-11

- Pursue purchase of permanent water rights that become available to offset replacement/make-up water needed annually.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

Source of Supply

- One Administrative Analyst (Pos. #7001)(0.33 FTE) position was retitled/reclassified to a Community Relations and Media Coordinator (0.33 FTE) position to more accurately reflect the duties being performed.

Distribution

- One temporary part-time Maintenance Worker (0.19 FTE) position is being eliminated to reduce costs.

Engineering

- Eliminate one vacant Engineering Aide (0.50 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.
- Engineering staff is proposing to utilize contract services to assist the City in the preparation of its 2010 Urban Water Management Plan, which is required to be updated every five years.

Administration

- The one Emergency Services Coordinator is reallocated from 0.33 FTE to 0.50 FTE in the Water Operation Administration program due to limited funds available in the Fire District to fund a portion of this position.

FUND: WATER OPERATING 700 AND WATER CAPITAL 701
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400

	2007-08	2008-09	2009-10	2009-10	2010-11	%Change From 2009-10
REVENUE DETAIL	Actual	Actual	Budget	Revised	Budget	Budget
Water Operating Fund (700)						
Taxes						
Secured Property Taxes 700 29 400 4070 4000	\$ 280,443	\$ 281,854	\$ 265,926	\$ 245,000	\$ 235,700	-11%
Standby Charge 700 29 400 4060 4040	76,115	0	0	0	0	n/a
Other Taxes	11,547	11,918	12,719	9,606	6,894	-46%
Total Taxes	\$ 368,105	\$ 293,772	\$ 278,645	\$ 254,606	\$ 242,594	-13%
Interest						
Interest Income 700 29 400 4070 5605	\$ 283,972	\$ 67,712	\$ 33,052	\$ 1,000	\$ 1,200	-96%
Other Interest	408	54	0	0	0	n/a
Total Interest	\$ 284,380	\$ 67,766	\$ 33,052	\$ 1,000	\$ 1,200	-96%
Intergovernmental						
City Rent Charge 700 29 400 4070 5880	\$ 36,921	\$ 57,162	\$ 58,375	\$ 58,375	\$ 58,375	0%
Total Intergovernmental	\$ 36,921	\$ 57,162	\$ 58,375	\$ 58,375	\$ 58,375	0%
Charges for Services						
Water Sales 700 29 400 4060 5100	\$ 11,977,113	\$ 9,655,325	\$ 13,270,713	\$ 8,541,573	\$ 9,088,797	-32%
Water Meter Fees 700 29 400 4070 5140	80,569	26,893	30,000	30,846	30,000	0%
Reconnection Fees 700 29 400 4070 5130	224,233	203,923	198,000	212,972	200,000	1%
Water Inspection 700 29 400 4070 5180	11,050	4,844	5,000	8,100	4,000	-20%
Rent Eagle Plaza 700 29 400 4070 5875	214,015	209,727	231,676	190,421	176,184	-24%
Water Availability Charge 700 29 400 4060 5110	0	4,625,899	5,493,944	5,852,216	6,086,300	11%
Other Charges for Services	68,026	49,877	37,320	43,767	25,500	-32%
Total Charges for Services	\$ 12,575,006	\$ 14,776,488	\$ 19,266,653	\$ 14,879,895	\$ 15,610,781	-19%
Grants						
Grants	\$ 0	\$ 0	\$ 150,000	\$ 0	\$ 0	-100%
Total Grants	\$ 0	\$ 0	\$ 150,000	\$ 0	\$ 0	-100%
Other Operating						
Other Operating	\$ 119,088	\$ 137,140	\$ 136,240	\$ 366,851	\$ 156,844	15%
Total Other Operating	\$ 119,088	\$ 137,140	\$ 136,240	\$ 366,851	\$ 156,844	15%
All Other						
All Other	\$ 43,450	\$ 41,527	\$ 3,000	\$ 17,632	\$ 5,600	87%
Total All Other	\$ 43,450	\$ 41,527	\$ 3,000	\$ 17,632	\$ 5,600	87%
Total Water Operating Fund (700)	\$ 13,426,950	\$ 15,373,855	\$ 19,925,965	\$ 15,578,359	\$ 16,075,394	-19%

FUND: WATER OPERATING 700 AND WATER CAPITAL 701
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400

	2007-08	2008-09	2009-10	2009-10	2010-11	%Change
REVENUE DETAIL	Actual	Actual	Budget	Revised	Budget	From 2009-10 Budget
Water Capital Fund (701)						
Charges for Services						
Capital Facility Charges 701 29 400 4070 5120	\$ 2,065,748	\$ 555,920	\$ 620,000	\$ 575,000	\$ 500,000	-19%
Water Capital Surcharge 701 29 400 4060 5110	1,909,524	0	0	0	0	n/a
Other Charges for Services	367,524	146,016	0	167,447	0	n/a
Total Water Capital Fund (701)	\$ 4,342,796	\$ 701,936	\$ 620,000	\$ 742,447	\$ 500,000	-19%
Total Water Operating and Capital Fund Revenue	\$ 17,769,746	\$ 16,075,791	\$ 20,545,965	\$ 16,320,806	\$ 16,575,394	-19%

<u>DIVISION STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Secretary	0.00	0.00	0.50	0.50
Administrative Analyst	1.33	1.33	0.83	0.50
Assistant Engineer	0.35	0.35	0.65	0.65
City Engineer	0.50	0.50	0.50	0.50
Community Development Technician	2.00	2.00	2.00	2.00
Community Relations and Media Coordinator	0.00	0.00	0.00	0.33
Construction Inspection Supervisor	0.35	0.35	0.65	0.65
Construction Inspector	1.35	1.35	1.55	1.55
Custodian	1.50	2.50	2.50	2.50
Customer Service Representative	5.00	5.00	5.00	5.00
Customer Service Supervisor	1.00	1.00	1.00	1.00
Director of Development Services	0.40	0.40	0.40	0.40
Emergency Services Coordinator	0.00	0.00	0.33	0.50
Engineering Aide	1.00	0.50	0.50	0.00
Engineering Technician	0.00	0.50	0.60	0.60
Environmental Programs Coordinator	0.50	0.50	0.50	0.50
Equipment Operator	2.70	2.70	2.70	2.70
Executive Secretary	0.40	0.40	0.40	0.40
Facilities Supervisor	0.50	0.50	0.50	0.50
Geographical Information Systems Manager	0.50	0.50	0.70	0.70
Geographical Information Systems Technician	0.50	0.50	0.70	0.70
Maintenance Crew Supervisor	4.00	4.00	4.00	4.00
Maintenance Worker	15.00	15.00	15.00	15.00
Management Analyst	1.00	1.00	1.00	1.00
Meter Reader	4.00	4.00	4.00	4.00
Office Assistant	1.50	2.00	2.00	2.00
Project Construction Manager	0.25	0.25	0.25	0.25

FUND: WATER OPERATING 700 AND WATER CAPITAL 701
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400

<u>DIVISION STAFFING (Continued)</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Public Works Manager	0.50	0.50	0.50	0.50
Public Works Supervisor	1.00	1.00	1.00	1.00
Pump Maintenance Worker	0.95	0.95	0.95	0.95
Pump Operator	1.95	1.95	1.95	1.95
Senior Account Clerk	2.00	2.00	2.00	2.00
Senior Customer Service Representative	2.00	2.00	2.00	2.00
Senior Engineer	0.50	0.50	0.50	0.50
Senior Engineering Technician	0.85	0.35	0.60	0.60
Senior Maintenance Worker	6.40	6.40	6.40	6.40
Senior Office Assistant	0.85	0.85	0.85	0.85
Senior Pump Maintenance Worker	0.95	0.95	0.95	0.95
Senior Pump Operator	0.95	0.95	0.95	0.95
Senior Warehouse Technician	1.00	1.00	1.00	1.00
Utility Line Locator	1.00	1.00	1.00	1.00
Warehouse Technician	1.00	1.00	1.00	1.00
Water Conservation Specialist	1.00	1.00	1.00	1.00
Water Quality Technician	1.00	1.00	1.00	1.00
Total Full-Time Staff	69.53	70.53	72.41	72.08
<u>Part-Time Staff</u>				
Customer Service Representative	0.46	0.46	0.46	0.46
Maintenance Worker	0.19	0.19	0.19	0.00
Meter Reader	0.92	0.92	0.00	0.00
Office Assistant	0.46	0.23	0.00	0.00
Total Part-Time Staff	2.03	1.80	0.65	0.46
Total Full & Part-Time Staff	71.56	72.33	73.06	72.54

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: SOURCE OF SUPPLY 4010

PROGRAM EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 100,061	\$ 107,604	\$ 112,965	\$ 106,069	\$ 105,706	-6%
Benefits	52,554	39,458	41,366	39,484	34,500	-17%
Materials	2,611,673	3,350,335	3,809,510	2,411,288	2,560,110	-33%
Contractual	0	0	0	0	0	0%
Other Operating	1,801	3,976	2,950	3,050	3,100	5%
Capital Outlay	23,737	390,600	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 2,789,826	\$ 3,891,973	\$ 3,966,791	\$ 2,559,891	\$ 2,703,416	-32%

PROGRAM DESCRIPTION

This Program is charged with the responsibility of ensuring that adequate supplies of water are available for the short- and long-term, as money and opportunities are made available. The Program is also responsible for all public information and school education programs pertaining to water conservation and in assisting homeowners and businesses to eliminate water waste.

PROGRAM STAFFING	2007-08	2008-09	2009-10	2010-11
<u>Full-Time Staff</u>				
Administrative Analyst	0.33	0.33	0.33	0.33
Environmental Programs Coordinator	0.50	0.50	0.50	0.50
Water Conservation Specialist	1.00	1.00	1.00	1.00
Total Full-Time Staff	1.83	1.83	1.83	1.83

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- One Administrative Analyst (Pos. #7001)(0.33 FTE) position was retitled/reclassified to a Community Relations and Media Coordinator (0.33 FTE) position to more accurately reflect the duties being performed.

2009-10 PROGRAM ACCOMPLISHMENTS

- The Water Division participated in several community events including Hesperia Days, High Desert Water Awareness Expo, Fall and Spring Water Expo, Tri-Community Science Fair, Garden Party, Read Across America, The Job Fair, Kid's Fest, Lewis Center Science Fair, Krystal Elementary, and Serendipity Days at Topaz Elementary School.
- Water conservation kits were assembled for distribution to Hesperia residents.
- The water awareness coloring contest was held again this year with the theme "Going Green will Save Green". Approximately 3,500 – 4,000 students participated in this annual event.
- Partnered with other water districts through the Alliance of Water Awareness and Conservation (A.W.A.C.) to provide water conservation workshops to area residents and contractors.
- Participated in Project Water Education Training (WET) facilitators training to provide future classroom water conservation programs at local schools.

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: SOURCE OF SUPPLY 4010

2009-10 PROGRAM ACCOMPLISHMENTS (Continued)

- Continued to participate in the Cash for Grass Program, which offers customers a rebate cash incentive from the Mojave Water Agency (MWA) to remove lawn and replace it with water-efficient landscaping. Performed 162 Cash for Grass pre-inspections.
- Participated in the High Efficiency Toilet Rebate Program with other water districts that offer High Efficiency Toilets (HET) to customers that live in a single-family dwelling unit built before 1992.

2010-11 PROGRAM GOALS AND OBJECTIVES

- Continue water awareness programs with Hesperia Unified School District and at community events.
- Continue to enforce the City’s landscape ordinance program and maintain a file of repeat water wasters.
- Continue to meet with the public and perform water audits at problem run-off areas for both residential and commercial properties.
- Continue to provide water conservation literature to customers to promote conservation.
- Continue a Water Efficiency Rewards Program that will give residents incentives, such as rebates for high efficiency flush toilets that use 1.28 gallons per flush (high efficiency flush toilets can save more than 25% of water used inside a home).
- Continue to partner with other water districts to provide beginning and advanced conservation workshops and grey water workshops through the Alliance of Water Awareness and Conservation (A.W.A.C.).
- Continue to participate in the Cash for Grass Program, which offers rebate cash incentive from MWA to remove grass and replace it with water efficient landscaping.
- Pursue purchase of permanent water rights that become available to offset replacement/make-up water needed annually.

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Water Lease Purchases (Acre-Feet)				
▪ Make-up Water (Centro)	758	500	892	980
▪ Carryover Water (Alto)	11,625	8,135	7,013	8,470
▪ Permanent Water (Alto)	0	100	0	0
Coloring Contest Participants	3,200	3,579	39*	1,000
Community Event Participation	10	12	14	12
School Presentations Made	8	12	12	12
Commercial Water Audits Performed	30	10	6	8
Residential Water Audits Performed	40	53	10	35
Nuisance Water Complaints Addressed	140	78	57	65
Cash for Grass Inspections	n/a	35	162	150

*After 10-years running, the coloring contest was revamped and promoted as a “GREEN” event. Students and teachers were given the opportunity to download from the City website or pick-up at City Hall the “Go Green Saves Green” coloring contest page.

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: PRODUCTION 4020

PROGRAM EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 465,578	\$ 492,212	\$ 504,907	\$ 496,030	\$ 484,815	-4%
Benefits	148,153	166,733	184,675	173,038	163,466	-11%
Materials	2,124,155	2,271,617	2,342,230	2,126,930	2,128,430	-9%
Contractual	169,063	167,426	213,000	353,000	173,000	-19%
Other Operating	75,845	54,753	60,200	32,700	44,000	-27%
Capital Outlay	105,456	179,225	0	7,881	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 3,088,250	\$ 3,331,966	\$ 3,305,012	\$ 3,189,579	\$ 2,993,711	-9%

PROGRAM DESCRIPTION

This Program is responsible for providing safe drinking water for the people of Hesperia, and to provide water service during periods of peak demand and fire flow. Water Production maintains all of the wells, motors, pumps, and boosters to ensure adequate water supplies. Water Production is also responsible for all water sampling to ensure system compliance with the State Department of Health requirements. Water Production also oversees the cross-connection and backflow prevention programs.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Maintenance Crew Supervisor	1.00	1.00	1.00	1.00
Maintenance Worker	2.00	2.00	2.00	2.00
Pump Maintenance Worker	0.95	0.95	0.95	0.95
Pump Operator	1.95	1.95	1.95	1.95
Senior Pump Maintenance Worker	0.95	0.95	0.95	0.95
Senior Pump Operator	0.95	0.95	0.95	0.95
Water Quality Technician	1.00	1.00	1.00	1.00
Total Full-Time Staff	8.80	8.80	8.80	8.80

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- None

2009-10 PROGRAM ACCOMPLISHMENTS

- Provided positive water pressure and safe drinking water throughout the year, including during power outages and disruptions.
- Maintained 24-hour communications with all Hesperia pumping facilities utilizing Supervisory Control and Data Acquisition (SCADA).
- Maintained compliance with State and Federal regulations.

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: PRODUCTION 4020

2009-10 PROGRAM ACCOMPLISHMENTS (Continued)

- Maintained compliance with State Health Department regulation to the Cross-connection Control Program. This program has monitored the testing of more than 1,042 backflow assemblies.
- Maintained a safe working environment without incident.
- Provided 2009 Consumer Confidence Report to the citizens of Hesperia.
- Completed the Earthquake retrofit to Reservoir 22-1 at Plant 22 (relocation drained and overflow).
- Pump stations were equipped for field operations during power disruptions using emergency generators.

2010-11 PROGRAM GOALS AND OBJECTIVES

- Ensure that all pumping equipment is maintained and running efficiently.
- Provide safe drinking water to the citizens of Hesperia through consistent sampling analysis weekly and monthly system-wide.
- Continue to maintain a good water quality and backflow cross-connection program.
- Comply with United States Environmental Protection Agency (USEPA) and State Department of Health Services (DHS) Title 22 requirements.

PERFORMANCE AND

WORKLOAD INDICATORS

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Water Produced (Acre-Feet)	19,778	17,538	15,888	16,680
Water Samples	2,450	1,700	1,800	1,600
Reservoirs	13	13	14	14
Wells	18	18	18	18
Water Booster Station	6	6	6	6
Test Backflow Assemblies	n/a	n/a	1,042	1,050

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: DISTRIBUTION 4030

PROGRAM EXPENDITURE SUMMARY							% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget	From 2009-10 Budget
Salaries	\$ 564,561	\$ 584,573	\$ 651,813	\$ 594,436	\$ 615,305		-6%
Benefits	202,144	222,108	257,799	234,145	217,770		-16%
Materials	405,330	281,255	279,775	199,995	204,275		-27%
Contractual	378	10,415	7,500	460,500	2,500		-67%
Other Operating	52,105	41,706	44,250	25,799	28,250		-36%
Capital Outlay	169,265	27,473	0	9,024	0		0%
Debt Service	0	0	0	0	0		0%
TOTAL	\$ 1,393,783	\$ 1,167,530	\$ 1,241,137	\$ 1,523,899	\$ 1,068,100		-14%

PROGRAM DESCRIPTION

This program is charged with the responsibility to ensure that the water supplies are distributed throughout the system at the lowest possible cost, while maintaining the health requirements set by the State of California Department of Health Services.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Equipment Operator	0.70	0.70	0.70	0.70
Maintenance Crew Supervisor	1.00	1.00	1.00	1.00
Maintenance Worker	6.00	6.00	6.00	6.00
Senior Maintenance Worker	3.40	3.40	3.40	3.40
Utility Line Locator	1.00	1.00	1.00	1.00
Total Full-Time Staff	12.10	12.10	12.10	12.10
<u>Part-Time Staff</u>				
Maintenance Worker	0.19	0.19	0.19	0
Total Part-Time Staff	0.19	0.19	0.19	0.00
Total Full & Part-Time Staff	12.29	12.29	12.29	12.10

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- One temporary part-time Maintenance Worker (0.19 FTE) position is being eliminated to reduce costs.

2009-10 PROGRAM ACCOMPLISHMENTS

- Assisted the inspectors on all new public and private waterline projects.
- Serviced 500 fire hydrants and 1,500 valves throughout the City.
- Repaired 385 water leaks, including mainline, water services, and meters.
- Installed 12 water meter sets throughout the City and replaced 470 old service lines.
- Flushed 12 dead-end water lines within the City.

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: DISTRIBUTION 4030

2010-11 PROGRAM GOALS AND OBJECTIVES

- Ensure system continues to operate efficiently.
- Repair leaks immediately upon notification.
- Flush water lines pursuant to State Health directives.
- Exercise valves and hydrants throughout the system pursuant to State Health guidelines to ensure their operation.
- Install water service meter sets as required by new development.
- Inventory all the new water line, valve, and hydrant installations for the Cityworks Asset Management Program.

PERFORMANCE AND

WORKLOAD INDICATORS

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Water Leaks Repaired	237	155	175	200
Water Service Line Leaks Repaired	264	158	160	175
Water Meter Leaks Repaired	100	76	50	75
Valves Serviced	376	1,495	1,500	1,500
Fire Hydrants Serviced (Total of 5,445 Citywide)	281	541	500	500
Water Lines Flushed	202	200	250	300
New Meter Sets	109	44	12	25
Service Replacements	78	168	470	200

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: PIPELINE MAINTENANCE 4035

PROGRAM EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 372,081	\$ 373,224	\$ 454,857	\$ 385,888	\$ 439,480	-3%
Benefits	129,906	143,052	179,570	155,439	159,147	-11%
Materials	852,534	408,921	973,200	793,590	495,200	-49%
Contractual	22,773	28,446	26,500	16,722	111,500	321%
Other Operating	67,236	47,950	75,250	45,600	42,100	-44%
Capital Outlay	156,355	43,239	0	29,223	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,600,885	\$ 1,044,832	\$ 1,709,377	\$ 1,426,462	\$ 1,247,427	-27%

PROGRAM DESCRIPTION

The pipeline maintenance program was established for the purpose of repairing, maintaining, and replacing water lines and related infrastructure within the water system throughout the City.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Equipment Operator	2.00	2.00	2.00	2.00
Maintenance Crew Supervisor	1.00	1.00	1.00	1.00
Maintenance Worker	5.00	5.00	5.00	5.00
Senior Maintenance Worker	1.00	1.00	1.00	1.00
Total Full-Time Staff	9.00	9.00	9.00	9.00

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGE

- Materials for CO-3403 were purchased in Fiscal Year 2009-10 Budget which will result in a savings of approximately \$450,000 for Fiscal Year 2010-11.

2009-10 PROGRAM ACCOMPLISHMENTS

- Completed pipeline project CO-8080 in the northwest quadrant of the City, with over 46,000 lineal feet of 8 inch, 10 inch, and 12 inch P.V.C. water main pipeline replacement, including the Environmental Protection Agency (EPA) grant-funded portion of the project.
- Abandoned same amount of 4, 6, and 8 inch old steel lines.
- Installation of over 212 new water isolation valves.
- Installed approximately 77 new fire hydrants/flush points.
- Changed approximately 365 water services.
- All work orders for the pipeline division are being done with the Cityworks Asset Management System.
- Started new pipeline project CO-3403 in the northwest quadrant of the City.

FUND:	WATER OPERATING	700
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	WATER	400
PROGRAM:	PIPELINE MAINTENANCE	4035

2010-11 PROGRAM GOALS AND OBJECTIVES

- Continue with pipeline replacement on Construction Order CO-3403; schedule completion by end of this fiscal year.
- Replace 10 miles of old, undersized steel water mains with new 8 and 12 inch lines, including gate valves, fire hydrants, and service lines.

PERFORMANCE AND

WORKLOAD INDICATORS

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Replace old pipeline with new pipeline	6 miles	7 miles	8	10
Hydrant Replacements/Flush points installed	55	73	77	70
Water services changed over	301	482	365	380
Water isolation valves replaced or installed	180	247	212	190

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: ENGINEERING 4040

PROGRAM EXPENDITURE SUMMARY	% Change From					
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 418,847	\$ 464,301	\$ 621,371	\$ 572,838	\$ 577,704	-7%
Benefits	171,206	191,067	252,363	238,133	193,385	-23%
Materials	20,597	21,091	11,300	7,076	7,650	-32%
Contractual	615,626	445,505	124,900	134,673	157,100	26%
Other Operating	20,393	12,581	17,345	10,295	16,750	-3%
Capital Outlay	6,608	21,888	0	10,631	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,253,277	\$ 1,156,433	\$ 1,027,279	\$ 973,646	\$ 952,589	-7%

PROGRAM DESCRIPTION

The Engineering Program is responsible for the planning, design, and construction of the water and sewer infrastructure to address the needs of the community today, as well as 20 years into the future and beyond. The Engineering Program also reviews all development proposals to ensure that they conform to Water District codes and standards and provides technical input as a member agency to the Victor Valley Wastewater Reclamation Authority (VWRA). The 2007 Water, Wastewater, and Recycled Water Master Plan Updates will be the guiding plan for the City's planned improvements over the next five years.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.25	0.25	0.25	0.25
Assistant Engineer	0.35	0.35	0.65	0.65
Community Development Technician	2.00	2.00	2.00	2.00
Construction Inspection Supervisor	0.35	0.35	0.65	0.65
Construction Inspector	1.35	1.35	1.55	1.55
Engineering Aide	1.00	0.50	0.50	0.00
Engineering Technician	0.00	0.50	0.60	0.60
Office Assistant	0.50	1.00	1.00	1.00
Geographical Information Systems Manager	0.50	0.50	0.70	0.70
Geographical Information Systems Technician	0.50	0.50	0.70	0.70
Project Construction Manager	0.25	0.25	0.25	0.25
Senior Engineer	0.50	0.50	0.50	0.50
Senior Engineering Technician	0.85	0.35	0.60	0.60
Senior Office Assistant	0.35	0.35	0.35	0.35
Total Full-Time Staff	8.75	8.75	10.30	9.80
<u>Part-Time Staff</u>				
Office Assistant	0.23	0.00	0.00	0.00
Total Part-Time Staff	0.23	0.00	0.00	0.00
Total Full & Part-Time Staff	8.98	8.75	10.30	9.80

FUND:	WATER OPERATING	700
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	WATER	400
PROGRAM:	ENGINEERING	4040

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Eliminate one vacant Engineering Aide (0.50 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.
- Engineering staff is proposing to utilize contract services to assist the City in the preparation of its 2010 Urban Water Management Plan, which is required to be updated every five years.

2009-10 PROGRAM ACCOMPLISHMENTS

- Prepared the Capital Improvement Program, utilizing the City's General Plan and Master Plan for Water and Wastewater, and the Public Safety Needs Report.
- The Engineering Division continued to provide timely project review for new developer projects and continues to provide professional and prompt plan review services on commercial and industrial projects.
- The City's Storm Water Construction Inspection Program continued to set the standard for National Pollutant Discharge Elimination System (NPDES) compliance in the Victor Valley to ensure that there will be minimal impact from construction projects to the City's groundwater supply during storm events.
- With a fully functional Geographical Information Systems (GIS) Map, and Public Works utilizing the Cityworks Program to track and execute work orders within the City's GIS Map, the Storeroom Program was brought on-line. This next component of Cityworks tracks material levels at the Public Works Warehouse in real time as work orders are issued. This information is compiled and linked with Finance's software to maintain a real-world inventory at the warehouse.
- The Geoviewer Program, which enables the balance of City staff outside of Public Works to access and utilize the GIS Map from their desktop computers, was upgraded to a more user-friendly platform, which makes accessing the plethora of information available easier to manipulate and maintain. The database which Geoviewer accesses to provide its information was brought in-house with the purchase of a new computer server. Having the database at City Hall will make it possible to integrate this database with other City programs such as Accela.
- The Engineering Division, once again, designed the City's Annual Pipeline Replacement Program in-house. Engineering staff will continue the design activities on this program into FY 2010-11, with the plans being completed by the end of the 2010 calendar year. This project will be constructed by the City's in-house Pipeline Maintenance crew beginning in Spring, 2011.
- Engineering staff continued to work with representatives from Victor Valley Wastewater Reclamation Authority (VWVRA) to finalize the design of the Santa Fe Avenue Relief Interceptor (SAFARI) and initiate the design of the City's subregional treatment plant, which will be located on the west end of the City.
- The Engineering GIS staff continued to work with Public Works staff to ensure that the new GIS based water and sewer atlases have the most accurate information possible based on actual field conditions.
- Continued to support the various departments and divisions throughout the City through the production of maps, exhibits, standards and other documents required.
- Completed the installation of the underground utilities for Spruce Street and Smoketree Street as part of the Township Revitalization Project. Assisted the City's in-house pipeline replacement crew, through inspection services, in the water service conversion of the homes along these streets. This process moved the water meters off of the old easement lines located behind their homes onto the newly installed water lines within the streets.
- Worked with representatives from County Special Districts (CSD) to finalize and clarify several outstanding agreements. The first was the completion and acceptance of the Zone J disconnect project. Completion of this project resulted in a clear demarcation between County and City facilities along Highway 395 from Main Street to Joshua Street.

FUND:	WATER OPERATING	700
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	WATER	400
PROGRAM:	ENGINEERING	4040

2010-11 PROGRAM GOALS AND OBJECTIVES

- Continue to provide timely project review for new developer projects and continue to provide professional and prompt plan review services on commercial, industrial, and residential projects utilizing City staff only.
- Continue to perform timely and professional Public Works inspection service utilizing only City inspectors. There will be no contract inspection services in this fiscal year. City construction inspectors will take over the role of Storm Water Construction Inspectors to ensure City compliance with its National Pollutant Discharge Elimination System (NPDES) requirements and ensure that there will be minimal impact from construction projects to the City's ground water supply during storm events.
- Continue to improve and update the features of the City's fully functional Geographical Information System (GIS) Map by maintaining the new version of Geoviewer and expanding its use by City staff through additional training. Depending on funding levels, future integration with New World (Finance software) and Accela (project tracking software) will provide a seamless integration between departments throughout the City.
- In an effort to be more efficient, the Engineering Division will once again design the Annual Pipeline Replacement Program utilizing in-house engineering staff. The design survey work has been completed on the Fiscal Year 2009-10 Water Pipeline Replacement Program and the Engineering staff anticipates having the design completed before the end of calendar year 2010.
- The City's GIS Division will expand its collection of detailed information related to water meters and sewer laterals by utilizing its new GPS data collector that it acquired in Fiscal Year 2009-10. The new data collector is accurate to approximately six inches compared to a nine-foot accuracy with the old unit.
- Continue to support other City departments and divisions by providing data and mapping services through the ever-expanding GIS System.
- It is anticipated that Engineering staff will design the infrastructure and street improvement plans for the next two streets of the Township Project. Once a determination is made and the next two streets are chosen, staff will contract with a local surveying firm to provide a thorough and detailed survey of the two streets and the Engineering staff will begin with the design of the sewer and water lines.
- Work with Parsons Engineering as the CIP Program Engineer to complete the Rancho Road sewer tributary study. This study will relate to the expansion of the "I" Avenue lift station and determine pumping requirements and main sizing to and from the lift station.
- Another project which will be designed by the Engineering staff is in support of the Rancho Road interchange. The City's in-house design team will utilize the street plans prepared by Parsons Engineering for the Rancho Road Interchange project and complete the water and sewer plans for the relocation of water and sewer within this portion of Mariposa and Caliente Roads.
- Complete the Urban Water Management Plan update. There are many new requirements being imposed by the State of California as part of this new plan. Due to the new reporting conditions under the plan, the State has extended the deadline for the submittal of the new plan to June, 2011.

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: CUSTOMER SERVICE 4050

PROGRAM EXPENDITURE SUMMARY							% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget	From 2009-10 Budget
Salaries	\$ 398,098	\$ 424,100	\$ 434,829	\$ 383,495	\$ 414,629		-5%
Benefits	127,879	156,269	177,816	150,930	154,094		-13%
Materials	653,205	584,773	634,110	623,148	625,610		-1%
Contractual	15,697	18,475	16,320	16,200	16,220		-1%
Other Operating	22,252	25,481	27,435	15,935	21,510		-22%
Capital Outlay	52,938	0	0	0	0		0%
Debt Service	0	0	0	0	0		0%
TOTAL	\$ 1,270,069	\$ 1,209,098	\$ 1,290,510	\$ 1,189,708	\$ 1,232,063		-5%

PROGRAM DESCRIPTION

This Program is responsible for reading domestic and commercial water meters and reporting the reads to the Water Billing Section. Replaces meters that do not meet the American Water Works Association's (AWWA) standards for accuracy, and for the meter rotation program. It addresses customer concerns regarding consumption, leaks, and water pressure. Installation and maintenance of Automated Meter Reading (AMR) devices. Perform, service request, turn off/ons and delinquent lock offs and performance of necessary meter and meter box maintenance.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Maintenance Crew Supervisor	1.00	1.00	1.00	1.00
Maintenance Worker	2.00	2.00	2.00	2.00
Meter Reader	4.00	4.00	4.00	4.00
Senior Maintenance Worker	2.00	2.00	2.00	2.00
Total Full-Time Staff	9.00	9.00	9.00	9.00
<u>Part-Time Staff</u>				
Meter Reader	0.92	0.92	0.00	0.00
Total Part-Time Staff	0.92	0.92	0.00	0.00
Total Full & Part-Time Staff	9.92	9.92	9.00	9.00

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- None

2009-10 PROGRAM ACCOMPLISHMENTS

- Automated Meter Reading (AMR) Program reflects 5,000 activities, including firefly replacements, which brings 66% of the City under radio-read service.
- New meters increased by 18, which includes residential, multi-family, commercial, industrial, and fire services.

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: CUSTOMER SERVICE 4050

2010-11 PROGRAM GOALS AND OBJECTIVES

- Provide timely and accurate meter reading with minimal errors.
- Continue implementation of the Automated Meter Reading (AMR) Program with a goal of 4,500 installations and introduction of Mosaic AMR.
- Ensure meters are recording within acceptable national standards.
- Continue Meter Rotation Program with a goal of 1,550 replacements.
- Provide customers with a properly functioning meter assembly.
- Address customer complaints/concerns in a timely and courteous manner.

PERFORMANCE AND

WORKLOAD INDICATORS

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Customer Service Requests	27,217	26,647	27,000	27,000
Meter Reads	156,705	158,442	158,000	158,000
Meter Repairs	3,878	5,073	5,000	5,500
Meters Rotated/Replaced	1,752	1,566	1,000	1,500
Automated Meter Reading Units (AMR)	4,083	4,162	5,000	4,500
New Meter Sets (Tract Homes)	125	25	0	2

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: UTILITY BILLING 4060

PROGRAM EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 431,989	\$ 490,054	\$ 510,494	\$ 499,905	\$ 494,606	-3%
Benefits	132,250	162,066	173,081	180,075	159,344	-8%
Materials	123,476	121,754	114,600	123,863	124,450	9%
Contractual	72,821	32,770	53,112	47,500	47,050	-11%
Other Operating	4,315	31,408	6,282	5,182	5,782	-8%
Capital Outlay	131,077	124,766	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 895,928	\$ 962,818	\$ 857,569	\$ 856,525	\$ 831,232	-3%

PROGRAM DESCRIPTION

The Utility Billing Section provides customer service for over 27,000 customers of the Hesperia Water District, which provides water and sewer services. Customer service consists of establishing new services, shut-offs, and posting all payments. It also manages all aspects of billing, including scheduling meter reads, calculating bills, and processing delinquent accounts. Additionally, Utility Billing is the centralized cashier for fees collected from other divisions.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Customer Service Representative	5.00	5.00	5.00	5.00
Customer Service Supervisor	1.00	1.00	1.00	1.00
Senior Account Clerk	2.00	2.00	2.00	2.00
Senior Customer Service Representative	2.00	2.00	2.00	2.00
Total Full-Time Staff	10.00	10.00	10.00	10.00
<u>Part-Time Staff</u>				
Customer Service Representative	0.46	0.46	0.46	0.46
Total Part-Time Staff	0.46	0.46	0.46	0.46
Total Full & Part-Time Staff	10.46	10.46	10.46	10.46

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- None

2009-10 PROGRAM ACCOMPLISHMENTS

- Compiled and mailed over 197,000 water/sewer bills for customers.
- Resolved lingering software issues resulting from the conversion from the AS400 to Logos.Net.
- Trained and fortified staff on the new software program.
- Created a Utility Billing Procedural Manual for the Logos.Net software.

FUND:	WATER OPERATING	700
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	WATER	400
PROGRAM:	UTILITY BILLING	4060

2009-10 PROGRAM ACCOMPLISHMENTS (Continued)

- With the assistance of Management Information Services (MIS), implemented a new telephone system which enables customers to be placed in a queue until a Customer Service Representative can take the call, instead of getting a busy signal or unintentionally dropped. This new system also provides statistical information about Utility Billing telephone traffic.
- Participated in the joint effort to evaluate Electronic Payment and Presentment providers (E-Pay) and began implementation of an E-Pay online bill payment program for water/sewer bills.

2010-11 PROGRAM GOALS AND OBJECTIVES

- Complete the staff training and implementation of an E-Pay online bill payment program for water/sewer bills.
- Improve and refine procedures for Logos.Net software.
- Improve account management for aging balances.

PERFORMANCE AND

WORKLOAD INDICATORS

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Bills Processed	190,269	190,618	195,500	197,000
New Accounts Established (New Meters)	247	73	60	30
Accounts Transferred	7,097	9,118	9,500	10,000
Water Service Accounts	26,861	26,934	26,950	26,980
Sewer Service Accounts	4,770	4,986	5,000	5,015

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: ADMINISTRATION 4070

PROGRAM EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 488,610	\$ 524,565	\$ 575,600	\$ 566,653	\$ 560,949	-3%
Benefits	182,931	328,166	239,643	244,807	221,008	-8%
Materials	54,952	93,533	81,550	65,292	66,350	-19%
Contractual	423,418	362,418	471,800	444,985	434,800	-8%
Other Operating	912,665	916,450	1,733,529	1,721,008	1,723,230	-1%
Capital Outlay	11,545	0	25,000	25,000	0	-100%
Debt Service	2,106,463	2,021,052	2,052,541	1,847,216	1,827,175	-11%
TOTAL	\$ 4,180,584	\$ 4,246,184	\$ 5,179,663	\$ 4,914,961	\$ 4,833,512	-7%

PROGRAM DESCRIPTION

This Program of the Water fund pays that portion of supervision for all water-related activities. This Program identifies costs attributable to administrative costs related to the Water District as required by the State of California's Office of the Controller. Other administrative costs are allocated within the specific funds as applicable.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.75	0.75	0.25	0.25
Administrative Secretary	0.00	0.00	0.50	0.50
City Engineer	0.50	0.50	0.50	0.50
Director of Development Services	0.40	0.40	0.40	0.40
Emergency Services Coordinator	0.00	0.00	0.33	0.50
Executive Secretary	0.40	0.40	0.40	0.40
Management Analyst	1.00	1.00	1.00	1.00
Office Assistant	1.00	1.00	1.00	1.00
Public Works Manager	0.50	0.50	0.50	0.50
Public Works Supervisor	1.00	1.00	1.00	1.00
Senior Office Assistant	0.50	0.50	0.50	0.50
Senior Warehouse Technician	1.00	1.00	1.00	1.00
Warehouse Technician	1.00	1.00	1.00	1.00
Total Full-Time Staff	8.05	8.05	8.38	8.55
<u>Part-Time Staff</u>				
Office Assistant	0.23	0.23	0	0
Total Part-Time Staff	0.23	0.23	0.00	0.00
Total Full & Part-Time Staff	8.28	8.28	8.38	8.55

FUND:	WATER OPERATING	700
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	WATER	400
PROGRAM:	ADMINISTRATION	4070

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- The one Emergency Services Coordinator position is reallocated from 0.33 FTE to 0.50 FTE in the Water Operation Administration program due to limited funds available in the Fire District to fund a portion of this position.

2009-10 PROGRAM ACCOMPLISHMENTS

- Continued to promote certification for Water Division staff through sponsorship of continuing education.
- Maintained a presence with Mojave Water Agency (MWA) as a leading producer in the Alto Sub-Basin.
- Represented the Hesperia Water District (HWD) for the Alto Sub-Basin Committee of the Watermaster for the Mojave River Basin.
- Updated the Cityworks Asset Management Program to the new version.
- Relocated warehouse office and counter to provide better access for staff.

2010-11 PROGRAM GOALS AND OBJECTIVES

- Continue to work in conjunction with the Victor Valley Wastewater Reclamation Authority (VWVRA) to begin the site-specific environmental studies and design of sub-regional wastewater facility in the northwest quadrant of the City to provide an additional source of irrigation water for use throughout the City.
- Continue to maintain a leading presence with the Mojave Water Agency (MWA).
- Continue to work with the Mojave Water Agency (MWA) and San Bernardino County Flood Control in joint projects, such as the Ranchero Road Recharge Basin on the Antelope Valley Wash.
- Continue on the Alto Sub-basin Committee for the Mojave River Basin Watermaster.
- Complete annexation of Topaz/Main “strip” into the Water District.

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: PROPERTY MANAGEMENT 4080

PROGRAM EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 80,288	\$ 101,637	\$ 129,863	\$ 123,003	\$ 127,286	-2%
Benefits	38,925	51,913	65,085	60,750	53,466	-18%
Materials	41,024	31,772	48,600	34,900	13,900	-71%
Contractual	60,456	63,678	62,680	45,000	31,550	-50%
Other Operating	25,491	17,253	25,000	52,000	23,900	-4%
Capital Outlay	26,895	52,500	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 273,079	\$ 318,753	\$ 331,228	\$ 315,653	\$ 250,102	-24%

PROGRAM DESCRIPTION

Property Management under facility Maintenance supports all water division and district facilities to include lease property. The objective of this program is to provide a clean safe work environment for all employees located at 17282 Mojave Street, 9393 Santa Fe Avenue, and Police Station. This will be accomplished through Preventive/Predictive Maintenance program (PPM) that will reduce facility depreciation and reduce unforeseen equipment/structural failures. A well-developed PPM program supported by the Cityworks computerized maintenance management system will better serve our customers with planned maintenance while reducing the affects of catastrophic mechanical/structural failures leading to prolonged customer inconvenience and disruptions of daily operations.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Custodian	1.50	2.50	2.50	2.50
Facilities Supervisor	0.50	0.50	0.50	0.50
Total Full-Time Staff	2.00	3.00	3.00	3.00

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- None

2009-10 PROGRAM ACCOMPLISHMENTS

- Reduced electrical consumption at all facilities.
- Reduced irrigation water consumption for all facilities.
- Continued to build the Cityworks database for facility maintenance.
- Continued to monitor and provide guidance to all sub-contractors under the direction of Public Works facility management.
- Improved cost estimating on all maintenance and repair issues.

FUND: WATER OPERATING 700
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 400
PROGRAM: PROPERTY MANAGEMENT 4080

2010-11 PROGRAM GOALS AND OBJECTIVES

- Provide a clean, safe work environment for all employees who work at 17282 Mojave Street and 9393 Santa Fe Avenue locations.
- Transition management of Eagle Plaza (15776 Main Street) from Water to the Redevelopment Agency.
- Continue to develop new methods to reduce Electrical consumption.
- Continue to build the Cityworks database to provide better cost control over facility maintenance.
- Continue to monitor and provide guidance to all sub contractors under the direction of public works Facility Management.
- Continue to improve cost estimating on all maintenance and repair issues to obtain the best value.

PERFORMANCE AND

WORKLOAD INDICATORS

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Work Orders Processed	n/a	98	101	75
Service Contracts Administered (landscaping, security, sweeping, maintenance)	2	5	7	9

FUND: WATER CAPITAL 701
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: WATER 800
PROGRAM: CAPITAL IMPROVEMENT PROJECTS

PROGRAM EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	15,163,335	7,920,790	3,526,179	2,595,667	0	-100%
Other Operating	0	0	0	0	0	0%
Capital Outlay	9,531	2,000	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 15,172,866	\$ 7,922,790	\$ 3,526,179	\$ 2,595,667	\$ 0	-100%

See Capital Improvement Plan Section G for capital projects information.

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FUND: SEWER OPERATING 710 AND SEWER CAPITAL 711
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: SEWER 420

DIVISION EXPENDITURE SUMMARY	2007-08	2008-09	2009-10	2009-10	2010-11	% Change From 2009-10
	Actual	Actual	Budget	Revised	Budget	Budget
Salaries	\$ 213,951	\$ 243,223	\$ 267,935	\$ 259,269	\$ 259,744	-3%
Benefits	85,497	98,275	110,645	104,199	100,498	-9%
Materials	896,944	1,050,749	1,318,500	1,319,750	1,609,600	22%
Contractual	498,655	605,538	78,500	61,900	78,300	0%
Other Operating	44,533	54,208	193,692	198,192	229,214	18%
Capital Outlay	5,034	1,651,678	0	96,109	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,744,614	\$ 3,703,671	\$ 1,969,272	\$ 2,039,419	\$ 2,277,356	16%

DIVISION EXPENDITURE SUMMARY	2007-08	2008-09	2009-10	2009-10	2010-11	% Change From 2009-10
	Actual	Actual	Budget	Budget	Budget	Budget
Sewer Operations (710)	\$ 1,345,827	\$ 1,547,985	\$ 1,969,272	\$ 1,943,310	\$ 2,277,356	28%
Sewer Capital (711)	398,787	2,155,686	0	96,109	0	-100%
Total Sewer	\$ 5,448,285	\$ 3,703,671	\$ 1,969,272	\$ 2,039,419	\$ 2,277,356	-75%

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>DEPARTMENT STAFFING</u>				
Total Full-Time Staff	5.50	5.50	5.50	5.50
Total Part-Time Staff	0.19	0.19	0.00	0.00
Total D.S. Sewer Staff	5.69	5.69	5.50	5.50

DIVISION GOALS FOR 2010-11

- Keep the wastewater collection system free and unobstructed.
- Proactively clean and flush the wastewater collection system.
- Proactively inspect and record the wastewater collection system using video equipment.
- Continue to assist in the implementation of certain Capital Improvement Program (CIP) projects, specifically the Township Revitalization project.
- Coordinate with the Victor Valley Wastewater Reclamation Authority (VWVRA) on the design and construction schedule for the City's sub-regional wastewater reclamation facility.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The increased Materials expenditures reflect the 25% increase in wastewater treatment charges from the Victor Valley Wastewater Reclamation Authority (VWVRA), which is expected to be effective July 1, 2010. The VWVRA wastewater treatment charges are expected to be \$1,518,400 or 62% of the Sewer Operations expenditures.

FUND: SEWER OPERATING 710 AND SEWER CAPITAL 711
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: SEWER 420

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
<u>Sewer Operating Fund (710)</u>						
Interest						
Interest Income 710 19 220 0000 5600	\$ 165,475	\$ 86,965	\$ 92,663	\$ 28,880	\$ 36,686	-60%
Total Interest	\$ 165,475	\$ 86,965	\$ 92,663	\$ 28,880	\$ 36,686	-60%
Charges for Services						
Sewer Billing 710 29 420 4200 5200	\$ 1,911,098	\$ 2,348,109	\$ 2,577,256	\$ 2,727,560	\$ 2,918,492	13%
Sewer Inspections 710 29 420 4200 5250	35,588	16,845	10,000	6,700	6,000	-40%
Other Charges for Services	9,072	4,262	12,405	2,100	1,750	-86%
Total Charges for Service	\$ 1,955,758	\$ 2,369,216	\$ 2,599,661	\$ 2,736,360	\$ 2,926,242	13%
Total Sewer Operating Fund	\$ 2,121,233	\$ 2,456,181	\$ 2,692,324	\$ 2,765,240	\$ 2,962,928	10%
<u>Sewer Capital Fund (711)</u>						
Charges for Services						
Sewer Connections 711 29 420 4200 5220	\$ 705,676	\$ 354,351	\$ 200,000	\$ 380,000	\$ 350,000	75%
Interest Income 711 19 220 0000 5600	109,084	25,854	28,178	9,098	10,144	-64%
Total Sewer Capital Fund (711)	\$ 814,760	\$ 380,205	\$ 228,178	\$ 389,098	\$ 360,144	58%
Total Sewer Operating & Capital	\$ 2,935,993	\$ 2,836,386	\$ 2,920,502	\$ 3,154,338	\$ 3,323,072	14%

PROGRAM STAFFING

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Maintenance Crew Supervisor	0.70	0.70	0.70	0.70
Maintenance Worker	3.90	3.90	3.90	3.90
Pump Maintenance Worker	0.05	0.05	0.05	0.05
Pump Operator	0.05	0.05	0.05	0.05
Senior Maintenance Worker	0.70	0.70	0.70	0.70
Senior Pump Maintenance Worker	0.05	0.05	0.05	0.05
Senior Pump Operator	0.05	0.05	0.05	0.05
Total Full-Time Staff	5.50	5.50	5.50	5.50
<u>Part-Time Staff</u>				
Maintenance Worker	0.19	0.19	0.00	0.00
Total Part-Time Staff	0.19	0.19	0.00	0.00
Total Full & Part-Time Staff	5.69	5.69	5.50	5.50

FUND: SEWER OPERATING 710
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: SEWER 420
PROGRAM: SEWER OPERATIONS 4200

PROGRAM EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 213,951	\$ 243,223	\$ 267,935	\$ 259,269	\$ 259,744	-3%
Benefits	85,497	98,275	110,645	104,199	100,498	-9%
Materials	896,944	1,050,749	1,318,500	1,319,750	1,609,600	22%
Contractual	99,868	101,530	78,500	61,900	78,300	0%
Other Operating	44,533	54,208	193,692	198,192	229,214	18%
Capital Outlay	5,034	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,345,827	\$ 1,547,985	\$ 1,969,272	\$ 1,943,310	\$ 2,277,356	16%

PROGRAM DESCRIPTION

Sewer Operations is responsible for the collecting and delivering of unobstructed flows of sewage to the regional treatment plant. The quality of the effluent must meet the requirements of the Victor Valley Wastewater Reclamation Authority (VWVRA), a Joint Powers Authority (JPA), comprised of Hesperia and other local agencies.

<u>PROGRAM STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Maintenance Crew Supervisor	0.70	0.70	0.70	0.70
Maintenance Worker	3.90	3.90	3.90	3.90
Pump Maintenance Worker	0.05	0.05	0.05	0.05
Pump Operator	0.05	0.05	0.05	0.05
Senior Maintenance Worker	0.70	0.70	0.70	0.70
Senior Pump Maintenance Worker	0.05	0.05	0.05	0.05
Senior Pump Operator	0.05	0.05	0.05	0.05
Total Full-Time Staff	5.50	5.50	5.50	5.50
<u>Part-Time Staff</u>				
Maintenance Worker	0.19	0.19	0.00	0.00
Total Part-Time Staff	0.19	0.19	0.00	0.00
Total Full & Part-Time Staff	5.69	5.69	5.50	5.50

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- The increased Materials expenditures reflect the 25% increase in wastewater treatment charges from the Victor Valley Wastewater Reclamation Authority (VWVRA), which is expected to be effective July 1, 2010. The VWVRA wastewater treatment charges are expected to be \$1,518,400 or 62% of the Sewer Operations expenditures.

FUND: SEWER OPERATING 710
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: SEWER 420
PROGRAM: SEWER OPERATIONS 4200

2009-10 PROGRAM ACCOMPLISHMENTS

- Hydro-cleaned over 30% of the wastewater collection system.
- Cleaned and inspected over 30% of the wastewater manholes.
- Maintained operations of the District's sewer pumping lift station with no overflows.
- Videotaped the wastewater collecting system on a protective maintenance schedule. The wastewater system is 100% on video and documented in the computer.

2010-11 PROGRAM GOALS AND OBJECTIVES

- Keep the wastewater collection system free and unobstructed.
- Start a three-year proactive maintenance program to have all the wastewater collection lines and manholes cleaned in the City.
- Start a three-year proactive maintenance program to have all the wastewater collection lines in the City inspected and recorded.
- Proactively account for wastewater laterals with video inspection and add the information to the wastewater management system.

PERFORMANCE AND WORKLOAD INDICATORS	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Wastewater Lines Cleaned (miles)	22	30	25	35
Manholes Maintained (Total of 2,220 Citywide)	845	650	600	600
Wastewater Lines Videotaped (miles)	31	10	25	50
Sewer Lift Stations operated/maintained	2	1	1	1

FUND: SEWER CAPITAL 711
DEPARTMENT: DEVELOPMENT SERVICES 29
DIVISION: SEWER 420
PROGRAM: SEWER CAPITAL 900

PROGRAM EXPENDITURE SUMMARY						% Change
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	From 2009-10 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	398,787	504,008	0	0	0	0%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	1,651,678	0	96,109	0	0%
Debt Service	0	0	0	0	0	0%
Total	\$ 398,787	\$ 2,155,686	\$ 0	\$ 96,109	\$ 0	0%

Note: See Section G, Capital Improvement Program (CIP), for details on Sewer CIP projects.

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FUND: GENERAL FUND 100
DEPARTMENT: POLICE 51

DEPARTMENT EXPENDITURE SUMMARY						% Change From
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	2009-10 Budget
Salaries	\$ 16,848	\$ 17,162	\$ 19,170	\$ 19,170	\$ 18,210	-5%
Benefits	1,444	1,530	2,019	2,019	1,660	-18%
Materials	158,345	88,385	337,100	77,800	74,000	-78%
Contractual	10,524,088	11,152,909	11,704,908	11,348,908	11,764,290	1%
Other Operating	81,025	43,537	23,500	21,300	23,400	0%
Capital Outlay	10,798	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 10,792,548	\$ 11,303,523	\$ 12,086,697	\$ 11,469,197	\$ 11,881,560	-2%

DEPARTMENT DESCRIPTION

The Police Department of the City of Hesperia provides law enforcement and public safety services to the residents of the City and all those who come within its jurisdiction. The Department works in partnership with other governmental agencies and the community to promote individual responsibility, create safer neighborhoods, and to enhance quality of life.

The San Bernardino County Sheriff's Department (SBCSD) provides law enforcement services to the City under a service contract and has done so since its incorporation in 1988. By virtue of this contract, the City of Hesperia provides its citizens with full-service law enforcement operations; including patrol, traffic, and detective services; a Gang Team, Problem-Oriented Policing and Community Policing services, and the support staff and administration to operate effectively.

Additionally, by virtue of the contract with the Sheriff's Department, the City benefits from resources such as Aviation support, Specialized Investigative Teams (Homicides, Narcotics, Crimes Against Children), and other units including High Tech Crimes, Emergency Services, Public Affairs, Crime Impact Team and Specialized Enforcement Division (S.W.A.T.).

The City of Hesperia is the third largest contract city in San Bernardino County. On a per deputy basis, the Hesperia Police Department makes more arrests than any other Sheriff's Station in the High Desert.

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>DEPARTMENT STAFFING</u>				
Total Full-Time Staff	73.00	75.00	75.00	75.00
Total Part-Time Staff	0.50	0.50	0.50	0.50
Total Police Staff	73.50	75.50	75.50	75.50

DEPARTMENT GOALS FOR 2010-11

- Focus on expanding gang-related and graffiti investigations with newly-reconfigured five member gang team, to supplement the patrol efforts in addressing these issues. The Gang Team will continue to coordinate with City of Hesperia Code Enforcement and Graffiti Abatement personnel to reduce incidents of graffiti within the City.
- Continue to conduct Off-highway Vehicle (OHV) Enforcement patrols on a regular basis, reducing the number of nuisance and noise complaints related to OHV operation within the City, and ensuring that ownership and operation of OHV's by the citizens of Hesperia are in compliance with the law.

FUND: GENERAL FUND 100
DEPARTMENT: POLICE 51

DEPARTMENT GOALS FOR 2010-11 (Continued)

- Continue its efforts in the recruitment of volunteers, and expand the volunteer units' participation in community events such as the Hesperia Days Parade, the National Night Out, and large events permitted by the City.
- Continue to help establish the Hesperia Police Activities League (HPAL), to aid in reducing juvenile crime by providing youth programs that develop discipline, positive self image in youth, and mutual trust and respect between law enforcement and the youth of the community.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- The contract with the County Board of Supervisors for Police Services is proposed to increase by 1.9% or \$218,690 from \$11,250,697 to \$11,469,387, including fuel and vehicle maintenance, to continue the current level of service. The City is assuming a 3% basic contract increase of \$323,690 and a 23% or \$105,000 reduction in fuel and vehicle maintenance, for an overall contract increase of 1.9% or \$218,690.
- The 2010-11 Budget eliminated \$237,000 for booking fees and assumes the State will continue to reimburse the County directly for booking fees continuing the State's practice for the last three years.
- Police overtime, in excess of that funded by contract credits due to vacancies, is funded at \$200,000.

<u>DEPARTMENT STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Sworn Officers (Contract)</u>				
Captain	1.00	1.00	1.00	1.00
Lieutenant	1.00	1.00	1.00	1.00
Sergeant	7.00	8.00	8.00	8.00
Sheriff Deputy	41.00	42.00	42.00	42.00
Total Sworn Full Time Staff	55.00	57.00	57.00	57.00
<u>Non-Sworn Staff (Contract)</u>				
Office Specialist	8.00	8.00	8.00	8.00
Secretary	1.00	1.00	1.00	1.00
Sheriff's Service Specialist	8.00	8.00	8.00	8.00
Supervising Office Specialist	1.00	1.00	1.00	1.00
Total Non Sworn Full-Time Staff	18.00	18.00	18.00	18.00
Total Sworn & Non-Sworn Staff	73.00	75.00	75.00	75.00
<u>Part-Time Staff</u>				
Administrative Aide	0.50	0.50	0.50	0.50
Total Part-Time Staff	0.50	0.50	0.50	0.50
Total Sworn, Non-Sworn & Part-Time Staff	73.50	75.50	75.50	75.50

FUND: GENERAL FUND 100
DEPARTMENT: POLICE 51

2009-10 DEPARTMENT ACCOMPLISHMENTS

- The Department's MET Deputies were combined with the Gang Team and a Sheriff's Corporal was added to bring its total to a five member Gang Team. The team has successfully investigated several high-profile gang-related incidents, and continues to work with the District Attorney's Office to attach enhanced-sentencing requirements to suspects charged with gang-related crimes.
- The Department dedicated one Deputy to be responsible for the coordination of Police, Code Enforcement, and Public Service efforts as part of the Neighborhood Enhanced Program, which targets crime, career criminals, and blight issues in target areas, which include the original Township area. This function will be incorporated into the responsibilities of the reconfigured Gang Team.
- The Department's volunteer units continued to exceed all other High-Desert volunteer units in the number of hours volunteered to the community. In 2009, Hesperia Police volunteers donated over 35,139 hours to the City. The Citizens-On-Patrol, Explorers, and Equestrian Unit consistently supply the needed manpower to staff community events such as sobriety checkpoints, the Hesperia Days Parade, and other events requiring command post, traffic control, or crime scene security.
- The Department continued its support of the Hesperia Police Activities League (HPAL) to aid in reducing juvenile crime by providing youth programs that develop discipline, positive self images in youths, and mutual trust and respect between law enforcement and the youth of the community.
- The Department is in the process of rejuvenating its Crime Free Housing and Crime Free Multi-housing programs. The responsibility of this program's implementation has been assigned to a full-time deputy and is currently moving forward with measured success.
- The Department has stressed the need for additional pro-active patrol and programs/deployments to target specific crimes within the City. This effort has seen a measured success rate of a 13% reduction in Part I crimes for 2009.

