

INTRODUCTION

- *Summary of Total City Revenue and Expenditures*
- *Summary of Operating Expenditures and Staffing Changes*
- *Mission Statement and City Council Priorities (Goals)*

THIS PAGE INTENTIONALLY LEFT BLANK

INTRODUCTION

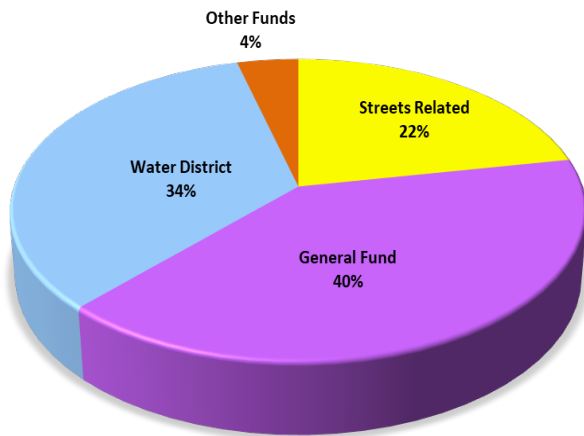
Summary of Total City Revenue and Expenditures

On November 1, 2018, the San Bernardino County Fire (County Fire) annexed the Hesperia Fire Protection District (Fire District). County Fire is now responsible for providing all emergency fire and ambulance related services, as well as all fire prevention services. The Fire District will retain all former personnel and retirement obligations. To fund these obligations, the City's General Fund will receive additional property taxes. To demonstrate the impact to the budget, the FY 2018-19 Budget included \$12.1 million of Fire District expenditures, while the FY 2019-20 includes \$0.9 million for the CalPERS obligation.

The following information summarizes and highlights the planned major changes in the 2019-20 Budget:

	2018-19 Budget	2019-20 Budget	Change From 2018-19 Amount	Percent
Resources				
Revenue	\$ 91,253,002	\$ 86,034,127	\$ (5,218,875)	-6%
Loan Proceeds	8,000,000	4,500,000	(3,500,000)	-44%
Budgeted Reserves	7,678,073	9,752,653	2,074,580	27%
Net Transfers	2,682,555	0	(2,682,555)	-100%
Total Resources	109,613,630	100,286,780	(9,326,850)	-9%
Expenditures	\$ 104,994,475	\$ 98,496,938	\$ (6,497,537)	-6%
Difference	\$ 4,619,155	\$ 1,789,842		

Revenue:



A comparison between FY 2018-19 Budget of \$91.3 million and FY 2019-20 Budget of \$86.0 million indicates that overall revenue is anticipated to decrease by 6% (\$5.3 million). This is not a fair representation of citywide revenue as FY 2018-19 included Fire District revenue of \$12.1 million as compared to the FY 2019-20 revenue of \$33,400. County Fire now receives all previous Fire District revenue, which included ambulance service revenue and property taxes. The modest FY 2019-20 Fire District revenue represents interest earnings on cash earmarked for the payment of the annual PERS obligation.

By setting aside the Fire District revenue in both FY 2018-19 and FY 2019-20, overall revenue is anticipated to grow by

9%. While the following will summarize the major changes, for a detailed discussion, refer to Section C – Revenue Summaries.

The General Fund is increasing by 17% or \$1.7 million. Much like the overall revenue, there is an extraordinary reason for this substantial increase. The General Fund receives reimbursement for providing administrative services to the Hesperia Water District. In prior budgets, this revenue source was treated as transfer of resources and not recognized as revenue. Starting with the FY 2019-20 Budget, this reimbursement, totaling \$2.7 million, will be treated as revenue. As with the Fire District and the overall revenue, when factoring out the administrative reimbursement, General Fund revenue is anticipated to grow by 8% or \$2.3 million with budget-to-budget increases to sales taxes, vehicle license fees, property taxes, and development-related revenues.

The Water District revenues are decreasing by 6% from the FY 2017-18 Budget. This is attributable to the Prop 1 Grant, which is being used to partially fund the reclaimed water pipeline project; FY 2018-19 Budget included \$4.0 million, whereas the FY 2019-20 Budget anticipates receiving the final \$2.0 million of the grant award. By removing the grant revenue from both fiscal years, Water District revenue is expected to increase 2% or \$0.6 million.

