



# City of Hesperia



## Proposed Fiscal Year 2012-2013 Budget

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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 regarding their expenditures and staffing to include Fiscal Year 2011-12 accomplishments and Fiscal Year 2012-13 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 2012-13 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 2012-13.

**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 1<sup>st</sup> through June 30<sup>th</sup>. For example, Fiscal Year 2012-13 means July 1, 2012 through June 30, 2013. 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 2011-12).

The columns typically presented are as follows:

2009-10	2010-11	2011-12	2011-12	2012-13
<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:

2009-10 Actual

Actual financial information for Fiscal Year 2009-10 as reported in the City's Comprehensive Annual Financial Report. The actual financial information is reported in the budget document on a budgetary basis.

2010-11 Actual

Actual financial information for Fiscal Year 2010-11 as reported in the City's Comprehensive Annual Financial Report. The actual financial information is reported in the budget document on a budgetary basis.

2011-12 Budget

The 2011-12 Budget as adopted by the City Council June 21, 2011.

2011-12 Revised

The 2011-12 Revised column reflects the 2011-12 Budget plus budget amendments approved by the City Council during the fiscal year. The 2011-12 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 2011-12 and are typically somewhat lower than the budget and amendments.

## PREFACE

### BUDGET DOCUMENT FINANCIAL INFORMATION (Continued)

#### 2012-13 Budget

This column initially reflects the FY 2012-13 Proposed Budget submitted by the City Manager. After the City Council reviews and approves the Fiscal Year 2012-13 Budget, the information in the 2012-13 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 21, 2012, the FY 2011-12 Mid-Year Budget Review was presented with current expenditures, revenue trends, updated reserves, as well as amendments to the 2011-12 Budget. The 2011-12 Mid-Year Budget amendments were approved at the 2012-13 Budget Goal Setting Workshop, also on February 21, 2012. 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 potential State revenue reductions.
- Staff was given broad goals and objectives for the preparation of the FY 2012-13 Budget.

The FY 2012-13 Budget process then commenced as follows:

#### **VI. OPERATING BUDGET CALENDAR**

Executive Staff Retreat	January 24, 2012
Council FY 2011-12 Mid-Year Budget Review and FY 2012-13 Budget Goal-Setting Workshop	February 21, 2012
Staff Budget Workshop and FY 2012-13 Budget Instructions Distributed	March 1, 2012
FY 2011-12 Revised Revenue & FY 2012-13 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 8, 2012 March 15, 2012
FY 2011-12 Revised Expenditure Estimates, FY 2012-13 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 22, 2012 March 29, 2012

**PREFACE**

<b>VI. <u>OPERATING BUDGET CALENDAR (Continued)</u></b>	
FY 2012-13 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 3, 2012 April 5, 2012
Proposed FY 2012-13 CIP presented to Planning Commission	April 12, 2012
FY 2012-13 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 10, 2012 April 12, 2012
FY 2012-13 CIP presented to City Council Advisory Committee	April 11, 2012
Budget Review with Departments/Divisions	April 30-May 3, 2012
State Department of Finance- Population numbers	May, 2012
FY 2012-13 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 8, 2012 May 10, 2012
2012-13 Proposed Budget completed	June 5, 2012
Council Budget Workshop	June 12, 2012
Council Adopts Budget	June 19, 2012
<b><u>KEY:</u></b> 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 19, 2012, the City Council/Board Members are expected to adopt the FY 2012-13 Budget, including the CIP and GANN Appropriations Limit for the City of Hesperia, the Hesperia Housing Authority, Successor Agency for the former Hesperia Redevelopment Agency, Hesperia Community Development Commission, 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.

# I N T R O D U C T I O N

- *City Manager's Budget Message*
- *Summary of Significant Department Expenditures and Staffing Changes*
- *Mission Statement and Statement of Values*
- *Hesperia City Council Officials*
- *City Organization Chart*
- *City of Hesperia History*
- *Community Profile*

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The following information summarizes and highlights policies and planned major changes in the 2012-13 Budget:

**Summary of Total City Revenue and Expenditures**

	2011-12	2012-13	Change From 2011-12 Budget	
	Budget	Budget	Amount	Percent
<b>Revenue</b>	\$ 100,387,714	\$ 91,673,446	\$ (8,714,268)	-9%
<b>Budgeted Reserves</b>	18,486,048	17,846,563	(639,485)	-3%
<b>Total Revenue and Budgeted Reserves</b>	118,873,762	109,520,009	(9,353,753)	-8%
<b>Expenditures</b>	\$ 117,527,889	\$ 121,183,912	\$ 3,656,023	3%
<b>Difference</b>	\$ 1,345,873	\$ (11,663,903) *		

\*Note – The negative balance reflecting expenditures in excess of total revenues is a result of the State dissolution of redevelopment agencies and the establishment of Successor Agency funds which have no budgeted reserves to cover expenditures in excess of revenues.

**Revenue**

Revenue is significantly lower, with a 9% decrease overall. Revenue decreases are shown in the Streets Related Funds (-29%), and Redevelopment Agency (-100%). These revenue decreases were, in total, only shown at 9% because of revenue increases in General Fund (6%), Other City Funds (244%), Fire District (1%), and other special purpose funds that offset the decreases.