DEPARTMENT GOALS AND OBJECTIVES FOR 2010-11

- Continue to work with City staff and contract companies to complete the construction of the new police station.
- Maintain commitment to the Neighborhood Enhancement Program addressing crime, career criminals, and blight issues in target areas, which include the original Township area.
- Continue enhanced efforts in traffic control and enforcement to reduce fatal and major injury traffic collisions within the City.
- Expand participation in its "Cops 'n' Jocks" Program, which is dedicated to improving relationships between area youth and law enforcement and providing support and scholarships for athletes interested in pursuing a law enforcement career.
- Revise the current tow fee City Ordinance to reflect current costs for recovery of funds. This will enable the City to more accurately recover the current actual costs for tow services.
- Expand enforcement of parking violations within the City to assist with unnecessary congestion of vehicles both in public parking areas and on the City streets.
- Focus on expanding gang-related and graffiti investigations with the Gang Team to supplement the patrol efforts in addressing these issues. The Gang team will continue to coordinate with City of Hesperia Code Enforcement and graffiti abatement personnel to reduce incidents of graffiti within the City.
- Continue to conduct Off-Highway Vehicle (OHV) Enforcement patrols on a regular basis, reducing the number of nuisance and noise complaints related to OHV operation within the City, and ensuring that ownership and operation of OHV's by the citizens of Hesperia are in compliance with the law.
- Continue efforts to recruit volunteers, and expand the volunteer unit's participation in community events such as the Hesperia Days Parade, the National Night Out, and large events permitted by the City.

FUND: GENERAL FUND 100
DEPARTMENT: POLICE 51

DEPARTMENT GOALS AND OBJECTIVES FOR 2010-11 (Continued)

- Continue efforts to expand the Hesperia Police Activities League (HPAL) Program in an effort to reduce juvenile crime.
- Continue to expand efforts with the Crime Free Housing and Crime Free Multi-housing programs to identify and appropriately deal with locations and persons who generate repeat calls for service.

PERFORMANCE AND

WORKLOAD INDICATORS

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>Part I Offenses</u>				
Homicide	5	3	4	4
Rape	27	17	23	23
Robbery	100	89	84	91
Assaults	624	573	625	607
Burglary	517	499	476	497
Theft	1,100	1,240	907	1,082
Theft Motor Vehicle	<u>401</u>	<u>339</u>	<u>290</u>	<u>343</u>
Total Part I Offenses	2,774	2,760	2,409	2,647
<u>Part II Offenses</u>				
	6,825	6,365	6,377	6,489
<u>Arrests</u>				
Adult	3,264	2,750	2,764	2,926
Juvenile	<u>296</u>	<u>323</u>	<u>268</u>	<u>296</u>
Total Arrests	3,560	3,073	3,032	3,222
<u>Calls For Service</u>	72,897	68,989	68,956	70,280
<u>Reports</u>	9,787	8,917	8,719	9,141
<u>Traffic Collisions</u>				
Fatal	8	6	9	8
Injury	59	45	35	46
Non-Injury	<u>820</u>	<u>570</u>	<u>539</u>	<u>675</u>
Total Collisions	887	621	583	729
Citations	6,209	4,389	4,836	5,145
DUI Arrests	510	400	309	406

2010 estimates are based on figures from the 2009 Annual Report and a three year average.

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55

DEPARTMENT EXPENDITURE SUMMARY	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
Salaries	\$ 0	\$ 0	\$ 26,385	\$ 25,335	\$ 0	-100%
Benefits	171,362	15,388	46,734	29,515	16,463	-65%
Materials	6,340	5,070	5,000	6,300	7,900	58%
Contractual	8,250,802	9,346,379	9,635,200	9,634,700	9,661,527	0%
Other Operating	16,891	0	5,000	2,500	5,000	0%
Capital Outlay	1,478,846	44,108	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 9,924,241	\$ 9,410,945	\$ 9,718,319	\$ 9,698,350	\$ 9,690,890	0%

DEPARTMENT EXPENDITURE SUMMARY	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Budget	2010-11 Budget	% Change From 2009-10 Budget
520 Operations and Community Safety	\$ 8,091,789	\$ 9,166,872	\$ 9,429,339	\$ 9,429,339	\$ 9,452,569	0%
521 Administration	1,832,452	244,073	288,980	269,011	238,321	-18%
Total Fire District	\$ 9,924,241	\$ 9,410,945	\$ 9,718,319	\$ 9,698,350	\$ 9,690,890	0%

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
DEPARTMENT STAFFING				
Total Full-Time Staff (Contract)	59.00	59.00	59.00	59.00
Total Full-Time Staff (Non-Contract)	0.00	0.00	0.33	0.00
Total Fire District Staff	59.00	59.00	59.33	59.00

DEPARTMENT GOALS FOR 2010-11

- Have the remodel of Fire Station 304 ready to bid and evaluate the possibility of funding for construction.
- Continue implementation of the Public Safety Master Plan, which includes the above mentioned projects.
- Continue to provide current staffing levels through prolonged economic downturn.
- Complete the Insurance Services Office (ISO) review for the City which provides information for establishing the City's insurance ratings.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- The County contract for the current level of service has increased from \$9,429,339 to \$9,452,569 for a \$23,230 or 0.25% increase paid to the San Bernardino County Fire Protection District for the continuation of 53.0 FTE safety staff and 6.0 FTE non-safety staff, plus other expenses provided in the contract. The County contract amount of \$9,452,569 does not include Memorandum of Understanding (MOU) increases for Fiscal Year 2010-11.

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES (Continued)

- The one Emergency Services Coordinator position is reallocated from 0.33 FTE to 0.00 FTE in the Fire District, because Property Tax and Redevelopment Pass-Through Payments have dropped significantly in Fiscal Year 2009-10 and are expected to drop further in the 2010-11 Budget year, leaving the Fire District unable to fund the position.
- Reallocated one Fire Prevention Officer (1.00 FTE) position to one Fire Prevention Specialist (1.00 FTE).
- Reallocated one Senior Plans Examiner – Arson position to one Fire Prevention Officer – Arson (1.00 FTE).

REVENUE DETAIL	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	%Change From 2009-10 Budget
200 Fire District Fund						
Taxes						
Secured Property Taxes 200 55 521 0000 4000	\$ 4,281,570	\$ 4,302,048	\$ 4,053,014	\$ 3,842,257	\$ 3,729,295	-8%
Fire Assessment 200 55 521 0000 4020	2,445	633	0	400	0	n/a
CFD #94-1 200 55 521 0000 4030	285,290	435,571	432,000	500,000	509,000	18%
CFD #2005-1 200 55 521 0000 4031	0	0	0	0	536,628	n/a
Redevelopment Agency Pass- Through 200 55 521 0000 4090	1,955,274	1,973,124	2,081,018	1,551,516	1,016,397	-51%
Total Taxes	\$ 6,524,580	\$ 6,711,376	\$ 6,566,032	\$ 5,894,173	\$ 5,791,320	-12%
Interest						
Interest Income 200 19 220 0000 5600	\$ 63,279	\$ 25,532	\$ 26,256	\$ 2,514	\$ 3,077	-88%
Other Interest	3,396	3,396	3,400	3,400	3,400	0%
Total Interest	\$ 66,675	\$ 28,928	\$ 29,656	\$ 5,914	\$ 6,477	-78%
Charges for Services						
Hazard Abatement 200 55 523 0000 5366	\$ 1,070	\$ 0	\$ 0	\$ 0	\$ 0	n/a
State Regulated Inspections 200 55 523 0000 5330	816	1,760	2,000	2,000	2,000	0%
Tenant Improvement Plans Review 200 55 523 0000 4963	11,485	13,715	15,000	2,000	2,000	-87%
Burn Permits 200 55 523 0000 4340	2,960	4,170	3,460	3,300	3,300	-5%
Paramedic Ambulance Fees 200 55 525 0000 5300	1,810,323	1,778,619	1,900,000	1,900,000	1,900,000	0%
Non-Transport EMS Charge 200 55 525 0000 5315	72,349	82,564	75,000	100,000	95,000	27%
Ambulance Membership Service 200 55 525 0000 5305	24,343	20,700	21,000	21,000	21,000	0%
City/County HazMat Contract 200 55 527 0000 5368	133,000	141,573	146,561	146,561	149,658	2%
Other Charges for Services	121,316	88,644	72,350	73,600	73,000	1%
Total Charges for Services	\$ 2,177,662	\$ 2,131,745	\$ 2,235,371	\$ 2,248,461	\$ 2,245,958	0%

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55

REVENUE DETAIL	2007-08	2008-09	2009-10	2009-10	2010-11	%Change
	Actual	Actual	Budget	Revised	Budget	From 2009-10 Budget
200 Fire District Fund (Continued)						
Grants						
Other Grants	\$ 1,871	\$ 0	\$ 0	\$ 0	\$ 0	n/a
Total Grants	\$ 1,871	\$ 0	\$ 0	\$ 0	\$ 0	n/a
Other Operating						
Cingular Cell Tower Rent 200 19 220 0000 5885	\$ 29,056	\$ 30,242	\$ 30,144	\$ 31,000	\$ 31,000	3%
Insurance Reimbursements 200 19 220 0000 5803	0	72,980	0	0	0	n/a
State Mandated Claims Reimbursements 0200 8101 4030 5216 0000	24,392	0	1,673	0	2,000	20%
Other Operating	0	0	0	0	0	n/a
Total Other Operating	\$ 53,448	\$ 103,222	\$ 31,817	\$ 31,000	\$ 33,000	4%
All Other						
All Other	\$ 220	\$ 63	\$ 0	\$ 0	\$ 0	n/a
Total All Other	\$ 220	\$ 63	\$ 0	\$ 0	\$ 0	n/a
Total Fire District Fund	\$ 8,824,455	\$ 8,975,334	\$ 8,862,876	\$ 8,179,548	\$ 8,076,755	-9%

<u>DEPARTMENT STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Fire Administration (Non-Contract)</u>				
Emergency Services Coordinator	0.00	0.00	0.33	0.00
Total Full-Time Staff	0.00	0.00	0.33	0.00
<u>County Full-Time Safety Staff (Contract)</u>				
Battalion Chief	2.00	2.00	2.00	2.00
Captain	9.00	9.00	9.00	9.00
Engineer	9.00	9.00	9.00	9.00
Firefighter/Paramedic	21.00	21.00	21.00	21.00
Firefighter - Limited Term	12.00	12.00	12.00	12.00
Total County Full-Time Safety Staff	53.00	53.00	53.00	53.00
<u>County Full-Time Non-Safety Staff (Contract)</u>				
Account Representative	2.00	2.00	2.00	2.00
Clerk III	1.00	1.00	1.00	1.00
Fire Prevention Officer	1.00	1.00	1.00	0.00
Fire Prevention Officer/Arson	0.00	0.00	0.00	1.00
Fire Prevention Specialist	0.00	0.00	0.00	1.00
Front Counter Technician (Account Clerk I)	1.00	1.00	1.00	1.00
Senior Plans Examiner - Arson (Fire Prevention Specialist)	1.00	1.00	1.00	0.00
Total County Full-Time Non-Safety Staff	6.00	6.00	6.00	6.00
Total County Full-Time Safety and Non-Safety Staff (Contract)	59.00	59.00	59.33	59.00

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55
DIVISION: OPERATIONS AND COMMUNITY SAFETY 520

DIVISION EXPENDITURE SUMMARY						% Change From 2009-10 Budget
	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	8,091,789	9,166,872	9,429,339	9,429,339	9,452,569	0%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 8,091,789	\$ 9,166,872	\$ 9,429,339	\$ 9,429,339	\$ 9,452,569	0%

DIVISION DESCRIPTION

The Fire District for the City of Hesperia consists of services delivered to the general public providing for the safety of the community. The San Bernardino County Fire Department provides the services to the City under a service contract that became effective June 1, 2004.

The Hesperia Fire Protection District provides its citizens with full-service fire operations including fire suppression, emergency medical paramedic level care and transportation, rescue and extraction of trapped persons, hazardous materials, and disaster mitigation. The Division also maintains ongoing activities such as in-service training and community service.

Community Safety consists of three units: Fire Protection Planning and Engineering, Fire Prevention, and Fire Investigations, whose purpose is to reduce the frequency, probability and severity of fires along with the resultant deaths, injuries, and property damage through occupancy inspections, education, and training the community to be fire safe.

<u>DIVISION STAFFING</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>County Full-Time Safety Staff (Contract)</u>				
Battalion Chief	2.00	2.00	2.00	2.00
Captain	9.00	9.00	9.00	9.00
Engineer	9.00	9.00	9.00	9.00
Firefighter/Paramedic	21.00	21.00	21.00	21.00
Firefighter - Limited Term	12.00	12.00	12.00	12.00
Total County Full-Time Safety Staff	53.00	53.00	53.00	53.00
<u>County Full-Time Non-Safety Staff (Contract)</u>				
Account Representative	2.00	2.00	2.00	2.00
Office Assistant III	1.00	1.00	1.00	1.00
Fire Prevention Officer	1.00	1.00	1.00	0.00
Fire Prevention Officer/Arson	0.00	0.00	0.00	1.00
Fire Prevention Specialist	0.00	0.00	0.00	1.00
Front Counter Technician (Account Clerk I)	1.00	1.00	1.00	1.00
Senior Plans Examiner - Arson (Fire Prevention Specialist)	1.00	1.00	1.00	0.00
Total County Full-Time Non-Safety Staff	6.00	6.00	6.00	6.00
Total County Full-Time Safety and Non-Safety Staff (Contract)	59.00	59.00	59.00	59.00

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55
DIVISION: OPERATIONS AND COMMUNITY SAFETY 520

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The County contract for the current level of service has increased from \$9,429,339 to \$9,452,569 for a \$23,230 or 0.25% increase paid to the San Bernardino County Fire Protection District for the continuation of 53.0 FTE safety staff and 6.0 FTE non-safety staff, plus other expenses provided in the contract. The County contract amount of \$9,452,569 does not include Memorandum of Understanding (MOU) increases for Fiscal Year 2010-11.
- Reallocated one Fire Prevention Officer (1.00 FTE) position to one Fire Prevention Specialist (1.00 FTE).
- Reallocated one Senior Plans Examiner – Arson position to one Fire Prevention Officer – Arson (1.00 FTE).

2009-10 DIVISION ACCOMPLISHMENTS

- Completed construction of Fire Station 305, a joint project between the City of Hesperia and the San Bernardino County Fire Department.
- Continued to provide the current level of service despite the economic difficulties encountered.
- Continued to work towards full implementation of the Public Safety Master Plan.
- Maintained a positive relationship with City Council, City Senior Staff and all departments within the City of Hesperia.
- Maintained a positive relationship with the business community, citizens and other agencies working within the City of Hesperia.

2010-11 DIVISION GOALS AND OBJECTIVES

- Have the remodel of Fire Station 304 ready to bid and evaluate the possibility of funding for construction.
- Continue to provide current level of staffing during economic difficulties.
- Continue to work toward full implementation of the Public Safety Master Plan.
- Continue positive working relationship with City Council, Senior Staff and all departments with the City of Hesperia.
- Continue positive working relationship with the business community, citizens and other agencies working within the City of Hesperia.
- Complete the Insurance Services Office (ISO) review for the City which provides information for establishing the City's insurance ratings.

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55
DIVISION: OPERATIONS AND COMMUNITY SAFETY 520

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>Fire Prevention</u>				
Classes and Talks	n/a	0	0	0
Juvenile Fire Setters Counseled	2	26	22	30
Inspections Outside Normal Hours	n/a	0	0	0
New Business Inspections	81	119	113	106
Model Rocket Launching Site Inspection	n/a	0	0	0
Day Care and Adult Care Facility Inspections	8	43	9	5
State Regulated Inspections-Apartments Under 100 Units	n/a	n/a	75	51
State Regulated Inspections-Apartments Over 100 Units	n/a	n/a	n/a	n/a
School Site Inspections	n/a	n/a	n/a	n/a
School Programs Attendance	n/a	n/a	n/a	n/a
<u>Inspections</u>				
Assembly (Churches, Assembly Inspections)	65	28	79	80
Auto Wrecking Yards	6	2	7	9
Christmas Tree Lot Inspections/Permits	4	4	5	4
Dust-Producing Inspections/Permits	8	5	7	10
Haunted House Inspections/Permits	0	0	0	0
High-Piles Combustible Storage Inspections	23	10	26	23
Lumber Yard Inspections/Permits	2	5	5	0
Motor Vehicle Fuel Dispensing Station Inspections	31	12	28	15
Tents, Canopies/Temporary Membrane	8	8	3	3
Special Event	10	2	19	15
<u>Permits</u>				
Assembly (Churches, Assembly Inspections)	65	113	55	53
Auto Wrecking Yards	6	10	9	9
Christmas Tree Lot Inspections/Permits	4	4	5	4
Dust-Producing Inspections/Permits	8	22	15	15
Haunted House Inspections/Permits	0	0	0	0
High-Piles Combustible Storage Inspections	23	22	23	23
Lumber Yard Inspections/Permits	2	4	0	0
Motor Vehicle Fuel Dispensing Station Inspections	31	39	4	4
Tents, Canopies/Temporary Membrane	8	8	3	3
Special Event	n/a	2	19	15
Battery Systems	n/a	n/a	2	2
Compressed Gases	n/a	n/a	9	9
Dry Cleaning Plants	n/a	n/a	1	2
Flammable/Combustible Liquids	n/a	n/a	36	36
Hot Works Operations	n/a	n/a	81	81
Ovens, Baking, Drying	n/a	n/a	4	4
Pallet Yards	n/a	n/a	5	5
Repair Garages	n/a	n/a	111	111
Spraying/Dipping	n/a	n/a	27	27
Tire Storage	n/a	n/a	13	13
ESS Spray Booth/Hood & Duct Systems	n/a	n/a	71	71
Refrigeration Equipment	n/a	n/a	2	2

*Calendar year, not fiscal year

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55
DIVISION: OPERATIONS AND COMMUNITY SAFETY 520

PERFORMANCE AND

WORKLOAD INDICATORS (Continued)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>Fire Plan Review</u>				
Modification of Sprinklers	17	28	15	17
Parcel Map	n/a	34	29	10
Plan Review Alarm System	43	39	24	18
Plan Review Spray Booth	2	13	15	15
Plan Review Sprinkler System	23	21	14	9
Site Plan Review	360	111	72	16
Structural Plans Review/Inspection	61	55	27	7
Tenant Improvement Plans Inspection	44	72	52	38

Vegetation Management

Burn Permits	275	346	361	518
Public Service Station Tours/Public Education	<u>85</u>	<u>90</u>	<u>94</u>	<u>94</u>
Total	360	436	455	612

Emergency Responses:

Advanced Life Support (ALS)	5,259	5,835	6,068	6,068
Basic Life Support (BLS)	n/a	n/a	n/a	n/a
Bomb Threats	1	2	2	2
Fire Alarm Systems	95	105	109	109
Fires-Grass	129	58	65	65
Fires-Miscellaneous	15	11	12	12
Fires-Refuse	45	12	13	13
Fires-Structure	60	51	54	54
Fires-Truck	12	12	13	13
Fires-Vehicle	63	41	43	43
Hazardous Conditions	15	18	20	20
Hazardous Materials	13	12	19	19
Investigations	468	509	530	530
Mass Casualty Incidents	2	2	2	2
Mutual Aids	1,930	1,855	1,929	1,929
Public Service	485	525	546	546
Rescues	2	2	2	2
Strike Team	n/a	n/a	n/a	n/a
Traffic Collisions	890	725	754	754
Traffic Extrications	<u>37</u>	<u>55</u>	<u>57</u>	<u>57</u>
Total	9,521	9,830	10,238	10,238

Household Collection Center

Number of Participants	3,689	3,468	2,355	2,770
Used Oil Collection	11,880	66,492	32,499	38,226
E-waste Only (Pounds-includes CRTs + Misc. Elec.)	110,277	71,031	59,180	69,597
Waste Materials Collected (Pounds-includes oil and E-wastes)	353,065	267,032	176,625	207,750

Hazardous Materials

Underground Tank Operation Inspections	71	15	45	48
Hazardous Materials Inspections	101	43	110	105
Certified Unified Program Agency (CUPA) Inspections	162	65	147	149

*Calendar year, not fiscal year

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55
DIVISION: ADMINISTRATION 521

DIVISION EXPENDITURE SUMMARY	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget	% Change From 2009-10 Budget
Salaries	\$ 0	\$ 0	\$ 26,385	\$ 25,335	\$ 0	-100%
Benefits	171,362	15,388	46,734	29,515	16,463	-65%
Materials	6,340	5,070	5,000	6,300	7,900	58%
Contractual	159,013	179,507	205,861	205,361	208,958	2%
Other Operating	16,891	0	5,000	2,500	5,000	0%
Capital Outlay	1,478,846	44,108	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	\$ 1,832,452	\$ 244,073	\$ 288,980	\$ 269,011	\$ 238,321	-18%

DIVISION DESCRIPTION

Starting in the 2004-05 Budget, this program will reflect Fire District initiatives and expenditures that are non-County contract expenditures.

DIVISION STAFFING

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<u>Full-Time Staff</u>				
Emergency Services Coordinator	0.00	0.00	0.33	0.00
Total Full-Time Staff	0.00	0.00	0.33	0.00

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The one Emergency Services Coordinator position is reallocated from 0.33 FTE to 0.00 FTE in the Fire District, because Property Tax and Redevelopment Pass-Through Payments have dropped significantly in Fiscal Year 2009-10 and are expected to drop further in the 2010-11 Budget year, leaving the Fire District unable to fund the position.

2009-10 DIVISION ACCOMPLISHMENTS

- Managed the County of San Bernardino Fire services contract issues and expenditures.
- Monitored Fire District revenues.
- Managed the Fire District expenditures for non-contract costs and issues related to old workers' compensation claims and CalPERS.
- Adopted the Fire Prevention fee schedule of the San Bernardino County Fire Department.

2010-11 DIVISION GOALS AND OBJECTIVES

- Manage County of San Bernardino Fire services contract issues and expenditures.
- Monitor the Fire District revenues.
- Managed the Fire District expenditures and non-contract costs and issues related to old workers' compensation claims and CalPERS.

CAPITAL IMPROVEMENT PROGRAM (C I P)

- *Overview and Summary*
- *C I P Expenditures by Project*
- *C I P Expenditures By Fund and Project*
- *C I P Project Listing*
- *C I P Project Descriptions*

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CAPITAL IMPROVEMENT PROGRAM (CIP)

OVERVIEW

The Capital Improvement Program (CIP) Summary includes new and continued capital projects funded in the Fiscal Year (FY) 2010-11 Budget. Information on capital projects completed in FY 2009-10 and projects temporarily suspended are also included to identify funds spent on recently completed projects as well as those that may resume in future years. Fiscal Year 2007-08 and Fiscal Year 2008-09 CIP projects are also included for historical purposes on the expenditure summaries. Frequently CIP projects extend beyond one fiscal year.

The City's construction projects and major capital acquisitions that have an extended life are included in the Capital Improvement Program. In some circumstances, studies undertaken related to anticipated future capital projects are also included. Generally, the CIP will include capital replacement projects that repair, replace, or enhance existing facilities, equipment, or infrastructure, and capital facility projects that significantly expand or add capacity to the City's existing fixed assets.

SUMMARY

The CIP projects are summarized as follows:

<u>C I P Major Categories</u>	<u>Projects Completed in FY 2009-10*</u>	<u>Projects Continued in 2010-11 Budget</u>	<u>New Projects Included in 2010-11 Budget</u>	<u>New & Continued Projects Included in 2010-11 Budget</u>
Streets C I P Projects	\$2,389,195	\$35,785,934	\$15,000	\$35,800,934
Storm Drainage	34,115	900,000	0	900,000
Facilities	4,137,060	15,000,000	25,000	15,025,000
Water	2,013,097	0	0	0
Sewer	96,109	0	0	0
Total C I P Projects	<u>\$8,669,576</u>	<u>\$51,685,934</u>	<u>\$40,000</u>	<u>\$51,725,934</u>

*Note – Includes projects that are not yet completed but have been suspended and may resume in future years.

Streets C I P Projects - \$35,800,934 (2010-11 Budget)

- 2010-11 Street Improvement Project – The FY 2010-11 Budget for the major Citywide Residential Street Improvement Program, will be considered at the Mid-Year Budget Review. \$5,710,514 has been included in the FY 2010-11 Budget to complete the FY 2009-10 Street Improvement Program. The program history is as follows:

	<u>Expenditures</u>	<u>Miles Paved</u>	<u>Slurry Seal Miles</u>
2000-01 Street Improvement Project	\$ 2,226,573	18.0	0
2001-02 Street Improvement Project	\$ 2,148,349	19.4	0
2002-03 Street Improvement Project	\$ 1,993,142	16.5	0
2003-04 Street Improvement Project	\$ 2,033,719	17.1	0
2004-05 Street Improvement Project	\$ 3,166,412	18.2	12.4
2005-06 Street Improvement Project	\$ 6,221,264	51.1	14.2
2006-07 Street Improvement Project	\$11,379,826	57.0	11.0
2007-08 Street Improvement Project	\$20,920,267	57.0	4.0
2008-09 Street Improvement Project	\$10,659,895	28.0	0
<u>2009-10 Street Improvement Project</u>	<u>\$ 5,710,514</u>	<u>13.9</u>	<u>0</u>
Ten Year Total	<u>\$66,459,961</u>	<u>296.2</u>	<u>41.6</u>

CAPITAL IMPROVEMENT PROGRAM (CIP)

- One New Street Project – 1 Project \$15,000 – Included in the FY 2010-11 Budget is a new circulation study for Santa Fe Avenue in the amount of \$15,000.

- Ranchero Road Related Projects – 3 Projects \$23,784,320 – Included in the FY 2010-11 Budget are three projects related to the Ranchero Road Corridor with the largest overall project being the Ranchero Road Interchange project. The three projects are as follows:
 - Ranchero Road Undercrossing \$15,390,320
 - Ranchero Road I-15 Interchange Design and Right-of-Way Acquisition 8,334,000
 - Ranchero Road Improvement – Seventh Avenue to Mariposa Road 60,000
 - \$23,784,320**

- Seven Other Streets Projects – 7 Projects \$6,291,100 – Included in the FY 2010-11 Budget are seven other continuing street projects. These projects include traffic signal and paving projects as well as the lead track project and township improvements.
 - Industrial Park Lead Track Project \$4,150,000
 - New Traffic Signal – Main Street and Rock Springs Road 1,431,100
 - Traffic Signal Upgrade – Main Street and C Avenue 240,000
 - Traffic Signal at Smoke Tree and Seventh Avenue 230,000
 - Rock Springs Road Reconstruction 115,000
 - Township Improvements (Spruce/Smoke Tree) 105,000
 - Bear Valley Road Widening – Mariposa Road to 600 feet east 20,000
 - \$6,291,100**

Storm Drainage C I P Project - 1 Project \$900,000 – Included in the 2010-11 Budget is the continuation of one drainage project as shown below:

- H-01 Drainage Facility – (Section 3A) Third Avenue to Fourth Avenue \$900,000
\$900,000

Facilities C I P Projects - 3 Projects \$15,025,000 – The following three projects totaling \$15,025,000 will be continued in Fiscal Year 2010-11 as follows:

- High Desert County Government Center \$ 9,000,000
- New Police Station 6,000,000
- Park and Ride Facility 25,000
- \$15,025,000**

Applications have been made for American Recovery and Reinvestment Act (ARRA) stimulus funds for two Fire station projects (Fire Station 301 and Fire Station 304 Expansion). These projects are ready to be bid; however, the City is pursuing ARRA funding in order to reduce the financial cost. Once notification has been received, staff will bring these projects back to the Council for the appropriate budget amendments.

Water C I P Projects – There are no water projects budgeted for FY 2010-11.

Sewer C I P Projects – There are no sewer projects budgeted for FY 2010-11.

C I P EXPENDITURES BY PROJECT

Project Number	Project Title	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<u>New Streets Projects in FY 2010-11</u>						
7119	Santa Fe Circulation Study	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,000
7120	2010-11 Street Improvement Project	0	0	0	0	0
	Sub-Total New 2010-11 Streets C I P Projects	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,000
<u>Streets CIP Projects Continued in FY 2010-11</u>						
7046	Ranchero Road Undercrossing -Design, Right-of-Way, Construction	\$ 256,847	\$ 567,383	\$ 9,260,000	\$ 5,060,000	15,390,320
7086	Ranchero Road I-15 Interchange Project Approval and Environmental Document - Design, Right-of-Way, Construction	9,350,973	1,016,464	5,400,000	1,680,000	8,334,000
7094	Ranchero Road Improvements – 7 th Avenue to Mariposa Road, Phase 1 – Engineering & Right-of-Way Identification	62,294	149,749	550,000	240,000	60,000
7100	New Traffic Signal – Main Street & Rock Springs Road - Construction, Design	58,900	19,594	1,505,000	23,000	1,431,100
7102	Township Improvements and Redevelopment - Construction (Spruce/Smoketree)	420,282	1,149,831	3,733,000	4,906,500	105,000
7108	Industrial Park Lead Track Project -Design, ROW Acquisition, Construction	26,353	1,368,235	3,250,000	1,520,000	4,150,000
7110	Bear Valley Road Widening - Mariposa Road to 600 feet east	0	0	300,000	163,000	20,000
7111	Rock Springs Road Reconstruction Project	0	1,625,958	0	10,000	115,000
7116	Traffic Signal at Smoke Tree and Seventh Avenue	0	0	250,000	20,000	230,000
7117	2009-10 Street Improvement Project	0	0	6,885,927	10	5,710,514
7118	Traffic Signal Upgrade - Main Street and C Avenue	0	0	250,000	10,000	240,000
	Sub-Total New 2009-10 Streets C I P Projects	\$ 10,175,649	\$ 5,897,214	\$ 31,383,927	\$ 13,632,510	\$ 35,785,934

C I P EXPENDITURES BY PROJECT

Project Number	Project Title	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<u>Streets CIP Projects Completed in FY 2009-10 and Temporarily Suspended Projects that may Resume in Future Years</u>						
7065	Eucalyptus Interchange	\$ 1,798,824	\$ 0	\$ 0	\$ 0	0
7095	7th Avenue Roadway Improvements – Willow to Bear Valley Road – Design & Right-of-Way Identification	0	0	350,000	0	0
7096	Aqueduct Crossing Improvements – Widen Bridge at Main Street – Design and Right-of-Way Acquisition	1,824	7,428	600,000	60,000	0
7097	New Aqueduct Crossing – Bridge at Escondido Avenue – Design	3,448	9,166	0	0	0
7098	Muscatel Street Overpass, Phase 1 – Project Study Report/Project Development Study (PSR/PDS)	135,648	179,486	160,000	118,000	0
7105	Main Street Corridor Design (395 to 11th Avenue)	6,591	147,968	4,250,000	153,500	0
7106	Main Street/Hesperia Interchange Feasibility Design	17,702	39,599	0	0	0
7114	2008-09 Street Improvement Project	0	7,135,397	2,118,494	2,057,695	0
7115	Maple Avenue Reconstruction	0	0	0	0	0
Sub-Total Streets CIP Projects Completed in FY 2009-10 and Temporarily Suspended Projects that may Resume in Future Years		\$ 1,964,037	\$ 7,519,044	\$ 7,478,494	\$ 2,389,195	\$ 0
<u>Streets C I P Projects Completed in FY 2008-09</u>						
7085	Widen Seventh Avenue – Main Street to	3,940,127	135,803	0	0	0
7103	2007-08 Street Improvement Project	9,776,456	9,357,600	0	0	0
7104	Railroad Crossing Feasibility Study	121,918	117,246	0	0	0
Sub-Total Streets C I P Projects Completed in FY 2008-09		\$ 13,838,501	\$ 9,610,649	\$ 0	\$ 0	\$ 0
<u>Streets C I P Projects Completed in FY 2007-08</u>						
7089	2006-07 Street Improvement Project	\$ 3,691,292	\$ 0	\$ 0	\$ 0	0
7093	Intersection at Main Street and C Avenue - Design, Right-of-Way Acquisition	49,354	0	0	0	0
7101	Traffic Signal Upgrade - Main Street and Third Avenue	201,184	0	0	0	0
7107	Juniper/Smoketree/8th Avenue Project (Park)	1,641,118	0	0	0	0
Sub-Total Streets C I P Projects Completed in FY 2007-08		\$ 5,582,948	\$ 0	\$ 0	\$ 0	\$ 0
Total Summary Streets C I P Projects		\$ 31,561,135	\$ 23,026,907	\$ 38,862,421	\$ 16,021,705	\$ 35,800,934

C I P EXPENDITURES BY PROJECT

Project Number	Project Title	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Storm Drainage C I P Projects						
7087	H-01 Drainage Facility – (Section 2) Main Street to Smoke Tree Street	\$ 4,887,157	\$ 8,665,055	\$ 0	\$ 34,115	\$ 0
7090	H-01 Drainage Facility – Section 1 (Maple Avenue to Main Street) – Design and Right-of-Way Acquisition	75,303	7,950	0	0	0
7091	H-01 Drainage Facility - Section 3A (Third Avenue to Fourth Avenue)	2,859	32,536	250,000	35,000	900,000
7092	A-04 Drainage Facility – Mojave Street to Mesa Avenue - Construction	78,000	0	0	0	0
Total Storm Drainage C I P Projects		\$ 5,043,319	\$ 8,705,541	\$ 250,000	\$ 69,115	\$ 900,000
Facilities Projects						
6510	Hesperia Branch Library	\$ 3,412	\$ 0	\$ 0	\$ 0	\$ 0
6514	Fire Station Site Study and Design	499,822	119,104	336,000	126,000	0
6515	Downtown Park - Northwest Corner of Juniper Street and 8th Avenue - Design and Construction	3,843,910	301,590	40,000	23,250	0
6516	New Police Station - Property Identification, Acquisition, Design and Construction	666,971	1,311,780	15,000,000	12,000,000	6,000,000
6517	Fire Station 301 Construction/Property	150,375	1,657	0	0	0
6518	Fire Station 305 Construction	0	3,668,562	4,000,000	3,942,610	0
6520	High Desert County Government Center	147,591	1,730,173	17,000,000	13,000,000	9,000,000
6521	Fire Station 304 Expansion Project	24,120	63,392	45,200	45,200	0
6523	Park and Ride Facility	0	0	0	0	25,000
Total Facilities Projects		\$ 5,336,201	\$ 7,196,258	\$ 36,421,200	\$ 29,137,060	\$ 15,025,000
Water C I P Projects Completed in FY 2009-10 and Temporarily Suspended Projects that will Resume in Future Years						
6506	Mojave Corporation Yard Expansion	\$ 6,814,042	\$ 547,404	\$ 40,000	\$ 3,735	\$ 0
8073	Plant 19 Reservoir Improvements	136,853	2,903,392	1,630,000	1,956,362	0
8077	Interstate 15 Corridor – New Water System Design	320,400	307,097	550,000	50,000	0
8078	Property Acquisition for Reservoir Expansion @ Sites 19A & 21, New Reservoir to Serve Freeway Corridor	0	2,000	500,000	3,000	0
8082	Water System Velocity Improvements Arrowhead/Tank 18/Maple	0	0	0	0	0
8084	New Well Site	0	0	0	0	0
Sub -Total Water C I P Projects Completed in FY 2009-10 and Temporarily Suspended Projects that will Resume in Future Years		\$ 7,271,295	\$ 3,759,893	\$ 2,720,000	\$ 2,013,097	\$ 0

C I P EXPENDITURES BY PROJECT

Project Number	Project Title	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Water C I P Projects Completed in FY 2008-09						
8074	FY 2006-07 Pipeline Replacement	\$ 3,342,764	\$ 659,889	\$ 0	\$ 0	\$ 0
8075	Waterline Replacement –Juniper Street & Chestnut Street, Design & Construction (between 7th Avenue & 3rd Avenue)	0	4,500	430,000	0	0
Sub-Total Water C I P Projects Completed in FY 2008-09		\$ 3,342,764	\$ 664,389	\$ 430,000	\$ 0	\$ 0
Water C I P Projects Completed in FY 2007-08						
8070	FY 2005-06 Pipeline Replacement Program	\$ 6,175	\$ 0	\$ 0	\$ 0	\$ 0
8071	Equip Well No's 29, 31 and 32	541,696	0	0	0	0
8079	New Construction Plant 22 Well A	112,915	0	0	0	0
8080	Annual Pipeline Design Project (50,000 Ft)	93,617	0	0	0	0
Sub-Total Water C I P Projects Completed in FY 2007-08		\$ 754,403	\$ 0	\$ 0	\$ 0	\$ 0
Total Water C I P Projects (Note #1)		\$ 11,368,462	\$ 4,424,282	\$ 3,150,000	\$ 2,013,097	\$ 0
Sewer C I P Projects						
9007	Sub-regional Wastewater Reclamation Plant Design and Environmental	\$ 0	\$ 0	\$ 0	\$ 96,109	\$ 0
9009	Santa Fe Improvements - Sewer Upgrade Phase I	0	0	0	0	0
9010	Escondido Bypass Lane - Design, Construction	398,787	0	0	0	0
9011	Subregional Wastewater Reclamation Plant WRP-2	0	1,651,678	0	0	0
9012	Mojave Sewer Upgrade	0	0	0	0	0
9013	Live Oak Sewer Upgrade	0	0	0	0	0
9015	Main Street Sewer (Topaz to Hickory)	0	504,008	0	0	0
Total Sewer C I P Projects (Note #2)		\$ 398,787	\$ 2,155,686	\$ 0	\$ 96,109	\$ 0
Total Summary Streets C I P Projects		\$ 31,561,135	\$ 23,026,907	\$ 38,862,421	\$ 16,021,705	\$ 35,800,934
Total Storm Drainage C I P Projects		\$ 5,043,319	\$ 8,705,541	\$ 250,000	\$ 69,115	\$ 900,000
Total Facilities Projects		\$ 5,336,201	\$ 7,196,258	\$ 36,421,200	\$ 29,137,060	\$ 15,025,000
Total Water C I P Projects (Note #1)		\$ 11,368,462	\$ 4,424,282	\$ 3,150,000	\$ 2,013,097	\$ 0
Total Sewer C I P Projects (Note #2)		\$ 398,787	\$ 2,155,686	\$ 0	\$ 96,109	\$ 0
Grand Total		\$ 53,707,904	\$ 45,508,674	\$ 78,683,621	\$ 47,337,086	\$ 51,725,934

Note #1 - In addition to water C I P projects, water funds have been used to partially fund streets and storm drainage projects and the water funding is shown with those specific projects, not in this section.

Note #2 - In addition to Sewer C I P projects, sewer funds have been used to partially fund the Township Improvement Project (within the Street Projects category) and the Sewer funding is shown with that specific project, not in this section.

C I P EXPENDITURES BY FUND AND PROJECT

Project Number	Project Title	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
100 General Fund						
6515	Downtown Park - Northwest Corner of Juniper Street and 8th Avenue	\$ 2,925	\$ 0	\$ 0	\$ 0	\$ 0
7089	2006-07 Street Improvement Project	419,926	0	0	0	0
7107	Juniper/Smoke Tree	143,324	0	0	0	0
7114	2008-09 Street Improvement Project	0	0	0	125,286	0
	Total General Fund 100	\$ 566,175	\$ 0	\$ 0	\$ 125,286	\$ 0
201 Measure I – Arterial Fund						
7085	Widen Seventh Avenue - Main to Willow	\$ 1,319,277	\$ 44,001	\$ 0	\$ 0	\$ 0
7087	H-01 Drainage Facility - Main Street to Smoke Tree Street	349,164	0	0	0	0
7089	2006-07 Street Improvement Project	289,607	0	0	0	0
7093	Intersection at Main Street and C Avenue - Design	49,354	0	0	0	0
7100	New Traffic Signal - Main Street and Rock Springs Road	58,900	19,560	\$ 5,000	5,000	0
7101	Traffic Signal Upgrade - Main Street and Third Avenue	201,184	0	0	0	0
7103	2007-08 Street Improvement Project	12,431	3,083,853	0	0	0
7114	2008-09 Street Improvement Project	0	1,848,663	0	47,386	0
7117	2009-10 Street Improvement Project	0	0	400,000	0	400,000
7118	Traffic Signal Upgrade - Main Street and C Avenue	0	0	250,000	10,000	0
	Total Measure I – Arterial Fund 201	\$ 2,279,917	\$ 4,996,077	\$ 655,000	\$ 62,386	\$ 400,000
202 Measure I – Local Fund						
7089	2006-07 Street Improvement Project	\$ 35,000	\$ 0	\$ 0	\$ 0	\$ 0
7103	2007-08 Street Improvement Project	942,227	500,000	0	0	0
7114	2008-09 Street Improvement Project	0	971,244	0	0	0
	Total Measure I – Local Fund 202	\$ 977,227	\$ 1,471,244	\$ 0	\$ 0	\$ 0
204 Measure I Renewal						
6523	Park and Ride Facility	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,000
7118	Traffic Signal Upgrade - Main Street and C Avenue	0	0	0	0	240,000
	Total Measure I Renewal Fund 204	\$ 0	\$ 0	\$ 0	\$ 0	\$ 265,000
205 Gas Tax Fund						
7087	H-01 Drainage Facility - Main Street to Smoke Tree Street	\$ 148,514	\$ 211,125	\$ 0	\$ 0	\$ 0
7103	2007-08 Street Improvement Project	67,592	0	0	0	0
7114	2008-09 Street Improvement Project	0	66,597	0	0	0
	Total Gas Tax Fund 205	\$ 216,106	\$ 277,722	\$ 0	\$ 0	\$ 0
207 Local Transportation Fund						
7103	2007-08 Street Improvement Project	\$ 144	0	0	0	0
	Total Local Transportation Fund 207	\$ 144	\$ 0	\$ 0	\$ 0	\$ 0
250 Traffic Congestion Relief Fund						
7114	2008-09 Street Improvement Project	\$ 0	\$ 505,687	\$ 0	0	0
	Total Traffic Congestion Relief Fund 250	\$ 0	\$ 505,687	\$ 0	\$ 0	\$ 0

C I P EXPENDITURES BY FUND AND PROJECT

Project Number	Project Title	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
251 Community Development Block Grant Fund						
7091	H-01 Drainage Facility - Section 3A (Third Avenue to Fourth Avenue)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 365,335
	Total Community Development Block Grant Fund 251	\$ 0	\$ 0	\$ 0	\$ 0	\$ 365,335
259 Reimbursable Grants Fund						
6516	New Police Station - Property Identification, Acquisition, Design and Construction	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,455,100
	Total Reimbursable Grants Fund 259	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,455,100
300 Development Impact Fee (DIF)-Streets Fund						
7046	Ranchero Road Undercrossing	\$ 9,828	\$ 0	\$ 0	\$ 0	\$ 0
7086	Ranchero Road I-15 Interchange Project Approval and Environmental Document	9,350,973	1,016,464	5,400,000	1,680,000	1,300,000
7094	Ranchero Road Improvements - 7th Avenue to Mariposa Road - Phase 1	62,294	149,749	550,000	240,000	60,000
7095	7th Avenue Roadway Improvements - Willow to Bear Valley Road - Design and Right-of-Way Acquisition	0	0	350,000	0	0
7096	Aqueduct Crossing Improvements - Widen Bridge at Main Street - Design and Right-of-Way Acquisition	0	7,428	0	0	0
7098	Muscatal Street Overpass - Phase 1 Project Study Report/Project Development Study (PSR/PDS)	135,648	179,486	160,000	118,000	0
7100	New Traffic Signal - Main Street and Rock Springs Road	0	34	1,500,000	18,000	581,025
7104	Railroad Crossing Feasibility Study Eucalyptus/Lemon/Mojave	121,918	117,246	0	0	0
7105	Main Street Corridor Design (395 to 11th Avenue)	6,591	147,968	0	0	0
7106	Main Street/Hesperia Interchange Feasibility Design	17,702	39,599	0	0	0
7110	Bear Valley Road Widening - Mariposa Road to 600 feet east	0	0	300,000	163,000	20,000
7111	Rock Springs Road Reconstruction Project	0	244,701	0	10,000	115,000
7116	Traffic Signal at Smoke Tree and Seventh Avenue	0	0	250,000	20,000	230,000
7119	Santa Fe Circulation Study	0	0	0	0	15,000
	Total DIF Fund-Streets 300	\$ 9,704,954	\$ 1,902,675	\$ 8,510,000	\$ 2,249,000	\$ 2,321,025
301 Development Impact Fee (DIF)-Storm Drainage						
7085	Widen Seventh Avenue - Main to Willow	\$ 1,010,558	\$ 44,459	\$ 0	\$ 0	\$ 0
7087	H-01 Drainage Facility - Main Street to Smoke Tree Street	0	0	0	34,115	0
7090	H-01 Drainage Facility - Section 1 (Maple Avenue to Main Street) Phase 1	75,303	7,950	0	0	0
7091	H-01 Drainage Facility - Section 3A (Third Avenue to Fourth Avenue)	2,859	32,536	250,000	35,000	0
	Total DIF-Storm Drainage Fund 301	\$ 1,088,720	\$ 84,945	\$ 250,000	\$ 69,115	\$ 0

C I P EXPENDITURES BY FUND AND PROJECT

Project Number	Project Title	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
302 Development Impact Fee (DIF) - Fire						
6514	Fire Station Site Study and Design	\$ 229,708	\$ 119,104	\$ 336,000	\$ 126,000	\$ 0
6517	Fire Station 301 Construction/Property	0	1,657	0	0	0
6518	Fire Station 305 Construction	0	125,578	860,000	860,000	0
Total DIF-Fire Fund 302		\$ 229,708	\$ 246,339	\$ 1,196,000	\$ 986,000	\$ 0
303 Development Impact Fee (DIF) - Police						
6516	New Police Station - Property Identification, Acquisition, Design and Construction	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,500,000
Total DIF-Police Fund 303		\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,500,000
502 Fire Station Building Fund						
6514	Fire Station Site Study and Design	\$ 42	\$ 0	\$ 0	\$ 0	\$ 0
6518	Fire Station 305 Construction	0	3,540,958	1,722,271	2,080,574	0
Total Fire Building Fund 502		\$ 42	\$ 3,540,958	\$ 1,722,271	\$ 2,080,574	\$ 0
503 County - High Desert Government Center						
6520	High Desert County Government Center	147,591	1,730,173	17,000,000	13,000,000	9,000,000
Total County Govt. Center Fund 503		\$ 147,591	\$ 1,730,173	\$ 17,000,000	\$ 13,000,000	\$ 9,000,000
504 City Wide Projects						
7091	H-01 Drainage Facility - Section 3A (Third Avenue to Fourth Avenue)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 534,665
7100	New Traffic Signal - Main Street and Rock Springs Road	0	0	0	0	850,075
7111	Rock Springs Road Reconstruction Project	0	1,381,257	0	0	0
7117	2009-10 Street Improvement Project	0	0	0	0	400,001
Total City Wide Projects Fund 504		\$ 0	\$ 1,381,257	\$ 0	\$ 0	\$ 1,784,741
586 Redevelopment Capital - Project Area No. 1						
6514	Fire Station Site Study and Design	\$ 270,072	\$ 0	\$ 0	\$ 0	\$ 0
6515	Downtown Park - Northwest Corner of Juniper Street and 8th Avenue	3,840,985	301,590	40,000	23,250	0
6516	New Police Station - Property Identification, Acquisition, Design and Construction	666,971	1,311,780	15,000,000	12,000,000	3,044,900
6517	Fire Station 301 Construction/Property	150,375	0	0	0	0
6518	Fire Station 305 Construction	0	2,026	1,417,729	1,002,036	0
6521	Fire Station 304 Expansion Project	24,120	63,392	45,200	45,200	-
7046	Ranchero Road Undercrossing	226,054	563,707	5,361,000	4,681,782	3,740,320
7085	Widen Seventh Avenue - Main to Willow	1,010,900	47,343	0	0	0
7087	H-01 Drainage Facility - (Section 2) Main Street to 4th Avenue	4,389,479	8,453,930	0	0	0
7089	2006-07 Street Improvement Project	908,585	0	0	0	0
7092	A-04 Drainage Facility - Mojave Street to Mesa Avenue - Construction	78,000	0	0	0	0
7096	Aqueduct Crossing Improvements - Widen Bridge at Main Street - Design and Right-of-Way Acquisition	1,824	0	600,000	60,000	0
7097	New Aqueduct Crossing - Bridge at Escondido Avenue - Design	3,448	9,166	0	0	0
7102	Township Improvements and Redevelopment	420,282	693,793	3,733,000	4,616,500	105,000
7103	2007-08 Street Improvement Project	7,243,562	3,698,384	0	0	0
7105	Main Street Corridor Design (395 to 11th Avenue)	0	0	4,250,000	153,500	0
7107	Juniper/Smoke Tree	1,497,794	0	0	0	0
7108	Industrial Park Lead Track Project -Design, ROW Acquisition, Construction	26,353	1,368,235	3,250,000	1,520,000	4,150,000
7114	2008-09 Street Improvement Project	0	2,700,736	1,742,315	1,592,453	0
7117	2009-10 Street Improvement Project	0	0	3,060,254	10	1,484,840
Total Redevelopment Capital - Project Area No. 1 586		\$ 20,758,804	\$ 19,214,082	\$ 38,499,498	\$ 25,694,731	\$ 12,525,060

C I P EXPENDITURES BY FUND AND PROJECT

Project Number	Project Title	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
587 Redevelopment Capital - Project Area No. 2						
6514	Fire Station Site Study and Design	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
7065	Eucalyptus Interchange	1,798,824	0	0	0	0
7089	2006-07 Street Improvement Project	187,296	0	0	0	0
7103	2007-08 Street Improvement Project	165,897	75,363	0	0	0
7117	2009-10 Street Improvement Project	0	0	1,748,638	0	1,748,638
Total Redevelopment Capital - Project Area No. 2 587		\$ 2,152,017	\$ 75,363	\$ 1,748,638	\$ 0	\$ 1,748,638
588 Redevelopment Capital - Victor Valley Economic Development						
7117	2009-10 Street Improvement Project	\$ 0	\$ 0	\$ 1,677,035	\$ 0	\$ 1,677,035
Total Redevelopment Capital - Victor Valley Economic Development Authority (VVEDA) Fund 588		\$ 0	\$ 0	\$ 1,677,035	\$ 0	\$ 1,677,035
600 Ranchero Road Undercrossing Fund						
7046	Ranchero Road Undercrossing	\$ 20,965	\$ 3,676	\$ 3,899,000	\$ 378,218	\$ 11,650,000
Total Ranchero Road Undercrossing Fund 600		\$ 20,965	\$ 3,676	\$ 3,899,000	\$ 378,218	\$ 11,650,000
601 Hesperia Branch Library Fund						
6510	Hesperia Branch Library Fund	\$ 3,412	\$ 0	\$ 0	\$ 0	\$ 0
Total Hesperia Branch Library Fund 601		\$ 3,412	\$ 0	\$ 0	\$ 0	\$ 0
602 Ranchero/I-15 Interchange Fund						
7086	Ranchero Road/I-15 Interchange	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,034,000
Total Ranchero/I-15 Interchange Fund 602		\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,034,000
701 Water Capital Fund						
7085	Widen Seventh Avenue - Main St. to Willow St.	\$ 599,392	\$ 0	\$ 0	\$ 0	\$ 0
7089	2006-07 Street Improvement Project	1,850,878	0	0	0	0
7102	Township Improvements and	0	456,038	0	290,000	0
7103	2007-08 Street Improvement Project	1,344,603	2,000,000	0	0	0
7114	2008-09 Street Improvement Project	0	1,042,470	376,179	292,570	0
Total Water Capital Fund 701		\$ 3,794,873	\$ 3,498,508	\$ 376,179	\$ 582,570	\$ 0
701	Water C I P Projects (See Water C I P for Project Detail)	\$ 11,368,462	\$ 4,424,282	\$ 3,150,000	2,013,097	0
Total Water Capital Fund 701*		\$ 15,163,335	\$ 7,922,790	\$ 3,526,179	\$ 2,595,667	\$ 0
711 Sewer Capital Fund						
Sewer C I P Projects (See Sewer C I P for Project Detail)		\$ 398,787	\$ 2,155,686	\$ 0	\$ 96,109	\$ 0
7102	Township Improvements and Redevelopment	0	0	0	0	0
Total Sewer Capital Fund 711*		\$ 398,787	\$ 2,155,686	\$ 0	\$ 96,109	\$ 0
TOTAL ALL C I P FUNDS		\$ 53,707,904	\$ 45,508,674	\$ 78,683,621	\$ 47,337,086	\$ 51,725,934

*Note: A difference exists between the total Water CIP and Sewer CIP expenditures shown in section D of this document. These differences are due to expenditures of the respective funds that are not attributable to a specific CIP project.