INTRODUCTION

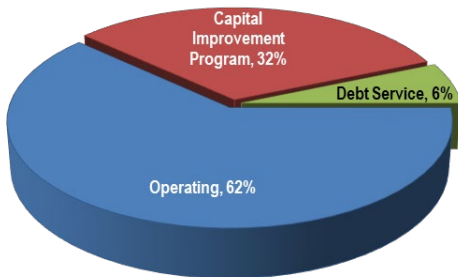
Revenue (Continued):

The largest percentage increase to City revenue is Streets Related, which is anticipated to increase by 19% or \$3.1 million. The primary factor for this increase is the grant related revenue for Capital Improvement Program (CIP) projects, such as E Avenue Street Improvements, Traffic Signal - Main Street and Sultana/Timberlane, Rancho Aqueduct crossing, and the Park and Ride Facility.

Expenditures:

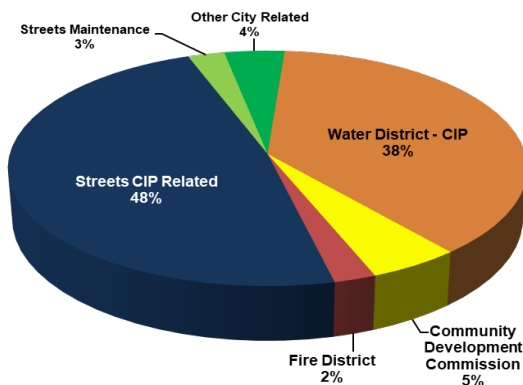
The FY 2019-20 Budget proposes expenditures of \$98.5 million, which is a 6% or \$6.5 million decrease from the FY 2018-19 Budget of \$105.0 million. As with the overall revenue, the FY 2018-19 Budget included \$12.1 million dollars of Fire District expenditures, whereas the FY 2019-20 Budget includes \$0.9 million of pension related expenditures.

By removing all Fire District related expenditures from both budget years, the FY 2019-20 Budget is increasing by 5% or \$4.6 million. The following is a snapshot of increases in the FY 2019-20 Budget: \$0.9 million in CIP, \$0.8 million in law enforcement services, \$1.0 million in Water Operating, and \$0.9 million in Management Services. For a complete discussion of budget-to-budget changes, refer to Section D – Expenditure Summaries and Section F – Department Expenditures.



Budgeted Reserves:

Much like a savings account, Budgeted Reserves are excess resources saved from prior fiscal years. It is the policy of the City to only use these savings for one-time purchases. Budgeted Reserves are not used for on-going operation costs, such as staffing.



The FY 2019-20 Budget contains the use of reserves totaling \$9.7 million; of which, \$0.7 million will be utilized by operating funds, specifically the Community Development Commission and Streets Maintenance. The remaining \$9.0 million of reserve usage will be used to primarily fund projects. The following table details the use of reserves.

Balanced Budget Policy

The \$9,752,653 of Budgeted Reserves is comprised of the following:

Operating Funds Use of Reserves

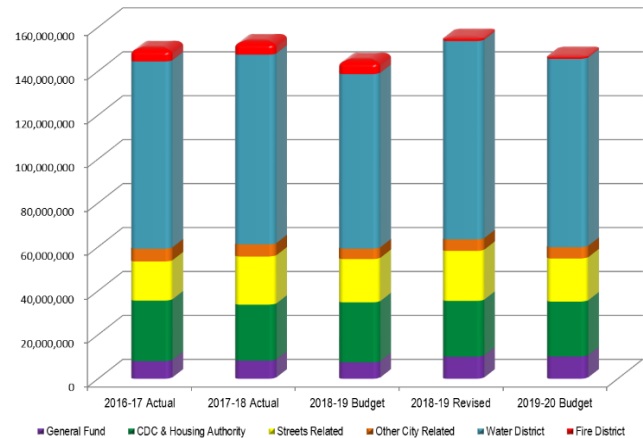
Community Development Commission	\$ 494,927
Streets Maintenance	250,000
Subtotal Operating Funds Use of Reserve	744,927

Other Funds Use of Reserves

Streets Capital Improvement Projects Funds (Measure I, Gas Tax Swap, DIF-Streets, DIF-Storm Drain, Gas Tax RMRA, & Other City Related (AB 3229, Beverage Recycling, CDBG-NSP, & DIF Public Service)	4,676,953
Water District - Sewer Capital	3,672,000
Fire District-PERS	228,256
Subtotal Other Funds Use of Reserve	9,007,726

Total Budgeted Reserves **\$ 9,752,653**

Fund Balance:



After accounting for all proposed resources and expenditures, the FY 2019-20 fund balance will be approximately \$146.6 million, which is an increase of 1% or \$1.9 million from the FY 2018-19 Budget of \$144.7 million. The increase is primarily due to building reserves in the General Fund and the Water District's operating funds. These increases are offset by reductions from County Fire annexing the Fire District, as well as selling land held for resale in the Hesperia Housing Authority.