**Budgeted Reserves**

The \$17,846,563 of Budgeted Reserves is comprised of the following:

General Fund	\$ 321,000
C.D.B.G.	1,575,181
Streets Maintenance	102,000
Streets CIP Funds (Development Impact - Streets and Measure I Renewal)	8,545,505
Other Transportation Related (Primarily Measure I Debt Service)	65,852
Facilities	3,240,080
Water District	1,059,897
Other City Related (Primarily DIF - Fire and DIF - Public Services)	1,093,377
Subtotal	\$ 16,002,892
Former Redevelopment Agency Related Funds:	
Successor Agency - Funds 160, 161, 162, and 173	\$ 0
Community Development Commission - Fund 170	236,000
Hesperia Housing Authority - Fund 370	1,607,671
Former Redevelopment Agency Related Funds	\$ 1,843,671
<b>Total Budgeted Reserves</b>	<b>\$ 17,846,563</b>

**Expenditures**

The FY 2012-13 Budget proposes expenditures of \$121,183,912, which is 3% or \$3.7 million more than the FY 2011-12 Budget of \$117,527,889. The increase can be partially attributed to the budgeting of CIP – Facilities projects, such as the construction of Fire Station 301 and the construction of the High Desert Public Safety Operations Center.

**Balanced Budget**

Operational revenue is funding operational expenditures for the General Fund and Fire District not using one-time revenue to fund ongoing expenditures, consistent with City Council policy. The Water District has an operating deficit due to the \$1.2 million loan repayment to the Housing Authority. With the exception of Successor Agency funds related to the former Hesperia Community Redevelopment Agency, the 2012-13 Budget is balanced, with the difference between resources (revenue, budgeted reserves, and transfers), and expenditures at zero, or a surplus, depending upon the fund. Additionally, a few certain funds have deficits, including certain reimbursable grant funds, which are manageable and will be resolved in future years.

**Difference (Successor Agency/Redevelopment Agency Wind-down)**

As of February 1, 2012, redevelopment agencies were abolished by the State of California per ABX 26.

If not for the Successor Agency, the difference between total resources and expenditures would be positive. The difference between revenues, budgeted reserves, and expenditures is a negative \$11,663,903, which is primarily due to the negative fund balance of \$12,648,156 in the Successor Agency funds. The negative fund balance is related to the dissolution/wind-down process of the former Hesperia Community Redevelopment Agency. Based on the reporting requirements from the County Auditor-Controller and the State, enforceable obligations are budgeted as expenditures in the FY 2012-13 Budget; however, there is uncertainty to the timeliness of revenue to pay the budgeted enforceable obligations. The remaining difference is a combination of fund balances and a difference with transfers, which is due to the classification of the Indirect Cost Allocation as an expense in the Water District Funds.

**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:

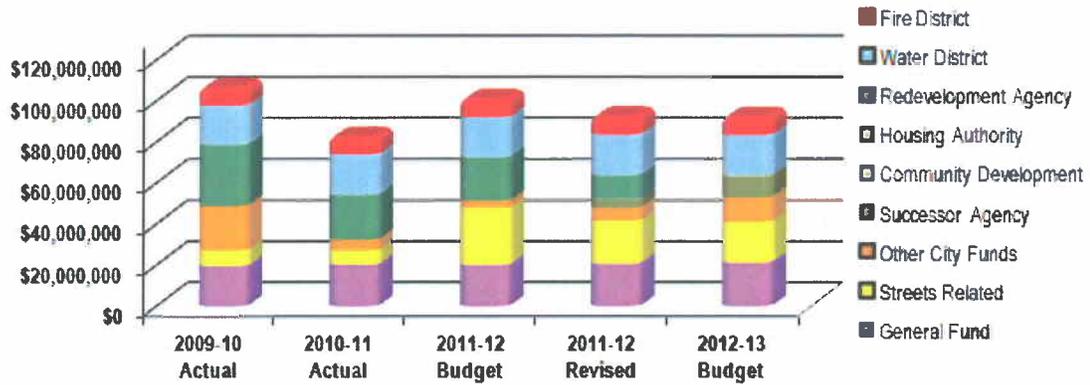
	<u>General Fund</u>		<u>Fire District</u>		<u>Water District*</u>	
10% Cash Reserves (Council/Board Policy)	\$ 2,335,815	10%	\$ 843,067	10%	\$ 1,974,952	10%
Cash Reserves Above/Below 10% Reserve	5,726,111	25%	(105,510)	-1%	1,972,611	10%
<b>Total Estimated Cash Reserves</b>	<b>\$ 8,061,926</b>	<b>35%</b>	<b>\$ 737,557</b>	<b>9%</b>	<b>\$ 3,947,563</b>	<b>20%</b>

\*See Section B for detailed explanation.