C I P EXPENDITURES BY FUND AND PROJECT

Project Number	Project Title	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Streets and Storm Drain Related						
100	General Fund	\$ 563,250	\$ 0	\$ 0	\$ 125,286	\$ 0
201	Measure I – Arterial Fund	2,279,917	4,996,077	655,000	62,386	400,000
202	Measure I – Local Fund	977,227	1,471,244	0	0	0
205	Gas Tax Fund	216,106	277,722	0	0	0
207	Local Transportation Fund	144	0	0	0	0
250	Traffic Congestion Relief Fund	0	505,687	0	0	0
251	Community Development Block Grant Fund	0	0	0	0	365,335
300	Development Impact Fee-Streets Fund	9,704,954	1,902,675	8,510,000	2,249,000	2,321,025
301	Development Impact Fee-Storm Drainage	1,088,720	84,945	250,000	69,115	0
504	City-wide Projects	0	1,381,257	0	0	1,784,741
586	Redevelopment Capital - P/A #1	15,806,281	17,535,294	21,996,569	12,624,245	9,480,160
587	Redevelopment Capital - P/A #2	2,152,017	75,363	1,748,638	0	1,748,638
588	Redevelopment Capital - VVEDA	0	0	1,677,035	0	1,677,035
600	Ranchero Road Undercrossing Fund	20,965	3,676	3,899,000	378,218	11,650,000
602	Ranchero/I-15 Interchange Fund	0	0	0	0	7,034,000
701	Water Capital Fund	3,794,873	3,498,508	376,179	582,570	0
711	Sewer Capital Fund	0	0	0	0	0
	Total Streets and Storm Drain Related	\$ 36,604,454	\$ 31,732,448	\$ 39,112,421	\$ 16,090,820	\$ 36,460,934
Facilities Related						
100	General Fund	\$ 2,925	\$ 0	\$ 0	\$ 0	\$ 0
204	Measure I - Renewal Fund	0	0	0	0	265,000
259	Reimbursable Grants Fund	0	0	0	0	1,455,100
302	Development Impact Fee - Fire	229,708	246,339	1,196,000	986,000	0
303	Development Impact Fee - Police	0	0	0	0	1,500,000
502	Fire Building Fund	42	3,540,958	1,722,271	2,080,574	0
503	County - High Desert Government Center	147,591	1,730,173	17,000,000	13,000,000	9,000,000
586	Redevelopment Capital Projects	4,952,523	1,678,788	16,502,929	13,070,486	3,044,900
587	Redevelopment Capital - P/A #2	0	0	0	0	0
601	Hesperia Branch Library Fund	\$ 3,412	\$ 0	\$ 0	\$ 0	\$ 0
	Total City Facilities Related	\$ 5,336,201	\$ 7,196,258	\$ 36,421,200	\$ 29,137,060	\$ 15,265,000
Water and Sewer Related						
701	Water Capital Fund *	\$ 11,368,462	\$ 4,424,282	\$ 3,150,000	\$ 2,013,097	\$ 0
711	Sewer Capital Fund	398,787	2,155,686	0	96,109	0
	Total Water and Sewer Related *	11,767,249	6,579,968	3,150,000	2,109,206	0
	Total City Capital Improvement Program (C I P)	\$ 53,707,904	\$ 45,508,674	\$ 78,683,621	\$ 47,337,086	\$ 51,725,934

CAPITAL IMPROVEMENT PROGRAM (CIP)

CIP PROJECT LISTING

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CAPITAL IMPROVEMENT PROGRAM (CIP)

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CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Rancho Road Undercrossing

Project Number: 7046 – Phase I and II

Project Description and Location:

This project involves the installation of a new underpass beneath the BNSF's railway's right-of-way at Rancho Road. The project will also include a new alignment through the Antelope Valley Wash between Santa Fe East and Danbury, with the project limits between Seventh Avenue and Danbury. The BNSF Railroad bisects the City of Hesperia from north to south, with the only street that crosses the railroad being Main Street. This east-west corridor serves the entire City and is under capacity to meet existing traffic needs. The current traffic volume across the Main Street Bridge is 39,000 vehicles per day, and the projected volume in 2015, based on the Victor Valley Comprehensive Transportation Plan, is 69,000 vehicles per day. Most motorists experience gridlock in the early morning and late evening peak hours in the area of Main Street crossing the BNSF Railway. Accidents on either side of, or on the Main Street Bridge, have resulted in total closure of Main Street between Third Street and C Avenue, which not only affect the motoring public, but also severely restrict fire and police response times throughout the City.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

David Evans and Associates (DEA) were retained to finalize plans and specifications to meet the BNSF Railway and City standards and Lilburn Corporation was engaged to prepare the environmental clearances. The California Environmental Quality Act (CEQA) document was completed and adopted in September 2006. The Federal National Environmental Policy Act (NEPA) document was finalized to Caltrans' satisfaction in February 2008, and was cleared by the Federal Highway Administration (FHWA) for public review in March. The NEPA document was completed in August 2008, allowing right-of-way acquisition to begin. Due to the inability of the San Bernardino County Real Estate division to commit to the project, DEA was engaged to subcontract property acquisition. Authorization to proceed was granted by Caltrans, and by July 2010, it is expected that all right-of-way will have been acquired. The application to the Public Utilities Commission was submitted and approved in June 2009. Regulatory permits from the Army Corps of Engineers, Lahontan, Fish and Game and County Flood Control were applied for, as has the application to the BNSF railway for construction scheduling. Permit approvals were obtained by all agencies by April 2010, and a maintenance agreement with BNSF was executed in March 2010. The project is expected to be bid for construction after right-of-way certification is approved by Caltrans.

Project Schedule for 2010-11 Budget:

Construction management will be engaged for bridge oversight, and construction will continue through June 2011, into FY 2011-12.

Project Costs and Funding:

Expenditure Phases	2007-08	2008-09	2009-10	2009-10	2010-11
	Actual	Actual	Budget	Revised	Budget
300-700-7046 Contractual	\$ 9,828	\$ 0	\$ 0	\$ 0	\$ 0
586-700-7046 Right -of-Way Acquisition	0	449,132	1,361,000	1,010,000	0
586-700-7046 Construction	226,054	0	4,000,000	3,500,000	1,415,000
586-700-7046 Project Management - Transfer Out	0	0	0	0	75,320
586-700-7046 Contractual	0	114,575	0	171,782	2,250,000
600-700-7046 Contractual	20,965	3,676	160,000	225,139	0
600-700-7046 Right-of-Way Acquisition	0	0	3,739,000	153,079	0
600-700-7046 Construction	0	0	0	0	11,650,000
Total Expenditures	\$ 256,847	\$ 567,383	\$ 9,260,000	\$ 5,060,000	\$ 15,390,320

Source of Funds

300 DIF-Streets	\$ 9,828	\$ 0	\$ 0	\$ 0	\$ 0
586 Redevelopment Capital P/A #1	226,054	563,707	5,361,000	4,681,782	3,740,320
600 NCDPD Grant	20,965	3,676	0	378,218	1,000,000
600 SAFETEA-LU	0	0	499,000	0	4,000,000
600 SANBAG-STP	0	0	3,400,000	0	3,650,000
600 FHWA-STP	0	0	0	0	3,000,000
Total Source of Funds	\$ 256,847	\$ 567,383	\$ 9,260,000	\$ 5,060,000	\$ 15,390,320

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Rancho Road Undercrossing (Continued)

Project Funding Narrative:

The total project expenditures of \$27,200,000 are proposed to be funded from Streets Development Impact fees, the Redevelopment Agency, and Federal/State grants. The Streets Development Impact Fee fund and the Redevelopment Agency are expected to fund a combined \$15.1 million or 55% of the project, and the various grants identified below are expected to fund \$12.15 million, or 45% of the project:

▪ National Corridor Planning and Development Program (NCPDP) – Federal Grants.....	\$ 1,500,000
(2002-03 \$1,500,000; 2003-04- \$470,209 - Funding authority lapsed in 2008)	
▪ Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Project No. 1558, P.L. 109-59 – Federal Grant (2005).....	4,000,000
▪ Federal Highway Administration – Surface Transportation Program (FHWA-STP) – Federal Grant P.L. 109-115, Conference Report 109-307	3,000,000
▪ San Bernardino Associated Governments – Surface Transportation Program (SANBAG-STP), Allocation to City of Hesperia (\$3.4 million, \$250,000 Exchanged funding 2006).....	<u>3,650,000</u>
Total Federal/State Project Funding	\$12,150,000

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Eucalyptus Interchange

Project Number: 7065

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the construction of a full-access diamond interchange on Interstate 15 at its intersection with Eucalyptus Street. This facility is located approximately one mile south of Bear Valley Road and would be constructed jointly by the City of Hesperia and Victorville. Eucalyptus Street is designated as a six-lane major arterial and extends through the City in an east-west direction. With continued growth and development, the need for an additional access point to Interstate 15 between Bear Valley Road and Main Street will become necessary.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The initial planning document (Project Study Report/Project Development Support – PSR/PDS) was initiated with Caltrans in 2004, and was completed in May 2005. No further work occurred in Fiscal Year 2005-06. In Fiscal Year 2007-08, the City acquired property at the southeast corner of Interstate 15 and Eucalyptus from a property owner for right-of-way. This was done due to development pressures which put the property needed for the interchange at-risk of being developed, which would have significantly affected the project cost and feasibility. The next step in the process is the Project Approval/Environmental Document (PA/ED) preparation. This would be carried out jointly between the cities of Hesperia and Victorville. No work occurred in Fiscal Year 2008-09 or 2009-10.

Project Schedule for 2010-11 Budget:

No work is anticipated on this project. Coordination with the City of Victorville will continue in order to cooperatively establish its priority by both jurisdictions in future years.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
587-700-7065 Capital	\$ 1,798,824	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 1,798,824	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
587 RDA PA-2	\$ 1,798,824	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 1,798,824	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative

Preparation of the PA/ED phase is currently estimated to cost \$900,000 and the estimated project cost (2005 dollars) ranges from \$52 million to \$64.8 million based on four alternative designs being considered (including right-of-way).

Project Impact on Operating Budget:

None.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Widen Seventh Avenue – Main Street to Willow Street

Project Number: 7085 – Phase I

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the reconstruction and widening of Seventh Avenue from 2 to 4 lanes from Main Street to Willow Street. The project also includes the installation of major drainage facilities from Main Street to Willow Street to convey storm flows under Seventh Avenue, installation of concrete curb and gutters, and the relocation of overhead lines to underground conduits.

Seventh Avenue is a designated secondary arterial highway on the City's Circulation Master Plan. This road is a major north-south arterial used by many motorists and extends through the City of Victorville (also designated as an arterial highway). Traffic on Seventh Avenue has increased since the completion of the Civic Center Plaza and Branch Library in September 2006. The existing road condition had deteriorated.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The design was completed and bid for construction in June 2007. Construction was awarded to Match Corporation in August, and work began in September. Construction was substantially completed in June 2008 and accepted by the City Council on December 16, 2008 at a total cost of \$4,032,308.28.

Project Schedule for 2009-10 Budget:

This project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
201-700-7085 Contractual	\$ 1,319,277	\$ 44,001	\$ 0	\$ 0	\$ 0
301-700-7085 Contractual	1,010,558	44,459	0	0	0
586-700-7085 Contractual	1,010,900	47,343	0	0	0
701-700-7085 Contractual	599,392	0	0	0	0
Total Expenditures	\$ 3,940,127	\$ 135,803	\$ 0	\$ 0	\$ 0

Source of Funds

201 Measure I - Arterial	\$ 1,319,277	\$ 44,001	\$ 0	\$ 0	\$ 0
301 DIF Storm Drainage	1,010,558	44,459	0	0	0
586 Redevelopment Capital P/A #1	1,010,900	47,343	0	0	0
701 Water Capital	599,392	0	0	0	0
Total Source of Funds	\$ 3,940,127	\$ 135,803	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

The project was completed.

Project Impact on Operating Budget:

None.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Rancho Road / I-15 Interchange
Phase II - Project Approval and Environmental Document (PA&ED)
Phase III – Preliminary “At-Risk” Design (PS&E)

Project Number: 7086

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project is one of the three components of the Rancho Road Corridor Project, which consists of various improvements to Rancho Road including the Rancho Road Underpass, widening of Rancho Road from Arrowhead Lake Road to I-15, and a new interchange at I-15. The City, in anticipation of the time required to obtain State and Federal approvals for new interchanges, approved the preparation of a Project Study Report/Project Development Support (PSR/PDS) in Fiscal Year 2004-05. The City’s Consultant (Tetra Tech) commenced preparation of the PSR/PDS in November of 2004 and completed the Final PSR/PDS through Caltrans in August 2006 (Project 7081). The preparation of the Project Approval and Environmental Document (PA&ED), which involves the environmental review of the alternative designs identified in the PSR/PDS Document, preliminary design of each alternative, traffic modeling, geotechnical studies, and completion of a final Environmental Document (ED) that identifies a recommended alternative began in FY 2007-08. Once completed, the next stage is design and approval through the Federal Highway Administration.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The City Council awarded a Professional Services Agreement (PSA) to Parsons in May 2006 to prepare the Project Approval and Environmental Document. Project initiation commenced with Caltrans and monthly Project Development Team (PDT) meetings continue. The required Value Analysis (VA) process was concluded in April 2007 and the Traffic Study received final approval from Caltrans in March 2008. In FY 2007-08, property at-risk was acquired by the Redevelopment Agency. A portion of the property will be acquired by the City for right-of-way. In November, the Geometrical Approval Drawings (GAD) and bridge type selection were approved by Caltrans. The New Connection Report (NCR) was submitted for acceptability, and was given concurrence in February 2009 by Caltrans, and was forwarded to the Federal Highway Administration (FHWA) for preliminary approval (final approval doesn’t occur until the ED is complete). Parsons continued to work on the individual environmental studies required within the ED. In addition, the City Council awarded a contract to Parsons in December 2007 to proceed “at-risk” with preliminary engineering so that work on the ED and project plans can proceed concurrently, which should shorten the overall project schedule approximately nine months. The PDT meetings continued into FY 2009-10. Work on the PA&ED continued and is scheduled to be complete by April 2010 with receipt of a Caltrans and Federally-approved ED, final submittal of the New Connection Report with the Federal Highway Administration, and Caltrans approval of the Project Report (PR). Submittal to the California Transportation Commission for obligation of the SANBAG 2006 STIP funds occurred in May 2010 to prevent loss of funding.

Project Schedule for 2010-11 Budget:

Final “at-risk” design began in April 2008 and will continue in FY 2010-11. Right-of-Way acquisition will begin in August. The Plans, Specifications and Engineer’s estimates (PS&E) are scheduled to be completed by February 2011. If funding becomes available from the state and/or federal government, construction could begin in 2011 with “ready-to-list” occurring in Spring 2011.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Rancho Road/I-15 Interchange (Continued)

Project Costs and Funding:

	2007-08	2008-09	2009-10	2009-10	2010-11
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
300-700-7086 Contractual	\$ 348,432	\$ 1,016,464	\$ 2,400,000	\$ 1,660,000	\$ 1,300,000
300-700-7086 Land Acquisition	9,002,541	0	3,000,000	20,000	0
602-700-7086 STIP/RIP Land	0	0	0	0	7,034,000
Total Expenditures	<u>\$ 9,350,973</u>	<u>\$ 1,016,464</u>	<u>\$ 5,400,000</u>	<u>\$ 1,680,000</u>	<u>\$ 8,334,000</u>

Source of Funds

300 DIF Streets	9,350,973	1,016,464	5,400,000	1,680,000	1,300,000
602 Rancho/I-15 Interchange					
SANBAG STIP 2006	0	0	0	0	7,034,000
Total Source of Funds	<u>\$ 9,350,973</u>	<u>\$ 1,016,464</u>	<u>\$ 5,400,000</u>	<u>\$ 1,680,000</u>	<u>\$ 8,334,000</u>

Project Funding Narrative:

Funded from Streets Development Impact Fee as it is considered an expansion to the City's Arterial Highway system.

The project expenditures are proposed to be funded from Streets Development Impact fees, Redevelopment Agency Capital, and Federal/State grants. The following funds for planning, design, right-of-way, and construction have been earmarked to date:

▪ City Development Impact Fee (DIF) Streets funds (2005-2008) PA/ED.....	\$9,740,677
▪ Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Interstate Maintenance Discretionary (IMD) Program - Project No. 158 P.L. 109-59 – Federal Grant 2008	\$1,358,280
▪ City Development Impact Fee (DIF) Design PS&E (2007-09).....	3,552,000
▪ San Bernardino Associated Governments (SANBAG) – State Transportation Improvement Program (SANBAG-STIP), 2006 (Right-of-Way)	7,034,000
▪ SANBAG/State Transportation Improvement Program (STIP) Regional Improvement Program (RIP) – 2008.....	7,979,000
▪ Measure I (2010-2040) Victor Valley Major Local Highway Program - 2008.....	8,598,000
▪ SAFETEA-LU IMD Program, HR1105 Omnibus Appropriation Act for 2009.....	650,750
▪ SAFETEA-LU IMD Program, Continuing Appropriation Resolution 2010, P.L. 111-68.....	<u>1,000,000</u>
Total Federal/State Project Funding Commitments	\$39, 912,707

Project Impact on Operating Budget:

None at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2006-07 Street Improvement Project

Project Number: 7089

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project will involve the reconstruction and repair of approximately 38 miles of roadway, asphalt overlay of approximately 18 miles of roadway, and crack seal and slurry seal of approximately 11 miles of roadway. Many of the streets included in this year's program have exceeded their useful lives and require regular maintenance. The project includes remedial repair to streets that were constructed 5-10 years ago in order to extend their useful life. The reconstruction and overlay work will take place on 75 separate roadways throughout the City. Slurry seal work will take place on 8 roads. City staff presents a list of roadways as possible candidates for improvement to the City Council Advisory Committee (CCAC) for review, which then forwards a final list of recommended roadways to the City Council for approval. The City Council will continue to allocate additional funding towards a more aggressive overlay program similar to last fiscal year, and roads will be added to the original list as indicated on the 5 Year Road Paving Map. The CCAC recommended that the overlay paving should be concentrated within City blocks as opposed to being spread throughout the City.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

Two construction schedules were carried out by Sully-Miller, the contractor. Schedule 1 began in FY 2006-07 and was completed in August 2007. Schedule 2 began in June 2007 and was completed in May 2008.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
100-700-7089 Contractual	\$ 419,926	\$ 0	\$ 0	\$ 0	\$ 0
201-700-7089 Contractual	289,607	0	0	0	0
202-700-7089 Contractual	35,000	0	0	0	0
586-700-7089 Contractual	908,585	0	0	0	0
587-700-7089 Contractual	187,296	0	0	0	0
701-700-7089 Contractual	1,850,878	0	0	0	0
Total Expenditures	\$ 3,691,292	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

100 General Fund	\$ 419,926	\$ 0	\$ 0	\$ 0	\$ 0
201 Measure I -Arterial	289,607	0	0	0	0
202 Measure I-Local	35,000	0	0	0	0
586 Redevelopment Capital P/A #1	908,585	0	0	0	0
587 Redevelopment Capital P/A #2	187,296	0	0	0	0
701 Water Capital	1,850,878	0	0	0	0
Total Source of Funds	\$ 3,691,292	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

The 2006-07 Street Improvement Project was funded from multiple funding sources as identified above.

Project Impact on Operating Budget:

The project resulted in a decrease to operation expenses due to reduction of street repairs needed.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Intersection at Main Street and C Avenue - Design

Project Number: 7093

Department/Program: Development Services – Streets CIP

Project Description and Location:

There is a four-way signalized intersection at Main Street and C Avenue that has been performing at Level of Service (LOS) “F” for the last few years (the worst rating given to an intersection under Caltrans guidelines). Recent approval of several commercial projects along the C Avenue corridor will increase the traffic impact at this intersection. The existing development at three of the four corners of the intersection poses a tremendous challenge to widening the intersection to its ultimate configuration and adding the required lanes to mitigate the traffic through the intersection.

This project involved preliminary design work, determination of exact right-of-way requirements, and a detailed cost analysis for the entire project.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

Staff worked with a traffic engineering firm (Albert Grover and Associates) in 2007-08 to provide the detailed work and produce an Engineer’s Report. The Engineer’s Report was completed by Albert Grover and Associates which includes detailed cost estimates for multiple constructions options. The completed report and cost estimates were presented to the City Council in May 2009.

Project Schedule for 2010-11 Budget:

No funding is proposed during FY 2010-11. Future funding will be requested as directed by the City Council.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
201-700-7093 Contractual	\$ 49,354	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 49,354	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

201 Measure I-Arterial	\$ 49,354	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 49,354	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

Funding sources will be determined for any future work to be performed at this intersection at a later date.

Project Impact on Operating Budget:

There will be no impact to the operating budget from this portion of the project.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Ranchero Road Improvements – Seventh Avenue to Mariposa Road
 Phase 1 – Preliminary Engineering and Right-of-Way Identification
 Phase 2 – Design and Right-of-Way Acquisition

Project Number: 7094

Department/Program: Development Services – Streets CIP

Project Description and Location:

The Ranchero Road Corridor Project consists of various improvements to Ranchero Road including the Ranchero Road Underpass (C.O. 7046), a new interchange at I-15 (C.O. 7086), and widening of Ranchero between the two. This is the City's highest transportation priority. With the anticipated construction of the underpass, traffic on Ranchero Road is expected to increase dramatically. This project will perform the engineering to select the ultimate alignment for Ranchero Road between the western terminus of the Ranchero Road Underpass Project, Seventh Avenue, and Mariposa Road. Identification of the required right-of-way will be determined and cost estimates will be prepared for the entire stretch of roadway. Approximately 50% of Ranchero Road within this 5-mile stretch is located outside the City limits within the unincorporated area of San Bernardino County. Should the City move forward with this construction, the City would be asking for financial reimbursement from the County for the portion of improvements within their area. Preliminary discussions with County representatives are that the project is supported by the County and a Cooperative Agreement with the County will be prepared to establish funding responsibilities.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

In November 2007 the preliminary improvement plans were begun by Desert Engineering under the first phase. These were used as the basis for design plans being prepared by Parsons and was subsequently awarded in October 2008. Detail design plan work continued through 2009, with focus on the aqueduct. The environmental work would be the next phase for the project. Meetings with the Department of Water Resources (DWR) occurred in order to begin the coordination required for permits. Once the design to bridge the California Aqueduct is prepared, the right-of-way acquisition will begin and final DWR approval will occur. In addition, City and county staff met in January 2010 to coordinate details of a Memorandum of Understanding (MOU) to outline the ultimate design, signalization spacing and access control, and financial responsibilities.

Project Schedule for 2010-11 Budget:

Once at a suitable stage, the design plans and cost estimates will be brought to both the City Council and County Staff as a basis for the MOU. Design will continue and be completed with the exception of the aqueduct crossing.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
300-700-7094 Contractual	\$ 62,294	\$ 149,749	\$ 550,000	\$ 240,000	\$ 60,000
Total Expenditures	\$ 62,294	\$ 149,749	\$ 550,000	\$ 240,000	\$ 60,000

Source of Funds

300 DIF Streets	\$ 62,294	\$ 149,749	\$ 550,000	\$ 240,000	\$ 60,000
Total Source of Funds	\$ 62,294	\$ 149,749	\$ 550,000	\$ 240,000	\$ 60,000

Project Funding Narrative:

Funding sources will be determined for any future work to be performed on this project.

Project Impact on Operating Budget:

This project will have no impact on the operating budget at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Seventh Avenue Roadway Improvements – Willow to Bear Valley Road
Design and Right-of-Way Identification

Project Number: 7095

Department/Program: Development Services – Streets CIP

Project Description and Location:

The City has completed the ultimate improvements to Seventh Avenue from Main Street to Willow Street as part of the Civic/Library complex in FY 2007-08. The City's Master Plan of Arterial Highways indicates that Seventh Avenue is a secondary arterial north to Bear Valley Road. The City is in need of a multi-lane roadway in the north-south direction, and Seventh Avenue is one of the most likely candidates to be widened to ultimate width. This project will perform the design of the ultimate roadway, analyze the right-of-way requirements, and calculate the costs associated with the construction of the facility, including right-of-way acquisition.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The project was in the 2006-07 through 2009-10 Capital Improvement Programs, with funding allocated; however, no work was begun on this project until 2008-09 when it was assigned to Parsons Engineers as part of their work as the CIP Program management firm and was subsequently awarded in October 2008. Work was to proceed at the end of June 2009, but was suspended due to other CIP project priorities.

Project Schedule for 2010-11 Budget:

No work is anticipated on this project. Once prioritized in future years, it is anticipated that Parsons Engineers will prepare a detailed design report including preliminary design and cost estimates.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
300-700-7095 Contractual	\$ 0	\$ 0	\$ 350,000	\$ 0	\$ 0
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 350,000</u>	<u>\$ 0</u>	<u>\$ 0</u>

Source of Funds

300 DIF Streets	\$ 0	\$ 0	\$ 350,000	\$ 0	\$ 0
Total Source of Funds	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 350,000</u>	<u>\$ 0</u>	<u>\$ 0</u>

Project Funding Narrative:

This project is being funded with Streets Development Impact Fees (DIF) funds.

Project Impact on Operating Budget:

This project will have no impact on the operating budget at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Aqueduct Crossing Improvements – Widen Bridge at Main Street
Phase 1 Design and Right-of-Way Identification
Phase 2 Right-of-Way Acquisition and Construction

Project Number: 7096

Department/Program: Development Services – Streets CIP

Project Description and Location:

The bridge along Main Street which crosses the California Aqueduct currently has capacity for only four lanes, two in each direction. The City’s Master Plan of arterial highways identifies Main Street as a major arterial roadway, which has a total of six lanes, three in each direction from Interstate 15 to 11th Avenue. In addition, two new large scale retail developments proposed along this corridor in the near-term will impact Main Street with additional traffic. As a result, the bridge will have to be widened to accommodate the ultimate configuration of Main Street. The widening project has many potential issues; the chief issue being interaction with the Department of Water Resources (DWR). Other issues involve a potential retro-fit of the existing bridge structure to meet the new State seismic requirements, potential environmental issues, and involvement of Caltrans given its proximity to Interstate 15.

The first phase of the project will include preliminary design and the issues associated with that design, including right-of-way and outside agency coordination. Complete cost estimates and a proposed schedule will also result from this project phase. Phase 2 will involve acquisition of the necessary right-of-way, and construction.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The consultant firm to carry out Phase 1 (design and right-of-way identification and project management) was engaged in February 2008. Commencement of the work began in May 2008. Coordination with DWR began with two meetings that occurred in Summer 2008. Preliminary design was completed and design work was started in January 2009. The Bridge Type Selection report was completed in March 2010 and submitted to DWR for approval. Coordination with DWR continued through April 2010. This new bridge is intended to serve westbound traffic, while the existing bridge will be seismically retrofitted by the state, and serve solely, eastbound traffic.

Project Schedule for Fiscal Year 2010-11 Budget:

Right-of-way identification and design is suspended this fiscal year due to changes in the economy and slowed development. Once design work is recommended and complete, right-of-way acquisition will begin, and construction will follow.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
300-700-7096 Contractual	\$ 0	\$ 7,428	\$ 0	\$ 0	\$ 0
586-700-7096 Contractual	1,824	0	600,000	60,000	0
Total Expenditures	\$ 1,824	\$ 7,428	\$ 600,000	\$ 60,000	\$ 0

Source of Funds

300 DIF Streets	\$ 0	\$ 7,428	\$ 0	\$ 0	\$ 0
586 Redevelopment Capital P/A #1	1,824	0	600,000	60,000	0
Total Source of Funds	\$ 1,824	\$ 7,428	\$ 600,000	\$ 60,000	\$ 0

Project Funding Narrative:

Phase 1 is estimated to cost \$650,000, and the right-of-way acquisition portion of Phase 2 is estimated at \$300,000. The construction portion of Phase 2 would begin in Fiscal Year 2011-12 or 2011-12. This project is to be funded by a combination of Streets Development Impact Fees and Redevelopment Capital Project funds.

Project Impact on Operating Budget:

This project will have no effect on the operating budget at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: New Aqueduct Crossing – Bridge at Escondido Avenue Design
Phase 1 Design and Right-of-Way Identification
Phase 2 Right-of-Way Acquisition and Construction

Project Number: 7097

Department/Program: Development Services – Streets CIP

Project Description and Location:

The future alignment of Escondido Avenue, as indicated on the City's Master Plan of Arterial Highways, crosses the California Aqueduct approximately ¼-mile north of Main Street. The northerly extension of Escondido Avenue will connect to a realignment of Mariposa Avenue through the City's future commercial area north of Main Street. This realignment of Mariposa and the extension of Escondido Avenue over the aqueduct will be driven by the influx of commercial development of this area. This is a new bridge crossing over the aqueduct, which would have to be constructed under permits from the State Department of Water Resources (DWR). Other issues involve potential environmental impacts and involvement of Caltrans given the proximity to Interstate 15.

The first phase will involve preliminary design and the issues associated with that design, including right-of-way needs and outside agency coordination. It is expected that the necessary right-of-way will be dedicated by the abutting commercial development. Complete cost estimates and a proposed schedule will also be results of this project.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The consultant firm to carry out Phase 1 (design and right-of-way identification and project management) was engaged in February 2008 and was subsequently awarded in October. Commencement of the work began in May 2008, but the project is driven by new commercial development north of Main Street that has not progressed. As a result, work was halted by the consultant in mid-2008.

Project Schedule for 2010-11 Budget:

No funding is proposed at this time. When prioritized in future years, right-of-way identification and significant amount of design are expected to be completed in one year. Once design is complete, right-of-way acquisition will begin and construction will follow.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
586-700-7097 Contractual	\$ 3,448	\$ 9,166	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 3,448	\$ 9,166	\$ 0	\$ 0	\$ 0

Source of Funds

586 Redevelopment Capital P/A #1	\$ 3,448	\$ 9,166	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 3,448	\$ 9,166	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project will be funded by a combination of Streets Development Impact Fees and Redevelopment Capital Project funds. Phase 1 (\$300,000) will be funded by Redevelopment Capital.

Project Impact on Operating Budget:

This project will have no effect on the operating budget at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Muscatel Street/I-15 Interchange and Joshua Street Overpass
 Phase I – Project Study Report (PSR)
 Phase II – Project Approval and Environmental Document (PA & ED)

Project Number: 7098

Department/Program: Development Services – Streets CIP

Project Description and Location:

The City's Master Plan of Arterial Highways indicates a crossing of I-15 in the vicinity of Muscatel Street on the east side of the freeway to a connection with Mesa Linda Avenue on the west side of the freeway. This was originally envisioned as a bridge crossing only, with no connections to the freeway; however, because of projected traffic on adjacent freeway connections, an additional access to I-15 is warranted. This proposed interchange would connect the proposed large scale commercial areas on each side of the freeway; enable easy access to both sides of the freeway, and providing better circulation within the City without having to utilize the Main Street interchange. In addition, the City proposed to concurrently evaluate modifications to the Joshua Street off-ramps to provide a northbound off-ramp (under Project 7099); however, due to the current spacing between Main Street, Muscatel Street, Joshua Street, and the U.S. 395/I-15 Junctions, all connections together will not meet Caltrans, nor the Federal Highway Administration (FHWA), standards. Consequently, the City has decided to consolidate the Muscatel and Joshua projects into one project in order to evaluate one freeway interchange that will be acceptable to both agencies. Preliminary discussions with both agencies indicate that the Muscatel Street alignment would be preferred over the Joshua Street alignment. Phase 1 of this project will involve the preparation of a Project Study Report (PSR) portion of the project for submittal to Caltrans.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The City Council awarded a contract to Parsons in January 2007 to perform this phase of the work. Work commenced in May 2007 with a kick-off meeting at Caltrans. After work was approximately 20% to 30% complete, Caltrans requested that this phase of the work be upgraded from a Project Study Report/Project Development Study (PSR/PDS) to a full Project Study Report (PSR), which requires a higher level of analysis than initially required. The project was delayed by cessation of Caltrans oversight on all "K-phase" (planning) projects due to lack of funding for a period of 2-3 months. Parsons continued to work on the preliminary studies and traffic analysis with the PSR work to progress to a draft PSR by April 2009 which was reviewed by Caltrans beginning in May 2009. The Preliminary Environmental Analysis Report (PEAR) was approved in January 2010. The PSR was signed by Caltrans in May 2010, closing out Phase 1 of the project.

Project Schedule for 2010-11 Budget:

No funding is proposed in FY 2010-11. Staff will evaluate options for funding Phase II, which is the Project Approval & Environmental Document (PA&ED) Phase. Approval of the PA&ED will allow the City to gain acceptability of a new connection report from FHWA, begin procuring required right of way and begin the Plans, Specifications and Estimates (PS&E) engineering design work for the project.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
300-700-7098 Contractual	\$ 135,648	\$ 179,486	\$ 160,000	\$ 118,000	\$ 0
Total Expenditures	\$ 135,648	\$ 179,486	\$ 160,000	\$ 118,000	\$ 0
 <u>Source of Funds</u>					
300 DIF Streets	\$ 135,648	\$ 179,486	\$ 160,000	\$ 118,000	\$ 0
Total Source of Funds	\$ 135,648	\$ 179,486	\$ 160,000	\$ 118,000	\$ 0

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Muscatel Street/I-15 Interchange and Joshua Street Overpass (Continued)

Project Funding Narrative:

This project is funded with Streets Development Impact Fees (DIF) funds. The FY 2007-08 CIP Budget combined this project with the Joshua Street Overcrossing Project and was managed as a combined, single project with a contract amount of \$249,892. Additional funding of \$310,000 was needed to continue this phase of work in FY 2008-09 due to the Caltrans' requirement to upgrade the document to a PSR. For FY 2009-10, \$160,000 was programmed to complete the PSR. Commencement of the PA & ED phase will be evaluated once the PSR is completed. If appropriate a budget amendment will be scheduled to fund the work.

Project Impact on Operating Budget:

This project will have no effect on the operating budget at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: New Traffic Signal – Main Street and Rock Springs Road

Project Number: 7100

Department/Program: Development Services – Streets CIP

Project Description and Location:

The intersection of Main Street and Rock Springs Road within the City has been the site of several accidents. The City's Traffic Engineer has reviewed the collision reports and examined traffic counts through the intersection. By today's traffic counts, the intersection does not warrant a signal. However, the accident history of the intersection would suggest that a signal should be placed at the intersection immediately. In addition, because this intersection will serve an approved residential project near Glendale Avenue, and the anticipated construction of the Rancho Road Undercrossing will result in an increase in traffic at this intersection, warrants for the signal will be met. By carrying out this project, the City is being proactive in addressing traffic impacts.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

An engineering consultant was engaged to design the project (Albert Grover and Associates) in March 2007. The draft Engineer's Report was completed by Fall 2007, after which design work began. Design plans for construction were completed in April and plan-checked. Because of sight-distance and safety issues, the project limits were expanded from immediately adjacent to the intersection west to the Main Street/Choiceana intersection, and south along Arrowhead Lake Road to increase the road taper. From these plans, right-of-way needs were identified, and acquisition work began. This was delayed after the City was awarded Proposition 1B funds that were assigned to the reconstruction of Rock Springs Road (under C.O. 7111) which were time-sensitive. This project resumed work once Rock Springs Road began construction. Design was completed in November 2009, after which right-of-way identification occurred and acquisition of three properties began. It is expected that right-of-way will be completed in July 2010.

Project Schedule for 2010-11 Budget:

Construction will begin in August/September and be completed by the beginning of the calendar year 2011.

Project Costs and Funding:

<u>Expenditure Phases</u>	<u>2007-08</u> <u>Actual</u>	<u>2008-09</u> <u>Actual</u>	<u>2009-10</u> <u>Budget</u>	<u>2009-10</u> <u>Revised</u>	<u>2010-11</u> <u>Budget</u>
201-700-7100 Contractual	\$ 58,900	\$ 19,560	\$ 5,000	\$ 5,000	\$ 0
300-700-7100 Contractual	0	34	1,500,000	14,000	581,025
300-700-7100 Land	0	0	0	4,000	0
504-700-7100 Contractual	0	0	0	0	850,075
Total Expenditures	\$ 58,900	\$ 19,594	\$ 1,505,000	\$ 23,000	\$ 1,431,100

Source of Funds

201 Measure I-Arterial	\$ 58,900	\$ 19,560	\$ 5,000	\$ 5,000	\$ 0
300 DIF Streets	0	34	1,500,000	18,000	581,025
504 City Wide Projects (SANBAG Grant)	0	0	0	0	850,075
Total Source of Funds	\$ 58,900	\$ 19,594	\$ 1,505,000	\$ 23,000	\$ 1,431,100

Project Funding Narrative:

This project is funded with Measure I Arterial Funds and Streets Development Impact Fees (DIF) funds. Design work (\$90,000) is funded by (Measure I Arterial funds), and Right-of-way acquisition (\$134,000) and construction (estimated at \$1.3 million) will be funded by San Bernardino Associated Governments (SANBAG) Local Stimulus grant funds (\$850,075), which became available in Fall 2009, and DIF Streets (\$581,025).

Project Impact on Operating Budget:

This project will result in an increase to Operation and Maintenance expenses due to the construction of a new traffic signal at Main Street and Rock Springs Road.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Traffic Signal Upgrade – Main Street and Third Avenue

Project Number: 7101

Department/Program: Development Services – Streets CIP

Project Description and Location:

Several of the City's traffic signals along Main Street are in need of replacement. Some of the original signal equipment has not been replaced or upgraded since the original installation of the signal in the early 1980's. Much of the signal equipment is obsolete and replacement parts are no longer available. This project replaced the signal controllers and equipment at the intersection of Main Street and Third Avenue.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This project was previously approved at the FY 2005-06 Mid-Year Budget, and funds were committed under Streets Maintenance. This project was added to the Capital Improvement Program in 2006-07 so that it may be budgeted and tracked separately from "Maintenance." A traffic signal consultant (Republic ITS) was engaged in June 2007 to design and install the added upgrades. Design work was completed in April 2008, and construction began in May. All construction work was completed by October 2008. Acceptance of the work and close-out of the project occurred in November 2008.

Project Status:

This project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
201-700-7101 Contractual	\$ 201,184	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>\$ 201,184</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 <u>Source of Funds</u>					
201 Measure I-Arterial	\$ 201,184	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	<u>\$ 201,184</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Project Funding Narrative:

This project was funded from Measure I Arterial funds for a total project cost of \$201,000.

Project Impact on Operating Budget:

This project reduced the maintenance required to keep the obsolete signal equipment working properly and increased the effectiveness of the signal, thus lowering the impact to the operating budget.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Township Improvements and Redevelopment

Project Number: 7102

Department - Program: Development Services – Streets CIP

Project Description and Location:

The original residential land subdivision within the City of Hesperia is located primarily north of Main Street and west of Hesperia Road to 7th Avenue. This area is primarily served by septic tanks and steel water lines located within easements behind the homes. The lots are very small and some of the homes are in poor condition. Development of this area is stymied by the State's requirement that does not allow septic systems on lots smaller than 15,000 square feet, so until sewer lines are constructed, it is not possible to build on these lots, unless they are combined.

The City invested millions of dollars in developing the Civic/Library Complex adjacent to this area. Redevelopment of this Township Area will upgrade the housing adjacent to the new Civic Complex. The City is committing, as part of this project, to improve two streets the first year and complete the project over the following years in the Township Area. These improvements would consist of water and sewer line installation, streetscape landscaping, and full street improvements with curb, gutter, and sidewalk.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The City performed an overlay paving of several streets in the Township Area as an interim improvement which will not see the complete reconstruction for several years. Spruce and Smoke Tree Streets are the first streets to receive the full improvements. A consultant was engaged to conduct the survey and design work (Hall and Foreman). Public meetings were held in September 2007 and February 2008 to solicit property owner/resident input in the project design. Conceptual design of the entire Township Area and construction plans for Spruce and Smoke Tree Streets continued through Fall 2008 and Phase 1 improvements (water, sewer, storm drain) were awarded in January 2009 to Aspen Pipeline for \$1,317,000 and was substantially completed by October 2009. The Phase 2 (curb/gutter, street paving) and Phase 3 improvement (landscaping) were bid in June 2009 and were awarded on August 18, 2009 to Cooley Construction and CS Legacy for \$2,948,000 and \$865,300, respectively. Construction began for Phase 2 December 2009 and Phase 3 began construction in April. Both phases should be completed by the end of the fiscal year.

Project Schedule for 2010-11 Budget:

Design of the next two streets will begin in Winter 2010 (with in-house staff and contract surveying), will be completed by 2011 and pending on funding availability, will be ready to bid for construction by Fall 2011.

Project Costs and Funding:

	2007-08	2008-09	2009-10	2009-10	2010-11
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
586-700-7102 Contractual	\$ 420,282	\$ 693,793	\$ 3,733,000	\$ 4,616,500	\$ 105,000
701-700-7102 Contractual	0	456,038	0	290,000	0
711-700-7102 Contractual	0	0	0	0	0
Total Expenditures	\$ 420,282	\$ 1,149,831	\$ 3,733,000	\$ 4,906,500	\$ 105,000

Source of Funds

586 Redevelopment Capital P/A #1	\$ 420,282	\$ 693,793	\$ 3,733,000	\$ 4,616,500	\$ 105,000
701 Water Capital	0	456,038	0	290,000	0
711 Sewer Capital	0	0	0	0	0
Total Source of Funds	\$ 420,282	\$ 1,149,831	\$ 3,733,000	\$ 4,906,500	\$ 105,000

Project Funding Narrative:

This project is funded by a combination of Redevelopment and Water Capital funds.

Project Impact on Operating Budget:

This project will result in a decrease to operation and maintenance expenses due to the improvement of the streets and the savings in street maintenance. This will be offset somewhat by the new maintenance costs of landscaping to be done by the Hesperia Recreation and Park District.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2007-08 Street Improvement Project

Project Number: 7103

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the corrective maintenance through reconstruction and preventative maintenance via slurry seal or overlay of multiple roads throughout the City. The roads to be improved will include residential streets, collectors roads, and arterial roads (such as Main Street). The City Council Advisory Committee reviewed the plan in April 2007 and recommended the City Council accept the mix of streets subject to funding availability. The City Council concurred with the plan in April, subject to final Budget adoption. This project is in the ninth year of the major Citywide Street Improvement Program, and supplements the approximately \$59 million in expenditures for paving and/or slurry sealing over 300 miles of roads to date.

Project Status and Work Completed Through Fiscal Year 2009-2010:

Approximately half of the streets identified in this year's Paving Program were completed by March, 2008 under Schedule 1, including Main Street from Peach Avenue to I Avenue. The contractor, Match Construction has performed an outstanding job, with the City receiving more compliments for this paving job than ever before. Schedule 2 began construction in June 2008. The project was expected to be completed by Winter 2009; however, in February 2009, Match's contract was amended by \$1 million to carry out construction of Main Street between Catalpa and Mesa Linda. Schedule 2 project was completed in June 2009, and accepted by the City Council on August 18, 2009 for a total project cost of \$10,720,600.62.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	<u>2007-08</u> <u>Actual</u>	<u>2008-09</u> <u>Actual</u>	<u>2009-10</u> <u>Budget</u>	<u>2009-10</u> <u>Revised</u>	<u>2010-11</u> <u>Budget</u>
201-700-7103 Contractual	\$ 12,431	\$ 3,083,853	\$ 0	\$ 0	\$ 0
202-700-7103 Contractual	942,227	500,000	0	0	0
205-700-7103 Contractual	67,592	0	0	0	0
207-700-7103 Contractual	144	0	0	0	0
586-700-7103 Contractual	7,243,562	3,698,384	0	0	0
587-700-7103 Contractual	165,897	75,363	0	0	0
701-700-7103 Contractual	1,344,603	2,000,000	0	0	0
Total Expenditures	\$ 9,776,456	\$ 9,357,600	\$ 0	\$ 0	\$ 0

Source of Funds

201 Measure I - Arterial	\$ 12,431	\$ 3,083,853	\$ 0	\$ 0	\$ 0
202 Measure I - Local	942,227	500,000	0	0	0
205 Gas Tax	67,592	0	0	0	0
207 Local Transportation	144	0	0	0	0
586 Redevelopment Capital P/A #1	7,243,562	3,698,384	0	0	0
587 Redevelopment Capital P/A #2	165,897	75,363	0	0	0
701 Water Capital	1,344,603	2,000,000	0	0	0
Total Source of Funds	\$ 9,776,456	\$ 9,357,600	\$ 0	\$ 0	\$ 0

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2007-08 Street Improvement Project (Continued)

Project Funding Narrative:

The completion of the 2007-08 Street Improvement Project was funded from multiple funding sources as noted above.

Project Impact on Operating Budget:

The project will result in a decrease in operational/maintenance expenses due to the reduction in street repairs to certain roads.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Railroad Crossing Feasibility Study (Eucalyptus/Lemon/Mojave)

Project Number: 7104

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involved the preparation of an engineering feasibility study to determine the better east-west crossing of the BNSF Railway tracks between Bear Valley Road and Main Street. Currently, Bear Valley Road and Main Street are the only crossings of the railroad tracks that serve the City. The Rancho Road Undercrossing Project is underway, which will provide an additional crossing south of Main Street. In order to provide one additional crossing in the three-mile distance between Bear Valley Road and Main Street, two potential alignments have been identified; (1) Eucalyptus Street, approximately one mile south of Bear Valley Road, and (2) Lemon Street/Mauna Loa Street/Mojave Street, approximately 1-3/4 to 2 miles south of Bear Valley Road.

This feasibility study analyzed both alignments, including right-of-way needs, and projected traffic volumes (based on the General Plan) of each. Preliminary coordination with the BNSF and utility companies occurred to determine any constraints. From this analysis, the more feasible alignment was selected.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The City Council awarded a contract to Parsons in November 2007 to perform the preliminary analysis and provide an Engineer's Report on the findings. Work commenced on the project in January 2008. The draft document was submitted in December 2008, and finalized in March 2009. The final report was submitted to the City Council in June 2009 to select the preferred alignment. In future years, design (Phase II) will commence under a new project and will take approximately one year to complete. Right-of-way acquisition will occur as properties become available.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
300-700-7104 Contractual	\$ 121,918	\$ 117,246	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 121,918	\$ 117,246	\$ 0	\$ 0	\$ 0

Source of Funds

300 DIF Streets	\$ 121,918	\$ 117,246	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 121,918	\$ 117,246	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This initial phase of the project will be funded by Streets Development Impact Fees.

Project Impact on Operating Budget:

None at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Main Street Corridor
 Design (U.S. 395 to 11th Ave)
 Phase 1 Right-of-Way Acquisition & Construction (Mariposa Road to Maple Avenue)

Project Number: 7105

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the engineering design and right-of-way needs identification of the City's primary east-west roadway. Rehabilitation of this corridor is one of the City's legislative priorities, and will create an identity linkage for travelers going from I-15 through the City's downtown. This project will assist in the implementation of the Main Street and Freeway Corridor Specific Plan, which has been in preparation since 2005 and was completed in the first half of Fiscal Year 2008-09. The infrastructure component is key to establishing a unifying theme. While the Specific Plan extends west of U.S. Highway 395 to "I" Avenue, this project design will cover over four miles of the seven-mile corridor that is adjacent to Interstate 15 and U.S. Highway 395. Landscaping within street medians will be included in the design. The project will be implemented in three phases: Phase 1 (Mariposa Road to Maple Avenue); Phase 2 (Maple Avenue to Eleventh Avenue), and Phase 3 (US 395 to Cataba Road).

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The consultant firm to carry out the design of all three phases and project management (Parsons) was engaged in February 2008 and a contract was subsequently awarded in October. Commencement of the work began in April 2008. Design work began, including coordination with the Department of Water Resources (DWR), for widening the bridge over the California Aqueduct (under C.O. 7096). Design should be at 60 percent by fiscal year-end. A portion of the design is to be extracted for use in repair/remediation of February 2010 storm damage at Pyrite (A-04 drain line).

Project Schedule for Fiscal Year 2010-11 Budget:

Right-of-way identification and design is suspended this fiscal year due to changes in the economy and slowed development. Once design is recommenced and completed, right-of-way acquisition will begin. Pyrite drainage repair will commence when funding becomes available.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
300-700-7105 Contractual	\$ 6,591	\$ 147,968	\$ 0	\$ 0	\$ 0
586-700-7105 Right of Way	0	0	4,250,000	153,500	0
Total Expenditures	\$ 6,591	\$ 147,968	\$ 4,250,000	\$ 153,500	\$ 0

Source of Funds

300 DIF Streets	\$ 6,591	\$ 147,968	\$ 0	\$ 0	\$ 0
586 Redevelopment Capital	0	0	4,250,000	153,500	0
Total Source of Funds	\$ 6,591	\$ 147,968	\$ 4,250,000	\$ 153,500	\$ 0

Project Funding Narrative:

For Phase 1, design is estimated at \$850,000 (excluding aqueduct work under C.O. 7096), right-of-way acquisition is estimated at \$750,000 and construction is estimated at \$3 million. Construction would occur once funds become available. This initial phase of the project was funded by Streets Development Impact Fees and subsequent phases by Redevelopment Project Area 1 tax increment.

Project Impact on Operating Budget:

There is no impact on the budget from design work. There will be a minor increase in maintenance costs upon project completion of the Pyrite repair work, and at project completion.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Main Street/Hesperia Road Interchange Feasibility Design

Project Number: 7106

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the preparation of an engineering feasibility analysis on improving vehicle movement and access from Main Street to Hesperia Road and Santa Fe Avenue. The BNSF railway tracks bisect the City, limiting east-west access. Hesperia Road is a north-south arterial on the west side of the railroad tracks, as is Santa Fe Avenue on the east side. The connection to and from these roads is circuitous, reducing their ability to effectively carry traffic. Using accepted design principles, an engineering design firm will be engaged to determine the most effective approach to connect these roads, potentially with a freeway-type interchange. Preliminary right-of-way needs will be included in the analysis.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The consultant firm chosen to carry out the feasibility design (Parsons) was engaged in February 2008 and was subsequently awarded in October. Preliminary right-of-way work began in April-May; however, due to a downturn in the economy, and re-prioritization of projects in the Capital Improvement Program, work was suspended on this project in November 2008.

Project Schedule for Fiscal Year 2010-11 Budget:

No work on this project is scheduled for FY 2010-11.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
300-700-7106 Contractual	\$ 17,702	\$ 39,599	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 17,702	\$ 39,599	\$ 0	\$ 0	\$ 0

Source of Funds

300 DIF Streets	\$ 17,702	\$ 39,599	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 17,702	\$ 39,599	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project will be funded by Streets Development Impact Fees.

Project Impact on Operating Budget:

Not applicable at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Juniper/Smoke Tree/Eighth Avenue Project

Project Number: 7107

Department/Program: Development Services – Streets CIP

Project Description and Location:

In connection with the proposed Downtown Park (Project 6515), the City completed street improvements for the perimeter of the park on the north, south and east sides. Paving on Eight Avenue was replaced by complete improvements for its use as a connection to parking and the plaza between the park and City Hall. The onsite storm drain from the new park connected to a storm drain constructed within Smoke Tree Street. Smoke Tree and Juniper Streets were improved between Seventh and Ninth Avenues with curb and gutter on both sides of the streets.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

Design was completed by the City's contract consultant (Desert Engineering) in October 2007. The project was bid for construction and awarded to Match Corporation in December 2007. Work commenced in December and was substantially complete in May 2008. The project was accepted by the City Council on September 2, 2008 for a total cost of \$1,647,794, \$2,200 under budget.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
100-700-7107 Contractual	\$ 143,324	\$ 0	\$ 0	\$ 0	\$ 0
586-700-7107 Contractual	1,497,794	0	0	0	0
Total Expenditures	\$ 1,641,118	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

100 General Fund	\$ 143,324	\$ 0	\$ 0	\$ 0	\$ 0
586 Redevelopment Capital P/A #1	1,497,794	0	0	0	0
Total Source of Funds	\$ 1,641,118	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

The project was funded from Redevelopment Capital Project funds.

Project Impact on Operating Budget:

This project will have a long range impact on the operating budget for normal street maintenance.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Industrial Park Lead Track Project

Project Number: 7108

Department/Program: Development Services – Streets CIP

Project Description and Location:

The City Redevelopment Agency's goals are to promote development of the City's industrial corridor and implement business expansion efforts and job creation. In order to further these goals, a Railroad Conceptual Plan (RCP) was commissioned with Hansen-Wilson in 2006 to evaluate the feasibility of establishing rail opportunities within the industrial area between "E" and "I" Avenues, north of the Cushenberry rail line and south of Lemon Avenue.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

An application was prepared for submittal to the U.S. Department of Commerce Economic Development Administration (EDA) for grant assistance to carry out the project. A pre-application was presented to EDA in October 2006, after which the City was subsequently invited to submit a formal application, including cost outline and matching fund commitment. After approval of the City Council/RDA Board in February 2007 to commit matching funds, the application submitted to EDA in March 2007, included construction of approximately one-mile of railroad lead track on the west side of "G" Avenue, with a parallel runaround track. A \$2 million investment grant was awarded on January 4, 2008 for the project. A contract consultant team (Parsons, with Hansen-Wilson as sub-consultant) was engaged in April 2008 to begin design of the rail spur, right-of-way identification, and environmental clearance and was subsequently awarded in October. Design continued and the environmental documentation was circulated in January/February 2009 and subsequently approved by the City in April 2009. An extension to the construction Notice to Proceed (NTP) deadline was granted in October 2009. Approval by the Public Utilities Commission occurred and coordination with California Department of Fish and Game, Lahontan Regional Water Quality Control Board and Army Corps of Engineers proceeded with all necessary permits expected by June 2010. Right-of-way acquisition was completed in June 2010 and design was also finalized by June 1st.

Project Schedule for 2010-11 Budget:

Bid for construction authorization to proceed is expected to be given by August/September 2010 in order to fulfill the EDA grant's October 2010 deadline. Construction will begin in Fall 2010, and be completed in Fiscal Year 2011-12.

Project Costs and Funding:

<u>Expenditure Phases</u>	<u>2007-08</u> <u>Actual</u>	<u>2008-09</u> <u>Actual</u>	<u>2009-10</u> <u>Budget</u>	<u>2009-10</u> <u>Revised</u>	<u>2010-11</u> <u>Budget</u>
586-700-7108 Contractual	\$ 26,353	\$ 687,628	\$ 3,250,000	\$ 920,000	\$ 2,150,000
586-700-7108 Land		680,607	0	600,000	0
586-700-7108 Grant Expense (EDA)					2,000,000
Total Expenditures	\$ 26,353	\$ 1,368,235	\$ 3,250,000	\$ 1,520,000	\$ 4,150,000

Source of Funds

586 Redevelopment Capital P/A #1	\$ 26,353	\$ 1,368,235	\$ 3,250,000	\$ 1,520,000	\$ 2,150,000
586 Redevelopment Capital P/A #1 (EDA Grant)	0	0	0	0	\$ 2,000,000
Total Source of Funds	\$ 26,353	\$ 1,368,235	\$ 3,250,000	\$ 1,520,000	\$ 4,150,000

Project Funding Narrative:

The design will be funded by Redevelopment Project Area funds. Right-of-way and construction will be funded by Economic Development administration grant (\$2 million), and Redevelopment Project Area 1 tax increment and/or bond proceeds for grant match (\$6.1 million). Design (\$1.1 million) and right-of-way acquisition (\$600,000) was carried out in Fiscal Year 2008-09 and 2009-10, and construction will begin in Fall 2010 (\$4,150,000 million budgeted), and the balance (estimated at \$3 million) completed in Fiscal Year 2011-12.

Project Impact on Operating Budget:

This has no impact on the Operating budget at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Bear Valley Road Widening – Mariposa Road to 600 Feet East

Project Number: 7110

Department/Program: Development Services – Streets CIP

Project Description and Location:

The intersection of Bear Valley Road and Mariposa Road is one of the heaviest traveled locations in the entire Victor Valley. While three eastbound travel lanes have been installed on the south side of Bear Valley Road, the ultimate improvements are not in place. New development in the vicinity will necessitate the completion of the improvements. The curb line will be placed connecting to improvements approximately 600 feet east at a restaurant right-of-way, and the traffic signal on the southeast corner of the intersection will be similarly relocated.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The project was initially considered in 2006-07 to coincide with the new hotel completion; however, a fire at the hotel site significantly delayed the construction. No work was carried on in Fiscal Year 2008-09. A proposed restaurant (Carl's Jr.) was submitted for review by the City in March 2009. The project was approved, and broke ground in January 2010. The plans have been completed in February 2010 and the City will be completing this project with the Annual Street Improvement Program (C.O. 7117), which began construction in June 2010.

Project Schedule for Fiscal Year 2010-11 Budget:

The project construction should be completed by August.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
300-700-7110 Contractual	\$ 0	\$ 0	\$ 300,000	\$ 163,000	\$ 20,000
Total Expenditures	\$ 0	\$ 0	\$ 300,000	\$ 163,000	\$ 20,000

Source of Funds

300 DIF Streets	\$ 0	\$ 0	\$ 300,000	\$ 163,000	\$ 20,000
Total Source of Funds	\$ 0	\$ 0	\$ 300,000	\$ 163,000	\$ 20,000

Project Funding Narrative:

This project will be funded by the Streets portion of Development Impact Fees.

Project Impact on Operating Budget:

This project will result in a minor increase in operational/maintenance costs for the new improvements.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Rock Springs Road Reconstruction Project

Project Number: 7111

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involved the complete reconstruction and widening of Rock Springs Road from Main Street to the City limits just east of Glendale Avenue. The roadway was reconstructed with two travel lanes in each direction, a continuous center turn median, and a Class II bicycle lane. Some minor storm drain work was also completed to address a historic sump condition. The award of the Proposition 1B Local Street and Road funds approved by the voters last year allowed the City to identify this project as a viable construction project that could be completed in the short timeframe required under the terms of the funding. This project linked the new signal being constructed at the intersection of Rock Springs Road and Main Street, as well as the Main Street widening project which was completed in 2008. Funding was approved by the State in September 2007.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This new project was identified after the announcement of the Proposition 1B funding award. The design of the project was advanced in anticipation of receiving the Proposition 1B funding and is complete. Construction of the project went out for bid in early June, 2008, with the award for construction to the City Council occurring on September 16, 2008 to Match Corporation. The project was substantially complete in February 2009 after an all-road closure was conducted in November/December 2008. Final utility relocation occurred by May, and remediation to private properties was substantially complete by June 2009, and accepted in July 2009.