Fund Balance	2018-19 Budget	2019-20 Budget	Amount Difference	Percent Change
General Fund	\$ 7,419,880	\$ 10,101,930	\$ 2,682,050	36%
CDC & Housing Authority	27,346,090	25,008,228	(2,337,862)	-9%
Streets Related	19,705,672	19,612,766	(92,906)	0%
Other City Related	4,772,430	5,168,779	396,349	8%
Water District	79,462,931	85,749,210	6,286,279	8%
Fire District	6,004,923	950,444	(5,054,479)	-84%
Ending Fund Balance	\$ 144,711,926	\$ 146,591,357	\$ 1,879,431	1%

INTRODUCTION

Balanced Budget:

A balanced budget uses operational revenue to fund operational expenditures, which means that one-time revenue is reserved for one-time costs, such as purchasing a large piece of equipment. Of the City operational funds, the Community Development Commission (CDC) will be using fund balance reserves. It is anticipated that the CDC will sell Land Held for Resale to replenish cash. This fund, along with the Hesperia Housing Authority, was created from the Redevelopment Dissolution and have limited funding sources. Management is reviewing and monitoring options amid the post redevelopment atmosphere. While the Water District as a whole has a balanced budget, individually, Water Capital has expenditures exceeding resources. Additionally, there are project funds that are projected to have ending fund balance deficits, including certain reimbursable grant funds, which are manageable and will be resolved in future years.

Cash Reserve Policy:

The cash reserve policies for the General Fund requires that a minimum of two (2) months of the annual expenditures be held in cash. The FY 2019-20 General Fund Budget includes 2.1 months of cash reserve, which equates to approximately \$6.0 million. It is the goal for the Hesperia Water District (Enterprise Fund), which is in the process of building reserves, to have two (2) months of the annual expenditures held in cash. Cash reserves is a calculation of the ratio of cash and cash equivalents to the total individual fund annual expenditures. The specific purpose of the reserves is to provide funding to meet operational appropriation requirements in the event that either, the City or Water District experience shortfalls in the level of anticipated revenues or unanticipated expenses.

Capital Improvement Program (CIP) Summary:

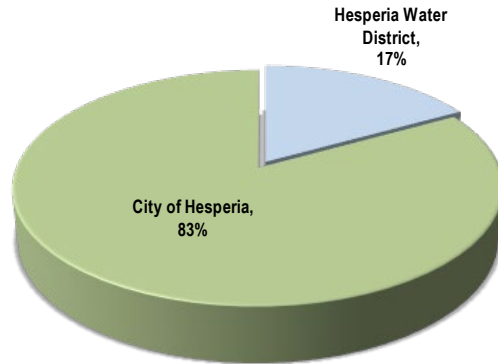
The total allocation for all Capital Projects in all funds in Fiscal Year 2019-20 is \$31,475,042. These projects include streets, storm drainage, facilities, and water projects. For an in depth review of all CIP projects, refer to Section G – CIP.

Capital Improvement Program (CIP) Projects

Streets Projects	
2019-20 Street Improvement	\$ 5,066,776
Traffic Signal Projects	1,429,300
Ranchero Road Related Projects	1,210,000
Carryover Streets Related Projects	6,672,987
Total Streets Related Projects	14,379,063
Storm Drainage Projects	1,930,000
Facilities Projects	685,979
Water Projects	10,505,000
Sewer Projects	3,975,000
Total CIP Projects	\$ 31,475,042

Debt Service:

The Debt Service obligation for the City of Hesperia and the Hesperia Water District total \$6,219,840 for FY 2019-20. This represents a decrease of \$0.1 million from the FY 2018-19 Debt Service budget of \$6,359,457. It should be noted that the City's debt service obligation is 77%, while the Water District is 23% of the total obligation.