## REVENUE

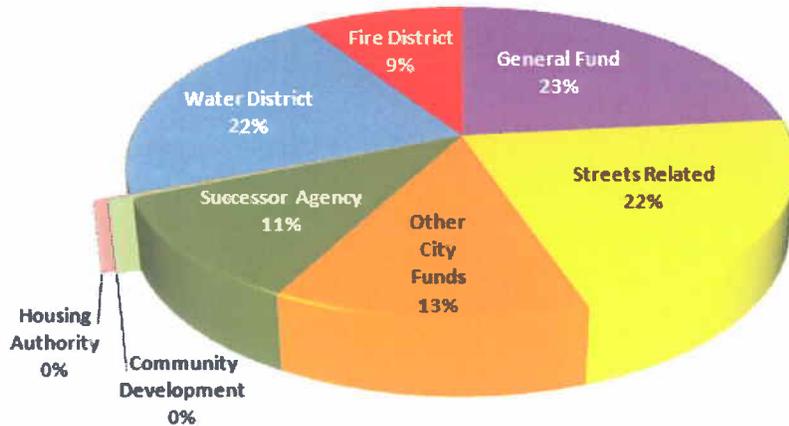
### City of Hesperia

#### Total City Revenue Trend



	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	%Change From 2011-12 Budget
General Fund	\$ 19,530,612	\$ 20,197,845	\$ 20,081,224	\$ 20,705,026	\$ 21,366,537	6%
Streets Related	7,462,898	6,864,992	27,717,283	20,749,040	19,628,836	-29%
Other City Funds	21,880,408	5,395,389	3,481,847	6,395,528	11,983,158	244%
<b>Total City Funds</b>	<b>48,873,918</b>	<b>32,458,226</b>	<b>51,280,354</b>	<b>47,849,594</b>	<b>52,978,531</b>	<b>3%</b>
Successor Agency	0	0	0	3,981,005	10,094,569	100%
Community Development	0	0	0	236,000	262,000	100%
Housing Authority	0	0	0	120,321	146,303	100%
Redevelopment Agency	29,540,067	21,452,189	21,082,106	11,394,733	0	-100%
Water District	19,164,060	19,900,497	19,638,680	19,771,672	19,730,718	0%
Fire District	8,207,106	8,165,840	8,386,574	8,491,735	8,461,325	1%
<b>Total All Funds</b>	<b>\$105,785,151</b>	<b>\$ 81,976,751</b>	<b>\$100,387,714</b>	<b>\$ 91,845,060</b>	<b>\$ 91,673,446</b>	<b>-9%</b>

2012-13 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 operates using a 'structurally' balanced budget and will not use one-time revenue (i.e. bond proceeds) to pay for on-going expenditures. Comparing the 2011-12 Budget to the 2012-13 Budget, a decrease from \$100.6 million to \$91.7 million for about a \$9.8 million, or 10%, reflecting the effects of the national mortgage crisis, housing slump, and the current recession and their influence on the 2012-13 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 \$7.5 million for the Ranchero Road Undercrossing and the \$8.0 million for the second phase of the High Desert County building. Primarily, all development related revenues are down for the 2011-12 Revised and that condition is carried through into the 2012-13 Budget revenue estimates.

When compared to the 2009-10 Actual revenue, the overall combined City revenue for the 2012-13 Budget is expected to decrease from \$105.8 million to \$91.7 million or by 13% or \$14.1 million. This decrease is primarily related to the substantial reduction as a result of the Redevelopment Agency (Agency) dissolution effective February 1, 2012 and reflecting a decrease in the 2011-12 Revised and no revenue for 2012-13 Budget.

**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 2012-13 Budget for the General Fund is projecting an increase in revenues of 6% or \$1.3 million from the 2011-12 Budget, primarily because of the following:

- Sales and Use Tax revenue is projected to increase 30% or about \$2.0 million to just under \$8.6 million.
- Vehicle License Fee revenue is expecting a decrease of \$0.5 million, or 8%, to \$5.8 million.
- Development related revenues including Building Permit Fees, are anticipating a \$85,451, or a 8% decrease from the 2011-12 Budget estimate.
- Property Transfer Tax revenue is expected to reach \$160,000, a decrease of 16%, or about \$30,000, as a result of the high level of real estate transactions selling at lower prices.

**Streets & Transportation Related Funds** - This group is comprised of 12 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 increased 117% or \$0.5 million. This increase in the combined 2012-13 DIF Budget revenue from the 2011-12 DIF Budget revenue is not based on the continued nationwide housing slump and recession shown by the decrease in single residential building permits from 10 for the 2011-12 Budget, with an estimated 0 for the 2011-12 year end and anticipating 0 for the 2012-13 Budget. However, the increase is based on various commercial projects that will finalize during 2012-13.
- Measure I 2010 Renewal revenue is expected to increase to \$2.2 million or by 14% from the 2011-12 Budget of \$2.0 million.
- Local Transportation Fund (LTF) revenue is expected to increase by \$0.4 million or 43% to \$1.4 million from the 2011-12 Budget of \$1.0 million. This large increase is due to increased sales tax generation and to the Victor Valley Transit Authority (VVTA) receiving more funding from the State as it is changing how it funds transportation programs in FY 2012-13.

## Revenue

### SUMMARY and HIGHLIGHTS (Continued)

**Non-Streets Related Other City Funds** - This group is comprised of 14 other non-street related funds. Each of these funds receive revenue that is restricted for specific uses. Some of the major highlights are:

- Developer Impact Fee (DIF) for Fire, Police, and Public Safety revenue are expected to increase 39%, or \$0.1 million. This decrease in total 2012-13 Budget DIF revenue from 2011-12 Budget DIF revenue reflects the nationwide housing slump shown by the estimated decrease in single residential building permits from 10 for the 2011-12 Budget to 0 for 2012-13. However, the increase is based on various commercial projects that will finalize during 2012-13.
- The CDBG/HOME Housing and Urban Development (HUD) grants are expecting a combined decrease of 19%, or \$0.6 million, from the 2011-12 Budget to the 2012-13 Budget of \$2.6 million. The primary reason for this decrease is that some of the Neighborhood Stabilization Program (NSP) grant funds were spent in FY 2009-10 and in FY 2010-11, which will reduce what is available to draw for 2012-13 Budget. This NSP grant is used to buy, rehabilitate, and resell abandoned/foreclosed homes within the City.

**Successor Agency** – In the wake of the State's dissolution of all RDAs, the City elected to become the successor agency to its former RDA. The Successor Agency is responsible for receiving property tax money from the County and retiring the obligations of the former RDA. The property tax revenues to be received will be net of the overlapping governmental agencies' pass through obligations that the County will pay and is anticipated to be, along with interest revenue, \$10.1 million in FY 2012-13.

**Community Development Commission** – This agency was created to carry on the economic development function of the former RDA and is expected to receive \$0.3 million from certain agreements.

**Housing Authority** – The purpose of this agency is to continue the housing function of the former RDA and is expecting \$0.1 million of primarily interest revenue earned on the assets of the former RDA Low/Mod income housing function.

**Redevelopment Agency** - Overall Redevelopment Agency revenue will be \$0 for 2012-13 in the wake of the February 1, 2012 dissolution by the State of California..