Project Status:

The project is complete; however, remediation to one final private property should be closed-out by December 2010.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
300-700-7111 Contractual	\$ 0	\$ 244,701	\$ 0	\$ 10,000	\$ 115,000
504-700-7111 Contractual	0	1,381,257	0	0	0
Total Expenditures	\$ 0	\$ 1,625,958	\$ 0	\$ 10,000	\$ 115,000

Source of Funds

300 DIF Streets	\$ 0	\$ 244,701	\$ 0	\$ 10,000	\$ 115,000
504 City Wide Projects	0	1,381,257	0	0	0
Total Source of Funds	\$ 0	\$ 1,625,958	\$ 0	\$ 10,000	\$ 115,000

Project Funding Narrative:

The project was funded from Proposition 1B transportation funds (\$1,381,256.99), as well as DIF Streets (\$377,743).

Project Impact on Operating Budget:

This project will have a long range impact on the operating budget for normal street maintenance.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2008-09 Street Improvement Project

Project Number: 7114

Department/Program: Development Services – Street

Project Description and Location:

This project involves the corrective maintenance through reconstruction and preventative maintenance via slurry seal or overlay of multiple roads throughout the City. The roads to be improved will include residential streets, collector roads, and arterial roads. In 2008-09 the City Council Advisory Committee (CCAC) reviewed the plan in January, 2008 and recommended the City Council accept the mix of streets subject to funding availability. The City Council concurred with the plan in February subject to final Budget adoption. The Planning Commission made a finding of conformity with the General Plan in April 2008. The next project was reviewed by the City Council as part of the mid-year review in February 2009 and was reviewed and recommended by the CCAC in March. The Planning Commission made a finding of conformity of the Capital Improvement Program in April 2009.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The Five-Year Plan for Roadway Improvements was developed in early 2008 and shown to the City Council at the February Budget Workshop. This plan will be the basis for the annual paving program contingent on funding approval by the City Council. The plan calls for approximately 35 miles of roadway paving for FY 2008-09, based on a commitment of \$10 million to this year's program. Schedule 1, consisting of 80,000 lineal feet of roads (16 miles) was awarded to Sully-Miller Construction on September 16, 2008 for \$4.17 million. On-call staking was awarded to TRLS Engineering on October 7, 2008 for \$56,110. Schedule 2, consisting of 100,000 lineal feet of roads, should be bid before the end of FY 2008-09. Based on material savings, the Schedule 1 costs are expected to be \$400-\$500,000 less than the award. After award, \$1.1 million was transferred to the 2007-08 project (C.O. 7103) in March 2009. Schedule 2 was bid in April and was awarded to Cooley Construction in May 2009 for \$3,253,000 and construction started in June 2009 and was substantially complete in November. Cooley Construction was engaged to carry out emergency repairs to Seventh Avenue that resulted from a catastrophic pipeline/trench failure. This \$500,000 expenditure was initially budgeted in this C.O. but was adjusted to 700-4030 Water accounts during Mid-Year 2009-10 Budget amendments on February 16, 2010.

Project Status:

The project is complete.

Project Costs and Funding:

	2007-08	2008-09	2009-10	2009-10	2010-11
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
100-700-7114 Contractual	\$ 0	\$ 0	\$ 0	\$ 125,286	\$ 0
201-700-7114 Contractual	0	1,848,663	0	47,386	0
202-700-7114 Contractual	0	971,244	0	0	0
205-700-7114 Contractual	0	66,597	0	0	0
250-700-7114 Contractual	0	505,687	0	0	0
586-700-7114 Contractual	0	2,700,736	1,742,315	1,592,453	0
701-700-7114 Contractual	0	1,042,470	376,179	292,570	0
Total Expenditures	\$ 0	\$ 7,135,397	\$ 2,118,494	\$ 2,057,695	\$ 0

Source of Funds

100-700-7114 Contractual	\$ 0	\$ 0	\$ 0	\$ 125,286	\$ 0
201 Measure I - Arterial	0	1,848,663	0	47,386	0
202 Measure I - Local	0	971,244	0	0	0
205 Gas Tax Fund	0	66,597	0	0	0
250 Traffic Congestion Relief	0	505,687	0	0	0
586 Redevelopment Capital P/A #1	0	2,700,736	1,742,315	1,592,453	0
701 Water Capital	0	1,042,470	376,179	292,570	0
Total Source of Funds	\$ 0	\$ 7,135,397	\$ 2,118,494	\$ 2,057,695	\$ 0

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2008-09 Street Improvement Project (Continued)

Project Funding Narrative:

The construction of the FY 2008-09 Street Improvement Project initially was funded at \$10.66 million and from multiple funding sources as noted above. The project was reduced by \$1.1 million, resulting in a revised funding of \$9.6 million.

Project Impact on Operating Budget:

The project will result in a decrease in operational/maintenance expenses due to the reduction in street repairs to certain roads.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Maple Avenue Reconstruction
Project Number: 7115
Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the complete reconstruction of Maple Avenue from Rancho Road to Bear Valley Road. This six-mile segment is one of the north-south arterials that serve as a major connector on the west side of the City for Eucalyptus Avenue, Mojave Street, Main Street, and Sultana Street. Development in the northwest portion of the City and proposed park facilities by the Hesperia Recreation and Park District in the vicinity of the El Centro and Rancho Road provides justification for this improvement. The project would be contingent on receipt of Federal American Recovery and Reinvestment Act of 2009 (ARRA) funding to occur in FY 2009-10.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This project was added in FY 2009-10, and no ARRA funding was obtained.

Project Schedule for 2010-11 Budget:

If funding is obtained through ARRA, design would begin in Fall 2010, and the project would be bid for construction in Winter 2011. Construction would be substantially complete by the end of the fiscal year.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
TBD-700-7115 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	0	0	0	0	0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

TBD	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	0	0	0	0	0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

Design costs estimated at \$150,000, and construction costs estimated at \$4.5 million would be paid by the Federal American Recovery and Reinvestment Act of 2009.

Project Impact on Operating Budget:

Once completed, the project will result in a minor increase in annual road maintenance costs, which would be offset by current repair/remediation work currently conducted by staff (pothole filling, road grading).

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Traffic Signal at Smoke Tree and Seventh Avenue

Project Number: 7116

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the installation of a new traffic signal at the four-way intersection of Smoke Tree Avenue and Seventh Avenue. The City's Civic Center plan identifies several government facilities in the two-block area of Seventh/Ninth Avenue between Juniper and Willow Streets. Construction of the City Hall/Library complex and Civic Plaza Park has increased traffic along Seventh Avenue. With the impending construction of the City's new Police Station and the County's High Desert Government Center (HDGC) on the north side of Smoke Tree Avenue, warrants will be met for a signal to allow access to Seventh Avenue. This will replace the current two-way stop conditions on both legs of Smoke Tree Avenue.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This project was added in 2009-10 to occur concurrent with the Police Station and HDGC project completion. Construction of these projects started in August 2009 and are scheduled for completion in October 2010. This project will be bid as a design-build and begin in June 2010.

Project Schedule for 2010-11 Budget:

Construction will continue through September 2010, and be operational prior to completion of the projects.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
300-29-7116 Contractual	\$ 0	\$ 0	\$ 250,000	\$ 20,000	\$ 230,000
Total Expenditures	\$ 0	\$ 0	\$ 250,000	\$ 20,000	\$ 230,000

Source of Funds

300 DIF Streets	\$ 0	\$ 0	\$ 250,000	\$ 20,000	\$ 230,000
Total Source of Funds	\$ 0	\$ 0	\$ 250,000	\$ 20,000	\$ 230,000

Project Funding Narrative:

This project will be funded by Redevelopment Project Area funds.

Project Impact on Operating Budget:

Once operational in mid- FY 2010-11, there will be minor utility cost increase and service contract costs for maintaining the signal.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: 2009-10 Street Improvement Project

Project Number: 7117

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the corrective maintenance through reconstruction and preventative maintenance via slurry seal overlay, or reconstruction of multiple roads throughout the City. The roads to be improved will include residential streets, collector roads, and arterial roads, some of which were previously affected by the installation of new water lines by the Water District. The City Council first reviewed the plan in February 2009, after which the scope of the project was reviewed by the City Council Advisory Committee in March 2009, as part of the entire Capital Improvement Program. This was recommended to the City Council subject to funding availability. The Planning Commission made a finding of conformity of the Capital Improvement Program with the General Plan in April 2009. The plan calls for approximately 20 miles of roadway paving for FY 2009-10, based on a commitment of \$7-8 million to this year's program.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

Design of the project began in late 2009 (as one schedule), and the project was bid for construction in March 2010. The City Council awarded the project in April and construction commenced in June 2010.

Project Schedule for 2010-11 Budget:

Construction will continue into the new fiscal year, and be complete by November 2010.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
201-700-7117 Contractual	\$ 0	\$ 0	\$ 400,000	\$ 0	\$ 400,000
504-700-7117 Contractual	0	0	0	0	400,001
586-700-7117 Contractual	0	0	3,060,254	10	1,484,840
587-700-7117 Contractual	0	0	1,748,638	0	1,748,638
588-700-7117 Contractual	0	0	1,677,035	0	1,677,035
Total Expenditures	\$ 0	\$ 0	\$ 6,885,927	\$ 10	\$ 5,710,514

Source of Funds

201 Measure I - Arterial	\$ 0	\$ 0	\$ 400,000	\$ 0	\$ 400,000
504 City Wide Projects (SANBAG Grant)	0	0	0	0	400,001
586 Redevelopment Capital P/A #1	0	0	3,060,254	10	1,484,840
587 Redevelopment Capital P/A #2	0	0	1,748,638	0	1,748,638
588 Redevelopment Capital WVEDA	0	0	1,677,035	0	1,677,035
Total Source of Funds	\$ 0	\$ 0	\$ 6,885,927	\$ 10	\$ 5,710,514

Project Funding Narrative:

This project will be funded by multiple sources, including Redevelopment Project Area funds, Measure I, Gas Tax, and SANBAG Local Stimulus Program (Project 70010-002, PO# P10148) Water Capital.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Traffic Signal Upgrade – Main Street and C Avenue

Project Number: 7118

Department/Program: Development Services – Streets CIP

Project Description and Location:

This is an interim improvement project to upgrade the signal equipment at the intersection of Main Street and “C” Avenue. These upgrades such as a new controller and battery back-up will enable the intersection to operate consistently with the other intersections along the Main Street corridor which have been recently upgraded, such as 3rd and Seventh Avenues. There will be no street improvements or right-of-way acquisition associated with this project as these additional improvements will be very costly. It is anticipated that these additional street improvements can be made when development ramps-up again and the City begins collecting more Development Impact Fees.

Work to be accomplished includes the installation of a new signal controller and cabinet, new wiring within the existing conduits, upgrading the signal heads to light emitting diodes (LED), new pedestrian signals and push-buttons, and the installation of video detection equipment to eliminate the use of detection loops in the asphalt. In order to save money on design, it will be recommended that the project be accomplished as a design-build project.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This project was added in FY 2008-09. Staff will solicit bids from a consultant for the work to be carried out as a design-build (similar to 3rd Avenue) in conjunction with C.O. 7116. This began in May 2010.

Project Schedule for 2010-11 Budget:

Once designed, by Fall 2010, equipment will be provided that will include the installation of a new signal controller and cabinet, new wiring within the existing conduits, upgrading the signal heads to light emitting diodes (LED), new pedestrian signals and push-buttons, and the installation of video detection equipment to eliminate the use of detection loops in the asphalt.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
201-29-7118 Contractual	\$ 0	\$ 0	\$ 250,000	\$ 10,000	\$ 0
204-29-7118 Contractual	0	0	0	0	240,000
Total Expenditures	0	0	250,000	10,000	240,000

Source of Funds

201 Measure I Arterial Fund	\$ 0	\$ 0	\$ 250,000	\$ 10,000	\$ 0
204 Measure I Renewal Fund	0	0	0	0	240,000
Total Source of Funds	\$ 0	\$ 0	\$ 250,000	\$ 10,000	\$ 240,000

Project Funding Narrative:

This project will be funded by Measure I Arterial funds.

Project Impact on Operating Budget:

Once completed, maintenance of the signal will be reduced.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: NEW 2010-11 Street Improvement Project

Project Number: 7120

Department - Program: Development Services – Streets CIP

Project Description and Location:

This project involves the annual program to conduct corrective maintenance through reconstruction and/or preventative maintenance via slurry seal overlay, or reconstruction of multiple roads throughout the City. The roads typically scheduled to be improved include residential streets, collector roads, and arterial roads, some of which were previously affected by the installation of new water lines by the Water District. The City Council first reviewed the plan in February 2010 during the FY 2009-10 Mid-year Budget study session, after which the scope of the project was reviewed by the City Council Advisory Committee on April 14, 2010, as part of the entire Capital Improvement Program. This was recommended to the City Council subject to funding availability. The Planning Commission made a finding of conformity of the Capital Improvement Program with the General Plan on April 8, 2010. The plan initially called for approximately 10-15 miles of roadway paving for FY 2010-11, based on a commitment of \$3.0 million to this year's program. However, due to financial constraints, the amount of funding is being withheld until after State revenue installments and projections are received by the City (in September/October 2010).

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This is a new project.

Project Schedule for 2010-11 Budget:

The project will be submitted to the City Council during Mid-year budget review, after which the Scope will be established based on funding availability. Bids for construction will then be solicited in Spring 2011 after the list of streets has been compiled. The project will be bid in one schedule. Construction would begin in April or May 2011 (for Spring).

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
XXX-XXX-XXXX Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
XXX Title	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

Funds for this project will be determined in February 2011.

Project Impact on Operating Budget:

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Santa Fe Circulation Study - NEW

Project Number: 7119

Department - Program: Development Services – Streets CIP

Project Description and Location:

This project involves the preparation of an engineering feasibility analysis on improving vehicle movement and access through the City, specifically in the area from Main Street to Lemon Avenue in the City's industrial area along Santa Fe Avenue. Currently, Santa Fe Avenue extends from the southern City limits northerly to "I" Avenue. However, a gap exists in this alignment between Spruce Street and Live Oak Street (due to railroad right-of-way) and pavement terminates further north between Live Oak Street and Lemon Street. Using accepted survey and engineering design principles, an evaluation/analysis will occur to determine if the gap can be closed. Right-of-way needs property ownership and parcel configurations will be key to completing the study.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This is a new project.

Project Schedule for 2010-11 Budget:

An engineering survey consultant will be engaged beginning in Fall 2010, after which in-house staff will prepare preliminary design plans. The results of this work, expected by Spring 2011, will help determine if further work is warranted.

Project Costs and Funding:

<u>Expenditure Phases</u>	<u>2007-08 Actual</u>	<u>2008-09 Actual</u>	<u>2009-10 Budget</u>	<u>2009-10 Revised</u>	<u>2010-11 Budget</u>
300-700-7119 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,000
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,000
 <u>Source of Funds</u>					
300 DIF Streets	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,000
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,000

Project Funding Narrative:

This project will be paid by DIF Streets.

Project Impact on Operating Budget:

None at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: H-01 Drainage Facility – Section 2 Main Street to Fourth Avenue

Project Number: 7087

Department/Program: Development Services – Drainage CIP

Project Description and Location:

This project involves the construction of approximately 10,000 feet of major drainage facilities to convey storm flow through the H-01 Line designated on the City's Master Plan of Drainage from Main Street to Fourth Avenue. The project would include a concrete culvert crossing at Main Street, the installation of large diameter storm drain, and catch basins that would end north of the intersection of Mojave Street and Fourth Avenue.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The H-01 line is a major natural drainage wash that conveys storm flow from a large area in the City. During any moderate storm event, flows cross Main Street on the surface and pose a traffic hazard to the motoring public due to the running water and debris deposits. Substantial damage has occurred at this portion of Main Street during large rain events. The storm runoff has also caused severe erosion downstream of Main Street and has resulted in the damage to some homes and vacant property. The City Council awarded a contract for construction of this project to Floyd Johnson Construction in December 2007 and construction began in April 2008, after the winter/rain season. The City obtained the required easements along the two-mile alignment after award, and the contractor was substantially complete by December 2008. Final acceptance occurred in August 2009.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
201-700-7087 Contractual	\$ 349,164	\$ 0	\$ 0	\$ 0	\$ 0
205-700-7087 Contractual	148,514	211,125	0	0	0
301-700-7087 Contractual	0	0	0	34,115	0
586-700-7087 Contractual	4,228,502	7,114,969	0	0	0
586-700-7087 Capital Outlay	160,977	1,338,961	0	0	0
Total Expenditures	<u>\$ 4,887,157</u>	<u>\$ 8,665,055</u>	<u>\$ 0</u>	<u>\$ 34,115</u>	<u>\$ 0</u>

Source of Funds

201 Measure I Arterial	\$ 349,164	\$ 0	\$ 0	\$ 0	\$ 0
205 Gas Tax	148,514	211,125	0	0	0
301 DIF Storm Drainage	0	0	0	34,115	0
586 Redevelopment Capital-P/A #1	4,389,479	8,453,930	0	0	0
Total Source of Funds	<u>\$ 4,887,157</u>	<u>\$ 8,665,055</u>	<u>\$ 0</u>	<u>\$ 34,115</u>	<u>\$ 0</u>

Project Funding Narrative:

This drainage facility was funded from Measure I Arterial funds, Storm Drainage Development Impact Fee funds, and Redevelopment Capital – Project Area 1 funds.

Project Impact on Operating Budget:

There is a decrease in operational expense due to the conveyance of storm flows in an improved channel and concrete box facility. Currently, staff is required to remove debris deposits and repair erosion caused by storm flows after every storm event.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: H-01 Drainage Facility – Section 1 (Maple Avenue to Main Street)
Design and Right-of-Way Identification

Project Number: 7090

Department/Program: Development Services – Drainage CIP

Project Description and Location:

This project involves the design and alignment selection of a major drainage facility to convey storm flow through the H-01 Drain Line designated in the City's Master Plan of Drainage from Maple Avenue to Main Street. The project would include the identification of right-of-way and easements required for the alignment of the storm drain. It is not anticipated that any right-of-way would be purchased in this fiscal year, as environmental clearance would be required prior to right-of-way acquisition.

The H-01 line is a major natural drainage wash that conveys storm flow from a large tributary area on the west side of the City. This tributary area includes a portion of the high density residential area west of Maple Avenue. The City is currently constructing the portion of the H-01 storm drain line from Main Street north to Fourth Avenue. The design of the drain line south of Main Street would allow the channelization of the storm water run-off through residential neighborhoods and protect many existing homes from flooding.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This project was awarded to Parsons Engineering in February 2008 as part of the CIP management contract and was subsequently amended in October. Parsons is tasked with completing the alignment study and conceptual design with right-of-way needs assessment; however, due to a downturn in the economy and re-prioritization of projects in the CIP, consultant work was frozen on this project in November 2008.

Project Schedule for 2010-11 Budget:

No work on this project is scheduled for FY 2010-11.

Project Costs and Funding:

Expenditure Phases	2007-08	2008-09	2009-10	2009-10	2010-11
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
301-700-7090 Contractual	\$ 0	\$ 7,950	\$ 0	\$ 0	\$ 0
301-700-7090 Capital Outlay	75,303	0	0	0	0
Total Expenditures	\$ 75,303	\$ 7,950	\$ 0	\$ 0	\$ 0

Source of Funds

301 DIF Storm Drainage	\$ 75,303	\$ 7,950	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 75,303	\$ 7,950	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

The design of this drainage facility will be funded from Storm Drainage Development Impact Fee funds. Design is expected to cost \$250,000.

Project Impact on Operating Budget:

There will be no impact on the operating budget until this facility is constructed.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: H-01 Drainage Facility – Section 3A (Fourth Avenue to Third Avenue)
Design, Right-of-Way Identification, and Construction

Project Number: 7091

Department/Program: Development Services – Drainage CIP

Project Description and Location:

This project involves the design and alignment selection of a major drainage facility to convey storm flow through the H-01 Drain Line designated in the City's Master Plan of Drainage from Fourth Avenue and Mojave Street to the BNSF Railroad along Hesperia Road. The project would include the identification of right-of-way and easements required for the alignment of the storm drain. It is anticipated that once the alignment study is complete, the right-of-way acquisition would be completed.

The H-01 line is a major natural drainage wash that conveys storm flow from a large tributary area on the west side of the City. This tributary area includes a portion of the high density residential area west of Maple Avenue. The City has constructed the portion of the H-01 storm drain line from Main Street north to Fourth Avenue. The design of the drain line south of Main Street would allow the channelization of the storm water run-off through residential neighborhoods and protect many existing homes from flooding.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This project was awarded to Parsons Engineering in February 2008 as part of the CIP management contract and was subsequently awarded in October. Parsons is tasked with completing the alignment study and conceptual design with right-of-way needs assessment; however, due to a downturn in the economy and re-prioritization of projects in the CIP, work was suspended on this project to allow further evaluation in November 2008. The project was subsequently broken into two sub-phases after completion of Section 2 (C.O. 7087), to allow extension of the facility from Fourth Avenue to Third Avenue (Sub-phase 3A), before the project needs to be extended to the railroad tracks (Sub-phase 3B). No work was planned in FY 2009-10. However, damage sustained from February 2010 rain events caused focus to be placed again on sub-phase 3A. In-house design and survey work was to be conducted before July, and easements/right-of-way were pursued between Fourth and Third Avenues. Coordination with the Federal Emergency Management Agency (FEMA) resulted in a commitment for reimbursement of the flood damage.

Project Schedule for 2010-11 Budget:

Right-of-way acquisition is expected to be completed and construction of Sub-phase 3A will occur in FY 2010-11.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
251-700-7091 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 365,335
301-700-7091 Contractual	2,859	32,536	250,000	35,000	0
504-700-7091 Contractual	0	0	0	0	534,665
Total Expenditures	\$ 2,859	\$ 32,536	\$ 250,000	\$ 35,000	\$ 900,000

Source of Funds

251 Community Development Block Grant Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 365,335
301 DIF Storm Drainage Fund	2,859	32,536	250,000	35,000	0
504 City Wide Projects Fund	0	0	0	0	534,665
Total Source of Funds	\$ 2,859	\$ 32,536	\$ 250,000	\$ 35,000	\$ 900,000

Project Funding Narrative:

This phase of the project is to be funded from Community Development Block Grant (CDBG) and FEMA funds. Design was shifted from consultant to in-house staff, and is estimated at \$35,000 and right-of-way acquisition is estimated at \$100,000.

Project Impact on Operating Budget:

None at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: A-04 Drainage Facility – Mojave Street to Mesa Avenue Construction

Project Number: 7092

Department/Program: Development Services – Drainage CIP

This project is another regional storm drain to construct a major storm drain facility through a new residential tract. Tract 17291 being built by Frontier Homes as “Barcelona Heights”, includes a ¼ mile segment to adequately convey the storm flows, identified in the City’s Master Plan of Drainage (MPD) as the A-04 drain line, safely through their tract. Working in conjunction with the developer, City Staff was able to identify an alignment for this facility that could be placed underground through a landscaped paseo and connect existing and future park facilities. To mitigate their drainage and park requirements for the tract, the developer purchased a ten acre site for the construction of a park and retention basin. These will be two separate facilities.

This portion of the A-04 drain line will be designed by the developer’s engineer and then bid and awarded as a City contract. Since the City is utilizing public funds, there are prevailing wage requirements and the project must be awarded to the lowest responsible bidder. The City is working with the developer to schedule the storm drain work concurrently with the construction of the other tract work.

This storm drain facility will include a conduit crossing under Mojave Street approximately ¼ mile east of Topaz. This conduit will discharge into a four acre retention basin, which will deposit clean storm water into a large conduit proceeding north along Tamarisk Avenue. This project will conclude at Mesa Avenue and discharge into the historical natural drainage course. As development occurs to the north and south of this facility, the City anticipates working with the developers in much the same manner to construct more reaches of the A-04 drain line.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The design of a portion of the facility was completed in March 2007 and the culvert crossings at Mojave Street and Tamarisk Avenue were constructed by the developer in Fiscal Year 2007-08. No work was done in FY 2008-09 or FY 2009-10 due to development slowdown/stoppage.

Project Schedule for 2010-11 Budget:

No additional work is planned at this time. Because this facility was prioritized due to development activity, the balance of the project will be scheduled once the housing market improves and additional development is planned in the vicinity of the project limits. Once begun, construction is anticipated to take approximately six months to complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
586-700-7092 Contractual	\$ 78,000	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 78,000	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

586 Redevelopment Capital	\$ 78,000	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 78,000	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This drainage facility will be funded from Redevelopment Capital – Project Area #1 funds.

Project Impact on Operating Budget:

Once constructed, there will be a minor increase in operational expense due to annual maintenance of the facility.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Hesperia Branch Library
Project Number: 6510
Department/Program: Development Services – Facilities CIP

Project Description and Location:

This project is one of two projects in the Civic Plaza. This project entailed the design and construction of the new Hesperia Branch Library on a four (4) acre site located west of Seventh Avenue and north of Juniper Street. Additionally, the project included installation of off-site public improvements, including water and sewer lines, storm drainage, curbs, gutters, sidewalks, roadways, and all utilities necessary to support the facility, its operations, and environs. The Hesperia Branch Library is a state-of-the-art 20,000 square foot building (with expansion capabilities to 40,000 square feet), furnished with the latest in library resources and technology to replace a 4,800 square foot facility at Seventh Avenue and Main Street. The new Branch library building and improvements is owned and maintained by the City of Hesperia but operated by the San Bernardino County Library (SBCL) system.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

All work on this project was completed in FY 2007-08 and all retention monies have been released.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
601-650-6510 Direct Branch Library and Onsite Costs	\$ 3,412	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 3,412	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

601 - Hesperia Branch Library Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
California State Library Grant	0	0	0	0	0
Donations	0	0	0	0	0
Hesperia Redevelopment Agency (Transfer In)	3,412	0	0	0	0
VVEDA (Transfer In)	0	0	0	0	0
Total Source of Funds	\$ 3,412	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds Narrative

The Project was funded from multiple funding sources as noted above.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Fire Station Site Study and Design

Project Number: 6514 - Phase I

Department/Program: Development Services – Facilities CIP

Project Description and Location:

The City's rapid growth in the western portion of the City has resulted in the need to construct a new fire station in the area, in addition to providing administrative offices for the San Bernardino County Fire Department. New Fire Station No. 305 will be constructed jointly by the City of Hesperia and the San Bernardino County Fire Department. Also, Fire Station 301 (Eleventh Avenue south of Main Street) will be replaced with a new facility on an expanded site.

The City owned a site for future Fire Station No. 305 on the west side of Caliente Road, south of Joshua Street, but a "land-swap" was made in 2007 in order to acquire land on the east side of Caliente. Additional property was also acquired, south of Station 301 for the new facility. The estimated construction cost for Fire Station No. 301 is approximately \$6.0 million and for Fire Station No. 305 is approximately \$11.1 million. This item is for the funding of the design and environmental work only.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The City secured the services of WLC Architects, an architectural design consultant in late 2006, to prepare construction plans, specifications, and cost estimates (PS&E) for both fire stations. Design work commenced and Station 305 work was completed in July 2008, ending this phase of the project. Station 301 work was completed in February 2009. These projects are carried out under C.O. 6517 and 6518.

Project Schedule for 2010-11 Budget:

Construction commenced on Station 305 in December 2008 and was completed in May 2010. Station 301 design is complete and will bid for construction when funding becomes available (under C.O. 6517) in July 2010. This phase of the project should close-out by June 2010.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
302-650-6514 Contractual	\$ 229,708	\$ 119,104	\$ 336,000	\$ 126,000	\$ 0
502-650-6514 Contractual	42	0	0	0	0
586-650-6514 Contractual	270,072	0	0	0	0
Total Expenditures	\$ 499,822	\$ 119,104	\$ 336,000	\$ 126,000	\$ 0

Source of Funds

302 DIF Fire (for 301)	\$ 229,708	\$ 119,104	\$ 336,000	\$ 126,000	\$ 0
502 Fire Building Fund (for 305)	42	0	0	0	0
586 Redevelopment Capital-P/A #1(for 301)	270,072	0	0	0	0
587 Redevelopment Capital-P/A #1	0	0	0	0	0
Total Source of Funds	\$ 499,822	\$ 119,104	\$ 336,000	\$ 126,000	\$ 0

Project Funding Narrative:

The initial stages of this project will be funded from Redevelopment Agency Capital Project funds; however Fire Development Impact Fees will also be used extensively for future phases.

Project Impact on Operating Budget:

Not applicable at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Hesperia Civic Plaza Park (formerly Downtown Park) - Design and Construction

Project Number: 6515

Department/Program: Development Services – Facilities CIP

Project Description and Location:

This project constructed a multi-purpose park in the new Hesperia Downtown Area. This park is located immediately west of the Civic Plaza and Branch Library, reaching from Smoke Tree Street to the north to Juniper Street on the south. The park encompasses approximately five acres and included the design of Eighth Avenue into a park. The western boundary of the park terminates approximately 500 feet west of the Civic Center and leaves a vacant pad for future development of other uses.

The Downtown Park features a number of distinct uses where residents and visitors can relax, socialize, enjoy recreation, entertainment and cultural venues, including a centralized water feature that both serves as an oasis and forms a linkage between the Civic Plaza/Library buildings and the future buildings to the west. The southern portion of the park features an amphitheater, where concerts, movies, and stage plays can be conducted outdoors. The amphitheater accommodates 800 or more visitors in formal and informal settings.

A Civic Green Area will be provided at the north end of the park. This area will allow numerous other passive and non-organized events. Other features of the park include a large rose garden with overhead trellises, seating areas, and art displays; a curved section of Eighth Avenue that may be blocked for use as a Farmers Market, car show, or other outdoor event; and numerous niche areas where pastimes such as shuffleboard, bolle ball, chess, reading, and quiet reflection may be enjoyed. A permanent Christmas tree has been planted for an annual holiday celebration.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This project was awarded to C.S. Legacy Construction, Inc. who commenced construction work in January 2008. The base bid portion of the project (primarily the south end of the park and Eighth Avenue improvements) was substantially completed by June 2008. The project was accepted by the City Council on November 18, 2008 for \$3,500,755. Subsequent phases will include an amphitheatre, permanent bathrooms, concession area, and senior activities (horseshoes, bocce ball, etc.). Minor modifications to the utility and irrigation systems were scheduled in Fiscal Year 2009-10, for a total cost of \$24,000. This involved new Calsense water controllers (\$3,252) and fencing enclosure over the utility (est. \$20,000). In addition, a wind-powered generator was donated to the City, which was installed in December 2009.

Project Schedule for 2010-11 Budget:

No funding for subsequent phases is proposed in FY 2010-11.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
100-650-6515 Contractual	\$ 2,925	\$ 0	\$ 0	\$ 0	\$ 0
586-650-6515 Contractual	3,840,985 *	301,590	40,000	23,250	0
Total Expenditures	\$ 3,843,910	\$ 301,590	\$ 40,000	\$ 23,250	\$ 0

Source of Funds

100 General Fund	\$ 2,925	\$ 0	\$ 0	\$ 0	\$ 0
586 Redevelopment Capital P/A #1	3,719,758	301,590	0	0	0
586 Hesperia Recreation & Parks District- Reimbursement	121,227	0	40,000	23,250	0
Total Source of Funds	\$ 3,843,910	\$ 301,590	\$ 40,000	\$ 23,250	\$ 0

* Note - In FY 2007-08, \$321,829 was accrued by the auditors, however, they were unaware that this amount had already been expensed. In FY 2008-09, this entry was reversed. For budgetary purposes, FY 2007-08 and FY 2008-09 expenditures have been adjusted to reflect the expenditures in the year they actually occurred.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Hesperia Civic Plaza Park (formerly Downtown Park) - Design and Construction

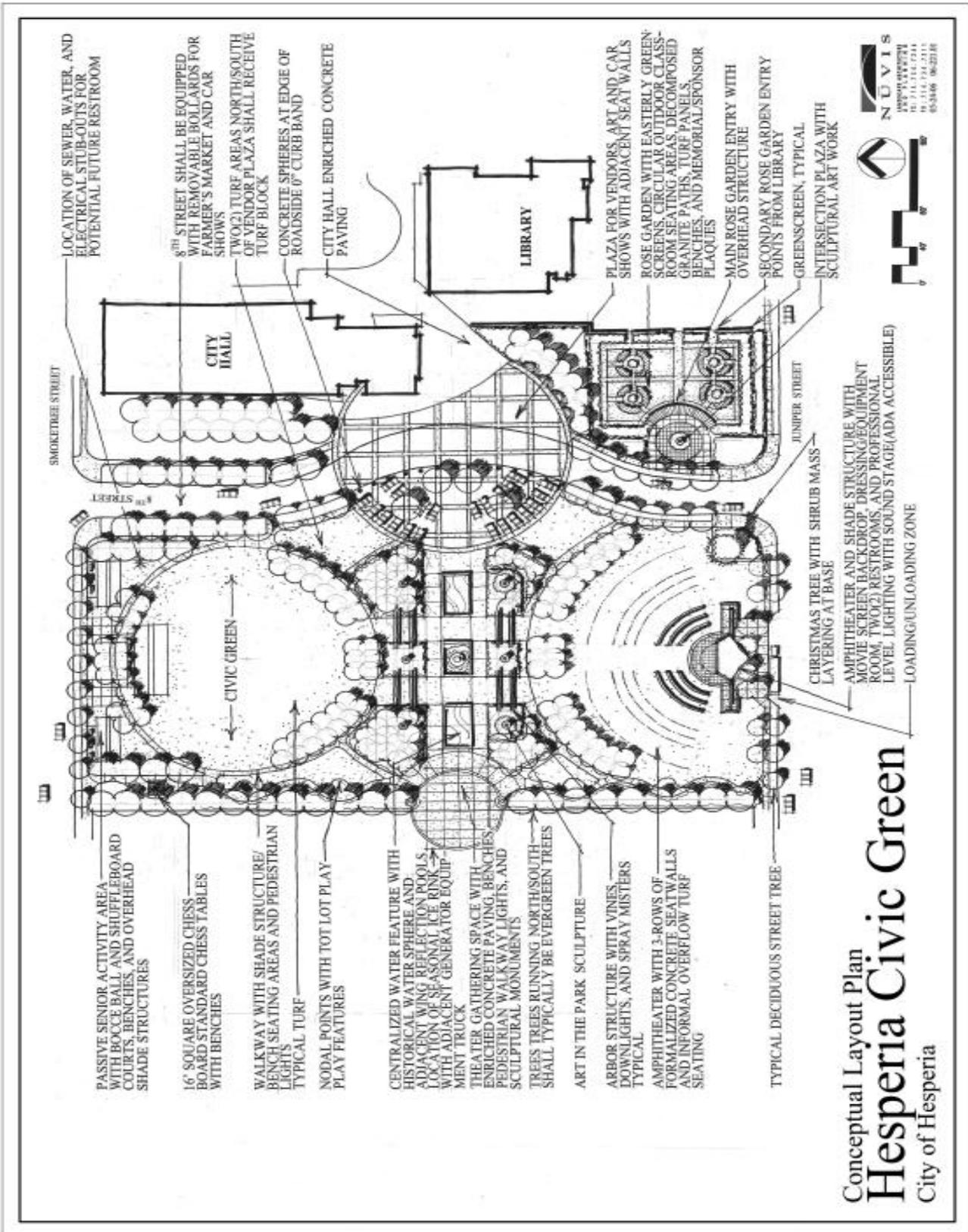
Project Number: 6515

Project Funding Narrative:

One-half of the project was funded by the City from the General Fund and Redevelopment Capital Project funds. The other half of the project was to be funded by the Hesperia Recreation and Park District. Agreement for re-payment by the District is still pending (FY 2009-10) and to establish operational responsibilities.

Project Impact on Operating Budget:

The park has been operated and maintained by the Hesperia Recreation and Park District. An operating agreement between the City and District is still pending negotiation/execution (FY 2009-10), but is expected to be completed by the start of FY 2010-11.



Conceptual Layout Plan
Hesperia Civic Green
 City of Hesperia

N U V I S
 LANDSCAPE ARCHITECTURE
 10111 S. 100th St.
 Suite 100
 Overland Park, KS 66214
 913-646-1821

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: New Police Station
Property Identification, Acquisition, Design, and Construction

Project Number: 6516

Department/Program: Development Services – Facilities C I P

Project Description and Location:

The City's rapid growth has necessitated the need to augment the City's police force. Because of this increase in the number of police officers and support staff serving our citizens, the City has identified the need to construct a new police station. The existing police station is technologically outdated and the size of the facility on Santa Fe Avenue is inadequate for the needs of the City's existing and future police force. The City Council formed the Public Safety Ad Hoc Committee to guide this new police station project effort. One of the primary goals of this project is to re-locate the police station to a more centralized site within the City in order to better serve our citizens. The Ad Hoc Committee indicated a desire to locate the new police station within one mile of the new City Hall, if possible, and is a guiding force in selecting a suitable site. Phase I of this project involves evaluating multiple proposed sites and then ultimately identifying and purchasing the most appropriate site. The second phase involves engaging a design consultant and, through use of the City's Public Safety Needs Report (revised in December 2006), which established a service level of 0.75 sworn officers per 1,000 population, complete design to construct the project.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

Phase 1 of the project is complete, as a site was identified on Smoke Tree between Eight and Ninth Avenues in 2007. Phase II started in Fiscal Year 2006-07 when the City awarded a contract to Griffin Structures as Program Manager at Risk to provide plans, specifications, and cost estimate (PS&E) up to the "design development" level and submit a Guaranteed Maximum Price (GMP) proposal for finalizing the plans and constructing the police station. In January 2009, the contract was amended to complete the plans prior to GMP. The GMP was submitted to the City in March/April 2009, and was bid for construction concurrently with the High Desert Government Center (C.O. 6520) in June 2009 in order to provide cost efficiencies. The Griffin Structures/McCarthy Builders Team managed the bidding process and bids were opened on July 19, 2009 and subsequently awarded more than 25% below bid estimates. Construction began on August 15, 2009.

In response to the City Council's desire to incorporate renewable energy technologies in all City facilities where feasible, the City pursued a photovoltaic system for the project. In September 2009, the City received a \$775,100 American Recovery and Reinvestment Act of 2009 (ARRA) Grant through the U.S. Department of Energy for installation of a Photovoltaic Solar Energy (PSE) System at the new Police Station. In addition, the PSE System qualifies for an estimated \$680,000 in rebates through the California Solar Initiative (CSI) program and administered by the State, which is paid over five years (\$136,000/year).

On December 1, 2009, Council approved the award of a Program Management agreement in the amount of \$2,428,705 to Griffin Structures, Inc. to manage the design, installation, and commissioning of a complete turnkey PSE System at the New Police Station. The addition of the PSE System does not affect the overall budget for this project due to the fact that there were sufficient savings during the bidding process of the project to cover the matching City costs for the PSE System.

Project Schedule for 2010-11 Budget:

Construction is expected to continue through August 2010 and be substantially complete in September/October. Construction of the PSE System is estimated to be complete in October/November 2010.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: New Police Station (Continued)
Property Identification, Acquisition, Design, and Construction

Project Number: 6516

Project Costs and Funding:

	2007-08	2008-09	2009-10	2009-10	2010-11
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
259-650-6516 Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,455,100
303-650-6516 Capital	0	0	0	0	1,500,000
586-650-6516 Contractual	666,971	1,311,780	0	0	0
586-650-6516 Capital	0	0	15,000,000	12,000,000	3,044,900
Total Expenditures	\$ 666,971	\$ 1,311,780	\$ 15,000,000	\$ 12,000,000	\$ 6,000,000

Source of Funds

259 Reimbursable Grants Fund - ARRA Grant	\$ 0	\$ 0	\$ 0	\$ 0	\$ 775,100
259 Reimbursable Grants Fund - CSI (Edison) Grant	0	0	0	0 *	680,000
303 DIF - Police Fund	0	0	0	0	1,500,000
586 Redevelopment Capital P/A #1	666,971	1,311,780	15,000,000	12,000,000	3,044,900
Total Source of Funds	\$ 666,971	\$ 1,311,780	\$ 15,000,000	\$ 12,000,000	\$ 6,000,000

* Note - The CSI (Edison) Grant is reimbursed over 5 years. Fund 259 cash will run negative until year five, when the grant funds are received in full.

Project Funding Narrative:

This project is estimated to cost \$20 million and is expected to be funded from Redevelopment Capital Project funds, Police Department Impact Fee funds and Federal/State energy grants. Three-fourths of the funding (\$12 million) was expended in FY 2009-10, with the balance being funded in FY 2010-11. The budget has been reduced to reflect cost savings from competitive bids.

Project Impact on Operating Budget:

None at this time. Construction of the larger police station will result in an increase in operation and maintenance expenses when completed in FY 2010-11.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Fire Station 301 Construction/Property Acquisition

Project Number: 6517

Department/Program: Development Services – Facilities CIP

Project Description and Location:

This project is the next phase of addressing the City's master-planned fire service needs that began in Project 6514. Existing Station 301, located on the west side of Eleventh Avenue, south of Main Street (9430 Eleventh Avenue) contains approximately 3,700 square feet of building space. In order to fulfill the City's Public Safety Needs Report requirements, the facility needs to be expanded/reconstructed to 12,000 square feet.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

In FY 2006-07, the City sent a Request for Qualifications to architectural firms to provide architectural and construction support services. Wolff/Lang/Christopher (WLC) Architects was selected as the firm most qualified to meeting the needs of the City. WLC Architects was engaged in November 2006 to prepare the necessary construction and architectural plans. By March 2007, the Public Safety Ad Hoc Committee had reached consensus on the floor plan and building elevations. City staff has completed the process of acquiring the necessary property south of the current facility. WLC Architects prepared working drawings and completed design work in February 2009. The Planning Commission approved the facility design in April 2007. Bidding of the project was scheduled for March 2009, but was delayed due to Notice of Funding from the Federal American Recovery and Reinvestment Act (ARRA Economic Stimulus Plan) which was signed into law in February 2009. The City pursued funding from this law in order to reduce the financial cost to the DIF and RDA funds. An application submittal was made for this C.O. and C.O. 6521 in July 2009. The City was not successful in the first two funding award rounds in October 2009 and February 2010.

Project Schedule for Fiscal Year 2010-11 Budget:

If the City does not receive a Notice of Award by July 2010, the project will be put in suspense until it is determined that adequate funds are available to construct without grant funds. Project administration by WLC will be included at that time as well.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08	2008-09	2009-10	2009-10	2010-11
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
302-650-6517 Contractual	\$ 0	\$ 1,657	\$ 0	\$ 0	\$ 0
586-650-6517 Land	150,375 *	0	0	0	0
586-650-6517 Contractual	0	0	0	0	0
Total Expenditures	\$ 150,375	\$ 1,657	\$ 0	\$ 0	\$ 0

Source of Funds

302 DIF Fire	\$ 0	\$ 1,657	\$ 0	\$ 0	\$ 0
586 Redevelopment Capital	150,375	0	0	0	0
Total Source of Funds	\$ 150,375	\$ 1,657	\$ 0	\$ 0	\$ 0

* Note - Budgetary Basis Adjustment - This number was not reflected under the CO when the FY 2008-09 Budget was adopted.

Project Funding Narrative:

The estimated cost of construction is \$6.1 million, which will be funded, in part, by Redevelopment Project Area 1 Capital and Development Impact Fees if federal ARRA funds are not acquired.

Project Impact on Operating Budget:

Not applicable at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Fire Station 305 Construction

Project Number: 6518

Department/Program: Development Services – Facilities CIP

Project Description and Location:

This project is the next phase of addressing the City's master-planned fire service needs that began in Project 6514. In order to meet the City's needs within the developing I-15 freeway corridor, as well as provide space for the San Bernardino County Fire Department, the County and City are jointly participating in the development of Station 305, to be located on the west side of Interstate 15, east of Caliente Road and south of Joshua Street. The City's Public Safety Needs Report identifies a station that will be approximately 22,000 square feet in size. In June 2006, the City sent a Request for Qualifications to architectural firms to provide architectural and construction support services. Wolff/Lang/Christopher (WLC) Architects was selected as most qualified to meeting the needs of the City. The City previously owned property in the same area, but west of Caliente Road. A "land-swap" agreement was made with another property owner in early 2007 in order to establish a preferred location for the new station.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

City staff has completed the process of securing the necessary property east of Caliente Road, with the recordation of a Parcel Map in December 2007, and land purchase in April 2008. WLC Architects was engaged in November 2006 to prepare the necessary construction and architectural plans. By March 2007, the Public Safety Ad Hoc Committee had reached consensus on building elevations and a floor plan of approximately 18,000 square feet. WLC Architects began preparing working drawings and completed design work in August 2008. The County provided its contribution (\$3.5 million) in February 2008. Bidding and award of contracts occurred in October 2008 to R.C. Construction Services for \$6.46 million. Construction commenced and a grand opening occurred on November 30, 2009. Final improvements were completed by March 2010 and the project was closed out in June 2010.

Project Schedule for Fiscal Year 2010-11 Budget:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08		2008-09		2009-10		2009-10		2010-11	
		<u>Actual</u>		<u>Actual</u>		<u>Budget</u>		<u>Revised</u>		<u>Budget</u>
302-650-6518 Contractual	\$	0	\$	125,578	\$	860,000	\$	860,000	\$	0
502-650-6518 Contractual		0		3,540,958		1,722,271		2,080,574		0
586-650-6518 Contractual		0		0		1,417,729		1,002,036		0
586-650-6518 Land		0		2,026		0		0		0
Total Expenditures	\$	0	\$	3,668,562	\$	4,000,000	\$	3,942,610	\$	0

Source of Funds

302 Fire DIF	\$	0	\$	125,578	\$	860,000	\$	860,000	\$	0
502 Fire Station Building		0		3,540,958		1,722,271		2,080,574		0
586 Redevelopment Capital		0		2,026		1,417,729		1,002,036		0
Total Source of Funds	\$	0	\$	3,668,562	\$	4,000,000	\$	3,942,610	\$	0

Project Funding Narrative:

The cost of construction of under \$6.8 million (\$4.7 million under original estimates) was funded, in part, by Redevelopment Capital, Development Impact Fees. Assessment Districts 91-1 and 91-3 funds (\$1 million), and contribution from the County of San Bernardino (\$3.5 million).

Project Impact on Operating Budget:

Not applicable at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: High Desert County Government Center

Project Number: 6520

Department/Program: Development Services – Facilities CIP

Project Description and Location:

This project involves oversight for pre-construction, design and program management services for the County of San Bernardino's High Desert Government Center (HDGC) to be constructed on City-owned property at the northwest corner of Smoke Tree Street and Seventh Avenue. The City was awarded the HDGC on August 28, 2007, after competing with other high desert cities in a Request for Proposal process from September – November 2006. The HDGC will include the development of a 66,700 square foot office building on approximately 4.4 acres to house up to eleven general-funded County departments. The property will be sold by the City to the County, and the City will serve as a contractor to the County for the design of the project (as Phase 1) and construction (Phase II).

Project Status or Work Completed through Fiscal Year 2009-10:

The City engaged a consultant (Griffin Structures, Inc.) to conduct project management. An estimate was prepared for the contract with San Bernardino County for Phase I, and the contract between the County and City was executed on March 4, 2008. The consultant prepared a needs assessment, schematic design and design development as part of Phase I. During this process, the County increased the building size to approximately 66,700 square feet. This resulted in a contract amendment with Griffin and the City, which was approved by the City Council on February 3, 2009. The Planning Commission approved the Public Facility Review on March 5, 2009. A Guaranteed Maximum Price (GMP) was developed and issued by the consultant in April 2009 and General Contractor selected (McCarthy Construction). The County accepted the GMP in June 2009, and construction documents were completed and subsequently approved for bid as part of Phase II in mid-June. Bids were opened on July 9, 2009 and subsequently awarded more than 25% below bid estimates. Construction began on August 15, 2009.

Project Schedule for 2010-11 Budget:

Construction will continue through July/August 2010. Fixtures, Furnishings, and Equipment (FF&E) will continue through September, and completion will occur in October 2010.

Project Costs and Funding:

<u>Expenditure Phases</u>	<u>2007-08 Actual</u>	<u>2008-09 Actual</u>	<u>2009-10 Budget</u>	<u>2009-10 Revised</u>	<u>2010-11 Budget</u>
503-650-6520 Contractual	\$ 147,591	\$ 1,730,173	\$ 17,000,000	\$ 13,000,000	\$ 9,000,000
Total Expenditures	\$ 147,591	\$ 1,730,173	\$ 17,000,000	\$ 13,000,000	\$ 9,000,000

Source of Funds

503 County Government Center	\$ 147,591	\$ 1,730,173	\$ 17,000,000	\$ 13,000,000	\$ 9,000,000
Total Source of Funds	\$ 147,591	\$ 1,730,173	\$ 17,000,000	\$ 13,000,000	\$ 9,000,000

Project Funding Narrative:

Funding for Phase I was originally estimated at \$1,487,500 and will be paid by the County of San Bernardino, pursuant to Contract Number 08-109 between the City and the County. Due to the County's increase in building size and scope, the Phase 1 contract was increased to \$1,922,150 in February 2009. To accommodate construction, a subsequent agreement was established that includes an "impound" account that allows the City to pay construction with direct County funds. Construction is estimated at a revised amount of \$22 million (\$13 million in FY 2009-10; \$9 million in FY 2010-11).

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Fire Station 304 Expansion – Design and Construction

Project Number: 6521

Department/Program: Development Services –Facilities CIP

Project Description and Location:

This project involves the expansion of Fire Station 304 located at 15660 Eucalyptus Street. Station 304 was built in 1996 and contains 6,278 square feet. Due to the increased growth in the northwest area of the City, the station is inadequate in size to house all equipment and personnel. The Public Safety Needs Report identifies the need to add approximately 8,800 square feet by Fiscal Year 2017-18; however, the current situation necessitated an evaluation of adding a lesser amount sooner than 2017.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

A conceptual design was prepared by WLC Architects to add approximately 3,150 square feet and was reviewed for feasibility in April 2007. WLC Architects was selected to proceed with design services in September 2007 at a cost of \$133,000. The project may qualify for funding under the federal American Recovery and Reinvestment Act of 2009 (ARRA). Application guidance was received in May 2009 and a submittal was made in July 2009. The City pursued funding from this law in order to reduce the financial cost to the RDA funds. The City was not successful in the first two funding award rounds in October 2009 and February 2010. Design continued through FY 2009-10 and should be complete by June 2010.

Project Schedule for Fiscal Year 2010-11 Budget:

If the City does not receive a Notice of Award by July 2010, the project will be reviewed during Mid-year, and advertised for bid in Winter 2010 and constructed by the City without grant funds.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
586-650-6521 Contractual	\$ 24,120	\$ 63,392	\$ 45,200	\$ 45,200	\$ 0
Total Expenditures	\$ 24,120	\$ 63,392	\$ 45,200	\$ 45,200	\$ 0

Source of Funds

586 Redevelopment Capital	\$ 24,120	\$ 63,392	\$ 45,200	\$ 45,200	\$ 0
Total Source of Funds	\$ 24,120	\$ 63,392	\$ 45,200	\$ 45,200	\$ 0

Project Funding Narrative:

The project is funded from Redevelopment Capital Project funds, if ARRA funding is not obtained. Completion of design is estimated at \$50,000, and construction costs in FY 2010-11 are estimated at \$1,100,000, based on recent bids for another fire station (305).

Project Impact on Operating Budget:

None at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Park and Ride Facility - NEW
Project Number: 6523
Department - Program: Development Services – Facilities CIP

Project Description and Location:

The City, in coordination with Caltrans and the Victor Valley Transit Authority, operates a Park and Ride facility on State-owned property along US Highway 395 and its intersection with Joshua Street. The facility is heavily used by commuters, and all 188 spaces are filled each weekday, with overflow vehicles parking on vacant property adjacent to the facility. The City submitted an application to the San Bernardino Associated Governments (SANBAG) in mid-2009 for Congestion Mitigation and Air Quality (CMAQ) grant funds for federal FY 2009-1010. The City was awarded a \$508,000 grant on March 3, 2010 in order to expand the existing facility, or construct an adjacent facility north of Joshua Street. Both sites are State-owned.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This is a new project.

Project Schedule for 2010-11 Budget:

CMAQ grant-funded projects require Caltrans oversight. Consequently, coordination will first begin in Summer 2010. An engineering survey consultant will be engaged concurrently, and design options will be carried out with in-house staff. Project approval is expected to take 1-2 years, and be constructed by FY 2011-12 or FY 2012-13.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
204-650-6523 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,000
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 25,000</u>
 <u>Source of Funds</u>					
204 Measure I Renewal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,000
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 25,000</u>

Project Funding Narrative:

This project will be paid by Measure I Renewal funds. The construction phase of the project will be paid by CMAQ grant funding (\$508,000) in future years.

Project Impact on Operating Budget:

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Mojave Corporation Yard Expansion

Project Number: 6506

Department/Program: Development Services – Water CIP

Project Description and Location:

This project involved the expansion of the facilities at the Mojave Yard to accommodate all Public Works activities (Water/Sewer/Streets) and to provide the necessary buildings, parking, and work areas to allow for a projected 3% growth over the next 20 years. One of the goals identified during the reorganization and restructuring of the Public Works Division was the construction of new facilities at the Mojave Yard/warehouse. This included: (1) a 60' x 160' extension of the existing warehouse that will be utilized by the field operations to house staff and equipment, (2) a 40' x 50' building to house the sewer equipment, and (3) the construction of a new Public Works office building to provide access for the general public and bring all of the Public Works Division supervisors and clerical staff together into one location (instead of two), allowing for better communication and interaction between the staff and the citizens. Since the Mojave site is located on 10 acres at the corner of Mojave Street and "G" Avenue, this was determined to be the ideal location for new construction and for future growth of the Public Works Division.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The consultant architect (Robert A. Martinez Architect and Associates) completed the preliminary design and space planning. Final plans were reviewed internally by staff and submitted and approved by the City's Building and Safety Department in winter 2006. The project was bid for construction in spring 2007 and awarded in June 2007 (Bowe Contractors). In addition, a consultant engineer was engaged for geotechnical, materials testing and inspections during construction (C.H.J., Inc). The architect provided construction consulting and provided as-built drawings. Construction started in August 2007, and was accepted by the City Council/Water District in December 2008 for a total project cost of \$6,763,423. Final furniture and fixture purchases were completed in March 2009. Minor building modification (roof access ladders) occurred in April 2010 and were completed by July.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
701-650-6506 Contractual	\$ 6,814,042	\$ 547,404	\$ 40,000	\$ 3,735	\$ 0
Total Expenditures	\$ 6,814,042	\$ 547,404	\$ 40,000	\$ 3,735	\$ 0

Source of Funds

701 Water Capital	\$ 6,814,042	\$ 547,404	\$ 40,000	\$ 3,735	\$ 0
Total Source of Funds	\$ 6,814,042	\$ 547,404	\$ 40,000	\$ 3,735	\$ 0

Project Funding Narrative:

This project was funded from Water Capital fund reserves.

Project Impact on Operating Budget:

This project resulted in a small decrease in operational expenditures due to the combining of Public Works in one location.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: FY 2005-06 Pipeline Replacement Program

Project Number: 8070 (Completed FY 2007-08)

Department/Program: Development Services – Water CIP

Project Description and Location:

This project involved the installation of approximately 74,800 feet of new 8-inch and 12-inch PVC pipeline to replace existing steel pipelines in 46 streets located throughout the north and east quadrants of the City. The replacement of these pipelines substantially increased fire flow availability and improved the quality of water to the City's customers.

These improvements replaced pipes that are approximately fifty years old that have a history of leak repairs and taste and odor complaints. It was recommended that the amount of pipe be increased from prior years to accommodate the annual Street Improvement Program. In prior years, the City has replaced approximately ten miles of pipeline per year and re-paved approximately twenty miles of roadway per year. The Roadway Program is catching up with the Water Pipeline Program, and the schedule for pipeline replacement should be accelerated in order to maintain the schedule for roadway repairs. The pipelines selected for replacement were presented to the City Council Advisory Committee (CCAC) as part of the recommended Five Year Water Pipeline Replacement CIP.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The original project was broken down and divided into smaller projects for ease of administration. Schedule 1 was awarded to CNB Contractors on April 5, 2006. Schedule 2 was advertised for construction in May 2006, and a contract was awarded at the July 5, 2006 Council/Water Board meeting. Work commenced in July 2006. Both schedules were completed and given final acceptance on August 1, 2007 for a total cost of \$6,152,988, approximately \$114,000 more than the 2006-07 Budget.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
701-800-8070 Contractual	\$ 6,175	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 6,175	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

701 Water Capital	\$ 6,175	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 6,175	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project was funded from Water Capital fund revenue and fund reserves as needed.