The following is a synopsis of the FY 2019-20 obligation costs:

City Total \$4,797,965

- 2012 Water Rights Lease Revenue Bonds - \$1,443,175
- 2013 Civic Plaza Refunding - \$836,750
- 2014 DIF Loan from General Fund - \$93,000
- Rancho Rd Interchange Loan from SBCTA - \$2,425,040

Water Total \$1,421,875

- 1998 A Variable Rate Lease Revenue - \$1,421,875

Positions, Salaries, and Benefits:

In total, the FY 2019-20 Budgeted salaries and benefits are expected to increase by 5%, or \$1.0 million, over the FY 2018-19 Budget. The FY 2018-19 Budget includes the continuation of the merit step increases, a cost of living adjustment (COLA) increase of 2.5%, increase of the City's medical contribution, and CalPERS (retirement) rate increases.

The FY 2019-20 Budget proposes a decrease of 1.92 full-time equivalent (FTE) from the FY 2018-19 non-fire related positions of 263.58 FTE. Refer to Section E – Positions Summaries for a complete discussion of position changes, as well as the status of the individual CalPERS plans.

INTRODUCTION

FY 2019-20 Budget:

Please refer to the subsequent sections for detailed discussions for all items and areas of interest presented in the FY 2019-20 Budget highlights. Financial Policies – This section includes the financial policies the City must abide by. These policies are adopted by resolution of the City Council.

- (B) Resource & Expenditure Summary – Provides an analysis of each of the major operating funds (General Fund, Water District, Streets Maintenance Fund, Hesperia Housing Authority, and the Community Development Commission). In addition, a projected cash balance is prepared for the General Fund, and Water District.
- (C) Revenue Summaries – Detailed discussion and analysis of the budgeted revenue.
- (D) Expenditure Summaries – An overview of all expenditures with discussions on major budgeted items.
- (E) Position Summaries & Salary Range Tables – Discussion of the position changes, major benefit changes, along with listings of all positions and salaries.
- (F) Department & Program Summaries – A detailed account of all operating expenditures by Department, Division, and Program. These sections include goals & accomplishments, as well performance and workload indicators.
- (G) Capital Improvement Program (CIP) – This section identifies all CIP costs, as well as detailed descriptions of each individual project.
- (H) Debt Service – This section identifies and describes each outstanding long term debt obligation.
- (I) Fund Balance Summary – In this section, a calculation is prepared for each fund showing its budgeted financial transactions and identifies the impact of the projected budget on each fund.
- (J) Supplemental Information – This section includes supplementary information that enhances the understanding of the prepared budget.

INTRODUCTION

Summary of Operating Expenditures and Staffing Changes

CITY COUNCIL

Department	2018-19	2019-20	Change From 2018-19 Budget	
	<u>Budget</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>
City Council	\$ 591,761	\$ 602,533	\$ 10,772	2%
City Attorney	300,000	300,000	0	0%
Total City Council	\$ 891,761	\$ 902,533	\$ 10,772	1%

Significant Department Expenditure and Staffing Changes:

- None.

CITY MANAGER

Department	2018-19	2019-20	Change From 2018-19 Budget	
	<u>Budget</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>
City Manager	\$ 1,341,826	\$ 1,472,767	\$ 130,941	10%
Information Technology	1,289,689	1,428,733	139,044	11%
Total City Manager	\$ 2,631,515	\$ 2,901,500	\$ 269,985	10%
Full & Part-Time Staff (FTE)	15.20	15.18	-0.02	0%

Significant Department Expenditure and Staffing Changes:

- Reclassify the Environmental Programs Coordinator position to a Community Relations Specialist to more accurately reflect the duties being performed.
- Add one new Community Relations Specialist (1.00 FTE) position, which will be split 0.75 FTE General Fund and 0.25 FTE Water Operating. With the retitling of the Environmental Programs Coordinator and the addition of this position, the FY 2019-20 Budget will have 2 full-time Community Relations Specialist.
- One part-time Administrative Analyst (0.46 FTE) position is being eliminated. This position is funded 50% (0.23 FTE) in General Fund and 50% (0.23 FTE) in Water Operating.
- Eliminate one vacant Information Systems Technician position and add one Information Systems Specialist position.
- Eliminate one vacant Information Systems Technician (1.00 FTE) position and add one part-time Information Systems Technician (0.46 FTE) position.
- \$57,000 has been included to bring the City's phone system hardware and software to current supported versions.
- Funding in the amount of \$15,000 has been included for obtaining Office365 and moving email services off the City's premises.
- Funding in the amount of \$15,000 has been included for evaluating a cloud backup service for data to be distributed geographically.
- Funding in the amount of \$50,400 has been included for the EPlan Workflow for Land Use Entitlement, of which \$22,980 is a carryover from FY 2018-19.