**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 \$0.1 million from the 2011-12 Revised of \$19.8 million to the 2012-13 Budget of \$19.7 million. Although the Capital and Other revenues of the District are expected to decline \$0.2 million, this is offset by the anticipated \$0.3 million of sales revenues increases for the 2012-13 Budget.
- Water and Sewer operating revenue, dominated by the Sales revenues, are anticipating a 2% and a 1% increase, respectively, over the 2011-12 Revised primarily from the January 2008 approved rate increases and decreases in interest revenue. An increase of Water Sales revenue is projected in fiscal year 2012-13 compared to fiscal year 2011-12 Revised with an increase from \$15.2 million to \$15.4 million for a 1% or \$0.2 million increase. Factors that have an effect on Water Sales are 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 45% and 47%, respectively, from the 2011-12 Revised which reflects the current economic recession and the national housing slump.

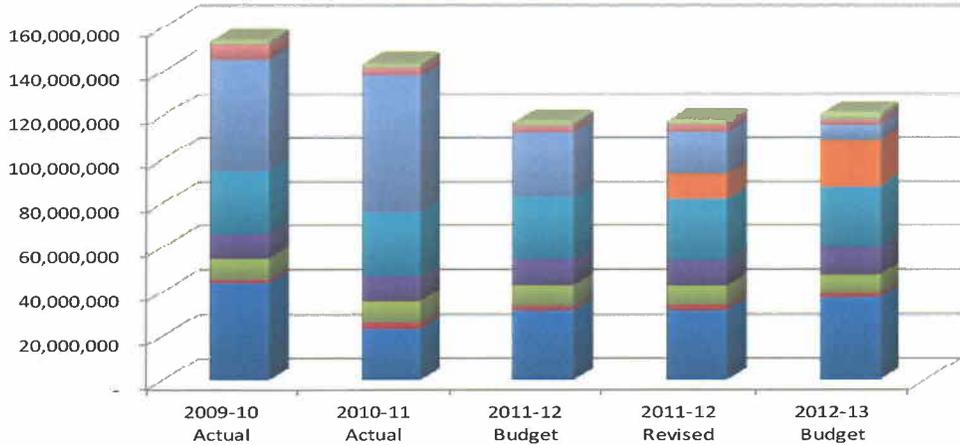
## Revenue

### SUMMARY and HIGHLIGHTS (Continued)

**Fire District** - The revenues for the 2012-13 Budget are projected to be \$8.5 million, which is \$0.1 million, or 1% more than the 2011-12 Budget of \$8.4 million and a slight change upward from the 2011-12 Revised; primarily due to the anticipated combined property tax related revenue decline. Some of the major highlights are:

- Property Tax revenue is projected to be about the same as the 2011-12 Budget (\$3.7 million to \$3.7 million) and a decrease of 6% from the 2009-10 Actual or \$0.2 million less. 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 an increase of \$170,000 from the 2011-12 Budget to the 2012-13 Budget at \$2,100,000.
- Redevelopment Tax Increment Pass-Through for the 2012-13 Budget is projected to be unchanged from the 2011-12 Revised (\$1.1 million to \$1.1 million). This revenue will be received directly from the County of San Bernardino in the wake of the RDA dissolution. The assessed valuation change of the City is expected to be approximately flat as the bottom is thought to have been reached in property values.
- Community Facilities District 94-1 revenue is expected to increase by \$43,732, or 9%, from the 2011-12 Budget of \$500,500 to the 2012-13 Budget of \$544,232. The 1% decrease from the 2011-12 Budget to the 2011-12 Revised is due to increased non-payment of the assessment levy, resulting from the amount of vacant houses within the District.
- Community Facilities District 2005-1. Part of the annual assessment includes a public safety portion to offset some of the costs that 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 help offset the public safety costs of Police and Fire. For the 2012-13 Budget, this revenue is expected to be \$310,533.

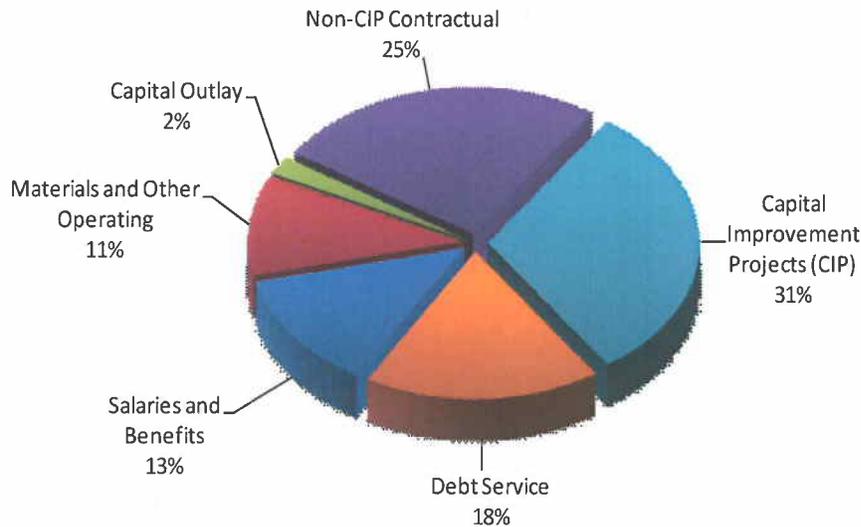
**Total Expenditures by Department  
2012-13 Budget**



■ Capital Improvement Plan	■ Other City/Other Transportation Related
■ Fire District	■ Police
■ Development Services Operating	■ Successor Agency
■ Economic Development	■ Management Services
■ City Council/City Manager	