Project Impact on Operating Budget:

This project resulted in a decrease in operation expenses.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Design and Equip Wells 29, 31 and 32

Project Number: 8071 (Completed FY 2007-08)

Department/Program: Development Services – Water CIP

Project Description and Location:

This project involved the design and construction to equip three previously drilled wells with a new pump, motor, piping, electrical and building enclosure. Well 29 is located on Capella Avenue near the Mojave River and was drilled in the early 1990's. Well 31 is located on Maple Avenue near El Centro Road, and Well 32 is located at the corner of Ryeland Road and Farmdale Avenue. These two wells were drilled in Fiscal Year 2004-05 under Project 3389.

The Master Plan recommended that the District install new wells and associated pipelines to serve the needs of new customers. These new wells will supplement the District's 14 existing well sites. New supply sources are needed to ensure adequate sources during peak demand periods, and when existing wells are out of service for planned or unplanned maintenance. These three wells help to meet the demands of growth that has occurred since 2001.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

Design of the well equipment commenced September 2005 and was completed in August 2006. A \$2,797,500 construction contract was awarded in November 2006 (Bowe Contractors). Construction commenced in December 2006 with work on Wells 31 and 32, originally anticipated to be completed by the end of July 2007 and Well 29 completed by the end of August 2007. Electrical service delays by Southern California Edison delayed completion of the work until March 2008. The project was accepted by the District in April 2008.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
701-800-8071 Contractual	\$ 541,696	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 541,696	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

701 Water Capital	\$ 541,696	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 541,696	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project was funded from Water Capital fund revenue and fund reserves. The entire project cost was \$2,865,730, which included a contract change order in part due to the electrical service delays.

Project Impact on Operating Budget:

The project resulted in an increase in operational expenses due to the addition of new pumping facilities.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Plant 19 Reservoir Improvements

Project Number: 8073

Department/Program: Development Services – Water CIP

Project Description and Location:

The Water Master Plan recommended installation of a new five million gallon (5.0 MG) tank in the upper zones by year 2005 based on a three percent growth projection. This proposed water tank, to be located at Plant 19A and identified as Tank 19C, is needed to serve both existing and new water customers. The proposed tank will also enable the District to conserve energy by pumping and storing water at night to be used during daytime demand periods when energy costs are higher. There are two existing 5.0 million gallon tanks at this site. In addition, this project will include removal and re-application of the interior coatings and repair of the exterior coatings on the two existing 5.0 MG tanks at Plant Site 19A.

The interior coatings of water storage tanks have a normal useful life of between 10 to 20 years depending on various factors. The two existing 5.0 MG tanks at Plant 19A were installed in 1988. Based on recent inspections of the tanks, the interior coatings should be removed (by sandblasting) and new interior coatings be applied to protect the integrity of the steel structures. In addition to replacing the interior coatings, the project will also involve the repainting of the exteriors of each tank. Both water tanks have experienced extensive exterior coating failure; however, the primary primer application appears to be in acceptable condition. The recoating and repainting of the two existing tanks was to occur in Fiscal Year 2005-06; however, in order to reduce costs, this work will be performed after construction of the new 5.0 MG tank and will be coordinated so that only one reservoir will be out of service at a time.

Existing Situation and Work Completed in Fiscal Year 2009-2010:

An engineering consultant was awarded a contract in February 2006 to design the improvements. Preliminary design work began in April 2006 and a final Technical Memorandum (TM) was completed in March 2007. This TM outlined the benefit of acquiring property to the north of the site, allowing the development of up to two 5.0 MG reservoirs on the expanded site. Property acquisition occurred in FY 2006-07 (under Project 8078). The consultant was subsequently given a Notice to Proceed with design of two tanks. Design was completed in March 2008. The project went out to bid for construction in April and was awarded by the District Board on July 15, 2008 to CB&I, Inc. for one tank for \$2,886,500. Inspection services were awarded to CHJ Engineering for \$120,000. Construction began on October 6, 2008, and was substantially completed in August 2009. The rehabilitation of the existing reservoirs (tanks 19A and 19B), was added to CB&I's contract on July 2, 2009, and which began in August. The project was completed in March 2010 and accepted by the District Board of Directors in May 2010.

Project Schedule for 2010-11 Budget:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
701-800-8073 Contractual	\$ 136,853	\$ 2,903,392	\$ 1,630,000	\$ 1,956,362	\$ 0
Total Expenditures	\$ 136,853	\$ 2,903,392	\$ 1,630,000	\$ 1,956,362	\$ 0

Source of Funds

701 Water Capital	\$ 136,853	\$ 2,903,392	\$ 1,630,000	\$ 1,956,362	\$ 0
Total Source of Funds	\$ 136,853	\$ 2,903,392	\$ 1,630,000	\$ 1,956,362	\$ 0

Project Funding Narrative:

This project is funded from Water Capital fund revenue and fund reserves as needed. The total project cost for two tanks is \$10,273,000. A total of \$4,000,000 was budgeted in FY 2008-09 for one tank only, the project will be completed in FY 2009-10. An amendment adding \$1.6 million in funding was made in FY 2009-10 for painting and rehabilitation of Reservoirs 19A and 19B.

Project Impact on Operating Budget:

The project will result in a decrease in operational expense.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: FY 2006-07 Pipeline Replacement

Project Number: 8074 (Completed FY 2008-09)

Department/Program: Development Services – Water CIP

Project Description and Location:

This project involved the installation of approximately 130,000 linear feet of new 8-inch and 12-inch PVC pipeline in three schedules (59,500, 50,500, and 20,000 respectively) to replace existing steel pipelines in approximately 26 streets located in various areas of the City. The replacement of these pipelines substantially increased fire flow availability and improved the quality of water to the City's customers.

These improvements replaced pipes that are approximately fifty years old that have a history of leak repairs and taste and odor complaints. In prior years, the City has replaced approximately ten miles of pipeline per year and re-paved approximately twenty miles of roadway per year. The Roadway Program is catching up with the Water Pipeline Program, and this schedule for pipeline replacement is accelerated in order to maintain the schedule for roadway repairs. The pipelines selected for replacement were presented to the Public Works Advisory Committee (PWAC) as part of the recommended Five Year Water Pipeline Replacement CIP prior to the Fiscal Year 2006-07 Budget.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

In October 2006, an engineer (Southwest Engineering) was engaged to survey and design the project in three schedules (\$257,475). The construction of Schedule 1 (59,500 linear feet) was awarded to Arizona Pipeline, who completed their work by June, 2008. Schedule 2 (40,000 linear feet) was subsequently awarded to Aspen Pipeline in October 2007, who completed their work in late Summer, 2008 and was accepted by the water District Board in October 2008. Schedule 3 (30,000 linear feet) was performed by the City's in-house pipeline replacement crew and completed in December 2008.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
701-800-8074 Contractual	\$ 3,342,764	\$ 659,889	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 3,342,764	\$ 659,889	\$ 0	\$ 0	\$ 0

Source of Funds

701 Water Capital	\$ 3,342,764	\$ 659,889	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 3,342,764	\$ 659,889	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project is funded from the Water Capital Fund and fund reserves as needed. The costs for the four components are: Design of all schedules (\$257,475); field staking work (\$70,000); Schedule 1 construction (\$2,776,358); and Schedule 2 construction (\$1,436,893), for a total project cost of \$4,540,726. Schedule 3 is funded by the Water District Maintenance. Six million dollars was budgeted in the FY 2007-08 Budget. The actual project cost was under budget by approximately \$1,500,000.

Project Impact on Operating Budget:

This project resulted in a decrease in water operation expenses due to the replacement of pipeline that has a history of leaks.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Waterline Replacement – EPA Grant

Project Number: 8075

Department/Program: Development Services – Water CIP

Project Description and Location:

The City received Environmental Protection Agency (EPA) Grants in 2004 and 2005 totaling \$327,300 for improvements to the City's water distribution network. The City is embarking on a "Township Improvement Project" for the original Township Area north of Main Street between Seventh Avenue and Hesperia Road (C.O. 7102). As part of these improvements, waterlines will be installed within the roadways from Seventh Avenue to Third Avenue where it will connect to existing water pipeline that were previously installed in the roadways. City Staff had initially proposed to utilize the EPA funds as a first step in the Township Improvement Project by replacing the old steel waterlines that are located in easements behind the homes with new PVC water pipeline to be placed within the road right-of-way in front of the homes. However, after determining the scope of the environmental documentation (including the historical resource survey) for the Township, it was determined that the EPA funds should be used in a less environmentally sensitive area of the City.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

A revised work plan was prepared and submitted to EPA on August 16, 2007 to reassign the grant fund from the Township area streets to streets to be done under the District's 2007-08 Waterline Replacement Project. Approximately 8,600 linear feet of the 50,000 linear foot project will be funded by the grant. Streets affected are Hemlock, Victor, Oakwood, Lincoln, and Redwood, between Mauna Loa and Pendleton Streets. Design began in 2007-08 by the City's consultant (Merrell-Johnson Engineering). Environmental work began in July 2008, and due to the timing of construction and anticipated completion of the environmental, the streets were again changed. The project location is east of Cottonwood and includes Hawthorne and Kern. The environmental clearance was completed in November 2009 and construction began in December 2009. The project was completed in May 2010. The construction was completed in May 2010 and the project was closed-out at a total project cost of \$347,844.

Project Schedule for 2010-11 Budget:

The project is complete.

Project Costs and Funding:

	2007-08	2008-09	2009-10	2009-10	2010-11
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
701-800-8075 Contractual	\$ 0	\$ 4,500	\$ 430,000	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 4,500	\$ 430,000	\$ 0	\$ 0

Source of Funds

701 Water Capital	\$ 0	\$ 4,500	\$ 222,850	\$ 0	\$ 0
701 EPA Grants	0	0	207,150	0	0
Total Source of Funds	\$ 0	\$ 4,500	\$ 430,000	\$ 0	\$ 0

Project Funding Narrative:

This project was partially funded from Water Operating fund and from two line item grants received from the Environmental Protection agency totaling \$327,300 (\$86,700 from FY 2003, line item 04-308, and \$240,600 from FY 2005, line item 06-117). The EPA reimbursement rate was 48.17% of the project cost, resulting in \$167,417 in EPA funds.

Project Impact on Operating Budget:

This project will result in a decrease to operational and maintenance expenses due to replacement of old, leaky waterlines with new pipe.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Interstate 15 Corridor – New Water System Design

Project Number: 8077

Department/Program: Development Services – Water CIP

Project Description and Location:

On November 30, 2004, the City of Hesperia annexed the freeway corridor south from Highway 395 to the summit at Oak Hills. As part of this annexation, the City is required to construct the water and sewer infrastructure to serve this corridor. The agreement included a time requirement that all work was to be completed within three years. This work will include the preparation of plans and specifications for construction of new water and wastewater pipelines in Mariposa Road and Caliente Road from around the 395/I-15 Junction to the southern City limits, a new pump station at Plant 30, a new 5 MG water tank to service pressure zone 5 (a new pressure zone), and a new hydro-pneumatic booster station to serve pressure zone 6 (a new pressure zone).

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

In 2006, the City engaged a consultant to prepare an update to the Water and Wastewater Master Plans. The infrastructure needs of the freeway corridor were analyzed as part of the Master Plan Updates. The draft final reports were prepared in March 2007 and adopted in June 2008. Based on these reports, the required pipeline and associated sizing was determined, as well as the water storage needs. In March, the City concurrently solicited engineering firms for the design of the corridor. Carollo Engineers was selected to perform the analysis and design work for installation of the backbone water and wastewater system within the I-15 Corridor and began work in March 2008. Plans are at 65% completed by April 2009, and property acquisition for the reservoir site for the system began in late 2008/early 2009 (under C.O. 8078), and continued through June 2010, at which time work was suspended.

Project Schedule for 2010-11 Budget:

Preparation of plans and specifications is suspended this fiscal year due to changes in the economy and slowed development. Once recommenced, property acquisition should be completed, which will allow plans to be finalized.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
701-800-8077 Contractual	\$ 320,400	\$ 307,097	\$ 550,000	\$ 50,000	\$ 0
Total Expenditures	<u>\$ 320,400</u>	<u>\$ 307,097</u>	<u>\$ 550,000</u>	<u>\$ 50,000</u>	<u>\$ 0</u>

Source of Funds

701 Water Capital	\$ 320,400	\$ 307,097	\$ 550,000	\$ 50,000	\$ 0
Total Source of Funds	<u>\$ 320,400</u>	<u>\$ 307,097</u>	<u>\$ 550,000</u>	<u>\$ 50,000</u>	<u>\$ 0</u>

Project Funding Narrative:

This project is funded from the Water Capital fund revenue and fund reserves as needed. Total budgeted design costs are \$1,470,000 and construction costs are estimated at more than \$14 million. A portion of the design costs were funded in Fiscal Year 2009-10, and will be funded in future years as the economy improves.

Project Impact on Operating Budget:

This project will result in an increase to operation and maintenance expenses due to construction of new water and wastewater system facilities (tentatively scheduled to begin in Fiscal Year 2014-15 or later).

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Property Acquisition for Reservoir Expansion at Sites 19A and 21
New Reservoir to Serve Freeway Corridor

Project Number: 8078

Department/Program: Development Services – Water CIP

Project Description and Location:

With the addition of two 5 MG water tanks at Plant Site 30 and one 5 MG water tank at Plant Site 19A, the City's total water storage will reach approximately 60 MG. The City's Water Master Plan identifies construction of new water storage facilities to meet existing and projected demands requirements. Water storage requirements constitute three components: (1) operational storage, (2) emergency storage, and (3) fire storage. The rise in population in recent years has increased the demand for water that is available for domestic use and fire protection.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

In 2006, a consultant was engaged to proceed with preliminary work in preparation for construction of additional water storage reservoirs to meet the continuing increase in demand at Plant 19A (under Project 8073). This phase of the project included investigation and analysis of available real property that is contiguous to existing Plant 19A.

Property work for Plant 19A expansion was concluded in Fiscal Year 2007 by acquisition of the northerly property for approximately \$376,000. Property acquisition for Plant 21 has not occurred and was evaluated in light of the Mojave Water Agency's (MWA) R-cubed project. A consultant was engaged in January 2008 to begin design of the Interstate 15 Corridor infrastructure, including reservoir siting (under C.O. 8077). The Interstate 15 Corridor consultant identified the recommended reservoir site by Fall 2008/Winter 2009, after which property acquisition began. Acquisition had not been concluded by June 2010.

Project Schedule for 2010-11 Budget:

The freeway corridor property acquisition will be evaluated in later years (FY 2011-12). A consultant will be selected (in conjunction with a new well site under C.O. 8084) to perform the investigation of available property for Plant 21 after FY 2011-12.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
701-800-8078 Contractual	\$ 0	\$ 0	\$ 500,000	\$ 3,000	\$ 0
701-800-8078 Land		2,000	0		0
Total Expenditures	\$ 0	\$ 2,000	\$ 500,000	\$ 3,000	\$ 0
 <u>Source of Funds</u>					
701 Water Capital	\$ 0	\$ 2,000	\$ 500,000	\$ 3,000	\$ 0
Total Source of Funds	\$ 0	\$ 2,000	\$ 500,000	\$ 3,000	\$ 0

Project Funding Narrative:

This project is funded from Water Capital fund revenue and fund reserves as needed.

Project Impact on Operating Budget:

This project will have no impact on the operating budget.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Construction – Plant 22 Well A

Project Number: 8079

Department/Program: Development Services – Water CIP

Project Description and Location:

This project is for the drilling of a new well at Plant 22. An existing well was originally drilled in 1986. In early 2007, the well pump seized and it was determined that the well casing had collapsed resulting in a catastrophic failure beyond repair. In April 2007, a contract was awarded (Bakersfield Well and Pump Company) for the drilling and re-establishment of a new well on-site. Completion of the well occurred by October 2007.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2009-10 <u>Budget</u>
701-800-8079 Contractual	\$ 112,915	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 112,915	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
701 Water Capital	\$ 112,915	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 112,915	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project is funded by Water Capital fund revenue and fund reserves as needed.

Project Impact on Operating Budget:

This replacement will have no net effect on the operating budget.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Annual Pipeline Design Project (50,000 feet)

Project Number: 8080

Department/Program: Development Services – Water CIP

Project Description and Location:

The Hesperia Water District's 2003 Master Plan identified approximately 792,000 linear feet of existing pipe that is deficient for various reasons, including age (50+ years), leaks, taste and odor complaints stemming from water being distributed through steel pipes, and substandard fire flow and size (less than 6-inches in diameter). Design to replace the deficient system is an annual project.

Existing Situation and Work Completed Through Fiscal Year 2009--10:

The District has engaged contractors to replace pipe, and in 2006, the District created an in-house pipeline replacement crew. Installation by the crew began in November 2006. The goal is to replace all out-sourcing with the District's crew, which consistently replaces approximately 50,000 lineal feet of pipeline annually. This fiscal year saw the completion of Schedules 1 and 2 of the FY 2006-07 pipeline replacement project that is anticipated to be the last of the contracts issued to outside pipeline contractors for this work. The in-house crew is currently working on Schedule 3 of the FY 2006-07, which is anticipated to be completed in October 2008. Beginning in FY 2008-09, this project was no longer a CIP project and instead was included in the Water-Engineering Contract Services budget. An engineering design consultant was engaged by late summer for the design of the FY 2008-09 pipeline replacement project (approximately 61,000 lf) with the design being completed by March, 2008. The City's water pipeline crew schedule began this work in August, 2008 and completed it in October 2009.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
701-800-8080 Contractual	\$ 93,617	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>\$ 93,617</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Source of Funds

701 Water Capital	\$ 93,617	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	<u>\$ 93,617</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Project Funding Narrative:

This project is funded from the Water Capital fund and fund reserves as needed.

Project Impact on Operating Budget:

Once constructed, the improvements made from the design will reduce water operation expenses.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Water System Velocity Improvements Arrowhead/Tank 18/Maple

Project Number: 8082

Department/Program: Development Services – Water CIP

Project Description and Location:

This project involves the design and construction of improvements to the existing water system to increase water velocities in the area of Plants 18 and 22, on Arrowhead Road, Rancho Road and Maple Avenue. As growth and development increases, so does the need for additional pumping lane capacity and water velocity to serve the reservoir zones in the west and southwest portion of the City (Zone 3, 3A, and 4). This project will assist in improving velocity to plants in lower zones (Zone 1 and 2) to feed the upper zones (Plant 30). The 2007 Water Master Plan Update identifies this system improvement (Improvement Nos. V1-V5) in the near term (prior to 2012).

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

Prior to FY 2008-09, there had been no work done for this project. It was expected that a contract engineering consultant would be engaged by the end of December 2008 and design of the system improvements would be completed before the end of the fiscal year. However, until the aqueduct improvement is made at Rancho Road, this project will not have a beneficial effect in velocities. The Rancho project is being done under C.O. 7094, and design/permit approvals from the Department of Water Resources continued in FY 2009-10, and will continue through FY 2010-11.

Project Schedule for 2010-11 Budget:

No funding is proposed this fiscal year.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
701-800-8082 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
701 Water Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project is funded from Water Capital fund revenue reserves as needed. Design is estimated at \$100,000, and construction is estimated at \$725,000. Design would be expended in Fiscal Year 2010-11. Construction would occur in 2011-12.

Project Impact on Operating Budget:

This will have no Operating Budget impact at this time.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: New Well Site

Project Number: 8084

Department/Program: Development Services – Water CIP

Project Description and Location:

The City's Water Master Plan recommends that the Water District have an additional 10,000 gallons per minute (gpm) pumping capacity in its system by the year 2025. The City is anticipating this increase in pumping capacity and looking for new locations to drill wells. This project coordinates the efforts of City staff and consultants to identify up to four new sites to locate new production wells for the District.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The City drilled two test wells on the west end of the City in 2005-06 (under a previous C.O. 8076). The production rates from these two test wells were not high enough to justify the expense of developing production wells at these sites. In addition, during 2006, Well 21 (Tamarisk at Willow) suffered a failure, resulting in a reduction in its operational life. City staff is working with consultants to identify other potential sites for future wells in the City, specifically in the northwest portion of the City near Plants 14 (Mesa and Eleventh) and Well 21. Property in the northwest portion of the City (vicinity of Plants 14 and 21), was to be pursued in Fiscal Year 2008-09 but was deferred until after a determination is made by the District on participation in the Mojave Water Agency's (MWA) Regional Recharge and Recovery Project ("R-cubed") project. The MWA began implementation of the R-cubed project in May 2010 with construction of the first two wells in the City.

Project Schedule for 2010-11 Budget:

No funding is proposed this fiscal year. Based on the MWA's R-cubed project status, the District will be able to evaluate whether to drill new wells or participate with the MWA by the end of FY 2011-12.

Project Costs and Funding:

<u>Expenditure Phases</u>	<u>2007-08 Actual</u>	<u>2008-09 Actual</u>	<u>2009-10 Budget</u>	<u>2009-10 Revised</u>	<u>2010-11 Budget</u>
701-800-8084 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Source of Funds

701 Water Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	<u>\$ 0</u>				

Project Funding Narrative:

This project will be funded from the Water Capital fund revenue and fund reserves.

Project Impact on Operating Budget:

If successful, future phases of this project will result in a future increase to operation and maintenance expenses due to construction of a new well.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Subregional Wastewater Reclamation Plant

Project Number: 9007

Department/Program: Development Services – Water CIP

Project Description and Location:

All wastewater generated within the City of Hesperia is conveyed through sewer collection and trunk pipelines, approximately nine miles to the regional treatment plant, where the wastewater is treated by the Victor Valley Wastewater Reclamation Authority (VWVRA). The City's Sewer Master Plan and VWVRA's Capital Improvement Plan identify a subregional treatment plant to be constructed within the northwest quadrant of the City to handle the high density developments along the west end of the City. Two main factors that are analyzed in the selection of the treatment plant location is the potential to receive wastewater and an evaluation of potential recycled water uses that would benefit from the construction of the subregional plant. In Fiscal Year 2004-05, the Water District Board considered acquisition of approximately 20 acres from an adjacent development along Mesa Linda Road north of Main Street, but the property sale did not occur. In March 2007, the City re-visited the purchase proposal with the developer, and an agreement was reached to sell the property. The City is examining locations for the lift station which will convey flow back to the subregional plant. This plant will be designed, constructed and operated by VWVRA on behalf of the City, but the City will maintain ownership of the property on which the facility is located.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The City has finalized the purchase of the property north of and adjacent to the mobile home estates located on the east side of Mesa Linda Avenue, north of Main Street. However, due to hydraulic/energy issues, an alternate location east of I-15 is being evaluated. VWVRA has included the construction of this facility as a high priority in its Capital Improvement Plan and in March 2008, hired Tom Dodson and Associates to perform the project-specific environmental study, but was deferred and VWVRA solicited a design team consultant in Winter 2008. Carollo Engineers was selected to do the design in February 2009, and the environmental work is included in the design contract. The project-specific environmental study for the project occurred through FY 2009-10 and is being funded by VWVRA.

Project Schedule for 2010-11 Budget:

Due to the critical nature of this project, the City of Hesperia temporarily loaned funds to VWVRA until the Authority secures bond financing, in order to maintain uninterrupted progress on the project. Construction of the facility is contingent upon the financing plan and VWVRA Board approval for the sale of bonds for the financing of its Capital Improvement Program. This is expected to occur in FY 2010-11.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
711-900-9007 Land Capital	\$ 0	\$ 0	\$ 0	\$ 96,109	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 96,109	\$ 0

Source of Funds

711 Sewer Capital	\$ 0	\$ 0	\$ 0	\$ 96,109	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 96,109	\$ 0

Note - Auditor adjustments were made in FY 2007-08 and 2008-09 to reflect the purchase in FY 2009-10

Project Funding Narrative:

The remainder of this project will be funded through the financing plan associated with VWVRA's Capital Improvement Plan unless the City decides to move forward with this project on their own.

Project Impact on Operating Budget:

Construction of a subregional treatment plant would decrease the flows in the City's main sewer trunk lines and reduce the possibility of sanitary sewer overflows (SSO), thus reducing clean-ups and possible fines levied against the City.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Santa Fe Improvements – Sewer Upgrade
Phase 1 - Design

Project Number: 9009

Department/Program: Development Services – Wastewater CIP

Project Description and Location:

The City's current Public Works and Code Compliance is one building of many located on Santa Fe Avenue that is not being served by the City's sewer collection system. Buildings constructed in the area north of Lemon Avenue were constructed with a septic system and are in operation on septic. With the high use of the City's building and the future expansion of Animal Control and kennel services projected for the building, it will be necessary to connect this building to sewer. The nearest connection point for sewer is over a mile away, to the north.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This project is being taken over as a Capital Improvement Project by the Victor Valley Wastewater Reclamation Authority (VWVRA). The I Avenue interceptor which collects the majority of sewer flows in the City of Hesperia is reaching its capacity. Instead of expanding the size of the I Avenue interceptor or running a parallel line, it was determined that a new interceptor along Santa Fe Avenue would be easier to construct. VWVRA awarded the design of the Santa Fe Avenue Regional Interceptor (SAFARI) project to RBF Consultants in 2008. Design and environmental clearance occurred throughout the year.

Project Schedule for 2010-11 Budget:

VWVRA expects to be under construction by the Fall of 2010 subject to VWVRA's approval of the financing plan and sale of bonds (see CO 9007) with an anticipated construction period of six months.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
711-900-9009 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

711 Sewer Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project will not be funded by the City.

Project Impact on Operating Budget:

This improvement being done by VWVRA will relieve the City Wastewater budget from having to carry it out in future years.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Escondido Bypass Line

Project Number: 9010

Department/Program: Development Services – Wastewater CIP

Project Description and Location:

The City updated its Wastewater Master Plan and as part of that plan, one deficiency in the existing system needing to be addressed was identified in the western side of the City where new development is occurring. Identified as FP-11, this project installed a bypass sewer line to intercept the flows that are currently collected from the corner of Sultana Street and Escondido Avenue and flows east on Main Street to Maple Avenue. These flows are directed north in a new 10-inch line to connect to the system north of Main Street.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

Design began in August 2007 and was completed in October. Bid for construction occurred in November 2007, and was awarded to Karl Scanlon Company, Inc. in January 2008. Construction commenced in February, with completion by April 2008.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
711-900-9010 Contractual	\$ 398,787	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>\$ 398,787</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 <u>Source of Funds</u>					
711 Sewer Capital	\$ 398,787	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	<u>\$ 398,787</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Project Funding Narrative:

This project was funded by Sewer Capital fund revenue reserves and the construction cost was \$393,590. This included an initial award of \$297,710 plus an additional contract Change Order due to catastrophic trench failure.

Project Impact on Operating Budget:

This project reduced the potential for sanitary sewer overflows, thus reducing the potential for administrative fines by the regulatory agency (Lahontan) on the City.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Subregional Wastewater Reclamation Plant WRP-2

Project Number: 9011

Department/Program: Development Services – Wastewater CIP

Project Description and Location:

The City recently updated its Wastewater Master Plan. As part of that plan, three wastewater treatment facilities are identified to be needed in the City by build-out. Wastewater Reclamation Plant (WRP)-1 is to be located west of Interstate 15, and WRP-2 is to be located in the northeastern portion, south of Bear Valley Road and east of the BNSF Railway. For WRP-2, the District owns property in this area along the Mojave River; however topographical constraints that affect future use/distribution of reclaimed water, and wastewater discharge regulations established since this property was acquired make this property less desirable for this use than property closer to I Avenue. As a result, optional sites are being evaluated for locating WRP-2.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

Preliminary site investigations have occurred. This resulted in a recommended site being identified for acquisition which was considered by the District Board in May 2008. A parcel on Osbrink Drive was acquired by July 2008 for \$1,651,678.

Project Status:

The project is complete. Future use of the property is contingent on the Victor Valley Wastewater Reclamation Authority's Capital Improvement Program schedule.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
711-900-9011 Contractual	\$ 0	\$ 1,651,678	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 1,651,678	\$ 0	\$ 0	\$ 0

Source of Funds

711 Sewer Capital	\$ 0	\$ 1,651,678	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 1,651,678	\$ 0	\$ 0	\$ 0

Note - Deposit on land was made in FY 2007-08, however transaction closed in FY 2008-09.

Project Funding Narrative:

This project is funded by Sewer Capital fund revenue reserves as needed. Acquisition cost was estimated at \$1,100,000 and was finalized for \$1,651,678.

Project Impact on Operating Budget:

This phase of the project will have no impact on the budget.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Mojave Sewer Upgrade
Phase I - Design
Phase II - Construction

Project Number: 9012

Department/Program: Development Services – Wastewater CIP

Project Description and Location:

The City recently updated its Wastewater Master Plan. As part of that plan, deficiencies were identified to improve the existing collection system over the “near term” (needed as soon as possible), “mid-term” (2007-2012) and “long term” (2013-2017). One of the near-term deficiencies in the existing system needing to be addressed was identified in the western side of the City where new development is occurring. Identified as “FP-13,” this project would install a parallel 15-inch gravity main sewer line approximately 6,000 feet in Mojave Avenue, from approximately 800 feet west of Blanchard Road to Maple Avenue. Once the Wastewater Reclamation Plant WRP-1 is constructed by the Victor Valley Wastewater Reclamation Authority, a lift station will be constructed at this location to push all flows collected at this junction back to the Plant.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This project was added in FY 2007-08; however, development slowed with the economy, reducing the need for the project in the near term. No work was done in FY 2009-10. The project will be proposed in future years. Phase I (design of the system) should begin with the Live Oak Sewer Upgrade project (CO 9013).

Project Schedule for 2010-11 Budget:

No funding is proposed in this fiscal year. Time permitting, design work may begin by in-house staff during fiscal year 2010-11.

Project Costs and Funding:

<u>Expenditure Phases</u>	<u>2007-08 Actual</u>	<u>2008-09 Actual</u>	<u>2009-10 Budget</u>	<u>2009-10 Revised</u>	<u>2010-11 Budget</u>
711-900-9012 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

711 Sewer Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project is funded by Sewer Capital fund revenue reserves as needed. Design is estimated at \$150,000. Construction is estimated at \$1,607,000. Depending on the level of development over the next year, and construction of WRP-1, construction would be scheduled to begin either in Fiscal Year 2011-12 or 2012-13, and be completed in the following fiscal year.

Project Impact on Operating Budget:

This project will reduce the potential for sanitary sewer overflows, thus reducing the potential for administrative fines by the regulatory agencies.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Live Oak Sewer Upgrade
Phase I – Design
Phase II – Construction

Project Number: 9013

Department/Program: Development Services – Wastewater CIP

Project Description and Location:

The City recently updated its Wastewater Master Plan. As part of that plan, deficiencies were identified to improve the existing collection system over the “near term” (needed as soon as possible), “mid-term” (2007-12) and “long term” (2013-17). One of the near-term deficiencies in the existing system needing to be addressed was identified in the western side of the City where new development is occurring. Identified as “FP-12,” this project would install a parallel 10-inch gravity main sewer line approximately 7,000 feet, starting near Escondido at the California Aqueduct, extend north to Live Oak Street, and meander north to Avenal and the Southern California Edison transmission lines, terminating on Mojave Street, approximately 850 feet west of Blanchard Road.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

This project was added in FY 2007-08; however, development slowed with the economy, reducing the need for the project in the near term. No work was done in FY 2009-10. The project will be proposed in future years. Phase I (design of the system) should begin with the Mojave Sewer Upgrade project CO 9012.

Project Schedule for 2010-11 Budget:

No funding is proposed in this fiscal year. Time permitting, design work may begin by in-house staff during fiscal year 2010-11.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
711-900-9013 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

711 Sewer Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project is funded by Sewer Capital fund revenue reserves as needed. Design is estimated at \$75,000. Construction is estimated at \$1,726,000. Depending on the level of development over the next year, construction would be scheduled to begin either in Fiscal Year 2011-12 or 2012-13, and be completed in the following fiscal year.

Project Impact on Operating Budget:

This project will reduce the potential for sanitary sewer overflows, thus reducing the potential for administrative fines by the regulatory agencies.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Main Street Sewer (Topaz to Hickory)

Project Number: 9015

Department/Program: Development Services – Wastewater CIP

Project Description and Location:

The District's wastewater system includes collection lines on Main Street between Maple Avenue and Interstate 15, and between Eleventh/Hickory Avenues and I Avenue. This left a gap in sewer along Main Street, without which commercial development could not occur. In order to facilitate development in this area, the District installed a sewer collection line in Main Street generally from Topaz Avenue and Eleventh/Hickory.

Existing Situation and Work Completed Through Fiscal Year 2009-2010:

The City's contract engineering consultant (Desert Engineering) began design of this sewer line in December 2007, and completed it in May 2008. The project was bid for construction in July 2008. Aspen Pipeline was awarded the 5,700 foot pipeline project on August 19, 2008. The project was substantially complete by December 2008, and was accepted by June 2009, after paving of Main Street.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
711-900-9015 Contractual	\$ 0	\$ 504,008	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 504,008	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
711 Sewer Capital	\$ 0	\$ 504,008	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 504,008	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project was funded by Sewer Capital fund revenue reserves as needed. The construction cost was \$495,400, approximately \$100,000 less than the original estimate of \$600,000. Design and survey work was contracted for \$5,000.

Project Impact on Operating Budget:

This project resulted in a fractional increase in sewer line maintenance, which will be offset by user fees from development connecting to the line. The first user was Kids Planet, which connected upon completion of the project in 2009.

DEBT SERVICE

- *Overall Debt Obligations Summary*
- *Debt Obligations Principal Outstanding Summary*
- *2010-11 Budget Total Principal and Interest Debt Service Payments*
- *Annual Debt Service Payments by Obligation and Fund*
- *Individual Debt Obligation Summaries*

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DEBT SERVICE

OVERALL DEBT OBLIGATIONS SUMMARY

Included in this Debt Obligation Summary is information on external and internal debt obligations from Fiscal Year (FY) 2007-08 through the 2010-11 Budget.

Summary

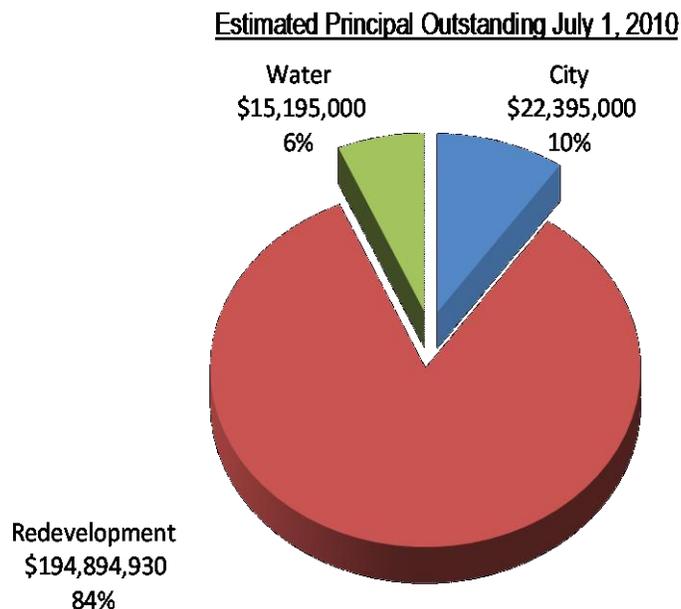
- The Water 1987 Prop. 28 Loan from the State of California was paid in full in September 2009.
- The debt obligations that would benefit from refinancing were refinanced in Fiscal Year (FY) 2004-05 or earlier. As was presented to the City Council for the refinanced debt issues, the lower interest rate environment associated with variable debt issues has resulted in the opportunity to prepay principal, through interest savings, thus lowering the overall outstanding debt more quickly. Status of Prepayments:
 - City Series 2004 Variable Rate Revenue Bonds (Measure I) – The lower variable rate interest environment has enabled the City to prepay a total of \$2.4 million through budgetary savings during the last four years.
 - Water 1998 Series A Revenue Bonds – The lower variable rate interest environment enabled the Water District to prepay a total of \$500,000 through budgetary savings, however no prepayments were made in FY 2009-10.

The variable rate obligations for the City, Measure I Debt, and Water District will continue to be monitored closely. If necessary, these obligations can quickly be swapped into fixed rates, as has been done with \$10 million of the Water 1998 A Series.

- Variable Rate Debt Letter of Credit Renewals – Due to changes in the financial markets, the number of Letter of Credit providers has significantly diminished. Therefore costs have increased substantially. These increased costs impact the Measure I debt, Civic Plaza debt, and Water 1998 A & B debt.
- Fire Station 305 Debt Agreement – Upon completion of the station, a full accounting will be performed and a loan agreement will be effectuated to repay the RDA for the expansion portion of the station from Fire Development Impact Fee funds.

Debt Obligation Principal Outstanding Summary

The following chart and schedule summarizes all current City debt obligations, with the original principal amount and the principal outstanding as of July 1, 2010:



DEBT SERVICE

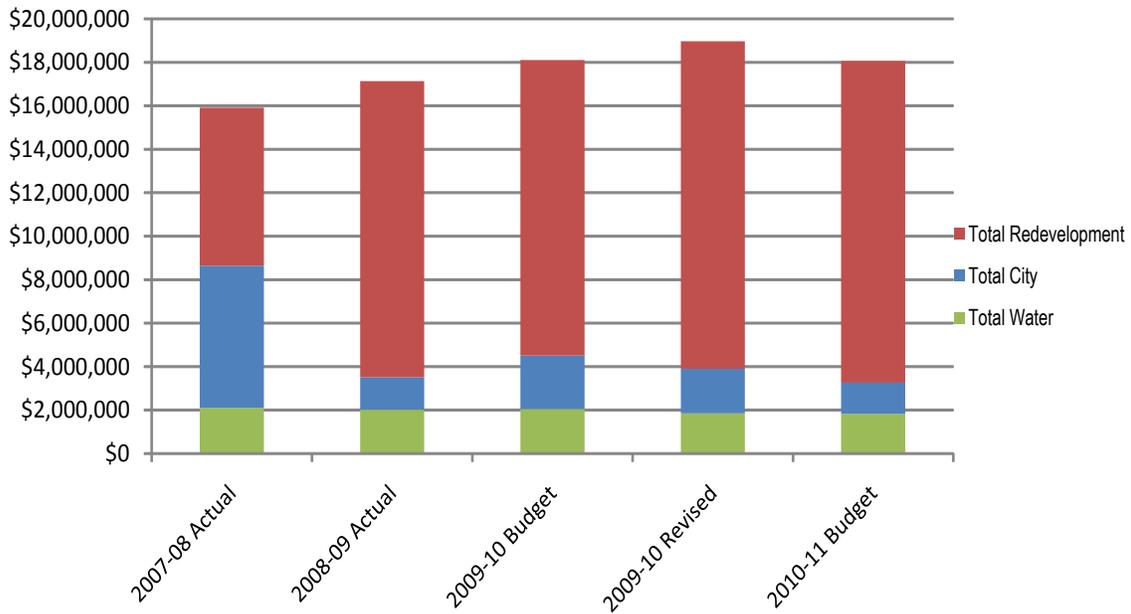
Debt Obligation Principal Outstanding Summary (Continued)

Estimated Principal Outstanding July 1, 2010

<u>Debt Service Principal Obligations</u>	<u>Original Principal Amount</u>	<u>Estimated Principal Outstanding July 1, 2010</u>	<u>Maturity Date</u>
<u>City of Hesperia</u>			
1996 HUD Section 108 Loan	\$ 3,000,000	\$ 900,000	August 1, 2015
Series 2004 Variable Rate Demand Revenue Bonds	12,525,000	7,595,000	October 1, 2021
2005 Variable Rate Demand Certificates of Participation (COPs)	<u>18,300,000</u>	<u>13,900,000</u>	October 1, 2031
Total City of Hesperia Principal Debt	\$33,825,000	\$22,395,000	
<u>Hesperia Community Redevelopment Agency</u>			
2005 Tax Allocation Bonds – Series A	\$ 40,500,000	\$ 36,535,000	September 1, 2035
2005 Tax Allocation Bonds – Series B	8,785,000	4,895,000	September 1, 2015
2007 Series A (Tax Exempt) Revenue Bonds	132,150,000	132,150,000	September 1, 2037
2007 Series B (Taxable) Revenue Bonds	22,170,000	18,890,000	September 1, 2021
2008 G Street and Mauna Loa Note	600,000	0	June 30, 2010
2008 Capps Note	603,000	496,030	December 28, 2013
2008 Stewood Note	650,000	536,406	December 28, 2013
2009 Hamann Note	2,300,000	1,186,199	June 16, 2011
2009 VCH Bugz Note	<u>400,000</u>	<u>206,295</u>	June 16, 2011
Total Hesperia Community Redevelopment Agency Principal Debt	\$208,158,000	\$194,894,930	
<u>Hesperia Water District</u>			
1992B Certificates of Participation	1,405,000	\$990,000	June 1, 2022
1998A Variable Rate Lease Revenue Refunding Bonds	18,040,000	12,935,000	June 1, 2026
1998B Variable Rate Lease Revenue Refunding Bonds	<u>2,070,000</u>	<u>1,270,000</u>	June 1, 2022
Total Hesperia Water District Principal Debt	\$21,515,000	\$15,195,000	
Total Principal Debt Service	\$263,498,000	\$232,484,930	

DEBT SERVICE

2010-11 BUDGET TOTAL PRINCIPAL AND INTEREST DEBT SERVICE PAYMENTS



	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
<u>City of Hesperia</u>					
Principal	\$5,450,000	\$1,020,000	\$905,000	\$890,000	\$910,000
Interest and Admin Fees	1,081,112	464,901	1,550,888	1,156,828	522,220
Total City	\$6,531,112	\$1,484,901	\$2,455,888	\$2,046,828	\$1,432,220
<u>Hesperia Community Redevelopment Agency</u>					
Principal	\$1,460,000	\$3,570,000	\$3,585,564	\$4,893,070	\$4,882,144
Interest and Admin Fees	5,818,257	10,059,536	10,011,168	10,184,668	9,917,852
Total Redevelopment	\$7,278,257	\$13,629,536	\$13,596,732	\$15,077,738	\$14,799,996
<u>Hesperia Water District</u>					
Principal	\$1,011,173	\$1,055,982	\$908,671	\$908,671	\$755,000
Interest and Admin Fees	1,095,290	965,074	1,143,870	938,545	1,072,175
Total Water	\$2,106,463	\$2,021,056	\$2,052,541	\$1,847,216	\$1,827,175
<u>Total All Funds</u>					
Principal	\$7,921,173	\$5,645,982	\$5,399,235	\$6,691,741	\$6,547,144
Interest and Admin Fees	7,994,659	11,489,511	12,705,926	12,280,041	11,512,247
Total Debt Service Payments	\$15,915,832	\$17,135,493	\$18,105,161	\$18,971,782	\$18,059,391

Note: Interest also includes Administrative/Other Costs

DEBT SERVICE

ANNUAL DEBT SERVICE PAYMENTS BY OBLIGATION AND FUND

In Chronological Order

	2007-08	2008-09	2009-10	2009-10	2010-11
	Actual	Actual	Budget	Revised	Budget
<u>City of Hesperia</u>					
<u>1996 HUD Section 108 Loan</u>					
Principal	\$150,000	\$300,000	\$150,000	\$150,000	\$150,000
Interest	69,060	32,335	50,000	6,500	35,000
Admin/Other costs	400	400	400	400	400
Total	<u>\$219,460</u>	<u>\$332,735</u>	<u>\$200,400</u>	<u>\$156,900</u>	<u>\$185,400</u>
<u>Series 2004 Variable Rate Demand Revenue</u>					
<u>Bonds</u>					
Principal	\$1,300,000	\$520,000	\$555,000	\$540,000	\$560,000
Interest	296,353	118,174	856,488	842,288	36,100
Admin/Other Costs	64,866	54,212	75,000	104,200	136,520
Total	<u>\$1,661,219</u>	<u>\$692,386</u>	<u>\$1,486,488</u>	<u>\$1,486,488</u>	<u>\$732,620</u>
<u>2005 Variable Rate Demand Certificates of</u>					
<u>Participation</u>					
Principal	\$4,000,000	\$200,000	\$200,000	\$200,000	\$200,000
Interest	514,568	171,873	419,000	30,000	69,000
Admin/Other Costs	135,865	87,907	150,000	173,440	245,200
Total	<u>\$4,650,433</u>	<u>\$459,780</u>	<u>\$769,000</u>	<u>\$403,440</u>	<u>\$514,200</u>
<u>Total City of Hesperia Funds</u>					
Principal	\$5,450,000	\$1,020,000	\$905,000	\$890,000	\$910,000
Interest	879,981	322,382	1,325,488	878,788	140,100
Admin/Other Costs	201,131	142,519	225,400	278,040	382,120
Total	<u>\$6,531,112</u>	<u>\$1,484,901</u>	<u>\$2,455,888</u>	<u>\$2,046,828</u>	<u>\$1,432,220</u>
<u>Hesperia Community Redevelopment</u>					
<u>Agency</u>					
<u>2005 Tax Allocation Bonds-Series A</u>					
Principal	\$695,000	\$720,000	\$740,000	\$740,000	\$765,000
Interest	1,780,016	1,758,791	1,736,891	1,736,891	1,714,316
Admin/Other Costs	2,225	2,233	3,000	3,000	3,000
Total	<u>\$2,477,241</u>	<u>\$2,481,024</u>	<u>\$2,479,891</u>	<u>\$2,479,891</u>	<u>\$2,482,316</u>
<u>2005 Tax Allocation Bonds-Series B</u>					
Principal	\$765,000	\$785,000	\$810,000	\$810,000	\$835,000
Interest	222,020	198,770	174,845	174,845	150,170
Admin/Other Costs	2,225	2,231	3,000	3,000	3,000
Total	<u>\$989,245</u>	<u>\$986,001</u>	<u>\$987,845</u>	<u>\$987,845</u>	<u>\$988,170</u>

DEBT SERVICE

ANNUAL DEBT SERVICE PAYMENTS BY OBLIGATION AND FUND (Continued)

In Chronological Order

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2009-10</u>	<u>2010-11</u>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
<u>Hesperia Community Redevelopment</u>					
<u>Agency</u>					
<u>2007 Series A (Tax Exempt) Revenue Bonds</u>					
Principal	\$0	\$0	\$0	\$0	\$0
Interest	3,201,470	6,819,700	6,819,700	6,819,700	6,819,700
Admin/Other Costs	0	4,190	9,000	7,000	7,000
Total	<u>\$3,201,470</u>	<u>\$6,823,890</u>	<u>\$6,828,700</u>	<u>\$6,826,700</u>	<u>\$6,826,700</u>
<u>2007 Series B (Taxable) Revenue Bonds</u>					
Principal	\$0	\$1,715,000	\$1,565,000	\$1,565,000	\$1,655,000
Interest	610,301	1,249,765	1,153,595	1,153,595	1,059,185
Admin/Other Costs	0	3,374	5,000	5,000	5,000
Total	<u>\$610,301</u>	<u>\$2,968,139</u>	<u>\$2,723,595</u>	<u>\$2,723,595</u>	<u>\$2,719,185</u>
<u>2008 G Street & Mauna Loa Note</u>					
Principal	\$0	\$350,000	\$250,000	\$250,000	\$0
Interest	0	20,482	26,082	26,082	0
Admin/Other Costs	0	0	0	0	0
Total	<u>\$0</u>	<u>\$370,482</u>	<u>\$276,082</u>	<u>\$276,082</u>	<u>\$0</u>
<u>2008 Cappas Note</u>					
Principal	\$0	\$0	\$106,970	\$106,970	\$113,388
Interest	0	0	36,180	36,180	29,762
Admin/Other Costs	0	0	0	0	0
Total	<u>\$0</u>	<u>\$0</u>	<u>\$143,150</u>	<u>\$143,150</u>	<u>\$143,150</u>
<u>2008 Steward Note</u>					
Principal	\$0	\$0	\$113,594	\$113,594	\$121,262
Interest	0	0	43,875	43,875	36,207
Admin/Other Costs	0	0	0	0	0
Total	<u>\$0</u>	<u>\$0</u>	<u>\$157,469</u>	<u>\$157,469</u>	<u>\$157,469</u>
<u>2009 Hamann Note</u>					
Principal	\$0	\$0	\$0	\$1,113,801	\$1,186,199
Interest	0	0	0	149,500	77,103
Admin/Other Costs	0	0	0	0	0
Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,263,301</u>	<u>\$1,263,302</u>
<u>2009 VCH Bugz Note</u>					
Principal	\$0	\$0	\$0	\$193,705	\$206,295
Interest	0	0	0	26,000	13,409
Admin/Other Costs	0	0	0	0	0
Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$219,705</u>	<u>\$219,704</u>
<u>Total Hesperia Community Redevelopment</u>					
<u>Agency</u>					
Principal	\$1,460,000	\$3,570,000	\$3,585,564	\$4,893,070	\$4,882,144
Interest	5,813,807	10,047,508	9,991,168	10,166,668	9,899,852
Admin/Other Costs	4,450	12,028	20,000	18,000	18,000
Total	<u>\$7,278,257</u>	<u>\$13,629,536</u>	<u>\$13,596,732</u>	<u>\$15,077,738</u>	<u>\$14,799,996</u>

DEBT SERVICE

ANNUAL DEBT SERVICE PAYMENTS BY OBLIGATION AND FUND (Continued)

In Chronological Order

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2009-10</u>	<u>2009-10</u>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
<u>Hesperia Water District</u>					
<u>1987 Prop 28 Loan form State of California</u>					
Principal	\$351,173	\$365,982	\$188,671	\$188,671	\$0
Interest	34,008	19,200	3,920	3,920	0
Admin/Other Costs	0	0	0	0	0
Total	<u>\$385,181</u>	<u>\$385,182</u>	<u>\$192,591</u>	<u>\$192,591</u>	<u>\$0</u>
<u>1992 B Certificates of Participation</u>					
Principal	\$35,000	\$40,000	\$45,000	\$45,000	\$50,000
Interest	99,900	96,750	93,150	93,150	89,100
Admin/Other Costs	3,975	3,969	4,000	3,975	3,975
Total	<u>\$138,875</u>	<u>\$140,719</u>	<u>\$142,150</u>	<u>\$142,125</u>	<u>\$143,075</u>
<u>1998 A Variable Rate Lease Revenue Refunding</u>					
<u>Bonds</u>					
Principal	\$550,000	\$570,000	\$595,000	\$595,000	\$620,000
Interest	808,601	731,437	807,800	650,000	625,350
Admin/Other Costs	92,623	85,733	140,000	166,000	309,820
Total	<u>\$1,451,224</u>	<u>\$1,387,170</u>	<u>\$1,542,800</u>	<u>\$1,411,000</u>	<u>\$1,555,170</u>
<u>1998 B Variable Rate Lease Revenue Refunding</u>					
<u>Bonds</u>					
Principal	\$75,000	\$80,000	\$80,000	\$80,000	\$85,000
Interest	47,022	20,933	81,000	5,000	13,500
Admin/Other Costs	9,161	7,052	14,000	16,500	30,430
Total	<u>\$131,183</u>	<u>\$107,985</u>	<u>\$175,000</u>	<u>\$101,500</u>	<u>\$128,930</u>
<u>Total Hesperia Water District</u>					
Principal	\$1,011,173	\$1,055,982	\$908,671	\$908,671	\$755,000
Interest	989,531	868,320	985,870	752,070	727,950
Admin/Other Costs	105,759	96,754	158,000	186,475	344,225
Total	<u>\$2,106,463</u>	<u>\$2,021,056</u>	<u>\$2,052,541</u>	<u>\$1,847,216</u>	<u>\$1,827,175</u>
<u>Total All Funds</u>					
Principal	\$7,921,173	\$5,645,982	\$5,399,235	\$6,691,741	\$6,547,144
Interest	7,683,319	11,238,210	12,302,526	11,797,526	10,767,902
Admin/Other Costs	311,340	251,301	403,400	482,515	744,345
Total	<u>\$15,915,832</u>	<u>\$17,135,493</u>	<u>\$18,105,161</u>	<u>\$18,971,782</u>	<u>\$18,059,391</u>

DEBT SERVICE

INDIVIDUAL DEBT OBLIGATION SUMMARIES

This section summarizes the individual debt service obligations of the City included in the FY 2010-11 Budget. These obligations represent the City's annual installment payments of principal, interest and administrative/other costs for debt financing. Each debt obligation is summarized with a description, relevant financial information, and a brief analysis and recommendation. Please note internal debt obligations, i.e. obligations between various City funds, may also be included if it is relevant to understanding the City's debt obligations. Debt obligations paid in full or refinanced/refunded through Fiscal Year 2007-08 are included for information.

Debt Obligation Listing

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DEBT SERVICE

City - 1996 HUD Section 108 Loan

Purpose/History: On June 6, 1996, the City entered into a note for \$3,000,000 with Chase Manhattan Bank, the proceeds of which were to be used to make loans to assist for-profit businesses. The note is guaranteed by the Department of Housing and Urban Development (HUD) under Section 108 of the Housing and Community Development Act.

Original Principal Amount: \$3,000,000

Principal Outstanding Balance as of:

July 1, 2007:	\$1,500,000
July 1, 2008:	\$1,350,000
July 1, 2009	\$1,050,000*
Estimated July 1, 2010	\$ 900,000

*Note: Includes a \$150,000 principal prepayment made in April 2009.

Interest Rate: Variable at 0.2% above LIBOR (London Interbank Offered Rates). Note: 2010-11 Budget assumes a 4.16% variable rate.

Maturity Date: August 1, 2016*
*Revised to August 1, 2015 due to prepayment in 2009.

Funding Sources: The City of Hesperia is responsible for the HUD Section 108 Housing Loan; however Community Development Block Grant (CDBG) entitlements are the allowed source of funding.

<u>Payment Amount</u>	<u>2007-08 Actual</u>	<u>2008-09 Actual</u>	<u>2009-10 Budget</u>	<u>2009-10 Revised</u>	<u>2010-11 Budget</u>
Principal Amount	\$150,000	\$300,000	\$150,000	\$150,000	\$150,000
Interest Amount	69,060	32,335	50,000	6,500	35,000
Admin/Other Costs	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>
Total	\$219,460	\$332,735	\$200,400	\$156,900	\$185,400

Analysis and Recommendation

- This obligation will be paid as planned or refinanced in conjunction with other HUD guaranteed debt obligations.

DEBT SERVICE

City - Series 2004 Variable Rate Demand Revenue Bonds

Purpose/History: On September 22, 2004 the Hesperia Public Financing Authority issued Variable Rate Demand Revenue Bonds – Series 2004 for \$12,525,000, of which \$1,034,075 was put in reserve and the balance was used to refund the 1993A and B Revenue Bonds (Measure I Debt). The 1993 A and B Bonds were used to finance the construction, replacement, or improvement of local streets and highways of the City.

Original Principal Amount: \$12,525,000

Principal Outstanding Balance as of:

July 1, 2007	\$9,955,000 ⁽¹⁾
July 1, 2008	\$8,655,000 ⁽²⁾
July 1, 2009	\$8,135,000
Estimated July 1, 2010	\$7,595,000

(1) Reduced from \$10,955,000 to \$9,955,000 due to \$1,000,000 prepayment.

(2) Reduced from \$9,455,000 to \$8,655,000 due to \$800,000 prepayment.

Interest Rate: Variable

Maturity Date: October 1, 2023 (Revised October 1, 2021)

Funding Sources: Gas Tax Revenue, Local Transportation (LTF) Revenue, and Measure I Local and Arterial Revenues.

<u>Payment Amount</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
Principal Amount	\$1,300,000	\$520,000	\$ 555,000	\$ 540,000	\$560,000
Interest Amount	296,353	118,174	856,488	842,288	36,100
Admin/Other Costs	<u>64,866</u>	<u>54,212</u>	<u>75,000</u>	<u>104,200</u>	<u>136,520</u>
Total	\$1,661,219	\$692,386	\$1,486,488	\$1,486,488	\$732,620

Analysis and Recommendation

- This debt obligation has a variable interest rate and no penalties for early repayment of principal. From Fiscal Year 2004-05 until Fiscal Year 2009-10, the Budget for interest was being calculated at the level that would have been needed to pay the previous 1993 A and B obligations that were refinanced. Payments on this debt obligation are monitored monthly to determine interest savings and recommendations made at appropriate times, whether prepayment of principal can be accomplished. Three prepayments have been made: \$200,000 in September 2005, based on Fiscal Year 2004-05 interest savings; a prepayment of principal for \$400,000 made in Fiscal Year 2005-06; a \$1,000,000 prepayment in June 2007; and an additional \$800,000 prepayment made in Fiscal Year 2007-08, bringing the total payments to \$2,400,000.
- No longer budgeting as if the 93 bonds were still in place. Budgeted interest at 0.5% (1/2 of 1%). Letter of credit costs significantly increased so budgeted bond administration at \$136,500.