INTRODUCTION

Summary of Operating Expenditures and Staffing Changes (Continued)

MANAGEMENT SERVICES

Department	2018-19 Budget	2019-20 Budget	Change From 2018-19 Budget	
			Amount	Percent
Finance	\$ 1,940,692	\$ 1,837,411	\$ (103,281)	-5%
Human Resources/Risk Management	1,441,828	1,650,276	208,448	14%
General Overheard	<u>0</u>	<u>750,711</u>	<u>750,711</u>	<u>100%</u>
Total Management Services	\$ 3,382,520	\$ 4,238,398	\$ 855,878	25%
Full & Part-Time Staff (FTE)	17.36	17.36	0.00	0%

Significant Department Expenditure and Staffing Changes:

- None.

ECONOMIC DEVELOPMENT DEPARTMENT

Department	2018-19 Budget	2019-20 Budget	Change From 2018-19 Budget	
			Amount	Percent
Community Development Commission	\$ 524,026	\$ 529,790	\$ 5,764	1%
Hesperia Housing Authority	\$ 279,113	\$ 83,360	\$ (195,753)	-70%
CDBG:				
Administration	\$ 1,093,581	\$ 1,689,197	\$ 595,616	54%
Neighborhood Stabilization	<u>14,984</u>	<u>115,722</u>	<u>100,738</u>	<u>672%</u>
Subtotal CDBG	\$ 1,108,565	\$ 1,804,919	\$ 696,354	63%
Total Economic Development	\$ 1,911,704	\$ 2,418,069	\$ 506,365	26%
Full & Part-Time Staff (FTE)	5.00	3.00	-2.00	-40%

Significant Department Expenditure and Staffing Changes:

- Eliminate one vacant Senior Economic Development Specialist (1.00 FTE) position.
- Eliminate one vacant Senior Management Analyst (0.68 FTE) position.
- Funding in the amount of \$101,283 has been included as a carryover from FY 2018-19, for the demolition of a city-owned home.

INTRODUCTION

Summary of Operating Expenditures and Staffing Changes (Continued)

D.S. COMMUNITY DEVELOPMENT

Department			Change From 2018-19 Budget	
	2018-19 Budget	2019-20 Budget	Amount	Percent
Planning	\$ 917,322	\$ 990,359	\$ 73,037	8%
Building & Safety	1,070,128	1,141,026	70,898	7%
Total Community Development	\$ 1,987,450	\$ 2,131,385	\$ 143,935	7%
Full & Part-Time Staff (FTE)	16.42	16.42	0.00	0%

Significant Department Expenditure and Staffing Changes:

- One part-time Building Inspector (0.46 FTE) position has been eliminated and one part-time Plans Examiner (0.46 FTE) position will be added.

D.S. CODE COMPLIANCE

Department			Change From 2018-19 Budget	
	2018-19 Budget	2019-20 Budget	Amount	Percent
Code Enforcement	\$ 1,151,344	\$ 1,199,796	\$ 48,452	4%
Animal Control	1,616,555	1,734,495	117,940	7%
Total D.S.-Code Compliance	\$ 2,767,899	\$ 2,934,291	\$ 166,392	6%
Full & Part-Time Staff (FTE)	25.74	25.74	0.00	0%

Significant Department Expenditure and Staffing Changes:

- Eliminate one part-time Administrative Aide (0.46 FTE) position and add one part-time Office Assistant (0.46 FTE) position.