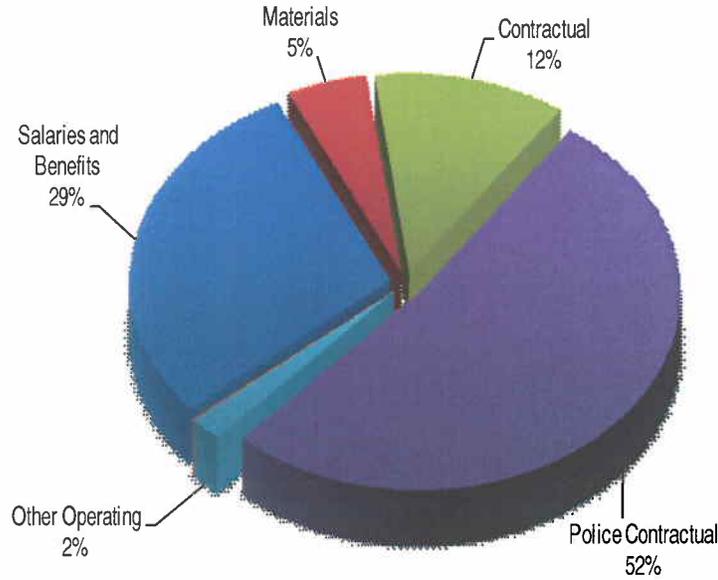
DEPARTMENTS	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
City Council	\$ 652,388	\$ 664,005	\$ 599,095	\$ 675,773	\$ 645,615	8%
City Manager	1,338,247	1,039,272	2,088,708	1,985,831	2,505,539	20%
Management Services	7,101,543	3,978,355	2,821,798	3,323,034	2,703,345	-4%
Economic Development						
Redevelopment Agency	\$ 45,549,562	\$ 60,641,994	\$ 24,182,830	\$ 17,358,202	\$ 0	-100%
Successor Agency	0	0	0	11,431,782	21,196,708	100%
Community Development Commission	0	0	0	0	617,168	100%
Hesperia Housing Authority	0	0	0	72,999	1,753,974	100%
C.D.B.G.	4,642,253	1,136,019	5,268,305	1,407,846	4,163,304	-21%
Total Economic Development	\$ 50,191,815	\$ 61,778,013	\$ 29,451,135	\$ 30,270,829	\$ 27,731,154	-6%
Development Services						
Community Development	\$ 2,661,715	\$ 1,828,446	\$ 1,742,941	\$ 1,747,257	\$ 1,569,853	-10%
Code Compliance	2,101,417	1,995,824	2,042,086	2,175,590	2,212,503	8%
Public Works	4,504,137	4,356,180	4,442,885	4,271,988	4,505,389	1%
Water Operations	17,397,368	18,609,414	17,272,911	16,947,418	17,251,829	0%
Sewer Operations	2,048,377	2,365,137	2,291,997	2,294,518	2,297,695	0%
Total Development Services	\$ 28,713,014	\$ 29,155,001	\$ 27,792,820	\$ 27,436,771	\$ 27,837,269	0%
Police	11,200,545	11,350,805	11,902,792	11,754,771	12,422,738	4%
Fire District	9,683,964	9,694,755	9,479,780	8,931,867	8,430,669	-11%
Other Transportation Related Expenditures	879,388	895,429	827,500	810,578	827,520	0%
Other City Related Expenditures	459,021	2,023,016	938,957	1,345,676	878,412	-6%
Capital Improvement Plan						
C I P - Facilities	\$ 16,371,423	\$ 8,584,259	\$ 655,650	\$ 3,076,191	\$ 13,648,528	1982%
C I P - Redevelopment Agency	21,980,697	11,376,038	21,823	20,256	0	-100%
C I P - Successor Agency	0	0	0	9,067	1,546,017	100%
C I P - Streets	2,977,889	2,994,678	30,947,831	28,498,992	22,007,106	-29%
C I P - Water	2,653,866	0	0	0	0	0%
C I P - Sewer	101,109	0	0	0	0	0%
Total Capital Improvement Plan	\$ 44,084,984	\$ 22,954,975	\$ 31,625,304	\$ 31,604,506	\$ 37,201,651	18%
<b>Total City Expenditures</b>	<b>\$154,304,909</b>	<b>\$ 143,533,626</b>	<b>\$117,527,889</b>	<b>\$ 118,139,636</b>	<b>\$ 121,183,912</b>	<b>3%</b>