DEBT SERVICE

City – 2005 Variable Rate Demand Certificates of Participation

Purpose/History: At the April 20, 2005 City Council meeting, the City Council authorized the issuance of Certificates of Participation (COPs) to finance \$15,000,000 in costs associated with the new Civic Plaza (City Hall).

Original Principal Amount: \$18,300,000

Principal Outstanding Balance as of:

July 1, 2007	\$18,300,000
July 1, 2008	\$14,300,000 ⁽¹⁾
July 1, 2009	\$14,100,000
Estimated July 1, 2010	\$13,900,000

Note (1) Reduced from \$17,900,000 to \$14,300,000 due to \$3,600,000 prepayment.

Interest Rate: Variable

Maturity Date: October 1, 2034 (Revised to October 1, 2031)

Funding Sources: General Fund and Public Services Development Impact Fees

<u>Payment Amount</u>	<u>2007-08</u> <u>Actual</u>	<u>2008-09</u> <u>Actual</u>	<u>2009-10</u> <u>Budget</u>	<u>2009-10</u> <u>Revised</u>	<u>2010-11</u> <u>Budget</u>
Principal Amount	\$ 4,000,000	\$200,000	\$200,000	\$200,000	\$200,000
Interest Amount	514,568	171,873	419,000	30,000	69,000
Admin/Other Costs	<u>135,865</u>	<u>87,907</u>	<u>150,000</u>	<u>173,440</u>	<u>245,200</u>
Total	\$4,650,433	\$459,780	\$769,000	\$403,440	\$514,200

(1) Prepayment of \$3,600,000 was made in March 2008 from construction savings, and as such funds were not transferred from either the General Fund or Public Services Development Impact Fees.

Analysis and Recommendation

- This COP debt obligation was issued in June 2005 as a variable rate debt for \$18,300,000. Based on the final bond issuance numbers, the General Fund is responsible for 12.75% and the Public Service Development Impact Fees are responsible for 87.25% of the debt related costs. Prepayment of annual debt service principal and interest commenced in Fiscal Year 2007-08.
- During Fiscal Year 2007-08 City Hall was completed and the construction fund closed, leaving \$3.6 million in excess construction bond funds that were transferred to be used to prepay principal on the bonds. This reduced the outstanding principal to \$14,300,000 as of June 30, 2008.
- Due to the extremely low interest rate environment, budgeted FY 2010-11 Proposed interest at 0.50% with the knowledge that Fund 401 has a healthy reserve and can be utilized for a budget amendment, if necessary. It was necessary to increase the budget for bond administration expense due to the increase in the cost of the letter of credit.

DEBT SERVICE

Redevelopment Agency – 2005 Tax Allocation Bonds – Series A

Purpose/History: The 2005 Series A Bonds are payable from “Tax Revenues,” i.e., tax increment generated in the Agency’s Redevelopment Project Area (“Project Area No. 1”) and its Redevelopment Project Area No. 2 (“Project Area No. 2,” and together with Project Area No. 1, the “Project Areas”) available to the Agency after (i) payment of unsubordinated pass-through obligations to taxing entities affected by formation of the Project Areas and (ii) 20% of the tax increment is deposited into the Agency’s Low and Moderate Income Housing Fund.

The 2005 Series A Bonds were issued to fund the following five uses or purposes:

- (1) Series A Bond proceeds in the approximate amount of \$13.2 million were used to refund all of the Agency’s outstanding 1994 Bonds – Series A, B, and C, with an average interest cost of approximately 7.94% versus an all-in-true interest rate of 4.928% for the 2005 Series A Bonds.
- (2) Series A Bond proceeds in the approximate amount of \$5 million were used to provide funds to the Agency to repay advances from the City’s General Fund.
- (3) Series A Bond proceeds in the approximate amount of up to \$19.9 million will be used to finance redevelopment projects in the project areas.
- (4) Bond Reserves, amounting to \$2,479,316.
- (5) Costs of issuance and insurance premiums amounting to \$1,372,188.

Original Principal Amount: \$40,500,000

Principal Outstanding Balance as of:

July 1, 2007	\$38,690,000
July 1, 2008	\$37,995,000
July 1, 2009	\$37,275,000
Estimated July 1, 2010	\$36,535,000

Interest Rate: 3.5% to 5.0% (All-in true interest cost of 4.928%).

Maturity Date: September 1, 2035

Funding Sources: Redevelopment Agency Tax Increment Revenue

<u>Payment Amount</u>	<u>2007-08 Actual</u>	<u>2008-09 Actual</u>	<u>2009-10 Budget</u>	<u>2009-10 Revised</u>	<u>2010-11 Budget</u>
Principal Amount	\$ 695,000	\$ 720,000	\$ 740,000	\$ 740,000	\$ 765,000
Interest Amount	1,780,016	1,758,791	1,736,891	1,736,891	1,714,316
Admin/Other Costs	<u>2,225</u>	<u>2,233</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
Total	\$2,477,241	\$2,481,024	\$2,479,891	\$2,479,891	\$2,482,316

Analysis and Recommendation

- The 2005 Tax Allocation Bonds – Series A were issued in June 2005. An additional Redevelopment bond issue was issued in Fiscal Year 2007-08, as a parity issue to the 2005 Tax Allocation Bonds – Series A. The Redevelopment Agency plans to continue debt service payments as prescribed in the official statement.

DEBT SERVICE

Redevelopment Agency – 2005 Tax Allocation Bonds – Series B

Purpose/History: The 2005 Series B Bonds are payable from “Housing Tax Revenues,” i.e., the 20% portion of the tax increment from the two project areas deposited into the Agency’s Low and Moderate Income Housing Fund.

The 2005 Series B Bonds were issued to fund the following four uses or purposes:

- Series B Bond proceeds in the approximate amount of \$7 million will be used to finance low and moderate income housing activities in or of benefit to the project areas.
- Series B Bond proceeds in the amount of \$676,600 was used to provide funds to the Agency to repay advances from the City’s Liability Insurance Fund.
- Bond Reserves in the amount of \$878,500.
- Costs of issuance and insurance premiums amounting to \$208,662.

Original Principal Amount: \$8,785,000

Principal Outstanding Balance as of:

July 1, 2007	\$7,255,000
July 1, 2008	\$6,490,000
July 1, 2009	\$5,705,000
Estimated July 1, 2010	\$4,895,000

Interest Rate: 3.877% All-in-true interest cost

Maturity Date: September 1, 2015

Funding Sources: Redevelopment Agency “Housing Tax Revenue” (20% portion of tax increment revenue)

<u>Payment Amount</u>	<u>2007-08</u> <u>Actual</u>	<u>2008-09</u> <u>Actual</u>	<u>2009-10</u> <u>Budget</u>	<u>2009-10</u> <u>Revised</u>	<u>2010-11</u> <u>Budget</u>
Principal Amount	\$765,000	\$785,000	\$810,000	\$810,000	\$835,000
Interest Amount	222,020	198,770	174,845	174,845	150,170
Admin/Other Costs	<u>2,225</u>	<u>2,231</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
Total	\$989,245	\$986,001	\$987,845	\$987,845	\$988,170

Analysis and Recommendation

- The 2005 Tax Allocation Bonds – Series B were issued in June 2005. Based on actual Fiscal Year 2004-05 and actual Fiscal Year 2005-06 tax increment revenue growth, an additional Redevelopment bond issue was issued in Fiscal Year 2007-08. The Redevelopment Agency plans to continue debt service payments as prescribed in the official statement.

DEBT SERVICE

Redevelopment Agency – 2007 Series A (Tax Exempt) Revenue Bonds

Purpose/History: The 2007 Series A Revenue Bonds (Tax Exempt) for Redevelopment and Housing Projects were issued to fund the following:

- (1) Series A Bond proceeds in the approximate amount of \$78.5 million are to be used to fund the financing of redevelopment activities with respect to Project Area No. 1.
- (2) Series A Bond proceeds in the approximate amount of \$5 million are to be used to fund the financing of redevelopment activities with respect to Project Area No. 2.
- (3) Series A Bond proceeds in the approximate amount of \$46.7 million will be used to finance low and moderate income housing activities that benefit both project areas.

Original Principal Amount: \$132,150,000

Principal Outstanding Balance as of:

July 1, 2007	0
July 1, 2008	\$132,150,000
July 1, 2009	\$132,150,000
Estimated July 1, 2010	\$132,150,000

Interest Rate: 5.0% to 5.5%

Maturity Date: September 1, 2037

Funding Sources: Redevelopment Agency Tax Increment Revenue and Housing Tax Revenue

<u>Payment Amount</u>	<u>2007-08</u> <u>Actual</u>	<u>2008-09</u> <u>Actual</u>	<u>2009-10</u> <u>Budget</u>	<u>2009-10</u> <u>Revised</u>	<u>2010-11</u> <u>Budget</u>
Principal Amount	0	0	0	0	0
Interest Amount	\$3,201,470	\$6,819,700	\$6,819,700	\$6,819,700	\$6,819,700
Admin/Other Costs	<u>0</u>	<u>4,190</u>	<u>9,000</u>	<u>7,000</u>	<u>7,000</u>
Total	\$3,201,470	\$6,823,890	\$6,828,700	\$6,826,700	\$6,826,700

Note: Budgetary Basis Adjustments– The FY 2007-08 actual will not include any costs related to the issuance of the 2007 Series A Revenue Bonds

Analysis and Recommendation

The Redevelopment Agency plans to continue debt service payments as prescribed in the official statements.

DEBT SERVICE

Redevelopment Agency – 2007 Series B (Taxable) Revenue Bonds

Purpose/History: The 2007 Series B Revenue Bonds (Taxable) for Redevelopment and Housing Projects were issued to fund the following:

- (1) Series B Bond proceeds in the amount of \$9.8 million will be used to fund the financing of redevelopment activities with respect to Project Area No. 1.
- (2) Series B Bond proceeds in the amount of \$746,500 will be used to fund the financing of redevelopment activities with respect to Project Area No. 2.
- (3) Series B Bond proceeds in the amount of \$11.1 million will be used to finance low and moderate income housing activities that benefit both project areas.

Original Principal Amount: \$22,170,000

Principal Outstanding Balance as of:

July 1, 2007	0
July 1, 2008	\$22,170,000
July 1, 2009	\$20,455,000
Estimated July 1, 2010	\$18,890,000

Interest Rate: 5.864%

Maturity Date: September 1, 2021

Funding Sources: Redevelopment Agency Tax Increment Revenue and Housing Tax Revenue

<u>Payment Amount</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
Principal Amount	0	\$1,715,000	\$1,565,000	\$1,565,000	\$1,655,000
Interest Amount	\$610,301	1,249,765	1,153,595	1,153,595	1,059,185
Admin/Other Costs	<u>0</u>	<u>3,374</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Total	\$610,301	\$2,968,139	\$2,723,595	\$2,723,595	\$2,719,185

Note: Budgetary Basis Adjustment – The Fiscal Year 2007-08 actual will not include any costs related to the issuance of the 2007 Series B Revenue Bonds.

Analysis and Recommendation

The Redevelopment Agency plans to continue debt service payments as prescribed in the official statement.

DEBT SERVICE

Redevelopment Agency – 2008 G Street & Mauna Loa Note

Purpose/History: On May 14, 2008, the Redevelopment Agency entered into an agreement to purchase two parcels of land (APN 0410-021-13 and 0410-021-28) for \$1,050,000. A deposit of \$450,000 was made and the remainder, \$600,000, will be financed over two years.

Original Principal Amount: \$600,000

Principal Outstanding Balance as of:

July 1, 2007	0
July 1, 2008	\$600,000
July 1, 2009	\$250,000
Estimated July 1, 2010	\$0

Interest Rate: 7%

Maturity Date: June 30, 2010

Funding Sources: Redevelopment Agency Bond Proceeds

<u>Payment Amount</u>	<u>2007-08</u> <u>Actual</u>	<u>2008-09</u> <u>Actual</u>	<u>2009-10</u> <u>Budget</u>	<u>2009-10</u> <u>Revised</u>	<u>2010-11</u> <u>Budget</u>
Principal Amount	0	\$350,000	\$250,000	\$250,000	0
Interest Amount	0	20,482	26,082	26,082	0
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	\$370,482	\$276,082	\$276,082	0

Analysis and Recommendation

This note will be paid in full by June 30, 2010.

DEBT SERVICE

Redevelopment Agency – 2008 Capps

Purpose/History: On December 29, 2008 the Redevelopment Agency entered into an agreement to purchase a parcel of land (APN 0410-031-03) for \$900,000. A deposit of \$297,000 was made and the remainder, \$603,000, will be financed over five years.

Original Principal Amount: \$603,000

Principal Outstanding Balance as of:

July 1, 2008	\$0
July 1, 2009	\$603,000
Estimated July 1, 2010	\$496,030

Interest Rate: 6%

Maturity Date: December 28, 2013

Funding Sources: Redevelopment Agency Bond Proceeds

<u>Payment Amount</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
Principal Amount	0	0	\$106,970	\$106,970	\$113,388
Interest Amount	0	0	36,180	36,180	29,762
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	\$143,150	\$143,150	\$143,150

Analysis and Recommendation

If the Redevelopment Agency's tax increment revenue regains its growth, early repayment of this obligation will be considered.

DEBT SERVICE

Redevelopment Agency – 2008 Steward Note

Purpose/History: On December 29, 2008 the Redevelopment Agency entered into an agreement to purchase a parcel of land (APN 0410-031-06) for \$1,050,000. A deposit of \$400,000 was made and the remainder, \$650,000, will be financed over five years.

Original Principal Amount: \$650,000

Principal Outstanding Balance as of:

July 1, 2008	\$0
July 1, 2009	\$650,000
Estimated July 1, 2010	\$536,406

Interest Rate: 6.75%

Maturity Date: December 28, 2013

Funding Sources: Redevelopment Agency Bond Proceeds

<u>Payment Amount</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
Principal Amount	0	0	\$113,594	\$113,594	\$121,262
Interest Amount	0	0	43,875	43,875	36,207
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	\$157,469	\$157,469	\$157,469

Analysis and Recommendation

If the Redevelopment Agency's tax increment revenue regains its growth, early repayment of this obligation will be considered.

DEBT SERVICE

RDA 2009 – Hamann Note

Purpose/History: On June 16, 2009, the Hesperia Community Redevelopment Agency entered into an agreement to purchase two parcels of land (APNs 3064-551-08 and 3064-561-06) for \$3,900,000. A deposit of \$1,500,000 was made at the close of escrow and the remainder of \$2,400,000, will be financed over two years.

Original Principal Amount: \$2,300,000

Principal Outstanding Balance as of:

July 1, 2008	0
July 1, 2009	\$2,300,000
Estimated July 1, 2010	1,186,199

Interest Rate: 6.5%

Maturity Date: June 16, 2011

Funding Source: Redevelopment Agency

<u>Payment Amount</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
Principal Amount	0	0	0	\$1,113,801	\$1,186,199
Interest Amount	0	0	0	149,500	77,103
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	\$1,263,301	\$1,263,302

Analysis and Recommendation

Repay sooner than maturity date, if possible, for interest savings.

DEBT SERVICE

RDA 2009 – VCH – Bugz Note

Purpose/History: On June 16, 2009, the Hesperia Community Redevelopment Agency entered into an agreement to purchase six parcels of land (APNs 3064-551-01 thru 04, 06, and 07) for \$600,000. A deposit of \$200,000 was made at the close of escrow and the remainder of \$400,000 will be financed over two years.

Original Principal Amount: \$400,000

Principal Outstanding Balance as of:

July 1, 2008	0
July 1, 2009	\$400,000
Estimated July 1, 2010	206,295

Interest Rate: 6.5%

Maturity Date: June 16, 2011

Funding Sources: Redevelopment Agency

<u>Payment Amount</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
Principal Amount	0	0	0	\$193,705	\$206,295
Interest Amount	0	0	0	26,000	13,409
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	\$219,705	\$219,704

Analysis and Recommendation

Repay sooner than maturity date, if possible, for interest savings.

DEBT SERVICE

Water District - 1987 Prop. 28 Loan from State of California

Purpose/History: On May 30, 1987, the City of Hesperia entered into contract #E53203 with the State of California, Department of Water Resources, to borrow \$5,000,000 under the California Safe Drinking Water Bond Law of 1984 (City Council Resolution 87-9). The loan was made to assist in financing construction of a project that would enable the City to meet safe drinking water standards established pursuant to Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code.

Original Principal Amount: \$5,000,000

Principal Outstanding Balance as of:

July 1, 2007:	\$ 905,826
July 1, 2008	\$ 554,652
July 1, 2009	\$ 188,671
Estimated July 1, 2010	\$ 0

Interest Rate: 4.1439%

Maturity Date: October 1, 2009

Funding Source: Hesperia Water District User Taxes – The supplier agrees that it will levy and collect assessments and user charges as may be necessary to operate and to maintain the project and to meet the payments of the loan when it becomes due. If, for any reason gross revenues prove insufficient to service the loan contract, supplier agrees to raise sufficient funds through increased user charges or assessments or any other legal means available to it to meet loan payments and to operate and to maintain the project.

<u>Payment Amount</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
Principal Amount	\$351,173	\$365,982	\$188,671	\$188,671	0
Interest Amount	34,008	19,200	3,920	3,920	0
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$385,181	\$385,182	\$192,591	\$192,591	0

Note: Budgetary Basis Adjustment – The principal payments are reflected in the actual columns. The CAFR shows an interest accrual.

Analysis and Recommendation

- The 1987 Proposition 28 Loan was paid in full in September 2009.

DEBT SERVICE

Water District - 1992B Certificates of Participation

Purpose/History: On June 1, 1992, the Water District issued 30 Year Certificates of Participation for \$1,405,000 to fund the acquisition of an administration building and the parcel of land on which it is located.

Original Principal Amount: \$1,405,000

Principal Outstanding Balance as of:

July 1, 2007:	\$1,110,000
July 1, 2008:	\$1,075,000
July 1, 2009	\$1,035,000
Estimated July 1, 2010	\$ 990,000

Interest Rate: 9%

Maturity Date: June 1, 2022

Funding Source: Hesperia Water District – The District has covenanted that it will set rates and charges for water and sewer services, which will be at least sufficient to yield during each fiscal year net revenues equal to 105% of debt service.

<u>Payment Amount</u>	<u>2007-08 Actual</u>	<u>2008-09 Actual</u>	<u>2009-10 Budget</u>	<u>2009-10 Revised</u>	<u>2010-11 Budget</u>
Principal Amount	\$ 35,000	\$ 40,000	\$ 45,000	\$ 45,000	\$ 50,000
Interest Amount	99,900	96,750	93,150	93,150	89,100
Admin/Other Costs	<u>3,975</u>	<u>3,969</u>	<u>4,000</u>	<u>3,975</u>	<u>3,975</u>
Total	\$138,875	\$140,719	\$142,150	\$142,125	\$143,075

Note: Budgetary Basis Adjustment – The principal payments are reflected in the actual columns. The CAFR shows an interest accrual.

Analysis and Recommendation

- This 1992 B Certificate of Participation debt obligation has a high interest rate at 9% and a step-up provision, which provides that substantial principal reductions only occur in the later years of this 30-year obligation. Evaluation of this debt obligation indicates that there are not principal reduction or call provisions that allow for early repayment or refinancing of this obligation. Further research and legal analysis is being undertaken in an effort to evaluate the option of buying these bonds on the open market.

DEBT SERVICE

Water District - 1998A Variable Rate Lease Revenue Refunding Bonds

Purpose/History: On July 2, 1998, the Water District issued 1998A revenue refunding bonds to refund the 1991, \$17,675,000 Certificates of Participation that were issued June 1, 1991. The 1991 Certificates of Participation were issued to refund earlier 1990 Certificates of Participation. The 1990 Certificates of Participation were being used to fund improvements to the District's Water Facilities to replace approximately 65 miles of deteriorating 4, 6 and 8 inch steel water pipeline, as well as refund prior indebtedness of the District.

Original Principal Amount: \$18,040,000

Principal Outstanding Balance as of:

July 1, 2007:	\$14,650,000
July 1, 2008:	\$14,100,000
July 1, 2009	\$13,530,000
Estimated July 1, 2010	\$12,935,000

Note: For financial statement purposes, a bond discount of \$180,400 and the difference between the reacquisition price and net carrying value of the 1991 COPs, \$1,906,482, has been deferred and is amortized over the remaining life of the bonds.

Interest Rate: Variable Initial Rate. As of June 1, 2005, \$10,000,000, was swapped to a fixed rate of 5.96%. The balance is budgeted at a 6%.

Maturity Date: June 1, 2026

Funding Source: Hesperia Water District – Taxes and User Fees

<u>Payment Amount</u>	2007-08 <u>Actual</u>	2008-09 <u>Actual</u>	2009-10 <u>Budget</u>	2009-10 <u>Revised</u>	2010-11 <u>Budget</u>
Principal Amount	\$ 550,000	\$ 570,000	\$ 595,000	\$ 595,000	\$ 620,000
Interest Amount	808,601	731,437	807,800	650,000	625,350
Admin/Other Costs	<u>92,623</u>	<u>85,733</u>	<u>140,000</u>	<u>166,000</u>	<u>309,820</u>
Total	\$1,451,224	\$1,387,170	\$1,542,800	\$1,411,000	\$1,555,170

Note: Budgetary Basis Adjustment – The principal payments are reflected in the actual columns. The CAFR shows the interest accrual, as well as the amortization of bond issuance costs, discounts, and deferred charges.

Analysis and Recommendation

- For the \$10,000,000 swap, interest is budgeted at 5.96%. The remaining \$2,935,000 will be budgeted at 1% due to the unprecedented low interest rate environment. The significant increase in the Bond Administrator costs are due to the substantial increase in the letter of credit fees. Based upon the projected revenue coverage ratio, the estimated fee has been calculated on 2.2% versus the 0.45% in the prior years.

DEBT SERVICE

Water District - 1998B Variable Rate Lease Revenue Refunding Bonds

Purpose/History: On July 2, 1998, the Water District issued 1998B revenue refunding bonds to refund the 1992A, \$1,855,000 Certificates of Participation that were issued June 1, 1992. The 1992A Certificates of Participation were issued to fund the acquisition and improvement of an administration building and the parcel of land on which it is located.

Original Principal Amount: \$2,070,000

Principal Outstanding Balance as of:

July 1, 2007:	\$1,505,000
July 1, 2008:	\$1,430,000
July 1, 2009:	\$1,350,000
Estimated July 1, 2010	\$1,270,000

Note: For financial statement purposes, a bond discount of \$20,700 and the difference between the reacquisition price and net carrying value of the 1992A COPs, \$212,358, has been deferred and is amortized over the remaining life of the bonds.

Interest Rate: Initial rate 3.95% variable.

Maturity Date: June 1, 2022

Funding Source: Hesperia Water District – Taxes and User Fees

<u>Payment Amount</u>	<u>2007-08</u> <u>Actual</u>	<u>2008-09</u> <u>Actual</u>	<u>2009-10</u> <u>Budget</u>	<u>2009-10</u> <u>Revised</u>	<u>2010-11</u> <u>Budget</u>
Principal Amounts	\$ 75,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 85,000
Interest Amount	47,022	20,933	81,000	5,000	13,500
Admin/Other Costs	<u>9,161</u>	<u>7,052</u>	<u>14,000</u>	<u>16,500</u>	<u>30,430</u>
Total	\$131,183	\$107,985	\$175,000	\$101,500	\$128,930

Note: Budgetary Basis Adjustment – The principal payments are reflected in the actual columns. The CAFR shows the interest accrual, as well as the amortization of bond issuance costs, discounts, and deferred charges.

Analysis and Recommendation

- During Fiscal Year 2004-05, an interest rate swap to convert this variable rate debt into a fixed rate was evaluated. Based on that evaluation, this issue was continued as variable. In Fiscal Year 2004-05, \$57,715 was used to prepay principal on the 1998A Variable Rate Lease Revenue Refunding Bonds.
- Interest has been budgeted at 1% due to the unprecedented low interest rate environment. The significant increase in the Bond Administration costs are due to the substantial increase in Letter of Credit fees. Due to the projected revenue coverage ratio, the estimated fee has been calculated on 2.2% versus the 0.45% in prior years.

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FUND BALANCE SUMMARIES

- *Overview and Summary*
- *List of Funds*
- *Fund Descriptions*
- *2010-11 Budget - Balancing and Fund Balance Summary - By Major Grouping*
- *2010-11 Budget - Balancing and Fund Balance Summary - By Individual Funds*
- *Fund Balance Schedules by Fund*

FUND BALANCE SUMMARY

OVERVIEW

The Fund Balance Summary is the primary balancing mechanism used in the preparation of the budget. This section displays the projected fund balance for each budgeted fund presented in the Fiscal Year 2010-11 Budget. Each page presents the budgeted revenues and other resources that are anticipated to be available to fund the budgeted expenditures and other uses of a particular fund. Budgeted Reserves are occasionally required to finance some of a fund's planned expenditures and, where appropriate, comments are noted. The fund balance portion of each fund's actual columns correspond to the City's Comprehensive Annual Financial Report (CAFR).

SUMMARY

The Fund Balance section on each page displays the fiscal period's beginning balance, a deduction for the use of any reserves, an increase for the surplus of resources over uses, and finally the period's ending balance. Occasionally, a fund will expend resources in advance of a subsequent reimbursement, thus producing a temporary negative ending fund balance condition.

Occasionally a fund will draw on reserves, which were budgeted for a specific purpose, even though total resources will exceed total uses. This is done to acknowledge that the budgeted expenditure is not being funded by the current year operating revenue but, instead, by a prior year(s) savings.

For the 2010-11 Budget June 30th Ending Balance, some funds are reporting an anticipated negative fund balance. A brief explanation for each negative fund balance is provided on the individual fund page.

FUND BALANCE SUMMARY

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FUND BALANCE SUMMARY

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- Mortgage Assistance Trust Fund 885
- Redevelopment Agency (RDA) Low/Moderate Housing Fund 385
- Redevelopment Agency (RDA) Administration Fund 389
- Redevelopment Agency (RDA) Debt Service Project Area #1 Fund 486
- Redevelopment Agency (RDA) Debt Service Project Area #2 Fund 487
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- Redevelopment Agency (RDA) Capital Improvements VVEDA Fund 588
- Fire District Fund 200
- Water District - Water Operations Fund 700
- Water District - Water Capital Fund 701
- Water District - Sewer Operations Fund 710
- Water District - Sewer Capital Fund 711

FUND BALANCE SUMMARY

FUND DESCRIPTIONS

For budgeting purposes the City's funds are grouped by functional classifications. These classifications are General City Operations and Maintenance; Redevelopment Agency; Community Development Block Grant (CDBG); Street Related; Other Transportation Related; City Facilities; Other City Related; Water District; and Fire District.

The City of Hesperia budgets for revenues and expenditures in the following Governmental fund types:

The General Fund accounts for all financial resources traditionally associated with government, which are not required legally or by sound financial management to be accounted for in another fund.

The Special Revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

The Debt Service funds are used to account for the accumulation of resources and the payment of general obligation bond principal and interest from governmental resources, and special assessment bond principal and interest from special assessment levies, when the government is obligated in some manner for the payment.

The Capital Project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

In addition, the City of Hesperia budgets for Revenue and Expenditure in the following Proprietary fund types:

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that the costs of providing goods or services to the general public, on a continuing basis, be financed or recovered primarily through user charges.

Internal Service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City and to other government units, on a cost reimbursement basis.

GENERAL FUNDS

General Fund (100) – This fund accounts for the majority of financial resources and uses of the City such as Legislative, Administrative, Community Development, Police, and capital expenditures.

REDEVELOPMENT AGENCY FUNDS

Redevelopment Agency Low/Moderate Housing (385) – This Special Revenue fund accounts for the Agency's combined 20% tax increment set-aside monies to be used to increase and improve the community's supply of low and moderate income housing in the Redevelopment project areas.

Redevelopment Agency Administration (389) - To account for expenditures that are general or overhead in nature to the Redevelopment Agency for its general operations. These expenditures are to be allocated to the Low/Mod and capital project funds at the end of the fiscal year.

Redevelopment Agency Debt Service Project Area #1 (486) – This Debt Service fund accounts for the tax increment receipts and payment of the Redevelopment Agency Project Area #1's portion of the bonded indebtedness and tax increment pass-through obligations.

Redevelopment Agency Debt Service Project Area #2 (487) – This Debt Service fund accounts for the tax increment receipts and payment of the Redevelopment Agency Project Area #2's portion of the bonded indebtedness and tax increment pass-through obligations.

FUND BALANCE SUMMARY

FUND DESCRIPTIONS

REDEVELOPMENT AGENCY FUNDS (Continued)

Redevelopment Agency Capital Improvements Project Area #1 (586) – This Capital Project fund accounts for the revenues and expenditures of Project Area #1. Bond proceeds provide the principal financing.

Redevelopment Agency Capital Improvements Project Area #2 (587) – This Capital Project fund accounts for the revenues and expenditures of Project Area #2. Bond proceeds provide the principal financing.

Redevelopment Agency Capital Improvements (Victor Valley Economic Development Authority (VVEDA) 588) – This Capital Project fund accounts for the revenues and expenditures of the VVEDA project area. VVEDA pass-through funds provide the principal financing.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS

CDBG Administration (251) - This Special Revenue fund accounts for the receipts and expenditures of the City's entitlements under Federal Community Development Block Grant (CDBG) programs of the US Department of Housing and Urban Development (HUD).

CDBG Home Grants (252) - This Special Revenue fund accounts for miscellaneous Federal and State grants requiring segregated fund accounting for CDBG grants of the HOME program.

CDBG Revolving Loan (253) - This Special Revenue fund accounts for the Section 108 loan proceeds from the Federal government (HUD) used to assist with business expansion within the City.

CDBG Neighborhood Stabilization Program (257) - This Special Revenue fund accounts for the federal grant used to purchase, rehabilitate, and resell abandoned and foreclosed homes within the City.

STREETS MAINTENANCE

Public Works Street Maintenance (263) - This Special Revenue fund accounts for funds expended to repair and maintain the City's streets.

STREET CAPITAL IMPROVEMENT PROJECTS (CIP) FUNDS

Measure I Arterial (201) - This Special Revenue fund accounts for 65% of the receipt of voter-approved (Measure I) tax revenue relating to the relief of arterial and regional traffic congestion through maintenance and upkeep of streets and highways.

Measure I Local (202) - This Special Revenue fund accounts for 30% of the receipt of voter-approved (Measure I) tax revenue relating to the relief of local traffic congestion through maintenance and upkeep of streets and highways.

Measure I Renewal (204) - This Special Revenue fund accounts for the receipt of voter-approved renewal of Measure I tax (½ cent sales tax) revenue relating to the relief of traffic congestion through maintenance and upkeep of streets and highways.

Gas Tax (205) - This Special Revenue fund accounts for receipts and expenditures of money apportioned by the State and Highway Code §s 2105, 2106, 2107 and 2107.5. Gas Tax monies can only be used to construct and maintain streets and highways.

FUND BALANCE SUMMARY

FUND DESCRIPTIONS

STREET CAPITAL IMPROVEMENT PROJECTS (CIP) FUNDS (Continued)

Gas Tax Swap (206) - This Special Revenue fund, new for FY 2010-11, accounts for the replacement revenue from the State for Proposition 42 the Traffic Congestion Relief moneys received into fund #250.

Local Transportation Fund (LTF) Article 8 (207) - This Special Revenue fund accounts for the ¼ cent of the 8¾ cent sales tax which, in turn, are expended for the City's participation in the Victor Valley Transit Authority and maintenance of streets and roads in accordance with AB 325.

Traffic Congestion Relief (250) - This Special Revenue fund accounts for a State (Proposition 42) comprehensive funding measure of almost \$5 billion to enhance traffic flow.

Development Impact - Streets (300) - This Special Revenue fund accounts for the fees paid during the building permit process for the expansion and improvement of the capacity of the City's streets.

Development Impact – Storm Drainage (301) - This Special Revenue fund accounts for the fees paid during the building permit process for the expansion and improvement of the capacity of the City's storm drains.

City Streets Projects (504) - This Capital Project fund accounts for funds designated for various streets and storm drainage related capital projects throughout the City funded primarily by grants.

Ranchero Road Undercrossing (600) - This Capital Project fund accounts for the costs associated with building a railroad crossing under the Burlington Northern Santa Fe tracks at Ranchero Road.

Ranchero Rd / I-15 Interchange (602) - This Capital Project fund accounts for the costs associated with building an interchange at Interstate 15 and Ranchero Road.

OTHER TRANSPORTATION RELATED FUNDS

Measure I Transit (203) - This Special Revenue fund accounts for 5% of the receipt of voter-approved (Measure I) tax revenue relating to aid the elderly and disabled with transportation services and fare reductions.

Air Quality Management (254) - This Special Revenue fund accounts for receipts from the Mojave Desert Air Quality Management District (AQMD) used for the purpose of reducing air pollution from motor vehicles.

Traffic Signalization (264) - This Special Revenue fund accounts for funds designated to improve traffic flow by enhancing the coordination of traffic signals throughout the City.

Measure-I Debt Service (400) - This Debt Service fund accounts for debt service payments on the Marks-Roos Measure I Revenue bonds.

FACILITIES

Fire Building (502) - This Capital Project fund accounts for development impact fees to fund capital improvements of fire facilities.

High Desert Government Center (503) - This Capital Project fund accounts for monies expended on building the County of San Bernardino's High Desert Government Center just north of the City of Hesperia Civic Plaza.

Hesperia Civic Plaza CIP (505) - This Capital Project fund accounts for monies expended on building the Civic Plaza (City Hall) City of Hesperia. This fund is closed.

FUND BALANCE SUMMARY

FUND DESCRIPTIONS

FACILITIES (Continued)

Hesperia Branch Library (601) - This Capital Project fund accounts for the costs associated with building the Hesperia Branch Library operated by the County of San Bernardino Library System. This fund is closed.

OTHER CITY RELATED FUNDS

Supplemental Franchise Cable (208) - This Special Revenue fund accounts for funds received from the cable franchise as a supplemental fee. This fund is closed.

AB 3229 Supplemental Law (255) - This Special Revenue fund accounts for State grant funds used to enhance policing services.

Environmental Programs (256) - This Special Revenue fund accounts for State grant funds used to enhance recycling efforts of beverage containers in the community.

Reimbursable Grants (259) - This Special Revenue fund accounts for, during the 2010-11 fiscal year, a Federal grant fund used to defray the majority of the costs of the solar panels for the new police Station..

Disaster Preparedness Grant (260) - This Special Revenue fund accounts for State grant funds used to prepare City staff for quick and correct techniques for proper response and assistance to the citizens in times of emergencies.

Development Impact – Fire (302) - This Special Revenue fund accounts for the fees paid during the building permit process for the expansion and improvement of the capacity of the City's Fire Department with expanded facilities and equipment.

Development Impact – Police (303) - This Special Revenue fund accounts for the fees paid during the building permit process for the expansion and improvement of the capacity of the City's Police Department with expanded facilities and equipment.

Development Impact – Public Services (304) - This Special Revenue fund accounts for the fees paid during the building permit process for the expansion and improvement of the capacity of the City's facilities to better serve the growing populace.

Emergency Communications (305) - This Special Revenue fund accounts for funds designated for enhancing radio communications through improved technology and equipment. This fund is closed.

City Debt Service (401) - This Debt Service fund accounts for debt service payments on the City's general debt.

Assessment District 91-1 (500) –This Capital Project fund accounts for bond proceeds used to finance infrastructure improvements in the Joshua/West Main Street Assessment District area.

Community Facilities District 91-3 – Belgate (501) –This Capital Project fund accounts for bond proceeds used to finance infrastructure improvements in the Belgate Community Facilities District area.

Mortgage Assistance Trust Fund (885) – This fund is to account for miscellaneous Federal, State, and County grants requiring segregated fund accounting. This fund is closed.

FUND BALANCE SUMMARY

FUND DESCRIPTIONS

FIRE DISTRICT FUND

Fire District (200) - This Special Revenue fund accounts for revenues from special tax assessments and other service charges and for expenditures relating to the Hesperia Fire Protection District's prevention and protection.

WATER DISTRICT FUNDS

Water Operations (700) – This Enterprise fund accounts for the operation and maintenance of the Hesperia Water District's operations, which is funded by user charges and other fees.

Water Capital (701) - This Enterprise fund accounts for the expenditures needed to expand or repair the Hesperia Water District's system and the revenues required to fund those expenditures.

Sewer Operations (710) - This Enterprise fund accounts for the operation and maintenance of the Hesperia Water District's system, which is funded by user charges and other fees.

Sewer Capital (711) - This Enterprise fund accounts for the expenditures needed to expand or repair the Hesperia Water District's system and the revenues required to fund those expenditures.

FUND BALANCE SUMMARY

2010-11 Budget - Balancing and Fund Balance Summary - By Major Grouping

	General Fund	Redevelopment Agency	C.D.B.G.	Street Maintenance
RESOURCES				
Revenue	\$ 19,314,244	\$ 20,963,118	\$ 4,335,013	\$ 32,294
Transfers In	3,330,148	0	0	2,760,000
Transfers Out	(1,065,560)	(1,319,834)	0	0
Budgeted Reserves	1,225,300	40,263,091	942,618	340,464
Total Resources	\$ 22,804,132	\$ 59,906,375	\$ 5,277,631	\$ 3,132,758
EXPENDITURES				
City Council	\$ 679,572	\$ 0	\$ 0	\$ 0
City Manager	1,176,970	0	0	0
Management Services	3,960,050	0	0	0
Economic Development	0	46,784,437	3,351,358	0
Development Services				
Community Development	1,761,754	0	0	0
Code Compliance	2,006,998	0	0	0
Public Works	1,278,018	0	0	3,130,258
Water Operations	0	0	0	0
Sewer Operations	0	0	0	0
Total Development Services	\$ 5,046,770	\$ 0	\$ 0	\$ 3,130,258
Capital Improvement Projects				
Capital Improvements - Streets & Storm Drain	\$ 0	\$ 12,905,513	\$ 0	\$ 0
Capital Improvements - City Facilities	0	3,044,900	0	0
Capital Improvements - Water	0	0	0	0
Capital Improvements - Sewer	0	0	0	0
Total Capital Improvement Projects	\$ 0	\$ 15,950,413	\$ 0	\$ 0
Police	11,881,560	0	0	0
Fire District	0	0	0	0
Other Transportation & City Related Funds	0	0	0	0
Total Expenditures	\$ 22,744,922	\$ 62,734,850	\$ 3,351,358	\$ 3,130,258
Difference Total Resources	\$ 59,210	\$ (2,828,475)	\$ 1,926,273	\$ 2,500
FUND BALANCE				
July 1, 2009 Estimated Beginning Balance	\$ 16,683,226	\$ 132,765,684	\$ 1,639,381	\$ 370,306
Reserves Used	(1,225,300)	(40,263,091)	(942,618)	(340,464)
Difference Total Resources	59,210	(2,828,475)	1,926,273	2,500
June 30, 2010 Estimating Ending Balance	\$ 15,517,136	\$ 89,674,118	\$ 2,623,036	\$ 32,342

Fund Groupings:

Redevelopment Agency: 385, 389, 486, 487, 586, 587, 588

CDBG: 251, 252, 253, 257

Streets CIP Funds: 201, 202, 204, 205, 206, 207, 250, 300, 301, 504, 600

Other Transportation Related Funds: 203, 254, 264, 400

Facilities: 502, 503

FUND BALANCE SUMMARY

2010-11 Budget - Balancing and Fund Balance Summary - By Major Grouping

Streets CIP Funds	Other Transportation	Facilities	Other City Related	Water District	Fire District	Total
\$ 25,938,413	\$ 51,274	\$ 9,013,872	\$ 1,294,202	\$ 19,898,466	\$ 8,076,755	\$ 108,917,651
0	0	0	514,200	0	1,000,000	7,604,348
(2,760,000)	0	0	(555,640)	0	0	(5,701,034)
1,987,189	744,444	0	1,824,522	36,758	614,135	47,978,521
\$ 25,165,602	\$ 795,718	\$ 9,013,872	\$ 3,077,284	\$ 19,935,224	\$ 9,690,890	\$ 158,799,486
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 679,572
0	0	0	97,677	0	0	1,274,647
0	0	0	514,200	0	0	4,474,250
0	0	0	0	0	0	50,135,795
0	0	0	0	0	0	1,761,754
0	0	0	0	0	0	2,006,998
0	0	0	0	0	0	4,408,276
0	0	0	0	16,112,152	0	16,112,152
0	0	0	0	2,277,356	0	2,277,356
\$ 0	\$ 0	\$ 0	\$ 0	\$ 18,389,508	\$ 0	\$ 26,566,536
\$ 23,484,766	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 36,390,279
0	0	9,000,000	2,955,100	0	0	15,000,000
0	0	0	0	0	0	0
0	0	0	0	0	0	0
\$ 23,484,766	\$ 0	\$ 9,000,000	\$ 2,955,100	\$ 0	\$ 0	\$ 51,390,279
0	0	0	0	0	0	11,881,560
0	0	0	0	0	9,690,890	9,690,890
0	795,718	0	0	0	0	795,718
\$ 23,484,766	\$ 795,718	\$ 9,000,000	\$ 3,566,977	\$ 18,389,508	\$ 9,690,890	\$ 156,889,247
\$ 1,680,836	\$ 0	\$ 13,872	\$ (489,693)	\$ 1,545,716	\$ 0	\$ 1,910,239
\$ 20,368,833	\$ 2,303,428	\$ 34,034	\$ 6,535,556	\$ 80,132,787	\$ 716,892	\$ 261,550,127
(1,987,189)	(744,444)	0	(1,824,522)	(36,758)	(614,135)	(47,978,521)
1,680,836	0	13,872	(489,693)	1,545,716	0	1,910,239
\$ 20,062,480	\$ 1,558,984	\$ 47,906	\$ 4,221,341	\$ 81,641,745	\$ 102,757	\$ 215,481,845

Other City Related Funds: 208, 255, 256, 259, 260, 302, 303, 304, 401, 500, 501
 Water District: 700, 701, 710, 711

The Transfers In and Out are out of balance by \$1,903,314 which is the General and Administrative (G&A) allocation from the Water District. For the Budget, this is treated as a transfer in to the General Fund but as an expenditure in the Water fund.

FUND BALANCE SUMMARY

2010-11 Budget - Balancing and Fund Balance Summary - By Individual Funds

	Fund Number	100
		General Fund
RESOURCES		
Revenue		\$ 19,314,244
Transfers In		3,330,148
Transfers Out		(1,065,560)
Budgeted Reserves		1,225,300
Total Resources		\$ 22,804,132
EXPENDITURES		
City Council		\$ 679,572
City Manager		1,176,970
Management Services		3,960,050
Economic Development		0
Development Services		
Community Development		1,761,754
Code Compliance		2,006,998
Public Works		1,278,018
Water Operations		0
Sewer Operations		0
Total Development Services		\$ 5,046,770
Capital Improvement Projects		
Capital Improvements - Streets & Storm Drainage		\$ 0
Capital Improvements - City Facilities		0
Capital Improvements - Water		0
Capital Improvements - Sewer		0
Total Capital Improvement Projects		0
Police		11,881,560
Fire District		0
Other Transportation & City Related Funds		0
Total Expenditures		\$ 22,744,922
Difference Total Resources		\$ 59,210
FUND BALANCE		
July 1, 2009 Estimated Beginning Balance		\$ 16,683,226
Reserves Used		(1,225,300)
Difference Total Resources		59,210
June 30, 2010 Estimating Ending Balance		\$ 15,517,136

FUND BALANCE SUMMARY

2010-11 Budget - Balancing and Fund Balance Summary - By Individual Funds

Redevelopment Agency (RDA) Funds						
385	389	486	487	586	587	588
RDA Low/Mod	RDA Admin	RDA D/S Project Area #1	RDA D/S Project Area #2	RDA C/P Project Area #1	RDA C/P Project Area #2	RDA C/P VVEDA
\$ 4,124,640	\$ 0	\$ 13,268,926	\$ 1,186,820	\$ 2,166,213	\$ 634	\$ 215,885
0	0	0	0	0	0	0
0	(1,244,514)	0	0	(75,320)	0	0
20,322,085	0	4,079,975	182,710	12,094,167	2,098,004	1,486,150
<u>\$ 24,446,725</u>	<u>\$ (1,244,514)</u>	<u>\$ 17,348,901</u>	<u>\$ 1,369,530</u>	<u>\$ 14,185,060</u>	<u>\$ 2,098,638</u>	<u>\$ 1,702,035</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
24,446,725	1,583,961	17,348,901	1,369,530	1,660,320	350,000	25,000
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 24,446,725</u>	<u>\$ 1,583,961</u>	<u>\$ 17,348,901</u>	<u>\$ 1,369,530</u>	<u>\$ 1,660,320</u>	<u>\$ 350,000</u>	<u>\$ 25,000</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,479,840	\$ 1,748,638	\$ 1,677,035
0	0	0	0	3,044,900	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	12,524,740	1,748,638	1,677,035
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 24,446,725</u>	<u>\$ 1,583,961</u>	<u>\$ 17,348,901</u>	<u>\$ 1,369,530</u>	<u>\$ 14,185,060</u>	<u>\$ 2,098,638</u>	<u>\$ 1,702,035</u>
\$ 0	\$ (2,828,475)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 77,819,776	\$ (2,769,943)	\$ 17,936,356	\$ 579,755	\$ 32,265,335	\$ 5,641,750	\$ 1,292,655
(20,322,085)	0	(4,079,975)	(182,710)	(12,094,167)	(2,098,004)	(1,486,150)
0	(2,828,475)	0	0	0	0	0
<u>\$ 57,497,691</u>	<u>\$ (5,598,418)</u>	<u>\$ 13,856,381</u>	<u>\$ 397,045</u>	<u>\$ 20,171,168</u>	<u>\$ 3,543,746</u>	<u>\$ (193,495)</u>

FUND BALANCE SUMMARY

2010-11 Budget - Balancing and Fund Balance Summary - By Individual Funds

Fund Number	CDBG Funds			
	251	252	253	257
	Admin.	HOME	Revolving Loan	NSP
RESOURCES				
Revenue	\$ 1,620,112	\$ 60,734	\$ 54,992	\$ 2,599,175
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Budgeted Reserves	0	0	942,618	0
Total Resources	\$ 1,620,112	\$ 60,734	\$ 997,610	\$ 2,599,175
EXPENDITURES				
City Council	\$ 0	\$ 0	\$ 0	\$ 0
City Manager	0	0	0	0
Management Services	0	0	0	0
Economic Development	1,572,665	0	997,610	781,083
Development Services				
Community Development	0	0	0	0
Code Compliance	0	0	0	0
Public Works	0	0	0	0
Water Operations	0	0	0	0
Sewer Operations	0	0	0	0
Total Development Services	\$ 0	\$ 0	\$ 0	\$ 0
Capital Improvement Projects				
Capital Improvements - Streets & Storm Drainage	\$ 0	\$ 0	\$ 0	\$ 0
Capital Improvements - City Facilities	0	0	0	0
Capital Improvements - Water	0	0	0	0
Capital Improvements - Sewer	0	0	0	0
Total Capital Improvement Projects	0	0	0	0
Police	0	0	0	0
Fire District	0	0	0	0
Other Transportation & City Related Funds	0	0	0	0
Total Expenditures	\$ 1,572,665	\$ 0	\$ 997,610	\$ 781,083
Difference Total Resources	\$ 47,447	\$ 60,734	\$ 0	\$ 1,818,092
FUND BALANCE				
July 1, 2009 Estimated Beginning Balance	\$ 587,296	\$ 608	\$ 1,051,477	\$ 0
Reserves Used	0	0	(942,618)	0
Difference Total Resources	47,447	\$ 60,734	0	1,818,092
June 30, 2010 Estimating Ending Balance	\$ 634,743	\$ 61,342	\$ 108,859	\$ 1,818,092

FUND BALANCE SUMMARY

2010-11 Budget - Balancing and Fund Balance Summary - By Individual Funds

Streets Capital Improvement Projects (CIP) Funds								
263 P.W. Street Maintenance	201 Measure I Arterial	202 Measure I Local	204 Measure I Renewal	205 Gas Tax	206 Gas Tax Swap	207 LTF Article 8	250 Traffic Congestion Relief	
\$ 32,294	\$ 0	\$ 0	\$ 1,842,681	\$ 1,385,288	\$ 874,543	\$ 500,064	\$ 0	
2,760,000	0	0	0	0	0	0	0	
0	0	0	(880,000)	(1,030,000)	(850,000)	0	0	
340,464	400,000	0	0	0	0	0	0	
\$ 3,132,758	\$ 400,000	\$ 0	\$ 962,681	\$ 355,288	\$ 24,543	\$ 500,064	\$ 0	
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
3,130,258	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
\$ 3,130,258	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
\$ 0	\$ 400,000	\$ 0	\$ 265,000	\$ 0	\$ 0	\$ 0	\$ 0	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
0	400,000	0	265,000	0	0	0	0	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	
\$ 3,130,258	\$ 400,000	\$ 0	\$ 265,000	\$ 0	\$ 0	\$ 0	\$ 0	
\$ 2,500	\$ 0	\$ 0	\$ 697,681	\$ 355,288	\$ 24,543	\$ 500,064	\$ 0	
\$ 370,306	\$ 471,096	\$ 0	\$ 204,615	\$ (99,540)	\$ 0	\$ (396,271)	\$ 0	
(340,464)	(400,000)	0	0	0	0	0	0	
2,500	0	0	697,681	355,288	24,543	500,064	0	
\$ 32,342	\$ 71,096	\$ 0	\$ 902,296	\$ 255,748	\$ 24,543	\$ 103,793	\$ 0	

FUND BALANCE SUMMARY

2010-11 Budget - Balancing and Fund Balance Summary - By Individual Funds

Fund Number	Streets CIP Funds			
	300 Development Impact - Streets	301 Development Impact - Storm Drain	504 City Streets CIP	600 Ranchero Road Undercrossing
RESOURCES				
Revenue	\$ 763,836	\$ 103,132	\$ 1,784,869	\$ 11,650,000
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Budgeted Reserves	1,587,189	0	0	0
Total Resources	\$ 2,351,025	\$ 103,132	\$ 1,784,869	\$ 11,650,000
EXPENDITURES				
City Council	\$ 0	\$ 0	\$ 0	\$ 0
City Manager	0	0	0	0
Management Services	0	0	0	0
Economic Development	0	0	0	0
Development Services				
Community Development	0	0	0	0
Code Compliance	0	0	0	0
Public Works	0	0	0	0
Water Operations	0	0	0	0
Sewer Operations	0	0	0	0
Total Development Services	\$ 0	\$ 0	\$ 0	\$ 0
Capital Improvement Projects				
Capital Improvements - Streets & Storm Drainage	\$ 2,351,025	\$ 0	\$ 1,784,741	\$ 11,650,000
Capital Improvements - City Facilities	0	0	0	0
Capital Improvements - Water	0	0	0	0
Capital Improvements - Sewer	0	0	0	0
Total Capital Improvement Projects	2,351,025	0	1,784,741	11,650,000
Police	0	0	0	0
Fire District	0	0	0	0
Other Transportation & City Related Funds	0	0	0	0
Total Expenditures	\$ 2,351,025	\$ 0	\$ 1,784,741	\$ 11,650,000
Difference Total Resources	\$ 0	\$ 103,132	\$ 128	\$ 0
FUND BALANCE				
July 1, 2009 Estimated Beginning Balance	\$ 18,218,289	\$ 1,948,967	\$ 21,677	\$ 0
Reserves Used	(1,587,189)	0	0	0
Difference Total Resources	0	103,132	128	0
June 30, 2010 Estimating Ending Balance	\$ 16,631,100	\$ 2,052,099	\$ 21,805	\$ 0

FUND BALANCE SUMMARY

2010-11 Budget - Balancing and Fund Balance Summary - By Individual Funds

Streets CIP	Other Transportation			Facilities		Other City
602	203	254	400	502	503	255
Rancho Rd / I-15 Interchange	Measure I Transit	AQMD	Measure I Debt Service	Fire Building	High Desert Government Center	AB3229
\$ 7,034,000	\$ 0	\$ 43,412	\$ 7,862	\$ 0	9,013,872	\$ 107,315
0	0	0	0	0	0	0
0	0	0	0	0	0	(107,000)
0	13,098	6,588	724,758	0	0	0
<u>\$ 7,034,000</u>	<u>\$ 13,098</u>	<u>\$ 50,000</u>	<u>\$ 732,620</u>	<u>\$ 0</u>	<u>\$ 9,013,872</u>	<u>\$ 315</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 7,034,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	9,000,000	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>7,034,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,000,000</u>	<u>0</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	13,098	50,000	732,620	0	0	0
<u>\$ 7,034,000</u>	<u>\$ 13,098</u>	<u>\$ 50,000</u>	<u>\$ 732,620</u>	<u>\$ 0</u>	<u>\$ 9,000,000</u>	<u>\$ 0</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,872	\$ 315
\$ 0	\$ 13,098	\$ 150,341	\$ 2,139,989	\$ 22,430	\$ 11,604	\$ 6,969
0	(13,098)	(6,588)	(724,758)	0	0	0
0	0	0	0	0	13,872	315
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 143,753</u>	<u>\$ 1,415,231</u>	<u>\$ 22,430</u>	<u>\$ 25,476</u>	<u>\$ 7,284</u>

FUND BALANCE SUMMARY

2010-11 Budget - Balancing and Fund Balance Summary - By Individual Funds

	Other City Related Funds			
	256 Beverage Recycling Grant	259 Reimbursable Grants	260 Disaster Preparedness Grant	302 Development Impact - Fire
RESOURCES				
Revenue	\$ 68,616	\$ 845,100	\$ 28,421	\$ 110,012
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Budgeted Reserves	680	0	0	0
Total Resources	\$ 69,296	\$ 845,100	\$ 28,421	\$ 110,012
EXPENDITURES				
City Council	\$ 0	\$ 0	\$ 0	\$ 0
City Manager	69,296	0	28,381	0
Management Services	0	0	0	0
Economic Development	0	0	0	0
Development Services				
Community Development	0	0	0	0
Code Compliance	0	0	0	0
Public Works	0	0	0	0
Water Operations	0	0	0	0
Sewer Operations	0	0	0	0
Total Development Services	\$ 0	\$ 0	\$ 0	\$ 0
Capital Improvement Projects				
Capital Improvements - Streets & Storm Drainage	\$ 0	\$ 0	\$ 0	\$ 0
Capital Improvements - City Facilities	0	1,455,100	0	0
Capital Improvements - Water	0	0	0	0
Capital Improvements - Sewer	0	0	0	0
Total Capital Improvement Projects	0	1,455,100	0	0
Police	0	0	0	0
Fire District	0	0	0	0
Other Transportation & City Related Funds	0	0	0	0
Total Expenditures	\$ 69,296	\$ 1,455,100	\$ 28,381	\$ 0
Difference Total Resources	\$ 0	\$ (610,000)	\$ 40	\$ 110,012
FUND BALANCE				
July 1, 2009 Estimated Beginning Balance	\$ 5,264	\$ 0	\$ 1,028	\$ 432,271
Reserves Used	(680)	0	0	0
Difference Total Resources	0	(610,000)	40	110,012
June 30, 2010 Estimating Ending Balance	\$ 4,584	\$ (610,000)	\$ 1,068	\$ 542,283

FUND BALANCE SUMMARY

2010-11 Budget - Balancing and Fund Balance Summary - By Individual Funds

Other City Related Funds					Water District	
303	304	401	500	501	700	701
Development Impact - Police	Development Impact - Public Services	City Debt Service	AD 91-1	CFD 91-3	Water Operations	Water Capital
\$ 35,192	\$ 89,606	\$ 9,940	\$ 0	\$ 0	\$ 16,075,394	\$ 500,000
0	0	514,200	0	0	0	0
0	(448,640)	0	0	0	0	0
1,464,808	359,034	0	0	0	36,758	0
<u>\$ 1,500,000</u>	<u>\$ 0</u>	<u>\$ 524,140</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 16,112,152</u>	<u>\$ 500,000</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	514,200	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	16,112,152	0
0	0	0	0	0	0	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 16,112,152</u>	<u>\$ 0</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
1,500,000	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>1,500,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 1,500,000</u>	<u>\$ 0</u>	<u>\$ 514,200</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 16,112,152</u>	<u>\$ 0</u>
\$ 0	\$ 0	\$ 9,940	\$ 0	\$ 0	\$ 0	\$ 500,000
\$ 1,573,476	\$ 1,650,506	\$ 2,866,042	\$ 0	\$ 0	\$ 73,605,477	\$ (8,586,213)
(1,464,808)	(359,034)	0	0	0	(36,758)	0
0	0	9,940	0	0	0	500,000
<u>\$ 108,668</u>	<u>\$ 1,291,472</u>	<u>\$ 2,875,982</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 73,568,719</u>	<u>\$ (8,086,213)</u>

FUND BALANCE SUMMARY

2010-11 Budget - Balancing and Fund Balance Summary - By Individual Funds

Fund Number	Water District		Fire District	Totals
	710	711	200	
	Sewer Operations	Sewer Capital	Fire District	
RESOURCES				
Revenue	\$ 2,962,928	\$ 360,144	\$ 8,076,755	\$ 108,917,651
Transfers In	0	0	1,000,000	7,604,348
Transfers Out	0	0	0	(5,701,034)
Budgeted Reserves	0	0	614,135	47,978,521
Total Resources	\$ 2,962,928	\$ 360,144	\$ 9,690,890	\$ 158,799,486
EXPENDITURES				
City Council	\$ 0	\$ 0	\$ 0	\$ 679,572
City Manager	0	0	0	1,274,647
Management Services	0	0	0	4,474,250
Economic Development	0	0	0	50,135,795
Development Services				
Community Development	0	0	0	1,761,754
Code Compliance	0	0	0	2,006,998
Public Works	0	0	0	4,408,276
Water Operations	0	0	0	16,112,152
Sewer Operations	2,277,356	0	0	2,277,356
Total Development Services	\$ 2,277,356	\$ 0	\$ 0	\$ 26,566,536
Capital Improvement Projects				
Capital Improvements - Streets & Storm Drainage	\$ 0	\$ 0	\$ 0	\$ 36,390,279
Capital Improvements - City Facilities	0	0	0	15,000,000
Capital Improvements - Water	0	0	0	0
Capital Improvements - Sewer	0	0	0	0
Total Capital Improvement Projects	0	0	0	51,390,279
Police	0	0	0	11,881,560
Fire District	0	0	9,690,890	9,690,890
Other Transportation & City Related Funds	0	0	0	795,718
Total Expenditures	\$ 2,277,356	\$ 0	\$ 9,690,890	\$ 156,889,247
Difference Total Resources	\$ 685,572	\$ 360,144	\$ 0	\$ 1,910,239
FUND BALANCE				
July 1, 2009 Estimated Beginning Balance	\$ 11,507,504	\$ 3,606,019	\$ 716,892	\$ 261,550,127
Reserves Used	0	0	(614,135)	(47,978,521)
Difference Total Resources	685,572	360,144	0	1,910,239
June 30, 2010 Estimating Ending Balance	\$ 12,193,076	\$ 3,966,163	\$ 102,757	\$ 215,481,845

The Transfers In and Out are out of balance by \$1,903,314 which is the General and Administrative (G&A) allocation from the Water District. For the Budget, this is treated as a transfer into the General Fund but as an expenditure in the Water fund.