D.S. PUBLIC WORKS

Department			Change From 2018-19 Budget	
	2018-19 Budget	2019-20 Budget	Amount	Percent
Street Maintenance	\$ 2,504,067	\$ 2,668,501	\$ 164,434	7%
Traffic	1,642,493	1,700,493	58,000	4%
Engineering	696,341	785,506	89,165	13%
Building Maintenance	1,127,008	1,178,183	51,175	5%
Total D.S. Public Works	\$ 5,969,909	\$ 6,332,683	\$ 362,774	6%
Full & Part-Time Staff (FTE)	35.26	34.64	-0.62	-2%

Significant Department Expenditure and Staffing Changes:

Streets Maintenance

- Reclassify the Public Works Manager position from Management (Range 43) to At-Will (Range 44).
- A Fleet/Warehouse Supervisor position (Range 36) is added to oversee day-to-day operations, with a distribution of 0.15 FTE Streets Maintenance, 0.15 FTE Traffic, 0.65 FTE Water Operating and 0.05 FTE Sewer.
- Eliminate two (2) vacant part-time Maintenance Worker positions, each with a distribution of 0.46 FTE, for a total elimination of 0.92 FTE.

INTRODUCTION

Summary of Operating Expenditures and Staffing Changes (Continued)

D.S. PUBLIC WORKS (Continued)

Significant Department Expenditure and Staffing Changes (Continued):

Streets Maintenance (Continued)

- Funding of \$200,000 is included as a carry-over item for the Pavement Management Program, which is a street assessment utilized for managing local streets.
- Funding of \$50,000 is included as a carry-over item for the Heavy Load Vehicles Pavement Impact Study.
- Funding in the amount of \$135,000 is included for the purchase of a 10-12 yard dump truck.

Traffic

- A Fleet/Warehouse Supervisor position (Range 36) is added to oversee day-to-day operations, with a distribution of 0.15 FTE Traffic, 0.15 FTE Streets Maintenance, 0.65 FTE Water Operating and 0.05 FTE Sewer.
- Reclassify the Public Works Manager position from Management (Range 43) to At-Will (Range 44).
- Funding for \$25,000 has been included for the purchase of a new traffic signal cabinet.

Building Maintenance

- \$21,000 has been included to seal coat and restripe the parking areas at City Hall and the County Library.
- \$18,200 has been included to upgrade the Council Chambers lighting control modules, which is over ten years old and has experienced numerous system failures.

D.S. WATER

Department			Change From 2018-19 Budget	
	2018-19 Budget	2019-20 Budget	Amount	Percent
Water Operating				
Source of Supply	\$ 3,311,622	\$ 3,838,428	\$ 526,806	16%
Production	3,415,046	3,297,777	(117,269)	-3%
Distribution	1,476,813	1,475,117	(1,696)	0%
Pipeline Maintenance	1,356,475	1,437,009	80,534	6%
Engineering	806,887	985,325	178,438	22%
Customer Service	1,652,600	1,869,967	217,367	13%
Utility Billing	939,135	940,985	1,850	0%
Administration	4,859,804	4,930,233	70,429	1%
Property Management	447,759	464,827	17,068	4%
Subtotal Water Operating	\$ 18,266,141	\$ 19,239,668	\$ 973,527	5%
Water Capital	14,228,000	10,505,000	(3,723,000)	-26%
Total D.S.-Water	\$ 32,494,141	\$ 29,744,668	\$ (2,749,473)	-8%
Full & Part-Time Staff (FTE)	61.21	61.88	0.67	1%

Significant Department Expenditure and Staffing Changes:

Pipeline Maintenance

- Funding in the amount of \$130,000 has been included for the purchase of one (1) backhoe.

Engineering

- Funding in the amount of \$50,000 has been included for the update to the Water Master Plan.

Customer Service

- Funding in the amount of \$52,000 has been included to rebuild two right hand vehicles.

INTRODUCTION

Summary of Operating Expenditures and Staffing Changes (Continued)

D.S. WATER (Continued)

Significant Department Expenditure and Staffing Changes (Continued):

Administration

- A Fleet/Warehouse Supervisor position (Range 36) is added to oversee day-to-day operations, with a distribution of 0.65 FTE Water, 0.15 FTE Streets Maintenance, 0.15 FTE Traffic, and 0.05 FTE Sewer.
- \$38,000 has been included to bring the City's phone system hardware and software to current supported versions.