**Total Expenditures by Major Expenditure Classification  
2012-13 Budget**



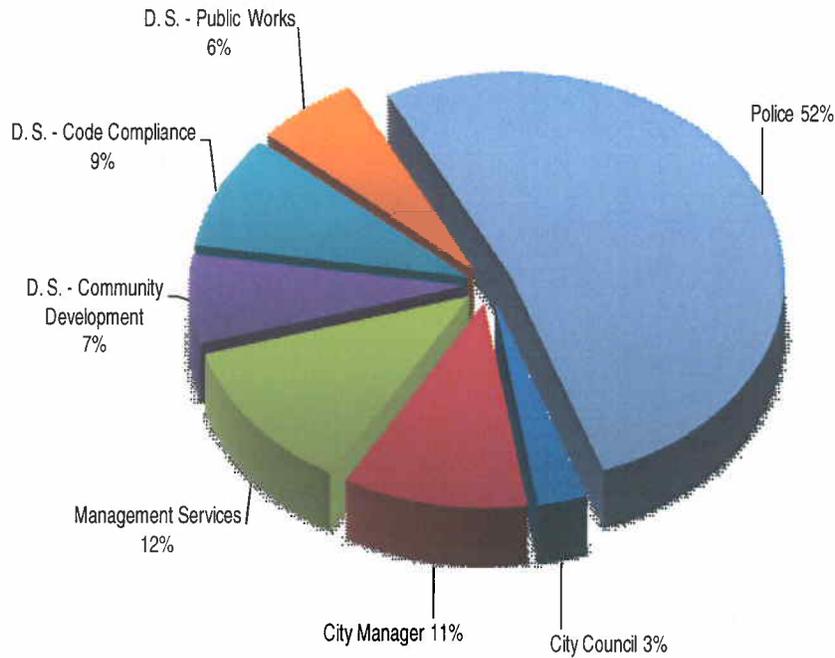
CLASSIFICATION	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% of Budget	% Change From
							2011-12 Budget
Salaries and Benefits	\$ 17,950,450	\$ 15,669,782	\$ 15,717,099	\$ 15,246,046	\$ 15,194,622	13%	-3%
Materials and Other Operating	13,129,378	15,738,649	14,616,499	14,824,391	13,310,544	11%	-9%
Capital Outlay	2,196,171	761,492	3,377,784	2,205,281	2,426,612	2%	-28%
Non-CIP Contractual							
Contractual	17,689,851	3,062,667	4,551,794	3,888,852	10,349,779	9%	127%
Police Contractual	10,906,682	11,531,757	11,302,691	11,302,691	12,174,790	10%	8%
Fire Contractual	9,429,336	9,474,569	9,245,210	8,555,920	8,193,879	7%	-11%
Redevelopment Agency (RDA)							
Contractual	1,356,426	9,224,207	1,783,713	758,203	0	0%	-100%
Total Non-CIP Contractual	\$ 39,382,295	\$ 33,293,200	\$ 26,883,408	\$ 24,505,666	\$ 30,718,448	25%	14%
Capital Improvement Plan (CIP)							
C I P - Facilities	16,371,423	8,584,259	655,650	3,076,191	13,648,528	12%	1982%
C I P - Redevelopment Agency	21,980,697	11,376,038	21,823	20,256	0	0%	-100%
C I P - Successor Agency	0	0	0	9,067	1,546,017	1%	100%
C I P - Streets	2,977,889	2,994,678	30,947,831	28,498,992	22,007,106	18%	-29%
C I P - Water	2,653,866	0	0	0	0	0%	0%
C I P - Sewer	101,109	0	0	0	0	0%	0%
Total CIP	\$ 44,084,984	\$ 22,954,975	\$ 31,625,304	\$ 31,604,506	\$ 37,201,651	31%	18%
Debt Service							
Debt Service	3,044,986	4,703,239	4,841,333	4,634,422	4,797,484	4%	-1%
Successor Agency Debt Service	0	0	0	10,218,608	17,534,551	14%	100%
RDA - Debt Service	15,114,174	39,838,726	12,614,225	9,866,922	0	0%	-100%
RDA - Contractual Pass Through	19,402,471	10,573,563	7,852,237	5,033,794	0	0%	-100%
Total Debt Service	\$ 37,561,631	\$ 55,115,528	\$ 25,307,795	\$ 29,753,746	\$ 22,332,035	18%	-12%
<b>Total Expenditures</b>	<b>\$ 154,304,909</b>	<b>\$ 143,533,626</b>	<b>\$ 117,527,889</b>	<b>\$ 118,139,636</b>	<b>\$ 121,183,912</b>	<b>100%</b>	<b>3%</b>

**Total General Fund Expenditures by Major Expenditure Account  
2012-13 Budget**



CLASSIFICATION	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% of Budget	% Change From 2011-12 Budget
<b>Salaries and Benefits</b>							
Salaries	\$ 6,051,677	\$ 5,197,661	\$ 5,034,092	\$ 4,954,266	\$ 4,951,785	21%	-2%
Benefits	2,427,443	1,929,823	2,082,242	2,056,209	1,950,549	8%	-6%
<b>Total Salaries and Benefits</b>	<b>\$ 8,479,120</b>	<b>\$ 7,127,484</b>	<b>\$ 7,116,334</b>	<b>\$ 7,010,475</b>	<b>\$ 6,902,334</b>	<b>29%</b>	<b>-3%</b>
Materials	1,161,614	1,245,713	1,433,472	1,143,351	1,188,454	5%	-17%
Contractual	2,837,748	1,819,960	2,381,613	2,819,799	2,634,523	12%	11%
Police Contractual	10,906,682	11,531,757	11,302,691	11,302,691	12,174,790	52%	8%
Other Operating	397,190	329,504	303,806	378,447	443,047	2%	46%
Capital Outlay	2,654,260	67,554	0	261,275	15,000	0%	100%
<b>Total General Fund Expenditures</b>	<b>\$ 26,436,614</b>	<b>\$ 22,121,972</b>	<b>\$ 22,537,916</b>	<b>\$ 22,916,038</b>	<b>\$ 23,358,148</b>	<b>100%</b>	<b>4%</b>

**Total General Fund Expenditures by Department  
2012-13 Budget**



DEPARTMENTS	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% of Budget	% Change From 2011-12 Budget
City Council	\$ 652,388	\$ 664,005	\$ 599,095	\$ 675,773	\$ 645,615	3%	8%
City Manager	1,338,247	1,039,272	2,088,708	1,985,831	2,505,539	11%	20%
Management Services	7,101,543	3,978,355	2,821,798	3,323,034	2,703,345	12%	-4%
<b>Development Services</b>							
D. S. - Community Development	2,661,715	1,828,446	1,742,941	1,747,257	1,569,853	7%	-10%
D. S. - Code Compliance	2,101,417	1,995,824	2,042,086	2,175,590	2,212,503	9%	8%
D. S. - Public Works	1,255,473	1,265,265	1,340,496	1,253,782	1,298,555	6%	-3%
D. S. - Capital Improvement	125,286	0	0	0	0	0%	0%
Development Services Total	6,143,891	5,089,535	5,125,523	5,176,629	5,080,911	22%	-1%
Police	11,200,545	11,350,805	11,902,792	11,754,771	12,422,738	52%	4%
<b>Total General Fund Expenditures</b>	<b>\$26,436,614</b>	<b>\$ 22,121,972</b>	<b>\$22,537,916</b>	<b>\$22,916,038</b>	<b>\$ 23,358,148</b>	<b>100%</b>	<b>4%</b>