FUND BALANCE SUMMARY

General Fund 100

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 24,207,738	\$ 21,451,617	\$ 21,221,528	\$ 19,247,176	\$ 19,314,244
Budgeted Reserves	0	0	447,000	3,286,286	1,225,300
<u>Transfers In</u>					
Fund 255 - AB 3229 Supplemental Law	\$ 179,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ 107,000
Fund 586 - RDA Capital Projects Area #1	0	0	0	0	75,320
Fund 389 - Indirect Cost Allocation RDA	0	0	661,119	661,119	611,451
Fund 700 - Indirect Cost Allocation Water	0	0	1,200,000	1,200,000	1,200,000
Fund 710 - Indirect Cost Allocation Sewer	0	0	170,792	170,792	203,314
G & A Allocation:					
Administration	250,000	250,000	0	0	0
Fund 700 - Water Operations	850,000	850,000	0	0	0
G&A Prior Year - Redevelopment	0	0	633,063	633,063	633,063
G&A Prior Year - Water	0	0	500,000	500,000	500,000
Sub Total G & A Allocation	<u>1,100,000</u>	<u>1,100,000</u>	<u>1,133,063</u>	<u>1,133,063</u>	<u>1,133,063</u>
Total Transfers In	\$ 1,279,000	\$ 1,250,000	\$ 3,264,974	\$ 3,264,974	\$ 3,330,148
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	<u>\$ 25,486,738</u>	<u>\$ 22,701,617</u>	<u>\$ 24,933,502</u>	<u>\$ 25,798,436</u>	<u>\$ 23,869,692</u>
Total Expenditures	\$ 25,222,220	\$ 24,505,472	\$ 24,789,958	\$ 26,352,123	\$ 22,744,922
<u>Transfers Out</u>					
Fund 200 - Fire Operations	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,000,000
Fund 263 - Public Works Street Maintenance	340,000	0	0	0	0
Fund 401 - City Debt Service	153,000	126,671	98,047	51,439	65,560
Fund 486 - RDA Debt Service	0	4	0	0	0
Total Transfers Out	<u>\$ 493,000</u>	<u>\$ 126,675</u>	<u>\$ 98,047</u>	<u>\$ 51,439</u>	<u>\$ 1,065,560</u>
Total Expenditures and Transfers Out	<u>\$ 25,715,220</u>	<u>\$ 24,632,147</u>	<u>\$ 24,888,005</u>	<u>\$ 26,403,562</u>	<u>\$ 23,810,482</u>
Difference Total Resources and Expenditures and Transfers Out	\$ (228,482)	\$ (1,930,530)	\$ 45,497	\$ (605,126)	\$ 59,210
FUND BALANCE					
July 1st Beginning Balance	\$ 22,704,400	\$ 22,478,904	\$ 21,172,892	\$ 20,566,371	\$ 16,683,226
Residual Equity Transfer	2,986	17,997	0	8,267	0
Budgeted Reserves	0	0	(447,000)	(3,286,286)	(1,225,300)
Difference Total Resources and Expenditures and Transfers Out	<u>(228,482)</u>	<u>(1,930,530)</u>	<u>45,497</u>	<u>(605,126)</u>	<u>59,210</u>
June 30th Ending Balance	\$22,478,904	\$ 20,566,371	\$ 20,771,389	\$ 16,683,226	\$ 15,517,136

Note - Fund Balance, through 2007-08 Actual, includes the Supplemental Franchise Cable Fund 208 as shown in the annual CAFR. However, all revenue amounts are excluded, including all interest earnings. These are shown on the separate Fund Balance Summary page for the Supplemental Franchise Cable Fund 208. Fund 208 was closed into the General Fund during 2007-08.

The Residual Equity Transfer of \$18,100 shown in 2008-09 Revised is the General Fund's portion (8.8%) from the closing of the Emergency Communications Fund 305 closed in 2008-09.

FUND BALANCE SUMMARY

Measure I - Arterial Fund 201

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 2,424,271	\$ 1,895,501	\$ 1,683,794	\$ 1,282,218	\$ 0
Budgeted Reserves	0	0	0	0	400,000
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	\$ 2,424,271	\$ 1,895,501	\$ 1,683,794	\$ 1,282,218	\$ 400,000
Total Expenditures	\$ 2,279,917	\$ 4,996,077	\$ 655,000	\$ 62,386	\$ 400,000
<u>Transfers Out</u>					
Fund 400 - Measure I Debt Service	474,314	470,886	471,588	471,588	0
Total Transfers Out	\$ 474,314	\$ 470,886	\$ 471,588	\$ 471,588	\$ 0
Total Expenditures and Transfers Out	\$ 2,754,231	\$ 5,466,963	\$ 1,126,588	\$ 533,974	\$ 400,000
Difference Total Resources and Expenditures and Transfers Out	\$ (329,960)	\$ (3,571,462)	\$ 557,206	\$ 748,244	\$ 0
FUND BALANCE					
July 1st Beginning Balance	\$ 3,531,015	\$ 3,201,055	\$ (437,157)	\$ (277,148)	\$ 471,096
Residual Equity Transfer	0	93,259	0	0	0
Budgeted Reserves	0	0	0	0	(400,000)
Difference Total Resources and Expenditures and Transfers Out	(329,960)	(3,571,462)	557,206	748,244	0
June 30th Ending Balance	\$ 3,201,055	\$ (277,148)	\$ 120,049	\$ 471,096	\$ 71,096

The Residual Equity Transfer of \$93,784 shown in 2008-09 Revised is the Measure I - Arterial's portion (45.6%) from the closing of the Emergency Communications Fund 305.

FUND BALANCE SUMMARY

Measure I - Local Fund 202

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 1,094,949	\$ 865,180	\$ 765,691	\$ 591,793	\$ 0
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	\$ 1,094,949	\$ 865,180	\$ 765,691	\$ 591,793	\$ 0
Total Expenditures	\$ 977,226	\$ 1,471,244	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 400 - Measure I Debt Service	228,374	226,723	227,061	227,061	0
Fund 263 Public Works Street Maintenance	0	0	492,000	235,332	0
Total Transfers Out	\$ 228,374	\$ 226,723	\$ 719,061	\$ 462,393	\$ 0
Total Expenditures and Transfers Out	\$ 1,205,600	\$ 1,697,967	\$ 719,061	\$ 462,393	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (110,651)	\$ (832,787)	\$ 46,630	\$ 129,400	\$ 0
FUND BALANCE					
July 1st Beginning Balance	\$ 814,038	\$ 703,387	\$ 25,780	\$ (129,400)	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(110,651)	(832,787)	46,630	129,400	0
June 30th Ending Balance	\$ 703,387	\$ (129,400)	\$ 72,410	\$ 0	\$ 0

FUND BALANCE SUMMARY

Measure I - Transit Fund 203

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 184,973	\$ 146,360	\$ 129,714	\$ 99,011	\$ 0
Budgeted Reserves	0	0	45,286	49,463	13,098
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 184,973	\$ 146,360	\$ 175,000	\$ 148,474	\$ 13,098
Total Expenditures	\$ 300,000	\$ 241,736	\$ 175,000	\$ 148,474	\$ 13,098
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 300,000	\$ 241,736	\$ 175,000	\$ 148,474	\$ 13,098
Difference Total Resources and Expenditures and Transfers Out	\$ (115,027)	\$ (95,376)	\$ 0	\$ 0	\$ 0
FUND BALANCE					
July 1st Beginning Balance	\$ 272,964	\$ 157,937	\$ 80,078	\$ 62,561	\$ 13,098
Budgeted Reserves	0	0	(45,286)	(49,463)	(13,098)
Difference Total Resources and Expenditures and Transfers Out	(115,027)	(95,376)	0	0	0
June 30th Ending Balance	\$ 157,937	\$ 62,561	\$ 34,792	\$ 13,098	\$ 0

FUND BALANCE SUMMARY

Measure I - 2010 Renewal Fund 204

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 0	\$ 0	\$ 575,017	\$ 461,283	\$ 1,842,681
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 0	\$ 0	\$ 575,017	\$ 461,283	\$ 1,842,681
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 265,000
Transfers Out					
Fund 263 - Public Works Street Maintenance	0	0	0	256,668	880,000
Total Transfers Out	0	0	0	256,668	880,000
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 256,668	\$ 1,145,000
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 575,017	\$ 204,615	\$ 697,681
FUND BALANCE					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 204,615
Budgeted Reserves	0	0	0	0	0
Prior period adjustment	0	0		0	0
Difference Total Resources and Expenditures and Transfers Out	0	0	575,017	204,615	697,681
June 30th Ending Balance	\$ 0	\$ 0	\$ 575,017	\$ 204,615	\$ 902,296

FUND BALANCE SUMMARY

Gas Tax Fund 205

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 1,534,128	\$ 1,289,452	\$ 1,405,180	\$ 1,391,478	\$ 1,385,288
Budgeted Reserves	0	0	50,361	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	\$ 1,534,128	\$ 1,289,452	\$ 1,455,541	\$ 1,391,478	\$ 1,385,288
Total Expenditures	\$ 216,106	\$ 277,722	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 263 - Public Works Street Maintenance	\$ 424,000	\$ 1,500,000	\$ 965,000	\$ 965,000	\$ 1,030,000
Fund 400 - Measure I Debt Service	493,376	489,811	490,541	490,541	0
Total Transfers Out	\$ 917,376	\$ 1,989,811	\$ 1,455,541	\$ 1,455,541	\$ 1,030,000
Total Expenditures and Transfers Out	\$ 1,133,482	\$ 2,267,533	\$ 1,455,541	\$ 1,455,541	\$ 1,030,000
Difference Total Resources and Expenditures and Transfers Out	\$ 400,646	\$ (978,081)	\$ 0	\$ (64,063)	\$ 355,288
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 541,958	\$ 942,604	\$ 56,245	\$ (35,477)	\$ (99,540)
Budgeted Reserves	0	0	(50,361)	0	0
Prior period adjustment	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	400,646	(978,081)	0	(64,063)	355,288
June 30th Ending Balance	\$ 942,604	\$ (35,477)	\$ 5,884	\$ (99,540)	\$ 255,748

FUND BALANCE SUMMARY

Gas Tax Swap Fund 206

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 874,543
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 874,543
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 263 - Public Works Street Maintenance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 850,000
Total Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 850,000
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 850,000
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 24,543
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
Prior period adjustment	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	0	24,543
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 24,543

Note - This fund is the replacement funding for the Traffic Congestion Relief Fund #250.

FUND BALANCE SUMMARY

Local Transportation Fund (LTF) Article 8 Fund 207

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 2,074,205	\$ 1,166,658	\$ 1,350,000	\$ 1,281,416	\$ 500,064
Budgeted Reserves	0	0	2,298	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	\$ 2,074,205	\$ 1,166,658	\$ 1,352,298	\$ 1,281,416	\$ 500,064
Total Expenditures	\$ 144	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 263 - Public Works Street Maintenance	\$ 2,021,000	\$ 1,150,000	\$ 1,055,000	\$ 1,055,000	\$ 0
Fund 400 - Measure I Debt Service	299,016	296,855	297,298	297,298	0
Total Transfers Out	\$ 2,320,016	\$ 1,446,855	\$ 1,352,298	\$ 1,352,298	\$ 0
Total Expenditures and Transfers Out	\$ 2,320,160	\$ 1,446,855	\$ 1,352,298	\$ 1,352,298	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (245,955)	\$ (280,197)	\$ 0	\$ (70,882)	\$ 500,064
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 200,763	\$ (45,192)	\$ 7,953	\$ (325,389)	\$ (396,271)
Budgeted Reserves	0		(2,298)	0	0
Prior period adjustment	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(245,955)	(280,197)	0	(70,882)	500,064
June 30th Ending Balance	\$ (45,192)	\$ (325,389)	\$ 5,655	\$ (396,271)	\$ 103,793

FUND BALANCE SUMMARY

Supplemental Franchise Cable Fund 208

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers In</u>					
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 40,034	\$ 0	\$ 0	\$ 0	\$ 0
Residual Equity Transfer	(40,034)	0		0	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	0	0
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Note: The Supplemental Franchise Cable Fund #208 is combined with the General Fund on the June 30, 2008 CAFR.
The Residual Equity Transfer was used to close this fund into the General Fund 100.

FUND BALANCE SUMMARY

Traffic Congestion Relief Fund 250

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 11,242	\$ 746,318	\$ 832,351	\$ 790,753	\$ 0
Budgeted Reserves	0	0	0	14,463	0
<u>Transfers In</u>					
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	<u>\$ 11,242</u>	<u>\$ 746,318</u>	<u>\$ 832,351</u>	<u>\$ 805,216</u>	<u>\$ 0</u>
Total Expenditures	\$ 0	\$ 505,686	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 263 - Public Works Street Maintenance	500,000	300,000	790,000	805,216	0
Total Transfers Out	<u>\$ 500,000</u>	<u>\$ 300,000</u>	<u>\$ 790,000</u>	<u>\$ 805,216</u>	<u>\$ 0</u>
Total Expenditures and Transfers Out	<u>\$ 500,000</u>	<u>\$ 805,686</u>	<u>\$ 790,000</u>	<u>\$ 805,216</u>	<u>\$ 0</u>
Difference Total Resources and Expenditures and Transfers Out	\$ (488,758)	\$ (59,368)	\$ 42,351	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 562,589	\$ 73,831	\$ (28,678)	\$ 14,463	\$ 0
Budgeted Reserves	0	0	0	(14,463)	0
Difference Total Resources and Expenditures and Transfers Out	<u>(488,758)</u>	<u>(59,368)</u>	<u>42,351</u>	<u>0</u>	<u>0</u>
June 30th Ending Balance	\$ 73,831	\$ 14,463	\$ 13,673	\$ 0	\$ 0

Note - Starting with the 2010-11 Budget this fund is replaced by the Gas Tax Swap Fund #206.

FUND BALANCE SUMMARY

Community Development Block Grant (CDBG) Administration Fund 251

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 982,655	\$ 592,606	\$ 1,522,580	\$ 1,492,580	\$ 1,620,112
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 982,655	\$ 592,606	\$ 1,522,580	\$ 1,492,580	\$ 1,620,112
Total Expenditures	\$ 460,124	\$ 575,307	\$ 1,477,664	\$ 885,974	\$ 1,572,665
<u>Transfers Out</u>					
Fund 200 - Fire Operations	503,703	0	0	0	0
Total Transfers Out	\$ 503,703	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures and Transfers Out	\$ 963,827	\$ 575,307	\$ 1,477,664	\$ 885,974	\$ 1,572,665
Difference Total Resources and Expenditures and Transfers Out	\$ 18,828	\$ 17,299	\$ 44,916	\$ 606,606	\$ 47,447
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ (55,437)	\$ (36,609)	\$ 112,275	\$ (19,310)	\$ 587,296
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	18,828	17,299	44,916	606,606	47,447
June 30th Ending Balance	\$ (36,609)	\$ (19,310)	\$ 157,191	\$ 587,296	\$ 634,743

FUND BALANCE SUMMARY

Community Development Block Grant (CDBG) HOME Grants Fund 252

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 89,891	\$ 3,177,823	\$ 60,050	\$ 608	\$ 60,734
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 89,891	\$ 3,177,823	\$ 60,050	\$ 608	\$ 60,734
Total Expenditures	\$ 63,294	\$ 3,017,784	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 385 - RDA Low/Mod	0	125,000	0	0	0
Total Transfers Out	\$ 0	\$ 125,000	\$ 0	\$ 0	\$ 0
Total Expenditures and Transfers Out	\$ 63,294	\$ 3,142,784	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 26,597	\$ 35,039	\$ 60,050	\$ 608	\$ 60,734
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ (61,636)	\$ (35,039)	\$ (35,039)	\$ 0	\$ 608
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	26,597	35,039	60,050	608	60,734
June 30th Ending Balance	\$ (35,039)	\$ 0	\$ 25,011	\$ 608	\$ 61,342

FUND BALANCE SUMMARY

Community Development Block Grant (CDBG) Revolving Loan Fund 253

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 59,170	\$ 19,018	\$ 441,298	\$ 53,867	\$ 54,992
Budgeted Reserves	0	0	832,700	0	942,618
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	\$ 59,170	\$ 19,018	\$ 1,273,998	\$ 53,867	\$ 997,610
Total Expenditures	\$ 524,906	\$ 270,002	\$ 1,273,998	\$ 0	\$ 997,610
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 524,906	\$ 270,002	\$ 1,273,998	\$ 0	\$ 997,610
Difference Total Resources and Expenditures and Transfers Out	\$ (465,736)	\$ (250,984)	\$ 0	\$ 53,867	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 1,714,330	\$ 1,248,594	\$ 987,259	\$ 997,610	\$ 1,051,477
Budgeted Reserves	0	0	(832,700)	0	(942,618)
Difference Total Resources and Expenditures and Transfers Out	(465,736)	(250,984)	0	53,867	0
June 30th Ending Balance	\$ 1,248,594	\$ 997,610	\$ 154,559	\$ 1,051,477	\$ 108,859

FUND BALANCE SUMMARY

Air Quality Management Fund 254

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 31,527	\$ 60,532	\$ 52,186	\$ 48,413	\$ 43,412
Budgeted Reserves	0	0	0	4,087	6,588
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 31,527	\$ 60,532	\$ 52,186	\$ 52,500	\$ 50,000
Total Expenditures	\$ 39,686	\$ 35,000	\$ 35,000	\$ 52,500	\$ 50,000
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 39,686	\$ 35,000	\$ 35,000	\$ 52,500	\$ 50,000
Difference Total Resources and Expenditures and Transfers Out	\$ (8,159)	\$ 25,532	\$ 17,186	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 137,055	\$ 128,896	\$ 146,284	\$ 154,428	\$ 150,341
Budgeted Reserves	0	0	0	(4,087)	(6,588)
Difference Total Resources and Expenditures and Transfers Out	(8,159)	25,532	17,186	0	0
June 30th Ending Balance	\$ 128,896	\$ 154,428	\$ 163,470	\$ 150,341	\$ 143,753

FUND BALANCE SUMMARY

AB 3229 Supplemental Law Fund 255

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 168,698	\$ 104,424	\$ 100,000	\$ 100,000	\$ 107,315
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 168,698	\$ 104,424	\$ 100,000	\$ 100,000	\$ 107,315
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Operating Transfers Out	179,000	150,000	100,000	100,000	107,000
Total Transfers Out	179,000	150,000	100,000	100,000	107,000
Total Expenditures and Transfers Out	\$ 179,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ 107,000
Difference Total Resources and Expenditures and Transfers Out	\$ (10,302)	\$ (45,576)	\$ 0	\$ 0	\$ 315
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 62,847	\$ 52,545	\$ 2,658	\$ 6,969	\$ 6,969
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(10,302)	(45,576)	0	0	315
June 30th Ending Balance	\$ 52,545	\$ 6,969	\$ 2,658	\$ 6,969	\$ 7,284

FUND BALANCE SUMMARY

Environmental Programs Grant Fund 256

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 27,387	\$ 32,217	\$ 47,802	\$ 28,157	\$ 68,616
Budgeted Reserves	0	0	4,699	4,961	680
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 27,387	\$ 32,217	\$ 52,501	\$ 33,118	\$ 69,296
Total Expenditures	\$ 22,305	\$ 28,480	\$ 52,501	\$ 33,118	\$ 69,296
<u>Transfers Out</u>					
Operating Transfers Out	0	0	0	0	0
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 22,305	\$ 28,480	\$ 52,501	\$ 33,118	\$ 69,296
Difference Total Resources and Expenditures and Transfers Out	\$ 5,082	\$ 3,737	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 1,406	\$ 6,488	\$ 8,014	\$ 10,225	\$ 5,264
Budgeted Reserves	0	0	(4,699)	(4,961)	(680)
Difference Total Resources and Expenditures and Transfers Out	5,082	3,737	0	0	0
June 30th Ending Balance	\$ 6,488	\$ 10,225	\$ 3,315	\$ 5,264	\$ 4,584

FUND BALANCE SUMMARY

Community Development Block Grant (CDBG) Neighborhood Stabilization Program (NSP) Fund 257

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 0	\$ 59,369	\$ 4,531,849	\$ 3,751,496	\$ 2,599,175
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 0	\$ 59,369	\$ 4,531,849	\$ 3,751,496	\$ 2,599,175
Total Expenditures	\$ 0	\$ 59,369	\$ 4,531,849	\$ 3,751,496	\$ 781,083
<u>Transfers Out</u>					
Operating Transfers Out	0	0	0	0	0
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 59,369	\$ 4,531,849	\$ 3,751,496	\$ 781,083
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,818,092
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	0	1,818,092
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,818,092

FUND BALANCE SUMMARY

Reimbursable Grants Fund 259

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 845,100
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves and Transfers In)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 845,100
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,455,100
<u>Transfers Out</u>					
Operating Transfers Out	0	0	0	0	0
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,455,100
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ (610,000)
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	0	(610,000)
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ (610,000)

Note - For FY 2010-11 Budget, this fund will track the Solar Panel grants for the Police Station. One of these is the California Solar Initiative (CSI)/Edison grant which will be drawn down over a six year period, with the first and sixth years drawing prorated amounts. Therefore, this fund will show a negative fund balance during that time period.

FUND BALANCE SUMMARY

Disaster Preparedness Grant Fund 260

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 17,005	\$ 11,535	\$ 18,917	\$ 13,416	\$ 28,421
Budgeted Reserves	0	0	1,187	4,965	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves and Transfers In)	\$ 17,005	\$ 11,535	\$ 20,104	\$ 18,381	\$ 28,421
Total Expenditures	\$ 7,379	\$ 27,814	\$ 20,104	\$ 18,381	\$ 28,381
<u>Transfers Out</u>					
Operating Transfers Out	0	0	0	0	0
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 7,379	\$ 27,814	\$ 20,104	\$ 18,381	\$ 28,381
Difference Total Resources and Expenditures and Transfers Out	\$ 9,626	\$ (16,279)	\$ 0	\$ 0	\$ 40
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 12,646	\$ 22,272	\$ 7,793	\$ 5,993	\$ 1,028
Budgeted Reserves	0	0	(1,187)	(4,965)	0
Difference Total Resources and Expenditures and Transfers Out	9,626	(16,279)	0	0	40
June 30th Ending Balance	\$ 22,272	\$ 5,993	\$ 6,606	\$ 1,028	\$ 1,068

FUND BALANCE SUMMARY

Public Works Street Maintenance Fund 263

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 88,020	\$ 69,368	\$ 45,800	\$ 32,570	\$ 32,294
Budgeted Reserves	0	0	69,562	0	340,464
<u>Transfers In</u>					
Fund 100 - General Fund	\$ 340,000	\$ 0	\$ 0	\$ 0	\$ 0
Fund 202 - Measure I - Local	0	0	492,000	492,000	0
Fund 204 - Measure I - Renewal	0	0	0	0	880,000
Fund 205 - Gas Tax	424,000	1,500,000	965,000	965,000	1,030,000
Fund 206 - Gas Tax Swap	0	0	0	0	850,000
Fund 207 - LTF	2,021,000	1,150,000	1,055,000	1,055,000	0
Fund 250 - Traffic Congestion Relief	500,000	300,000	790,000	805,216	0
Total Transfers In	<u>\$ 3,285,000</u>	<u>\$ 2,950,000</u>	<u>\$ 3,302,000</u>	<u>\$ 3,317,216</u>	<u>\$ 2,760,000</u>
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	<u>\$ 3,373,020</u>	<u>\$ 3,019,368</u>	<u>\$ 3,417,362</u>	<u>\$ 3,349,786</u>	<u>\$ 3,132,758</u>
Total Expenditures	\$ 3,329,040	\$ 3,118,991	\$ 3,417,362	\$ 3,123,387	\$ 3,130,258
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	<u>\$ 3,329,040</u>	<u>\$ 3,118,991</u>	<u>\$ 3,417,362</u>	<u>\$ 3,123,387</u>	<u>\$ 3,130,258</u>
Difference Total Resources and Expenditures and Transfers Out	\$ 43,980	\$ (99,623)	\$ 0	\$ 226,399	\$ 2,500
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 199,550	\$ 243,530	\$ 141,927	\$ 143,907	\$ 370,306
Budgeted Reserves	0	0	(69,562)	0	(340,464)
Difference Total Resources and Expenditures and Transfers Out	<u>43,980</u>	<u>(99,623)</u>	<u>0</u>	<u>226,399</u>	<u>2,500</u>
June 30th Ending Balance	<u>\$ 243,530</u>	<u>\$ 143,907</u>	<u>\$ 72,365</u>	<u>\$ 370,306</u>	<u>\$ 32,342</u>

FUND BALANCE SUMMARY

Traffic Signalization Fund 264

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 532	\$ 211	\$ 272	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 532	\$ 211	\$ 272	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 16,160	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 16,160	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 532	\$ (15,949)	\$ 272	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 15,417	\$ 15,949	\$ 16,803	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	532	(15,949)	272	0	0
June 30th Ending Balance	\$ 15,949	\$ 0	\$ 17,075	\$ 0	\$ 0

FUND BALANCE SUMMARY

Development Impact Fees - Summary (300, 301, 302, 303, 304)

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 4,849,690	\$ 2,993,122	\$ 2,356,609	\$ 1,314,118	\$ 1,101,778
Budgeted Reserves	0	0	8,357,960	2,499,138	3,411,031
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves and Transfers In)	\$ 4,849,690	\$ 2,993,122	\$ 10,714,569	\$ 3,813,256	\$ 4,512,809
Total Expenditures	\$ 2,282,339	\$ 2,653,846	\$ 9,956,000	\$ 3,304,115	\$ 3,851,025
<u>Transfers Out</u>					
Fund 401 - City Debt Service	\$ 1,047,000	\$ 866,829	\$ 670,953	\$ 352,001	\$ 448,640
Total Transfers Out	\$ 1,047,000	\$ 866,829	\$ 670,953	\$ 352,001	\$ 448,640
Total Expenditures and Transfers Out	\$ 3,329,339	\$ 3,520,675	\$ 10,626,953	\$ 3,656,116	\$ 4,299,665
Difference Total Resources and Expenditures and Transfers Out	\$ 1,520,351	\$ (527,553)	\$ 87,616	\$ 157,140	\$ 213,144
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 25,172,709	\$ 26,693,060	\$ 24,176,627	\$ 26,165,507	\$ 23,823,509
Budgeted Reserves	0	0	(8,357,960)	(2,499,138)	(3,411,031)
Difference Total Resources and Expenditures and Transfers Out	1,520,351	(527,553)	87,616	157,140	213,144
June 30th Ending Balance	\$ 26,693,060	\$ 26,165,507	\$ 15,906,283	\$ 23,823,509	\$ 20,625,622
Less: Land Held For Resale	(9,002,541)	(9,002,541)	(9,002,541)	(9,002,541)	(9,002,541)
June 30th Ending Operating Fund Balance	\$ 17,690,519	\$ 17,162,966	\$ 6,903,742	\$ 14,820,968	\$ 11,623,081

Note: Rates for Development Impact Fees were approved in total as a group (Streets, Storm Drainage, Fire, Police, and Public Services). Therefore, any temporary deficit in one Development Impact Fee fund will be offset by the overall surplus of the Development Impact Fee funds taken as a whole.

FUND BALANCE SUMMARY

Development Impact - Streets Fund 300

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 3,104,113	\$ 2,083,632	\$ 1,620,263	\$ 852,841	\$ 763,836
Budgeted Reserves	0	0	6,889,737	1,396,159	1,587,189
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves and Transfers In)	\$ 3,104,113	\$ 2,083,632	\$ 8,510,000	\$ 2,249,000	\$ 2,351,025
Total Expenditures	\$ 907,909	\$ 2,307,193	\$ 8,510,000	\$ 2,249,000	\$ 2,351,025
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 907,909	\$ 2,307,193	\$ 8,510,000	\$ 2,249,000	\$ 2,351,025
Difference Total Resources and Expenditures and Transfers Out	\$ 2,196,204	\$ (223,561)	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 17,641,805	\$ 19,838,009	\$ 19,772,776	\$ 19,614,448	\$ 18,218,289
Budgeted Reserves	0	0	(6,889,737)	(1,396,159)	(1,587,189)
Difference Total Resources and Expenditures and Transfers Out	2,196,204	(223,561)	0	0	0
June 30th Ending Balance	\$ 19,838,009	\$ 19,614,448	\$ 12,883,039	\$ 18,218,289	\$ 16,631,100
Less: Land Held For Resale	(9,002,541)	(9,002,541)	(9,002,541)	(9,002,541)	(9,002,541)
June 30th Ending Operating Fund Balance	\$ 10,835,468	\$ 10,611,907	\$ 3,880,498	\$ 9,215,748	\$ 7,628,559

FUND BALANCE SUMMARY

Development Impact - Storm Drainage Fund 301

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 573,758	\$ 365,544	\$ 216,151	\$ 196,671	\$ 103,132
Budgeted Reserves	0	0	33,849	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 573,758	\$ 365,544	\$ 250,000	\$ 196,671	\$ 103,132
Total Expenditures	\$ 1,144,723	\$ 100,314	\$ 250,000	\$ 69,115	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 1,144,723	\$ 100,314	\$ 250,000	\$ 69,115	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (570,965)	\$ 265,230	\$ 0	\$ 127,556	\$ 103,132
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 2,127,146	\$ 1,556,181	\$ 1,636,878	\$ 1,821,411	\$ 1,948,967
Budgeted Reserves	0	0	(33,849)	0	0
Difference Total Resources and Expenditures and Transfers Out	(570,965)	265,230	0	127,556	103,132
June 30th Ending Balance	\$ 1,556,181	\$ 1,821,411	\$ 1,603,029	\$ 1,948,967	\$ 2,052,099

Note: Rates for Development Impact Fees were approved in total as a group (Streets, Storm Drainage, Fire, Police, and Public Services). Therefore, any temporary deficit in one Development Impact Fee fund will be offset by the overall surplus of the Development Impact Fee funds taken as a whole.

FUND BALANCE SUMMARY

Development Impact - Fire Fund 302

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 284,537	\$ 197,793	\$ 232,782	\$ 64,636	\$ 110,012
Budgeted Reserves	0	0	963,218	921,364	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 284,537	\$ 197,793	\$ 1,196,000	\$ 986,000	\$ 110,012
Total Expenditures	\$ 229,707	\$ 246,339	\$ 1,196,000	\$ 986,000	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 229,707	\$ 246,339	\$ 1,196,000	\$ 986,000	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 54,830	\$ (48,546)	\$ 0	\$ 0	\$ 110,012
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 1,347,351	\$ 1,402,181	\$ 1,145,225	\$ 1,353,635	\$ 432,271
Budgeted Reserves	0	0	(963,218)	(921,364)	0
Difference Total Resources and Expenditures and Transfers Out	54,830	(48,546)	0	0	110,012
June 30th Ending Balance	\$ 1,402,181	\$ 1,353,635	\$ 182,007	\$ 432,271	\$ 542,283

Note: Rates for Development Impact Fees were approved in total as a group (Streets, Storm Drainage, Fire, Police, and Public Services). Therefore, any temporary deficit in one Development Impact Fee fund will be offset by the overall surplus of the Development Impact Fee funds taken as a whole.

FUND BALANCE SUMMARY

Development Impact - Police Fund 303

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 172,188	\$ 62,906	\$ 87,616	\$ 29,584	\$ 35,192
Budgeted Reserves	0	0	0	0	1,464,808
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 172,188	\$ 62,906	\$ 87,616	\$ 29,584	\$ 1,500,000
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,500,000
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,500,000
Difference Total Resources and Expenditures and Transfers Out	\$ 172,188	\$ 62,906	\$ 87,616	\$ 29,584	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 1,308,798	\$ 1,480,986	\$ 1,547,131	\$ 1,543,892	\$ 1,573,476
Budgeted Reserves	0	0	0	0	(1,464,808)
Difference Total Resources and Expenditures and Transfers Out	172,188	62,906	87,616	29,584	0
June 30th Ending Balance	\$ 1,480,986	\$ 1,543,892	\$ 1,634,747	\$ 1,573,476	\$ 108,668

FUND BALANCE SUMMARY

Development Impact - Public Services Fund 304

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 715,094	\$ 283,247	\$ 199,797	\$ 170,386	\$ 89,606
Budget Reserves	0	0	471,156	181,615	359,034
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 715,094	\$ 283,247	\$ 670,953	\$ 352,001	\$ 448,640
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 401 - City Debt Service	\$ 1,047,000	\$ 866,829	\$ 670,953	\$ 352,001	\$ 448,640
Total Transfers Out	\$ 1,047,000	\$ 866,829	\$ 670,953	\$ 352,001	\$ 448,640
Total Expenditures and Transfers Out	\$ 1,047,000	\$ 866,829	\$ 670,953	\$ 352,001	\$ 448,640
Difference Total Resources and Expenditures and Transfers Out	\$ (331,906)	\$ (583,582)	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 2,747,609	\$ 2,415,703	\$ 1,841,356	\$ 1,832,121	\$ 1,650,506
Budgeted Reserves	0	0	(471,156)	(181,615)	(359,034)
Difference Total Resources and Expenditures and Transfers Out	(331,906)	(583,582)	0	0	0
June 30th Ending Balance	\$ 2,415,703	\$ 1,832,121	\$ 1,370,200	\$ 1,650,506	\$ 1,291,472

FUND BALANCE SUMMARY

Emergency Communications Fund 305

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 6,734	\$ 2,675	\$ 0	\$ 0	\$ 0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 6,734	\$ 2,675	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 93,260	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	111,256	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 204,516	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 6,734	\$ (201,841)	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 195,107	\$ 201,841	\$ 0	\$ 0	\$ 0
Residual Equity Transfer	0	0	0	0	0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	6,734	(201,841)	0	0	0
June 30th Ending Balance	\$ 201,841	\$ 0	\$ 0	\$ 0	\$ 0

The Residual Equity Transfer shown in 2008-09 Actual is distributed \$18,100 to the General Fund (8.8%), \$93,784 to the Measure I - Arterial fund (45.6%), and \$93,784 to the Water Operating fund (45.6%) to close the Emergency Communications Fund 305. However, during the FY 2008-09 year-end, this fund was closed by way of expensing the \$93,260 to the Water Operating fund and transferring out \$17,997 to the General Fund and \$93,260 to the Measure I-Arterial fund.

FUND BALANCE SUMMARY

Measure I Debt Service Fund 400

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 61,537	\$ 62,270	\$ 51,484	\$ 8,707	\$ 7,862
Budget Reserves	0	0	0	0	724,758
<u>Transfers In</u>					
Fund 201 - Measure I Arterial	\$ 474,314	\$ 470,886	\$ 471,588	\$ 471,588	\$ 0
Fund 202 - Measure I Local	228,374	226,723	227,061	227,061	0
Fund 205 - Gas Tax	493,376	489,811	490,541	490,541	0
Fund 207 - LTF	299,016	296,855	297,298	297,298	0
Total Transfers In	\$ 1,495,080	\$ 1,484,275	\$ 1,486,488	\$ 1,486,488	\$ 0
Total Resources (Revenue and Transfers In)	\$ 1,556,617	\$ 1,546,545	\$ 1,537,972	\$ 1,495,195	\$ 732,620
Total Expenditures	\$ 1,661,218	\$ 692,386	\$ 1,486,488	\$ 1,486,488	\$ 732,620
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 1,661,218	\$ 692,386	\$ 1,486,488	\$ 1,486,488	\$ 732,620
Difference Total Resources and Expenditures and Transfers Out	\$ (104,601)	\$ 854,159	\$ 51,484	\$ 8,707	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 1,381,724	\$ 1,277,123	\$ 2,049,650	\$ 2,131,282	\$ 2,139,989
Budgeted Reserves	0	0	0	0	(724,758)
Difference Total Resources and Expenditures and Transfers Out	(104,601)	854,159	51,484	8,707	0
June 30th Ending Balance	\$ 1,277,123	\$ 2,131,282	\$ 2,101,134	\$ 2,139,989	\$ 1,415,231

FUND BALANCE SUMMARY

City Debt Service Fund 401

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 78,649	\$ 23,951	\$ 28,396	\$ 10,585	\$ 9,940
Budget Reserves	0	0	0	0	0
<u>Transfers In</u>					
Fund 100 - General Fund	\$ 153,000	\$ 126,671	\$ 98,047	\$ 51,439	\$ 65,560
Fund 304 - DIF Public Services	1,047,000	866,829	670,953	352,001	448,640
Fund 505 - Government Center	3,659,373	0	0	0	0
Total Transfers In	\$ 4,859,373	\$ 993,500	\$ 769,000	\$ 403,440	\$ 514,200
Total Resources (Revenue and Transfers In)	\$ 4,938,022	\$ 1,017,451	\$ 797,396	\$ 414,025	\$ 524,140
Total Expenditures	\$ 4,650,432	\$ 459,780	\$ 769,000	\$ 403,440	\$ 514,200
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 4,650,432	\$ 459,780	\$ 769,000	\$ 403,440	\$ 514,200
Difference Total Resources and Expenditures and Transfers Out	\$ 287,590	\$ 557,671	\$ 28,396	\$ 10,585	\$ 9,940
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 2,010,196	\$ 2,297,786	\$ 2,815,508	\$ 2,855,457	\$ 2,866,042
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	287,590	557,671	28,396	10,585	9,940
June 30th Ending Balance	\$ 2,297,786	\$ 2,855,457	\$ 2,843,904	\$ 2,866,042	\$ 2,875,982

FUND BALANCE SUMMARY

Assessment District 91-1 Fund 500

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 24,564	\$ 7,783	\$ 8,421	\$ 1,974	\$ 0
Budgeted Reserves	0	0	0	470,699	0
<u>Transfers In</u>					
Transfers In	0	0	0	22,430	0
Total Transfers In	0	0	0	22,430	0
Total Resources (Revenue and Transfers In)	\$ 24,564	\$ 7,783	\$ 8,421	\$ 495,103	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 502 Fire Station	\$ 0	\$ 0	\$ 0	\$ 495,103	\$ 0
Total Transfers Out	0	0	0	495,103	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 495,103	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 24,564	\$ 7,783	\$ 8,421	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 468,970	\$ 493,534	\$ 502,890	\$ 501,317	\$ 0
Budgeted Reserves	0	0	0	(470,699)	0
Residual Equity Transfer	0	0	0	(30,618)	0
Difference Total Resources and Expenditures and Transfers Out	24,564	7,783	8,421	0	0
June 30th Ending Balance	\$ 493,534	\$ 501,317	\$ 511,311	\$ 0	\$ 0

FUND BALANCE SUMMARY

Community Facilities District 91-3 Belgate Fund 501

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 22,961	\$ 8,197	\$ 9,006	\$ 1,957	\$ 0
Budgeted Reserves	0	0	2,394	497,001	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 22,961	\$ 8,197	\$ 11,400	\$ 498,958	\$ 0
Total Expenditures	\$ 50,151	\$ 6,196	\$ 11,400	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 500 AD 91-1	\$ 0	\$ 0	\$ 0	\$ 22,430	\$ 0
Fund 502 Fire Station	0	0	0	476,528	0
Total Transfers Out	\$ 0	\$ 0	\$ 0	\$ 498,958	\$ 0
Total Expenditures and Transfers Out	\$ 50,151	\$ 6,196	\$ 11,400	\$ 498,958	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (27,190)	\$ 2,001	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 522,190	\$ 495,000	\$ 497,346	\$ 497,001	\$ 0
Budgeted Reserves	0	0	(2,394)	(497,001)	0
Difference Total Resources and Expenditures and Transfers Out	(27,190)	2,001	0	0	0
June 30th Ending Balance	\$ 495,000	\$ 497,001	\$ 494,952	\$ 0	\$ 0

FUND BALANCE SUMMARY

Fire Building Fund 502

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 3,604,063	\$ 63,565	\$ 76,271	\$ 1,940	\$ 0
Budgeted Reserves	0	0	1,646,000	1,084,573	0
<u>Transfers In</u>					
Fund 500 Assessment District 91-1	0	0	0	495,103	0
Fund 501 Community Facilities District 91-3	0	0	0	498,958	0
Total Transfers In	0	0	0	994,061	0
Total Resources (Revenue, Reserves and Transfers In)	\$ 3,604,063	\$ 63,565	\$ 1,722,271	\$ 2,080,574	\$ 0
Total Expenditures	\$ 42	\$ 3,540,958	\$ 1,722,271	\$ 2,080,574	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 42	\$ 3,540,958	\$ 1,722,271	\$ 2,080,574	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 3,604,021	\$ (3,477,393)	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 980,375	\$ 4,584,396	\$ 1,669,988	\$ 1,107,003	\$ 22,430
Budgeted Reserves	0	0	(1,646,000)	(1,084,573)	0
Difference Total Resources and Expenditures and Transfers Out	3,604,021	(3,477,393)	0	0	0
June 30th Ending Balance	\$ 4,584,396	\$ 1,107,003	\$ 23,988	\$ 22,430	\$ 22,430

FUND BALANCE SUMMARY

High Desert Government Center Fund 503

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 0	\$ 1,877,764	\$ 17,000,000	\$ 13,011,604	\$ 9,013,872
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 0	\$ 1,877,764	\$ 17,000,000	\$ 13,011,604	\$ 9,013,872
Total Expenditures	\$ 147,591	\$ 1,730,173	\$ 17,000,000	\$ 13,000,000	\$ 9,000,000
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 147,591	\$ 1,730,173	\$ 17,000,000	\$ 13,000,000	\$ 9,000,000
Difference Total Resources and Expenditures and Transfers Out	\$ (147,591)	\$ 147,591	\$ 0	\$ 11,604	\$ 13,872
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 0	\$ (147,591)	\$ 0	\$ 0	\$ 11,604
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(147,591)	147,591	0	11,604	13,872
June 30th Ending Balance	\$ (147,591)	\$ 0	\$ 0	\$ 11,604	\$ 25,476

FUND BALANCE SUMMARY

City Streets Projects Fund 504

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 1,388,606	\$ 14,052	\$ 100	\$ 120	\$ 1,784,869
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 1,388,606	\$ 14,052	\$ 100	\$ 120	\$ 1,784,869
Total Expenditures	\$ 0	\$ 1,381,257	\$ 0	\$ 0	\$ 1,784,741
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 1,381,257	\$ 0	\$ 0	\$ 1,784,741
Difference Total Resources and Expenditures and Transfers Out	\$ 1,388,606	\$ (1,367,205)	\$ 100	\$ 120	\$ 128
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 156	\$ 1,388,762	\$ 30,201	\$ 21,557	\$ 21,677
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	1,388,606	(1,367,205)	100	120	128
June 30th Ending Balance	\$ 1,388,762	\$ 21,557	\$ 30,301	\$ 21,677	\$ 21,805

Note: This is the City's allocation of the Proposition 1B bond funds.

FUND BALANCE SUMMARY

Hesperia Civic Plaza Fund 505

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 138,860	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Fund 100 General Fund	0	0	0	0	0
Total Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Resources (Revenue and Transfers In)	\$ 138,860	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>	(3,659,373)	0	0	0	0
Total Transfers Out	(3,659,373)	0	0	0	0
Total Expenditures and Transfers Out	\$ (3,659,373)	\$ 0	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (3,520,513)	\$ 0	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 3,520,513	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(3,520,513)	0	0	0	0
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Fund closed in 2007-08 as project was completed.

FUND BALANCE SUMMARY

Ranchero Road Undercrossing Fund 600

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 20,965	\$ 3,676	\$ 3,899,000	\$ 378,218	\$ 11,650,000
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 20,965	\$ 3,676	\$ 3,899,000	\$ 378,218	\$ 11,650,000
Total Expenditures	\$ 20,965	\$ 3,676	\$ 3,899,000	\$ 378,218	\$ 11,650,000
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 20,965	\$ 3,676	\$ 3,899,000	\$ 378,218	\$ 11,650,000
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	0	0
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

FUND BALANCE SUMMARY

Hesperia Branch Library Fund 601

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 28,092	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Fund 586 - RDA CIP Area #1	\$ 1,416,555	\$ 0	\$ 0	\$ 0	\$ 0
Fund 588 - VVEDA Project	200,000	0	0	0	0
Total Transfers In	\$ 1,616,555	\$ 0	\$ 0	\$ 0	\$ 0
Total Resources (Revenue Reserves and Transfers In)	\$ 1,644,647	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 3,412	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 3,412	\$ 0	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 1,641,235	\$ 0	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ (1,641,235)	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	1,641,235	0	0	0	0
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Fund closed in 2007-08 as project was completed.

FUND BALANCE SUMMARY

Ranchero Road / I-15 Interchange Fund 602

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,034,000
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,034,000
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,034,000
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,034,000
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	0	0
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

FUND BALANCE SUMMARY

Mortgage Assistance Trust Fund 885

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 472	\$ 187	\$ 0	\$ 0	\$ 0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 472	\$ 187	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 472	\$ 187	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 2,571	\$ 3,043	\$ 0	\$ 0	\$ 0
Residual Equity Transfer	0	(3,230)	0	0	0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	472	187	0	0	0
June 30th Ending Balance	\$ 3,043	\$ 0	\$ 0	\$ 0	\$ 0

Fund closed in 2008-09 into RDA Low/Moderate Housing fund 385 as reflected in the Residual Equity

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Funds Combined (385, 389, 485, 486, 487, 586, 587, 588)

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 43,896,213	\$ 48,876,634	\$ 41,026,692	\$ 30,238,653	\$ 20,963,118
Bond Proceeds	155,117,232	1,853,000	0	0	0
Budgeted Reserves	0	0	64,698,012	0	40,263,091
<u>Transfers In</u>					
Fund 486 - RDA Debt Service Area #1	0	9,505,251	0	0	0
Fund 487 - RDA Debt Service Area #2	0	1,052,619	0	0	0
Fund 586 - RDA CIP Area #1	4,636,280	3,516	0	0	0
Fund 587 - RDA CIP Area #2	500,282	389	0	0	0
Total Transfers In	5,136,562	10,561,775	0	0	0
Total Resources (Revenue, Transfers In and Advances)	\$ 204,150,007	\$ 61,291,409	\$ 105,724,704	\$ 30,238,653	\$ 61,226,209
Total Expenditures	\$ 60,454,917	\$ 62,150,399	\$ 103,865,808	\$ 59,257,354	\$ 62,734,850
<u>Transfers Out</u>					
Fund 100 - General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fund 200 - Fire District	0	0	0	0	0
Fund 486 - RDA Debt Service Area #1	4,636,280	3,516	0	0	0
Fund 487 - RDA Debt Service Area #2	500,282	389	0	0	0
Fund 586 - RDA CIP Area #1	0	15,880,160	0	0	0
Fund 587 - RDA CIP Area #2	0	1,606,064	0	0	0
Fund 601 - Branch Library	0	0	0	0	0
Total Transfers Out	\$ 5,136,562	\$ 17,490,129	\$ 0	\$ 0	\$ 0
Total Expenditures and Transfers Out	\$ 65,591,479	\$ 79,640,528	\$ 103,865,808	\$ 59,257,354	\$ 62,734,850
Difference Total Resources and Expenditures and Transfers Out	\$ 138,558,528	\$ (18,349,119)	\$ 1,858,896	\$ (29,018,701)	\$ (1,508,641)
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 42,866,587	\$ 181,425,115	\$ 157,056,754	\$ 163,078,567	\$ 134,059,866
Residual Equity Transfer	0	3,230	0	0	0
Budgeted Reserves	0	0	(64,698,012)	0	(40,263,091)
Prior period adjustment	0	(659)	0	0	0
Difference Total Resources and Expenditures and Transfers Out	138,558,528	(18,349,119)	1,858,896	(29,018,701)	(1,508,641)
June 30th Ending Balance	\$ 181,425,115	\$ 163,078,567	\$ 94,217,638	\$ 134,059,866	\$ 92,288,134

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Low/Moderate Housing Fund 385

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 9,821,960	\$ 9,920,243	\$ 8,880,419	\$ 7,080,612	\$ 4,124,640
Bond Proceeds	58,073,685	0	0	0	0
Budgeted Reserves	0	0	17,435,068	0	20,322,085
<u>Transfers In</u>					
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves, and Transfers In)	<u>\$ 67,895,645</u>	<u>\$ 9,920,243</u>	<u>\$ 26,315,487</u>	<u>\$ 7,080,612</u>	<u>\$ 24,446,725</u>
Total Expenditures	\$ 9,117,868	\$ 11,110,650	\$ 26,315,487	\$ 6,251,095	\$ 24,446,725
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	<u>\$ 9,117,868</u>	<u>\$ 11,110,650</u>	<u>\$ 26,315,487</u>	<u>\$ 6,251,095</u>	<u>\$ 24,446,725</u>
Difference Total Resources and Expenditures and Transfers Out	\$ 58,777,777	\$ (1,190,407)	\$ 0	\$ 829,517	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 19,400,318	\$ 78,178,095	\$ 76,140,982	\$ 76,990,259	\$ 77,819,776
Residual Equity Transfer	0	3,230	0	0	0
Budgeted Reserves	0	0	(17,435,068)	0	(20,322,085)
Prior period adjustment	0	(659)	0	0	0
Difference Total Resources and Expenditures and Transfers Out	<u>58,777,777</u>	<u>(1,190,407)</u>	<u>0</u>	<u>829,517</u>	<u>0</u>
June 30th Ending Balance	\$ 78,178,095	\$ 76,990,259	\$ 58,705,914	\$ 77,819,776	\$ 57,497,691
Less: Land Held For Resale	<u>(818,555)</u>	<u>(818,555)</u>	<u>(818,555)</u>	<u>(818,555)</u>	<u>(818,555)</u>
June 30th Ending Operating Fund Balance	\$ 77,359,540	\$ 76,171,704	\$ 57,887,359	\$ 77,001,221	\$ 56,679,136

Note: The bond proceeds in FY2007-08 are the 2007 Tax Allocation Bonds series.

Mortgage Assistance Trust Fund 885 closed in 2008-09 into RDA Low/Moderate Housing fund 385 as reflected in the Residual Equity Transfer.

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Administration Fund 389

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers In</u>					
Total Transfers	0	0	0	0	0
Total Resources (Revenue and Transfers In)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Expenditures	\$ 0	\$ 0	\$ 1,867,173	\$ 1,475,761	\$ 1,583,961
<u>Transfers Out</u>					
Fund 100 - General Fund (G & A)	0	0	0	0	0
Fund 100 - Indirect Cost Allocation	0	0	661,119	661,119	611,451
Fund 100 - G&A Prior Yr Uncharged	0	0	633,063	633,063	633,063
Total Transfers Out	<u>0</u>	<u>0</u>	<u>1,294,182</u>	<u>1,294,182</u>	<u>1,244,514</u>
Total Expenditures and Transfers Out	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,161,355</u>	<u>\$ 2,769,943</u>	<u>\$ 2,828,475</u>
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ (3,161,355)	\$ (2,769,943)	\$ (2,828,475)
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ (1,692,876)	\$ 0	\$ (2,769,943)
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	<u>0</u>	<u>0</u>	<u>(3,161,355)</u>	<u>(2,769,943)</u>	<u>(2,828,475)</u>
June 30th Ending Balance	\$ 0	\$ 0	\$ (4,854,231)	\$ (2,769,943)	\$ (5,598,418)

Note: Negative fund balance at year end is due to administrative expenditures. Staff will transfer the accumulated expenditures to the debt service funds as part of the fiscal year end process.