D.S. SEWER

Department	2018-19	2019-20	Change From 2018-19	
	Budget	Budget	Amount	Percent
Sewer Operations	\$ 3,519,106	\$ 3,906,429	\$ 387,323	11%
Engineering	161,927	181,145	19,218	12%
Utility Billing	177,120	176,899	(221)	0%
Administration	111,306	119,209	7,903	7%
Sewer Capital	3,860,020	4,110,000	249,980	6%
Total D.S. Sewer	\$ 7,829,479	\$ 8,493,682	\$ 664,203	8%

Full & Part-Time Staff (FTE)	9.39	9.44	0.05	1%
------------------------------	------	------	------	----

Significant Department Expenditure and Staffing Changes:

- Funding in the amount of \$58,000 has been included for the purchase of one (1) service truck.
- The FY 2019-20 Budget assumes an 8% rate increase from VVWRA for the treatment of sewage, as well as a 2% increase in flow to the regional plant.

POLICE DEPARTMENT

Department	2018-19	2019-20	Change From 2018-19	
	Budget	Budget	Amount	Percent
Police	\$ 16,290,376	\$ 17,086,541	\$ 796,165	5%
Total Police	\$ 16,290,376	\$ 17,086,541	\$ 796,165	5%

Full & Part-Time Staff (FTE)	78.00	78.00	0.00	0%
------------------------------	-------	-------	------	----

Significant Department Expenditure and Staffing Changes:

- The FY 2018-19 Budget for the police services contract was budgeted at \$16,006,486. It is anticipated that the contract would increase by 2% or \$466,967, to continue current level law enforcement services. FY 2019-20 Budget will include the cost for fuel and overtime, which increases the police services contract by \$300,000 to a projected cost of \$16,773,453.

INTRODUCTION

Summary of Operating Expenditures and Staffing Changes (Continued)

FIRE DISTRICT

Department	2018-19	2019-20	Change From 2018-19	
	Budget	Budget	Amount	Percent
Operations and Community Safety	\$ 10,925,735	\$ 0	\$(10,925,735)	-100%
Administration	1,125,160	0	(1,125,160)	-100%
HFPD (PERS)	<u>0</u>	<u>905,656</u>	<u>905,656</u>	<u>100%</u>
Total Fire District	\$ 12,050,895	\$ 905,656	\$(11,145,239)	-92%
Full & Part-Time Staff (FTE)	58.81	0.00	-58.81	-100%

Significant Department Expenditure and Staffing Changes:

- On November 01, 2018, the San Bernardino County Fire Department (County Fire) annexed the Hesperia Fire Protection District (Fire District). County Fire will now be responsible on providing all fire and ambulance related emergency services in the City. Additionally, the Fire District transferred assets and liabilities, with the exception of the former personnel obligations to County Fire.

INTRODUCTION



CITY OF HESPERIA MISSION STATEMENT

Hesperia is dedicated to enhancing our safe, friendly community, while blending a rural lifestyle with progress and responsible growth.

CITY COUNCIL PRIORITIES (GOALS)

To adhere to the City's Mission Statement, the City Council has adopted the following six goals.

1. Public Safety – Ensure adequate public safety resources are available for our citizens, families, children, businesses, and visitors.
 - Refer to the Police Department (page F-91) budget, as well as the Code Enforcement Program (page F-42) and the Animal Control Program (page F-46) budget for discussion of the Public Safety goal.
2. Financial Health – Hesperia will assure its financial health by continuing to provide structurally balanced budgets for its operating funds.
 - The City Manager Department (page F-7) and Management Services Department, particularly the Finance Division, (page F-16) budget discusses the Financial Health goal.
3. Future Development – Actively manage growth to ensure cohesive development including Industrial, Commercial, Residential, Freeway, Main Street and Ranchero Corridors.
 - The Economic Development Department (page F-25) focuses on business attraction component of this goal, while the Development Service Department, particularly the Community Development Division (page F-37 & F-39), focus on the development component of the goal.
4. Future Vision – Agree on a 'vision' of what Hesperia should be in 5, 15, and 25 years (revisit the 'vision' no sooner than once every 5 years).
 - This goal discussion can be found in the City Council narrative found on page F-1.

CITY COUNCIL PRIORITIES (GOALS) - Continued

5. Organizational Health – Establish and maintain a healthy and efficient organization to provide City services.
 - The City Manager Department (page F-7) and Human Resources/Risk Management Division within the Management Services Department (page F-19), ensure that this goal is ascertained.
6. Capital Improvement – Create Capital Improvement Funding after Redevelopment's elimination.
 - The Development Services Department beginning on page F-36, as a whole, oversee capital improvement. Furthermore, refer to the Capital Improvement Program (CIP) section, which starts on page G-5 for a complete discussion of the planned projects.