### **Summary of Position Changes**

The 2012-13 Budget reduces full-time City staffing by 3.8%, which is 12.00 FTE, from 316.40 to 304.40 full-time positions, and part-time positions are decreased by 0.24 FTE, for a total reduction of 12.24 FTE. The FTE reduction is comprised of the elimination of fifteen full-time positions, the elimination of one part-time position, restructuring of the Economic Development Department due to ABx1 26, which caused the dissolution of the Hesperia Community Redevelopment Agency, and the addition of three Sheriff Deputy positions. Total staffing for the City is proposed to decrease 3.8%, from 319.44 FTE to 307.20 FTE.

### **Position Changes During Fiscal Year 2011-12**

#### **Position Reductions to Fire District:**

The FY 2011-12 Budget was adopted by Council without the elimination of nine Firefighter/Paramedic (9.00 FTE) positions, contingent upon the approval by the voters of the Fire ballot measure. The Fire ballot measure did not pass, and the following positions were eliminated: 3 Captains, 3 Engineers, and 3 Firefighter/Paramedic, for a total reduction of 9.00 FTE.

#### **Position Reallocations for the Economic Development Department**

On February 1, 2012, State law mandated the dissolution of the Hesperia Community Redevelopment Agency (RDA). The following staff previously attributed to the RDA was reallocated:

- Deputy Economic Development Director
- Administrative Secretary
- Two Senior Management Analyst
- Three Administrative Analyst
- Administrative Aide

### **Positions Changes for Fiscal Year 2012-13**

#### **Net Two (2.00 FTE) Full-Time Positions Added in the Police Department:**

The FY 2012-13 Budget proposes to restore three Sheriff Deputy positions (3.00 FTE) of the five Sheriff Deputy positions (5.00 FTE) eliminated in the FY 2011-12 Budget and eliminate one vacant Sergeant position (1.00 FTE) in the Police Department for a net gain of 2.00 FTE.

#### **Five (5.00 FTE) Full-Time and 0.24 Part-Time Positions Eliminations for the short-term:**

- One vacant Deputy Human Resources/Risk Management Director position (1.00 FTE) in the Management Services Department – Human Resources/Risk Management Division due to retirement.
- One vacant Senior Management Analyst position (1.00 FTE) in the Economic Development Department.
- Once vacant Administrative Analyst position (1.00 FTE) in the Economic Development Department.
- One vacant Office Assistant position (1.00 FTE) in D.S. Public Works – Street Maintenance and D.S. Water Operating – Administration due to retirement.
- One vacant Senior Engineer position (1.00 FTE) in D.S. Public Works – Engineering and D.S. Water Operating – Engineering.
- One vacant Part-Time Senior Plans Examiner (0.24 FTE) in D.S. Community Development – Building & Safety.

#### **Three New Positions Added and Three Positions Eliminated (No Change in FTE):**

- One Accountant is added and one vacant Administrative Analyst is eliminated in the Finance Division.
- One Animal Control Officer is added and one vacant Senior Animal Control Officer is eliminated in D.S. Code Compliance – Animal Control.
- One Senior Custodian is added and one Custodian is eliminated in D.S. Public Works – Building Maintenance and D.S. Water Operating – Property Management.

**Summary of Position Changes (Continued)**

**Position Reallocations:**

The following positions are being reallocated to more accurately reflect the workload of the positions or for financial considerations in the FY 2012-13 Budget year, however, this represents no overall change in the total City staff:

- Management Analyst Position – Reallocate 1.00 FTE from D.S. Community Development – Planning to City Manager Department – Information Technology.

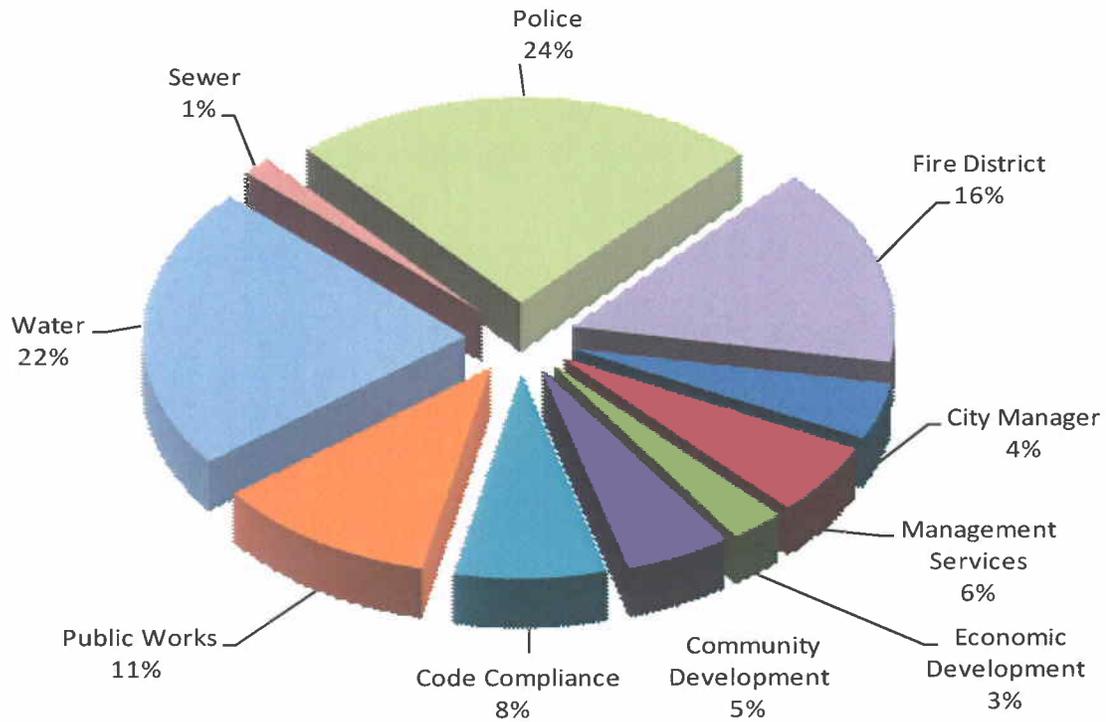
**Eight Position Reallocations for the Economic Development Department**