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Debt Service Project Area #1 Fund 486

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 25,966,534	\$ 32,278,705	\$ 27,167,851	\$ 19,565,168	\$ 13,268,926
Budgeted Reserves	0	0	0	0	4,079,975
<u>Transfers In</u>					
Fund 586 - RDA CIP Area #1	4,636,280	3,516	0	0	0
Total Transfers In	4,636,280	3,516	0	0	0
Total Resources (Revenue, Transfers In and Advances)	\$ 30,602,814	\$ 32,282,221	\$ 27,167,851	\$ 19,565,168	\$ 17,348,901
Total Expenditures	\$ 18,663,846	\$ 22,707,213	\$ 23,758,655	\$ 21,189,892	\$ 17,348,901
<u>Transfers Out</u>					
Fund 586 - RDA CIP Area #1	0	15,880,160	0	0	0
Total Transfers Out	0	15,880,160	0	0	0
Total Expenditures and Transfers Out	\$ 18,663,846	\$ 38,587,373	\$ 23,758,655	\$ 21,189,892	\$ 17,348,901
Difference Total Resources and Expenditures and Transfers Out	\$ 11,938,968	\$ (6,305,152)	\$ 3,409,196	\$ (1,624,724)	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 13,927,264	\$ 25,866,232	\$ 4,352,977	\$ 19,561,080	\$ 17,936,356
Budgeted Reserves	0	0	0	0	(4,079,975)
Difference Total Resources and Expenditures and Transfers Out	11,938,968	(6,305,152)	3,409,196	(1,624,724)	0
June 30th Ending Balance	\$ 25,866,232	\$ 19,561,080	\$ 7,762,173	\$ 17,936,356	\$ 13,856,381

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Debt Service Project Area #2 Fund 487

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 2,264,530	\$ 2,789,736	\$ 2,584,506	\$ 1,728,610	\$ 1,186,820
Budgeted Reserves	0	0	0	0	182,710
<u>Transfers In</u>					
Fund 587 - RDA CIP Area #2	500,282	389	0	0	0
Total Transfers In	500,282	389	0	0	0
Total Resources (Revenue, Transfers In and Advances)	\$ 2,764,812	\$ 2,790,125	\$ 2,584,506	\$ 1,728,610	\$ 1,369,530
Total Expenditures	\$ 1,774,316	\$ 2,015,658	\$ 2,224,322	\$ 1,706,589	\$ 1,369,530
<u>Transfers Out</u>					
Fund 587 - RDA CIP Area #2	0	1,606,064	0	0	0
Total Transfers Out	0	1,606,064	0	0	0
Total Expenditures and Transfers Out	\$ 1,774,316	\$ 3,621,722	\$ 2,224,322	\$ 1,706,589	\$ 1,369,530
Difference Total Resources and Expenditures and Transfers Out	\$ 990,496	\$ (831,597)	\$ 360,184	\$ 22,021	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 398,835	\$ 1,389,331	\$ 699,329	\$ 557,734	\$ 579,755
Budgeted Reserves	0	0	0	0	(182,710)
Difference Total Resources and Expenditures and Transfers Out	990,496	(831,597)	360,184	22,021	0
June 30th Ending Balance	\$ 1,389,331	\$ 557,734	\$ 1,059,513	\$ 579,755	\$ 397,045

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Project Area #1 Capital Improvements Fund 586

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 5,294,144	\$ 3,511,133	\$ 1,966,002	\$ 1,596,000	\$ 2,166,213
Bond Proceeds	91,124,663	1,853,000	0	0	0
Budgeted Reserves	0	0	43,533,496	0	12,094,167
<u>Transfers In</u>					
Fund 486 - RDA Debt Service Area #1	0	9,505,251	0	0	0
Total Transfers In	0	9,505,251	0	0	0
Total Resources (Revenue Reserves, and Transfers In)	<u>\$ 96,418,807</u>	<u>\$ 14,869,384</u>	<u>\$ 45,499,498</u>	<u>\$ 1,596,000</u>	<u>\$ 14,260,380</u>
Total Expenditures	\$ 28,164,521	\$ 26,071,127	\$ 45,499,498	\$ 28,632,017	\$ 14,185,060
<u>Transfers Out</u>					
Fund 100 - General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 75,320
Fund 486 - RDA Debt Service Area #1	4,636,280	3,516	0	0	0
Total Transfers Out	<u>\$ 4,636,280</u>	<u>\$ 3,516</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 75,320</u>
Total Expenditures and Transfers Out	<u>\$ 32,800,801</u>	<u>\$ 26,074,643</u>	<u>\$ 45,499,498</u>	<u>\$ 28,632,017</u>	<u>\$ 14,260,380</u>
Difference Total Resources and Expenditures and Transfers Out	\$ 63,618,006	\$ (11,205,259)	\$ 0	\$ (27,036,017)	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 6,888,605	\$ 70,506,611	\$ 70,602,062	\$ 59,301,352	\$ 32,265,335
Budgeted Reserves	0	0	(43,533,496)	0	(12,094,167)
Difference Total Resources and Expenditures and Transfers Out	<u>63,618,006</u>	<u>(11,205,259)</u>	<u>0</u>	<u>(27,036,017)</u>	<u>0</u>
June 30th Ending Balance	\$ 70,506,611	\$ 59,301,352	\$ 27,068,566	\$ 32,265,335	\$ 20,171,168

Note: The bond proceeds in FY 2007-08 are the 2007 Tax Allocation Bonds series.

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Project Area #2 Capital Improvements Fund 587

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 228,796	\$ 102,386	\$ 25,650	\$ 4,000	\$ 634
Bond Proceeds	5,918,884	0	0	0	0
Budgeted Reserves	0	0	2,472,988	0	2,098,004
<u>Transfers In</u>					
Fund 487 - RDA Debt Service Area #2	0	1,052,619	0	0	0
Total Transfers In	0	1,052,619	0	0	0
Total Resources (Revenue Reserves, and Transfers In)	\$ 6,147,680	\$ 1,155,005	\$ 2,498,638	\$ 4,000	\$ 2,098,638
Total Expenditures	\$ 2,534,366	\$ 245,751	\$ 2,498,638	\$ 2,000	\$ 2,098,638
<u>Transfers Out</u>					
Fund 487 - RDA Debt Service Area #2	\$ 500,282	\$ 389	\$ 0	\$ 0	\$ 0
Total Transfers Out	\$ 500,282	\$ 389	\$ 0	\$ 0	\$ 0
Total Expenditures and Transfers Out	\$ 3,034,648	\$ 246,140	\$ 2,498,638	\$ 2,000	\$ 2,098,638
Difference Total Resources and Expenditures and Transfers Out	\$ 3,113,032	\$ 908,865	\$ 0	\$ 2,000	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 1,617,853	\$ 4,730,885	\$ 5,697,820	\$ 5,639,750	\$ 5,641,750
Budgeted Reserves	0	0	(2,472,988)	0	(2,098,004)
Difference Total Resources and Expenditures and Transfers Out	3,113,032	908,865	0	2,000	0
June 30th Ending Balance	\$ 4,730,885	\$ 5,639,750	\$ 3,224,832	\$ 5,641,750	\$ 3,543,746

Note: The bond proceeds in FY 2007-08 are the 2007 Tax Allocation Bonds series.

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) VVEDA Project Area Capital Improvements Fund 588

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 320,249	\$ 274,431	\$ 402,264	\$ 264,263	\$ 215,885
Budgeted Reserves	0	0	1,256,460	0	1,486,150
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves, and Transfers In)	\$ 320,249	\$ 274,431	\$ 1,658,724	\$ 264,263	\$ 1,702,035
Total Expenditures	\$ 200,000	\$ 0	\$ 1,702,035	\$ 0	\$ 1,702,035
<u>Transfers Out</u>					
Fund 601 - Branch Library	0	0	0	0	0
Total Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures and Transfers Out	\$ 200,000	\$ 0	\$ 1,702,035	\$ 0	\$ 1,702,035
Difference Total Resources and Expenditures and Transfers Out	\$ 120,249	\$ 274,431	\$ (43,311)	\$ 264,263	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 633,712	\$ 753,961	\$ 1,256,460	\$ 1,028,392	\$ 1,292,655
Budgeted Reserves	0	0	(1,256,460)	0	(1,486,150)
Difference Total Resources and Expenditures and Transfers Out	120,249	274,431	(43,311)	264,263	0
June 30th Ending Balance	\$ 753,961	\$ 1,028,392	\$ (43,311)	\$ 1,292,655	\$ (193,495)

This resources of this fund can only be spent within the VVEDA area of the City. The expenditures for FY 2010-11 represent a project within the VVEDA Project Area and the cost currently exceeds the fund balance. This will be recovered in the following fiscal years as revenue is received from VVEDA.

FUND BALANCE SUMMARY

Fire District Fund 200

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 8,722,542	\$ 8,918,526	\$ 8,862,876	\$ 8,179,548	\$ 8,076,755
Budgeted Reserves	0	0	855,443	855,443	614,135
<u>Transfers In</u>					
Fund 100 - General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,000,000
Fund 251 - CDBG	503,703	0	0	0	0
Fund 586 - RDA CIP Area #1	797,933	0	0	0	0
Fund 587 - RDA CIP Area #2	88,364	0	0	0	0
Total Transfers In	<u>\$ 1,390,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,000,000</u>
Total Resources (Revenue and Budgeted Reserves)	<u>\$ 10,112,542</u>	<u>\$ 8,918,526</u>	<u>\$ 9,718,319</u>	<u>\$ 9,034,991</u>	<u>\$ 9,690,890</u>
Total Expenditures	\$ 9,924,239	\$ 9,410,945	\$ 9,718,319	\$ 9,698,350	\$ 9,690,890
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	<u>\$ 9,924,239</u>	<u>\$ 9,410,945</u>	<u>\$ 9,718,319</u>	<u>\$ 9,698,350</u>	<u>\$ 9,690,890</u>
Difference Total Resources and Expenditures and Transfers Out	\$ 188,303	\$ (492,419)	\$ 0	\$ (663,359)	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 2,539,810	\$ 2,728,113	\$ 2,495,998	\$ 2,235,694	\$ 716,892
Budgeted Reserves	0	0	(855,443)	(855,443)	(614,135)
Difference Total Resources and Expenditures and Transfers Out	188,303	(492,419)	0	(663,359)	0
June 30th Ending Balance	<u>\$ 2,728,113</u>	<u>\$ 2,235,694</u>	<u>\$ 1,640,555</u>	<u>\$ 716,892</u>	<u>\$ 102,757</u>

The difference between the 2008-09 Expenditures shown above and those on page F-120 is the result of a budgetary basis adjustment.

FUND BALANCE SUMMARY

Water District Funds Combined (700, 701, 710, 711)

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 20,705,691	\$ 18,912,176	\$ 23,466,467	\$ 19,475,144	\$ 19,898,466
Budgeted Reserves	0	0	1,997,212	0	36,758
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Budgeted Reserves)	\$ 20,705,691	\$ 18,912,176	\$ 25,463,679	\$ 19,475,144	\$ 19,935,224
Total Expenditures	\$ 33,595,211	\$ 28,658,822	\$ 24,404,017	\$ 21,585,410	\$ 18,389,508
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 33,595,211	\$ 28,658,822	\$ 24,404,017	\$ 21,585,410	\$ 18,389,508
Difference Total Resources and Expenditures and Transfers Out	\$ (12,889,520)	\$ (9,746,646)	\$ 1,059,662	\$ (2,110,266)	\$ 1,545,716
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 87,006,728	\$ 86,353,916	\$ 78,299,431	\$ 82,243,053	\$ 80,132,787
Residual Equity Transfer	0	93,261	0	0	0
Budgeted Reserves	0	0	(1,997,212)	0	(36,758)
Difference Total Resources and Expenditures and Transfers Out	(12,889,520)	(9,746,646)	1,059,662	(2,110,266)	1,545,716
Adjustment for Budgetary Purposes	12,236,708	5,542,522	0	0	0
June 30th Ending Balance	\$ 86,353,916	\$ 82,243,053	\$ 77,361,881	\$ 80,132,787	\$ 81,641,745
Less: Net Capital Assets	(75,184,368)	(88,282,194)	(75,184,368)	(88,282,194)	(88,282,194)
Construction in Progress	(12,356,001)	(4,335,661)	(12,356,001)	(4,335,661)	(4,335,661)
Add: Outstanding Long-Term Debt	15,619,242	14,992,821	15,619,242	14,992,821	14,992,821
June 30th Ending Operating Fund Balance	\$ 14,432,789	\$ 4,618,019	\$ 5,440,754	\$ 2,507,753	\$ 4,016,711

FUND BALANCE SUMMARY

Water District - Water Operations Fund 700

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 13,426,902	\$ 15,373,854	\$ 19,925,965	\$ 15,578,359	\$ 16,075,394
Budgeted Reserves	0	0	0	0	36,758
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Budgeted Reserves)	\$ 13,426,902	\$ 15,373,854	\$ 19,925,965	\$ 15,578,359	\$ 16,112,152
Total Expenditures	\$ 16,542,786	\$ 17,032,362	\$ 18,908,566	\$ 16,950,324	\$ 16,112,152
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 16,542,786	\$ 17,032,362	\$ 18,908,566	\$ 16,950,324	\$ 16,112,152
Difference Total Resources and Expenditures and Transfers Out	\$ (3,115,884)	\$ (1,658,508)	\$ 1,017,399	\$ (1,371,965)	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 53,798,782	\$ 63,970,623	\$ 64,332,926	\$ 74,977,442	\$ 73,605,477
Residual Equity Transfer	0	93,261	0	0	0
Budgeted Reserves	0	0	0	0	(36,758)
Difference Total Resources and Expenditures and Transfers Out	(3,115,884)	(1,658,508)	1,017,399	(1,371,965)	0
Adjustment for Budgetary Purposes	13,287,725	12,572,066	0	0	0
June 30th Ending Balance	\$ 63,970,623	\$ 74,977,442	\$ 65,350,325	\$ 73,605,477	\$ 73,568,719
Less: Net Capital Assets	(71,043,513)	(82,148,795)	(71,043,513)	(82,148,795)	(82,148,795)
Add: Outstanding Long-Term Debt	15,598,488	14,958,299	15,598,488	14,958,299	14,958,299
June 30th Ending Operating Fund Balance	\$ 8,525,598	\$ 7,786,946	\$ 9,905,300	\$ 6,414,981	\$ 6,378,223

Note: Because Water and Sewer are proprietary funds, the expenditures for FY 2007-08 and FY 2008-09 shown in Sections 'D' and 'F' are on a budgetary basis and will not trace to the above numbers.

Note: The combined Water Operating and Water Capital June 30, 2008 Ending Fund Balance is \$73,480,372. However, only \$5,367,520 is identified as Unrestricted in the Comprehensive Annual Financial Report as included in the fund balance amount are the Water infrastructure assets.

The Residual Equity Transfer of \$93,784 shown in 2008-09 Revised is the Measure I - Arterial's portion from the closing of the Emergency Communications Fund 305.

FUND BALANCE SUMMARY

Water District - Water Capital Fund 701

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 4,342,796	\$ 701,936	\$ 620,000	\$ 742,447	\$ 500,000
Budgeted Reserves	0	0	1,997,212	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Budgeted Reserves)	\$ 4,342,796	\$ 701,936	\$ 2,617,212	\$ 742,447	\$ 500,000
Total Expenditures	\$ 15,163,335	\$ 7,922,790	\$ 3,526,179	\$ 2,595,667	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 15,163,335	\$ 7,922,790	\$ 3,526,179	\$ 2,595,667	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (10,820,539)	\$ (7,220,854)	\$ (908,967)	\$ (1,853,220)	\$ 500,000
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 21,734,763	\$ 9,509,749	\$ 1,997,166	\$ (6,732,993)	\$ (8,586,213)
Budgeted Reserves	0	0	(1,997,212)	0	0
Difference Total Resources and Expenditures and Transfers Out	(10,820,539)	(7,220,854)	(908,967)	(1,853,220)	500,000
Prior period adjustment	0	0	0	0	0
Adjustment for Budgetary Purposes	(1,404,475)	(9,021,888)	0	0	0
June 30th Ending Balance	\$ 9,509,749	\$ (6,732,993)	\$ (909,013)	\$ (8,586,213)	\$ (8,086,213)
Less: Construction in Progress	(12,356,001)	(4,335,661)	(12,356,001)	(4,335,661)	(4,335,661)
June 30th Ending Operating Fund Balance	\$ (2,846,252)	\$ (11,068,654)	\$ (13,265,014)	\$ (12,921,874)	\$ (12,421,874)

Note: The combined Water Operating and Water Capital fund balances are available in the event that either fund projects a negative June 30th ending fund balance.

FUND BALANCE SUMMARY

Water District - Sewer Operations Fund 710

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 2,121,233	\$ 2,456,181	\$ 2,692,324	\$ 2,765,240	\$ 2,962,928
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Budgeted Reserves)	\$ 2,121,233	\$ 2,456,181	\$ 2,692,324	\$ 2,765,240	\$ 2,962,928
Total Expenditures	\$ 1,312,699	\$ 1,547,984	\$ 1,969,272	\$ 1,943,310	\$ 2,277,356
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 1,312,699	\$ 1,547,984	\$ 1,969,272	\$ 1,943,310	\$ 2,277,356
Difference Total Resources and Expenditures and Transfers Out	\$ 808,534	\$ 908,197	\$ 723,052	\$ 821,930	\$ 685,572
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 8,452,321	\$ 9,491,706	\$ 10,407,747	\$ 10,685,574	\$ 11,507,504
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	808,534	908,197	723,052	821,930	685,572
Adjustment for Budgetary Purposes	230,851	285,671	0	0	0
June 30th Ending Balance	\$ 9,491,706	\$ 10,685,574	\$ 11,130,799	\$ 11,507,504	\$ 12,193,076
Less: Net Capital Assets	(4,140,855)	(6,133,399)	(4,140,855)	(6,133,399)	(6,133,399)
Add: Outstanding Long-Term Debt	20,754	34,522	20,754	34,522	34,522
June 30th Ending Operating Fund Balance	\$ 5,371,605	\$ 4,586,697	\$ 7,010,698	\$ 5,408,627	\$ 6,094,199

Note: Because Water and Sewer are proprietary funds, the expenditures for FY 2007-08 and FY 2008-09 shown in Sections 'D' and 'F' are on a budgetary basis and will not trace to the above numbers.

Note: The combined Sewer Operating and Sewer Capital June 30, 2008 Ending Fund Balance is \$12,873,544. However, only \$8,732,689 is identified as Unrestricted in the Comprehensive Annual Financial Report as included in the fund balance amount are the Sewer infrastructure assets.

FUND BALANCE SUMMARY

Water District - Sewer Capital Fund 711

	2007-08 Actual	2008-09 Actual	2009-10 Budget	2009-10 Revised	2010-11 Budget
Total Revenue	\$ 814,760	\$ 380,205	\$ 228,178	\$ 389,098	\$ 360,144
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Budgeted Reserves)	\$ 814,760	\$ 380,205	\$ 228,178	\$ 389,098	\$ 360,144
Total Expenditures	\$ 576,391	\$ 2,155,686	\$ 0	\$ 96,109	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 576,391	\$ 2,155,686	\$ 0	\$ 96,109	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 238,369	\$ (1,775,481)	\$ 228,178	\$ 292,989	\$ 360,144
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 3,020,862	\$ 3,381,838	\$ 1,561,592	\$ 3,313,030	\$ 3,606,019
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	238,369	(1,775,481)	228,178	292,989	360,144
Adjustment for Budgetary Purposes	122,607	1,706,673	0	0	0
June 30th Ending Balance	\$ 3,381,838	\$ 3,313,030	\$ 1,789,770	\$ 3,606,019	\$ 3,966,163

Note: Because Water and Sewer are proprietary funds, the expenditures for FY 2007-08 and FY 2008-09 shown in Sections 'D' and 'F' are on a budgetary basis and will not trace to the above numbers.

S U P P L E M E N T A L

I N F O R M A T I O N

- *Budget Adoption Resolutions – The following six resolutions were approved by the City Council to adopt the Fiscal Year 2010-11 Budget and Gann Appropriations Limits for the City and its subsidiary districts:*
 - ▶ *Resolution No. 2010-041 - Adopting the City General Fund and Other Related Funds Fiscal Year 2010-11 Budget.*
 - ▶ *Resolution No. 2010-049 - Adopting the City of Hesperia Gann Appropriations Limit for Fiscal Year 2010-11.*
 - ▶ *Resolution No. HCRA 2010-011 - Adopting the Hesperia Community Redevelopment Agency Fiscal Year 2010-11 Budget.*
 - ▶ *Resolution No. HFPD 2010-008 - Adopting the Hesperia Fire Protection District for Fiscal Year 2010-11 Budget.*
 - ▶ *Resolution No. HFPD 2010-009 - Adopting the Hesperia Fire Protection District Gann Appropriations Limit for Fiscal Year 2010-11.*
 - ▶ *Resolution No. HWD 2010-011 - Adopting the Hesperia Water District Fiscal Year 2010-11 Budget.*
- *City of Hesperia - General and Administrative Allocation Plan Fiscal Year 2010-11*
- *Significant Accounting Policies*
- *List of Acronyms*
- *Glossary*
- *Index*

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION NO. 2010-041

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2010-11 BUDGET

WHEREAS, the City Manager has prepared the proposed operating and capital budget for Fiscal Year 2010-11 for the City of Hesperia; and

WHEREAS, the City Council has received the Fiscal Year 2010-11 proposed budget and held a public workshop concerning its adoption; and

WHEREAS, the final budget document will be the City's official Program of Services for the City of Hesperia for Fiscal Year 2010-11.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HESPERIA AS FOLLOWS:

Section 1. In all respects, the facts as set forth in this Resolution are true and correct.

Section 2. To accept, approve, and adopt the Fiscal Year 2010-11 Budget as proposed and presented by staff and as adjusted by Council direction, as the official budget document and Program of Services for the City of Hesperia for Fiscal Year 2010-11, which includes:

Section 2a. City General Fund expenditures of \$22,744,922 with total resources (revenue, budgeted reserves, and transfers) of \$22,804,132.

Section 2b. Other City funds expenditures of \$43,329,077 are from the following funds, exclusive of transfers:

<u>Fund No.</u>	<u>Fund Name</u>	<u>Expenditure</u>
201	Measure I - Arterial	\$ 400,000
203	Measure I - Transit	13,098
204	Measure I - 2010 Renewal	265,000
251	C.D.B.G Administration	1,572,665
253	C.D.B.G Revolving Loans	997,610
254	AB 2766 AQMD	50,000
256	Environmental Programs Grant Fund	69,296
257	Neighborhood Stabilization Program	781,083
259	Reimbursable Grants Fund	1,455,100
260	Disaster Preparedness Fund	28,381
263	Street Maintenance Fund	3,130,258
300	Streets Development Impact Fee	2,351,025
303	Development Impact Fees-Police	1,500,000
400	Measure I Debt Service	732,620
401	City Debt Service Fund	514,200
503	High Desert Government Center	9,000,000
504	City Streets CIP	1,784,741
600	Ranchero Road Undercrossing	11,650,000
602	Ranchero Rd/I-15 Interchange	<u>7,034,000</u>
	Total Other City Funds	\$43,329,077

SUPPLEMENTAL INFORMATION SECTION

Resolution No. 2010-041
Page 2

Section 3. That the City Council approves the following position classification changes included in the 2010-11 Budget as follows:

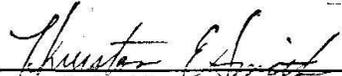
Section 3a. That the City Council approves the retitling and reclassification of one Administrative Analyst position in the City Manager Department to the new position classification title of Community Relations and Media Coordinator, which will be a Professional/Supervisory, non-represented position classification, with the salary range of 34.

Section 4. That the City Manager and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2010-11 Budget and consistent with the policy adopted by the City Council.

Section 5. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 15th day of June 2010.

ATTEST:



Thurston Smith, Mayor



Vicki C. Soderquist, MMC
City Clerk

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF HESPERIA)

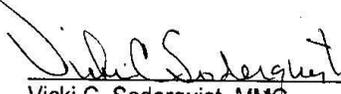
I, Vicki C. Soderquist, City Clerk of the City of Hesperia, California, do hereby certify that Resolution No. 2010-041 was duly adopted by the City Council of the City of Hesperia, California at a Regular Meeting thereof held on the 15th day of June 2010.

AYES: Bosacki, Leonard, Pack, Smith, and Vogler

NOES: None

ABSTAIN: None

ABSENT: None


Vicki C. Soderquist, MMG
City Clerk



I, _____, City Clerk of the City of Hesperia, California, do hereby certify that the foregoing Resolution No. 2010-041 is a full, true and correct copy of that now in file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this _____ day of _____, 20__.

City Clerk

Seal

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION NO. 2010-049

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, APPROVING THE FISCAL YEAR 2010-11 ARTICLE XIII B LIMIT (GANN APPROPRIATIONS LIMITATION)

WHEREAS, Article XIII B of the California Constitution (Proposition 4) was passed by voters in 1979; and

WHEREAS, Article XIII B sets a limit on the annual spending or appropriations levels of the state, local governments, and schools according to changes in inflation and population, the base year levels being set in Fiscal Year 1978-79; and

WHEREAS, said limit is known as the Gann Appropriations Limitation and must be adopted annually by the governing body of each jurisdiction; and

WHEREAS, said annual limitation is established by multiplying either the increase of the jurisdictional change in per capita income or assessed valuation, whichever is greater, by the change in population; and multiplying the resulting figure by the previous fiscal year's limitation; and

WHEREAS, upon incorporation, the Local Agency Formation Commission (LAFCO) set the base Gann Appropriations Limitation for the City of Hesperia at \$12,000,000; and

WHEREAS, said limitation has been properly adjusted for the City of Hesperia each fiscal year, including Fiscal Year 2010-11, by the Management Services Department according to the State's formula as shown in Attachment 1; and

WHEREAS, it is required that each jurisdiction's governing body adopt their adjusted Gann Appropriations Limitation on an annual fiscal year basis.

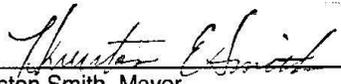
NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HESPERIA AS FOLLOWS:

Section 1. In all respects, the facts as set forth in this resolution are true and correct.

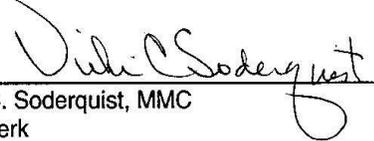
Section 2. Approves the annual Fiscal Year 2010-11 Article XIII B Limit (Gann Appropriations Limitation) of \$63,910,337 for the City of Hesperia.

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.

ADOPTED AND APPROVED this 15th day of June 2010.


Thurston Smith, Mayor

ATTEST:


Vicki C. Soderquist, MMC
City Clerk

**CITY OF HESPERIA AND HESPERIA FIRE DISTRICT
SCHEDULE OF ANNUAL APPROPRIATIONS (GANN LIMITS)
FISCAL YEARS 1989/90 through 2010/11**

Fiscal Year	Change In			Calculation of Factor	City Balance	City Gann Limit	Fire District		Total Gann
	Factor 1 Population	Factor 2 Per Capita Income	Factor 3				Balance	Gann Limit	
1988/90	-	incorporation - LAFCO base amount			\$12,000,000	\$12,000,000			\$15,535,142
1989/90	0.0000	0.0498	1.0498		12,597,600	12,597,600		\$2,937,542	3,229,581
1990/91	1.0550	1.0421	1.099416		13,850,003	13,850,003		3,229,581	3,778,768
1991/92	1.0829	1.080477	1.170049		16,205,182	16,205,182		4,292,775	5,133,785
1992/93	1.0525	1.079359	1.136025		18,409,492	18,409,492		5,874,221	6,349,222
1993/94	1.0392	1.150802	1.195913		22,016,151	22,016,151		5,986,918	6,673,642
1994/95	1.0177	1.124327	1.144228		25,191,496	25,191,496		7,076,403	7,499,041
1995/96	1.0120	1.0071	1.019185		27,228,531	27,228,531		8,031,668	8,823,414
1996/97	1.0132	1.0467	1.060516		28,619,800	28,619,800		8,960,503	9,499,352
1997/98	1.0042	1.0467	1.051096		30,347,034	30,347,034		10,114,093	11,454,129
1998/99	1.0181	1.0415	1.060351		32,159,511	32,159,511		11,454,129	12,526,911
1999/00	1.0138	1.0453	1.059725		34,443,672	34,443,672		12,526,911	14,002,782
2000/01	1.0209	1.0491	1.071026		37,839,060	37,839,060		14,002,782	14,962,743
2001/02	1.0189	1.0782	1.098578		38,426,965	38,426,965		15,215,105	15,215,105
2002/03	1.0286	0.9873	1.015537		40,737,809	40,737,809		14,902,785	14,902,785
2003/04	1.0362	1.0231	1.060136		43,374,116	43,374,116			
2004/05	1.0309	1.0328	1.064714		49,120,839	49,120,839			
2005/06	1.0759	1.0526	1.132492		53,721,448	53,721,448			
2006/07	1.0520	1.0396	1.093659		60,050,694	60,050,694			
2007/08	1.0705	1.0442	1.117816		64,167,469	64,167,469			
2008/09	1.0246	1.0429	1.068555		65,249,718	65,249,718			
2009/10	1.0106	1.0062	1.016866		63,910,337	63,910,337			
2010/11	1.0050	0.9746	0.979473						

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

CITY OF HESPERIA)

I, Vicki C. Soderquist, City Clerk of the City of Hesperia, California, do hereby certify that Resolution No. 2010-049 was duly adopted by the City Council of the City of Hesperia, California at a Regular Meeting thereof held on the 15th day of June 2010.

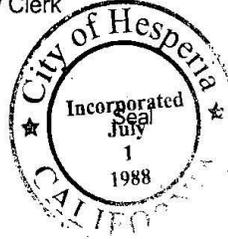
AYES: Bosacki, Leonard, Pack, Smith, and Vogler

NOES: None

ABSTAIN: None

ABSENT: None

Vicki C. Soderquist
Vicki C. Soderquist, MMC
City Clerk



I, _____, City Clerk of the City of Hesperia, California, do hereby certify that the foregoing Resolution No. 2010-049 is a full, true and correct copy of that now in file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this _____ day of _____, 20__.

City Clerk

Seal

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION HCRA 2010-011

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA
COMMUNITY REDEVELOPMENT AGENCY, CITY OF HESPERIA,
CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2010-11 BUDGET**

WHEREAS, the Executive Director has prepared the proposed operating budget for Fiscal Year 2010-11 for the Hesperia Community Redevelopment Agency; and

WHEREAS, the Board of Directors has received the Fiscal Year 2010-11 proposed budget and held a public workshop concerning its adoption; and

WHEREAS, the final budget document will be the Agency's official Program of Services for the Hesperia Community Redevelopment Agency for Fiscal Year 2010-11.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HESPERIA
COMMUNITY REDEVELOPMENT AGENCY AS FOLLOWS:**

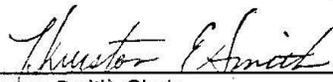
Section 1. In all respects, the facts as set forth in this resolution are true and correct.

Section 2. To accept, approve, and adopt the Fiscal Year 2010-11 budget as proposed and presented by staff and as adjusted by Board direction, as the official budget document and Program of Services for the Hesperia Community Redevelopment Agency for Fiscal Year 2010-11, which includes: budget expenditures totaling \$62,734,850, with revenue of \$20,963,118 and budgeted reserves and transfers of \$40,263,091, for total resources of \$61,226,209.

Section 3. That the Executive Director and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2010-11 Budget and consistent with the policy adopted by the Agency's Board of Directors.

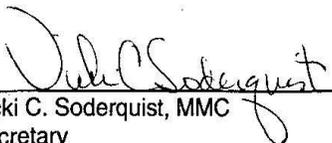
Section 4. That the Secretary of the Board of Directors shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 15th day of June 2010.



Thurston Smith, Chair

ATTEST:



Vicki C. Soderquist, MMC
Secretary

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

CITY OF HESPERIA)

I, Vicki C. Soderquist, Secretary of the Hesperia Community Redevelopment Agency, Hesperia, California, do hereby certify that Resolution No. HCRA 2010-11 was duly adopted by the Agency members of the Hesperia Community Redevelopment Agency, City of Hesperia, California at a Regular Meeting thereof held on the 15th day of June 2010 by the following vote to wit:

AYES: Bosacki, Pack, Smith and Vogler

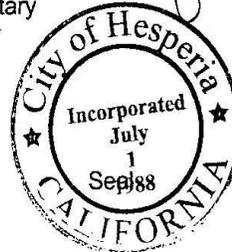
NOES: None

ABSTAIN: None

ABSENT: Leonard

Vicki C. Soderquist

Vicki C. Soderquist, MMC
Secretary



I, _____, Secretary of the Community Redevelopment Agency, City of Hesperia, California, do hereby certify that the foregoing Resolution No. HCRA 2010-11, a full, true and correct copy of that now on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this _____ day of _____, 200__.

Secretary

Seal

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION HFPD 2010-008

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2010-11 BUDGET

WHEREAS, the Executive Director has prepared the proposed operating budget for Fiscal Year 2010-11 for the Hesperia Fire Protection District; and

WHEREAS, the Board of Directors has received the Fiscal Year 2010-11 proposed budget and held a public workshop concerning its adoption; and

WHEREAS, the final budget document will be the District's official Program of Services for the Hesperia Fire Protection District for Fiscal Year 2010-11.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT AS FOLLOWS:

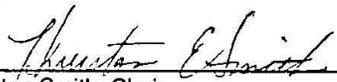
Section 1. In all respects, the facts as set forth in this resolution are true and correct.

Section 2. To accept, approve and adopt the Fiscal Year 2010-11 budget as proposed and presented by staff and as adjusted by Board direction, as the official budget document and Program of Services for the Hesperia Fire Protection District for Fiscal Year 2010-11 which includes: appropriated expenditures totaling \$9,690,890 and estimated revenue of \$8,076,755 and budgeted reserves and transfers of \$1,614,135, for total resources of \$9,690,890.

Section 3. That the Executive Director and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2010-11 Budget and consistent with the policy adopted by the District's Board of Directors.

Section 4. That the Secretary of the Board of Directors shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 15th day of June 2010.



Thurston Smith, Chair

ATTEST:



Vicki C. Soderquist, MMC
Secretary

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF HESPERIA)

I, Vicki C. Soderquist, Secretary of the Hesperia Fire Protection District, City of Hesperia, California, do hereby certify that Resolution No. HFPD 2010-08 was duly adopted by the Board of Directors of the Hesperia Fire Protection District at an Adjourned Regular Meeting, thereof held on the 15th day of June 2010.

AYES: Bosacki, Leonard, Pack, Smith and Vogler
NOES: None
ABSTAIN: None
ABSENT: None

Vicki C. Soderquist
Vicki C. Soderquist, MMC
Board Secretary



I, _____, Secretary of the Hesperia Fire Protection District, City of Hesperia, California, do hereby certify that the foregoing Resolution No. HFPD 2010-08 is a full, true and correct copy of that now in file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this _____ day of _____, 200__.

Board Secretary

Seal

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION HFPD 2010-009

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, HESPERIA, CALIFORNIA, APPROVING THE FISCAL YEAR 2010-11 ARTICLE XIII B LIMIT (GANN APPROPRIATIONS LIMITATION)

WHEREAS, Article XIII B of the California Constitution (Proposition 4) was passed by voters in 1979; and

WHEREAS, Article XIII B sets a limit on the annual spending or appropriations levels of the state, local governments, and schools according to changes in inflation and population, the base year levels being set in Fiscal Year 1978-79; and

WHEREAS, said limit is known as the Gann Appropriations Limitation and must be adopted annually by the governing body of each jurisdiction; and

WHEREAS, said annual limitation is established by multiplying either the increase of the jurisdictional change in per capita income or assessed valuation, whichever is greater, by the change in population; and multiplying the resulting figure by the previous fiscal year's limitation; and

WHEREAS, said limitation has been properly adjusted for the Hesperia Fire Protection District fiscal year, including Fiscal Year 2010-11, by the Management Services Department according to the State's formula as shown in Attachment 1; and

WHEREAS, it is required that each jurisdiction's governing body adopt their adjusted Gann Appropriations Limitation on an annual fiscal year basis.

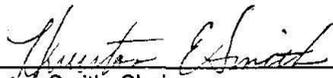
NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HESPERIA FIRE PROTECTION DISTRICT AS FOLLOWS:

Section 1. In all respects, the facts as set forth in this resolution are true and correct.

Section 2. Approves the annual Fiscal Year 2010-11 Article XIII B Limit (Gann Appropriations Limitation) of \$14,902,785 for the Hesperia Fire Protection District.

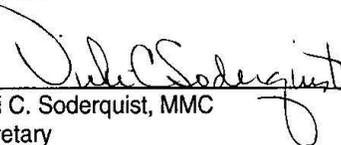
Section 3. That the Board Secretary shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 15th day of June 2010.



Thurston Smith, Chair

ATTEST:



Vicki C. Soderquist, MMC
Secretary

**CITY OF HESPERIA AND HESPERIA FIRE DISTRICT
SCHEDULE OF ANNUAL APPROPRIATIONS (GANN LIMITS)
FISCAL YEARS 1989/90 through 2010/11**

Fiscal Year	Change In		Calculation of Factor	City Balance	City Gann Limit	Fire District Balance	Fire District Gann Limit	Total Gann
	Factor 1 Population	Factor 2 Per Capita Income						
1988/90	-	incorporation - LAFCO base amount		\$12,000,000	\$12,000,000		\$2,937,542	\$15,535,142
1989/90	0.0000	0.0498	1.0498	12,597,600	12,597,600		3,229,581	17,079,584
1990/91	1.0550	1.0421	1.099416	13,850,003	13,850,003		3,778,768	19,983,950
1991/92	1.0829	1.080477	1.170049	16,205,182	16,205,182		4,292,775	22,702,267
1992/93	1.0525	1.079359	1.136025	18,409,492	18,409,492		5,133,785	27,149,936
1993/94	1.0392	1.150802	1.195913	22,016,151	22,016,151		5,874,221	31,065,717
1994/95	1.0177	1.124327	1.144228	25,191,496	25,191,496		5,986,918	31,661,713
1995/96	1.0120	1.0071	1.019185	25,674,795	25,674,795		6,349,222	33,577,753
1996/97	1.0132	1.0467	1.060516	27,228,531	27,228,531		6,673,642	35,293,442
1997/98	1.0042	1.0467	1.051096	28,619,800	28,619,800		7,076,403	37,423,437
1998/99	1.0181	1.0415	1.060351	30,347,034	30,347,034		7,499,041	39,658,552
1999/00	1.0138	1.0453	1.059725	32,159,511	32,159,511		8,031,668	42,475,340
2000/01	1.0209	1.0491	1.071026	34,443,672	34,443,672		8,823,414	46,662,474
2001/02	1.0189	1.0782	1.098578	37,839,060	37,839,060		8,960,503	47,387,468
2002/03	1.0286	0.9873	1.015537	38,426,965	38,426,965		9,499,352	50,237,161
2003/04	1.0362	1.0231	1.060136	40,737,809	40,737,809		10,114,093	53,488,209
2004/05	1.0309	1.0328	1.064714	43,374,116	43,374,116		11,454,129	60,574,968
2005/06	1.0759	1.0526	1.132492	49,120,839	49,120,839		12,526,911	66,248,359
2006/07	1.0520	1.0396	1.093659	53,721,448	53,721,448		14,002,782	74,053,476
2007/08	1.0705	1.0442	1.117816	60,050,694	60,050,694		14,962,743	79,130,212
2008/09	1.0246	1.0429	1.068555	64,167,469	64,167,469		15,215,105	80,464,823
2009/10	1.0106	1.0062	1.016866	65,249,718	65,249,718		14,902,785	78,813,122
2010/11	1.0050	0.9746	0.979473	63,910,337	63,910,337			

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

CITY OF HESPERIA)

I, Vicki C. Soderquist, Secretary of the Hesperia Fire Protection District, City of Hesperia, California, do hereby certify that Resolution No. HFPD 2010-09 was duly adopted by the Board of Directors of the Hesperia Fire Protection District at an Adjourned Regular Meeting, thereof held on the 15th day of June 2010.

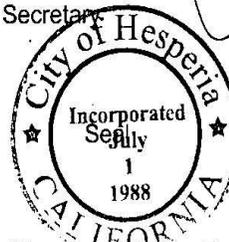
AYES: Bosacki, Leonard, Pack, Smith and Vogler

NOES: None

ABSTAIN: None

ABSENT: None

Vicki C. Soderquist
Vicki C. Soderquist, MMC
Board Secretary



I, _____, Secretary of the Hesperia Fire Protection District, City of Hesperia, California, do hereby certify that the foregoing Resolution No. HFPD 2010-09 is a full, true and correct copy of that now in file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this _____ day of _____, 200__.

Board Secretary

Seal

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION HWD 2010-011

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICT, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2010-11 BUDGET

WHEREAS, the General Manager has prepared the proposed operating and capital budget for Fiscal Year 2010-11 for the Hesperia Water District; and

WHEREAS, the Board of Directors has received the Fiscal Year 2010-11 proposed budget and held a public workshop concerning its adoption; and

WHEREAS, the final budget document will be the District's official Program of Services for the Hesperia Water District for Fiscal Year 2010-11.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICT AS FOLLOWS:

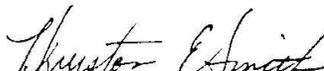
Section 1. In all respects, the facts as set forth in this resolution are true and correct.

Section 2. To accept, approve, and adopt the Fiscal Year 2010-11 budget as proposed and presented by staff and as adjusted by Board direction, as the official budget document and Program of Services for the Hesperia Water District for Fiscal Year 2010-11 which includes: water expenditures of \$16,112,152, and water revenues and budgeted reserves or total resources totaling \$16,612,152, and also sewer expenditures of \$2,277,356, and sewer revenue and budgeted reserves or total resources totaling \$3,323,072, for combined estimated District resources of \$19,935,224 and appropriated expenditures of \$18,389,508.

Section 3. That the General Manager and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2010-11 Budget and consistent with the policy adopted by the District's Board of Directors.

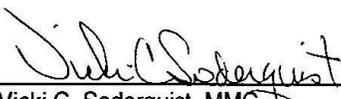
Section 4. That the Secretary of the Board of Directors shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 15th day of June 2010.



Thurston Smith, Chair

ATTEST:



Vicki C. Soderquist, MMC
Secretary

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

CITY OF HESPERIA)

I, Vicki C. Soderquist, Secretary of the Hesperia Water District, City of Hesperia, California, do hereby certify that Resolution No. HWD 2010-11 was duly adopted by the Board of Directors of the Hesperia Water District at a Regular Meeting, thereof held on the 15th day of June 2010.

AYES: Bosacki, Leonard, Smith, Pack and Vogler

NOES: None

ABSTAIN: None

ABSENT: None

Vicki C. Soderquist

Vicki C. Soderquist, M.M.C.
Secretary of the Board



I, _____, Secretary of the Hesperia Water District, City of Hesperia, California, do hereby certify that the foregoing Resolution No. HWD 2010-11 is a full, true and correct copy of that now in file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this _____ day of _____, 200__.

Secretary of the Board

Seal

SUPPLEMENTAL INFORMATION SECTION

City of Hesperia

Total Indirect Cost Allocation for Fiscal Year 2010-11

		Central Service Departments							Allocation Percentage	Total Allocation
Fund	Department	City Council	City Attorney	City Manager	Finance	Human Resources/ Risk Mgmt	Mgmt Information Services	Public Works - Building Maintenance		
Operating Departments										
100	Police	\$ 6,396	\$ 11,174	\$ 22,255	\$ 180,360	\$ 17,445	\$ 38,715	\$ 100,345	5.63%	\$ 376,690
200	Fire District	3,616	5,781	12,580	138,011	9,521	17,398	7,985	2.91%	194,892
100	Planning	19,621	27,858	68,269	52,817	88,761	56,251	39,401	5.27%	352,978
100	Building and Safety	18,759	12,348	65,271	60,297	88,957	136,643	34,003	6.22%	416,278
100	Code Compliance	44,499	54,468	154,832	140,202	224,513	220,027	202,248	15.54%	1,040,789
100	Public Works (PW) - Engineering	15,469	10,273	53,825	46,159	47,904	132,109	40,572	10.49%	346,311
263	PW - Street Maintenance	43,134	22,658	150,082	120,621	226,334	88,438	51,237	5.17%	702,504
700	Water Operations	115,211	78,017	400,874	519,495	592,550	401,856	193,456	34.37%	2,301,459
710	Sewer Operations	8,942	6,031	31,112	53,394	45,722	51,320	6,791	3.04%	203,312
389	Redevelopment	25,878	65,132	90,040	162,666	95,087	115,914	56,735	9.13%	611,452
251	CDBG	3,162	31,261	11,003	77,449	7,606	14,416	3,985	2.22%	148,882
Total		\$ 304,687	\$ 325,001	\$ 1,060,143	\$ 1,551,471	\$ 1,444,400	\$ 1,273,087	\$ 736,758	100.00%	\$ 6,695,547

The cost allocation plan has seven (7) central services departments identified, which are funded by the General Fund. The central service departments are the City Council, City Attorney, City Manager, Finance, Human Resources/Risk Management, Management Information Services, and Public Works – Building Maintenance. The cost allocation plan serves to identify the costs that are related to the rendering of general and administrative services and allocate those costs to programs that received the services in a fair and equitable manner. These programs are identified as the operating departments.

Staff has elected to only charge Water Operations, Sewer Operations and Redevelopment for general and administrative services that are rendered by the central service departments. Due to the amount identified by the cost allocation, staff has elected to partial charge Water Operations. The following charter identifies the amounts of the cost allocation that were included in the FY 2010-11 Budget.

Amount Charged	
Water Operating (Management Determination)	\$ 1,200,000
Water Operating (Previous Fiscal Year Charge)	500,000
Sewer Operating	203,312
Redevelopment (385 & 389)	611,452
Redevelopment ((Previous Fiscal Year Charge)	636,063
Total to Transferred to the General Fund	3,150,827

SUPPLEMENTAL INFORMATION SECTION

SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF FUNDS

Fund Accounting System

The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The City maintains the following fund types and account groups:

Types of Funds

Governmental Fund Types

General Fund is the general operating fund of the City and accounts for all unrestricted financial resources except those required to be accounted for in another fund.

Special Revenue Funds account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

Debt Service Funds account for the accumulation of resources for, and the payment of, interest and principal on general long-term and related costs.

Capital Projects Funds account for financial resources segregated for the acquisition of major capital projects facilities (other than those financed by proprietary funds types).

Proprietary Fund Types

Enterprise Funds account for operations in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis is to be financed or recovered primarily through user charges.

Fiduciary Fund Types

Agency Funds account for assets held by the City as trustee or agent for individuals, private organizations, other governmental units, and/or other funds. These funds are custodial in nature (assets correspond with liabilities) and do not involve measurement of results of operations.

Account Groups

General Fixed Assets Account Group accounts for all City general fixed assets, other than those in the proprietary funds, of long-term character such as land, building and structures, and major equipment.

General Long- Term Debt Account Group accounts for the City's outstanding long-term liabilities that are expected to be paid from future revenues of the governmental funds.

SUPPLEMENTAL INFORMATION SECTION

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement.

All governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

For governmental type funds, expenditures are generally recognized under the modified accrual basis accounting when the related fund liability is incurred; principal and interest on general long-term debt is recognized when due.

All proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Their revenues are recognized when they are earned and become measurable, expenses are recognized when they are incurred if measurable.

Budget Basis of Accounting

Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting practices (GAAP), except that, for budgeting purposes only, depreciation is not budgeted.

SUPPLEMENTAL INFORMATION SECTION

LIST OF ACRONYMS

The budget document includes acronyms and abbreviations. This list of acronyms is provided to assist the reader in identifying the organization, term, etc. meant by the acronym.

ADA	American Disabilities Act. The Federal Americans with Disability Act requires accessibility of public facilities for handicap persons and various accommodations for persons with disabilities.
ALS	Advanced Life Support.
AMR	Automated Meter Reading.
AQMD	Air Quality Maintenance District.
AS	Assessment District.
AWWA	American Water Works Association.
BLS	Basic Life Support.
CAFR	Comprehensive Annual Financial Report. The CAFR is prepared in conformity with Generally Accepted Account Principals (GAAP) as set forth by the Governmental Accounting Standards Boards (GASB).
CALTRANS	The State of California Transportation Department.
CCHOA	California Cities Home Ownership Authority.
CDBG	Community Development Block Grant. The Community Development Block Grant program is funded by the Federal Department of Housing and Urban Development.
CEQA	California Environmental Quality Act.
CFD	Community Facilities District. A CFD is established as a funding mechanism for infrastructure improvements for a specific geographic area of development.
CIP	Capital Improvements Program or Plan. The CIP identifies the infrastructure capital improvement projects of the City.
CSMFO	California Society of Municipal Finance Officers. The CSMFO is a non-profit organization to promote professional administration of municipal finance in California.
CUPA	Certified Unified Program Agency.
DAP	Down Payment Assistance Program – A City Community Development Block Grant Program.
DDA	Dispensation and Development Agreements.
DUI	Driving Under the Influence.
EDA	Economic Development Administration.
EDU	Equivalent Dwelling Unit.
EDRLF	Economic Development Revolving Loan Fund.

SUPPLEMENTAL INFORMATION SECTION

LIST OF ACRONYMS (Continued)

EIR	Environmental Impact Report.
EOC	Emergency Operations Center.
EMS	Emergency Medical Response.
EPA	Environmental Protection Agency.
ERAF	Educational Revenue Augmentation Fund. ERAF is the fund where State mandated property tax revenue is shifted to schools.
FEMA	Federal Emergency Management Agency. FEMA is the Federal agency for emergency services and disaster aid funding nationwide.
FETN	Fire and Emergency Television Network.
FTE	Full-Time Equivalent. The FTE is a term used to measure staffing and is 2,080 hours per year (1.0 FTE) or 1040 hours (0.5 FTE).
GAAP	Generally Accepted Accounting Principles.
GASB	Governmental Accounting Standards Board.
GFOA	Government Finance Officers Association is a non-profit professional association of government finance professionals throughout North America.
HAZMAT	Hazardous Materials.
HCD	Department of Housing and Community Development. HCD is a State of California Department.
HCRA	Hesperia Community Redevelopment Agency.
HFMA	Hesperia Fire Management Association.
HPF	Hesperia Professional Firefighters.
HRLP	Housing Rehabilitation Loan Program – A City Community Development Block Grant Program.
GIS	Geographic Information System.
HUD	Federal Department of Housing and Urban Development.
HVAC	Heating, Ventilation, and Air Conditioning System.
IDIS	Integrated Disbursement and Information System.
ISTEA	Intermodal Surface Transportation Efficiency Act. The ISTEA Federal funds provide the City funding for various street and traffic signal projects.
JPA	Joint Powers Authority.
LAIF	Local Agency Investment Fund. The LAIF is the State of California investment pool that the City of Hesperia invests City funds to receive interest income.

SUPPLEMENTAL INFORMATION SECTION

LIST OF ACRONYMS (Continued)

LMI	Low-Moderate Income – Affordable Housing Programs.
MAP	Mortgage Assistance Program.
MGD	Millions of gallons per day. MGD is the rating used in water infrastructure projects.
MOE	Maintenance of Effort. The MOE is the criteria that must be met in certain street improvements mandated by the State.
MOU	Memorandum of Understanding – Typically a contractual agreement between the City and an employee union or association.
NEPA	National Environmental Policy Act.
NFPA	National Environmental Policy Act.
OES	State Office of Emergency Services.
OHV	Off Highway Vehicles.
OPA	Owner Participation Agreements.
OSHA	Occupational Safety and Health Administration.
PAD	Public Access Defibrillator.
RDA	Redevelopment Agency. The Hesperia Community Redevelopment Agency.
RTIP	Regional Transportation Improvement Program. The RTIP is coordinated by the Southern California Association of Governments (SCAG) in cooperation with the State (Caltrans), County Transportation Commissions (CTC and public transit operators). The program consists of a listing and identification of proposed transportation projects and recommended funding sources.
SANBAG	San Bernardino Associated Governments. SANBAG is the clearinghouse for the intergovernmental agency review of capital facilities and other local government activities.
SBPEA	San Bernardino Public Employees Association.
SBSD	San Bernardino County Sheriff's Department.
SCBA	Self-Contained Breathing Apparatus.
SCADA	Supervised Control and Data Acquisition System – Automated radio system to monitor water wells, booster pumps, and reservoirs.
SCAG	Southern California Association of Governments.
SEMS	Standardized Emergency Management System.
VVCC	Victor Valley Community College.
VVEDA	Victor Valley Economic Development Authority.
VWRA	Victor Valley Wastewater Reclamation Authority.

SUPPLEMENTAL INFORMATION SECTION

GLOSSARY OF TERMS

ACCRUAL BASIS – The recording of the financial effects on a government of transactions and other events and circumstances that have cash consequences for the government in the periods in which those transactions, events, and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

ACTUAL – Represents the actual costs from the results of operations.

ADOPTED – Represents the budget as approved by the City Council.

APPROPRIATION – A legal authorization granted by the City Council to make expenditures and incur obligations for specific purposes.

AUDIT – A systematic collection of the sufficient, competent evidential matter needed to attest to the fairness of management's assertions in the financial statements or to evaluate whether management has efficiently and effectively carried out its responsibilities.

BALANCE SHEET – The financial statement disclosing the assets, liabilities, and equity of an entity at a specified date.

BUDGET – A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year.

BUDGETARY CONTROL – The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and revenues.

CAPITAL EXPENDITURES – Expenditures resulting in the acquisition of or addition to the government's general fixed assets having a unit cost of greater than \$5,000 and a useful life exceeding one year.

CAPITAL IMPROVEMENT PROGRAM (CIP) – A comprehensive plan which projects the capital needs of the community. Generally, it is a cyclical process that projects the needs for a set number of years. Capital improvement plans are essential to sound infrastructure and financial planning. The annual capital budget is derived from the long-term CIP.

CAPITAL OUTLAY – Expenditures which qualify as capital costs according to accounting standards. This includes furniture, fixtures, machinery, equipment, and other relatively minor fixed assets.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) – Funds allocated to local government from the federal government, based on a formula, but required to be applied for and required to be used within a broad functional area such as community development.

DEBT SERVICE FUND – A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Sometimes referred to as a Sinking Fund.

ENCUMBRANCE – Obligations in the form of purchase orders, contracts, or other commitments. They cease to be encumbrances when paid, cancelled, or when the actual liability is set up.

ESTIMATED (OR REVISED) – Represents the original adopted budget plus any approved changes and anticipated year-end adjustments.

EXPENDITURES – Decreases in net financial resources that include current operating expenses that require the current or future use of net current assets, debt services, and capital outlays.

FEES – Charges for specific services.

SUPPLEMENTAL INFORMATION SECTION

GLOSSARY OF TERMS (Continued)

FISCAL YEAR – The period designated by the City for the beginning and ending of financial transactions. The fiscal year begins July 1 and ends June 30.

FRANCHISE – A special privilege granted by a government, permitting the continued use of public property, such as refuse disposal and cable television, and usually involving the elements of monopoly and regulation.

FULL-TIME EQUIVALENTS (FTE) – The amount of time a position has been budgeted for in terms of the amount of time a regular, full-time employee normally works in a year. Most full-time employees are paid for 2,080 hours in a year.

FUND – A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances and changes therein which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE – The balance of net financial resources that is spendable or available for appropriation.

GANN APPROPRIATIONS LIMIT – This term refers to Article XIII B of the California State Constitution that places limits on the amount of proceeds from taxes that state and local governmental agencies can receive and spend each year.

GENERAL FUND – The fund used to account for all financial resources except those required to be accounted for in another fund (i.e., enterprise or grant funds). Usually the General Fund is the largest fund in a municipality.

GENERALLY ACCEPTED ACCOUNTING PRINCIPALS (GAAP) – The uniform minimum standards of and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define the accepted accounting practices at a particular time. They include both broad guidelines of general application and detailed practices and procedures. GAAP provides a standard by which to measure financial presentations.

GOALS – The desired result of accomplishments within a given time frame.

GRANTS – Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity, or facility.

MODIFIED ACCRUAL BASIS – The accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments are recognized when they become susceptible to accrual, that is when they become both “measurable” and “available” to finance expenditures of the current period. Expenditures are recognized when the fund liability is incurred except for inventories of materials and supplies that may be considered expenditures either when purchased or when used. All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis for accounting.

OBJECTIVES – The necessary steps that need to be accomplished to achieve a desired goal.

OPERATING BUDGET – Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled.

OPERATIONS & MAINTENANCE – Supplies and other materials used in the normal operations of City departments. Includes items such as staff costs, maintenance materials, and contractual services.

REVENUES – The yield of taxes and other sources of income that a governmental unit collects and receives for public use.

SPECIAL ASSESSMENT – A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

SUPPLEMENTAL INFORMATION SECTION

GLOSSARY OF TERMS (Continued)

TAXES – Compulsory charges levied by a government to finance services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits, such as special assessments. Neither does the term include charges for services rendered only to those paying such charges.

TRANSFERS – Authorized exchanges of cash or other resources between funds.

USER CHARGES/FEES – The payment of a fee for direct receipt of a public service by the party benefiting from the service (i.e., building permit fees, engineering plan check fees).

SUPPLEMENTAL INFORMATION SECTION

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