- Deputy Economic Development Director
- Administrative Secretary
- Senior Management Analyst
- Two Management Analyst
- Two Administrative Analyst
- Administrative Aide

**One Other Change proposed as follows:**

- Retitled/Reclassified one Assistant to the City Manager-Community Relations position in the City Manager Department to a Deputy City Manager position.

**2012-13 FULL-TIME AND PART-TIME STAFF BY DEPARTMENT**



<u>Departments</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>% Change From 2011-12 Budget</u>
City Manager	9.03	8.34	12.60	13.60	8%
Management Services	24.75	23.46	18.26	17.26	-5%
Economic Development	10.73	10.33	10.00	8.00	-20%
Development Services:					
Community Development	21.49	17.73	17.27	16.03	-7%
Code Compliance	26.78	23.78	23.78	23.78	0%
Public Works	35.90	35.40	35.36	34.36	-3%
Water	73.06	72.54	69.77	68.77	-1%
Sewer	5.50	5.50	4.50	4.50	0%
<b>Development Services Total</b>	<b>162.73</b>	<b>154.95</b>	<b>150.68</b>	<b>147.44</b>	<b>-2%</b>
<b>Sub-Total Non-Police &amp; Fire District</b>	<b>207.24</b>	<b>197.08</b>	<b>191.54</b>	<b>186.30</b>	<b>-3%</b>
Police	75.50	75.50	70.50	72.50	3%
Fire District	59.33	59.00	57.40	48.40	-16%
<b>Sub-Total Police &amp; Fire District</b>	<b>134.83</b>	<b>134.50</b>	<b>127.90</b>	<b>120.90</b>	<b>-5%</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>342.07</b>	<b>331.58</b>	<b>319.44</b>	<b>307.20</b>	<b>-4%</b>
Change Amount	na	-10.49	-12.14	-12.24	
Percentage	na	-3.1%	-3.7%	-3.8%	

**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 2011-12*</u>	<u>Projects Continued in 2012-13 Budget</u>	<u>New Projects Included in 2012-13 Budget</u>	<u>New &amp; Continued Projects Included in 2012-13 Budget</u>
Streets C I P Projects	\$6,435,738	\$19,627,374	\$2,714,345	\$22,341,719
Storm Drainage	0	1,211,404	0	1,211,404
Facilities	0	13,648,528	0	13,648,528
Water	0	0	0	0
Sewer	0	0	0	0
<b>Total C I P Projects</b>	<b>\$6,435,738</b>	<b>\$34,487,306</b>	<b>\$2,714,345</b>	<b>\$37,201,651</b>

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

**Streets C I P Projects - \$22,341,719 (2012-13 Budget)**

- 2012-13 Street Improvement Project – \$1,200,000 has been included in the FY 2012-13 Budget. 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
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	\$ 9,193,091	28.0	0
2009-10 Street Improvement Project	\$ 5,754,652	13.9	0
2010-11 Street Improvement Project	\$ 0	0	0
<u>2011-12 Street Improvement Project</u>	<u>\$ 2,015,101</u>	<u>5.0</u>	<u>10.0</u>
Eleven Year Total	\$64,904,047	281.8	51.6
<b><u>2012-13 Street Improvement Project</u></b>	<b><u>\$ 1,200,000</u></b>	<b><u>5.0</u></b>	<b><u>12.0</u></b>
Twelve Year Total	\$66,104,047	286.8	63.6

- Two Other New Street Project – 2 Projects \$1,514,345 – Funding in the amount of \$1,514,345 has been included in the FY 2012-13 Budget for the Sequoia Street bike routes and Willow Street paseo projects.

- Ranchero Road Related Projects – 3 Projects \$15,911,256 – Included in the FY 2012-13 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	\$12,000,000
• Ranchero Road I-15 Interchange Design and Right-of-Way Acquisition	3,550,000
• Ranchero Road Improvement – Seventh Avenue to Mariposa Road	<u>361,256</u>
	\$15,911,256

**CAPITAL IMPROVEMENT PROGRAM (C I P) SUMMARY (Continued)**

- Four Other Streets Projects – 4 Projects \$3,716,118 – Included in the FY 2012-13 Budget are four other continuing street projects. These projects include a carryover of a Street Improvement Project, parking lot site improvements, a realignment project, and circulation study.

• 2011-12 Street Improvement Project	\$2,015,101
• Cinema West Site Parking Improvements	1,546,017
• Choiceana/Talisman Realignment	147,500
• Santa Fe Circulation Study	<u>7,500</u>
	<b>\$3,716,118</b>

**Storm Drainage C I P Project - 1 Project \$1,211,404** – Included in the 2012-13 Budget is the continuation of one drainage project as shown below:

• H-01 Drainage Facility – (Section 3A) Third Avenue to Fourth Avenue	<u>\$1,211,404</u>
	<b>\$1,211,404</b>

**Facilities C I P Projects - 3 Projects \$13,648,528** – The following three projects totaling \$13,648,528 will be continued in Fiscal Year 2012-13 as follows:

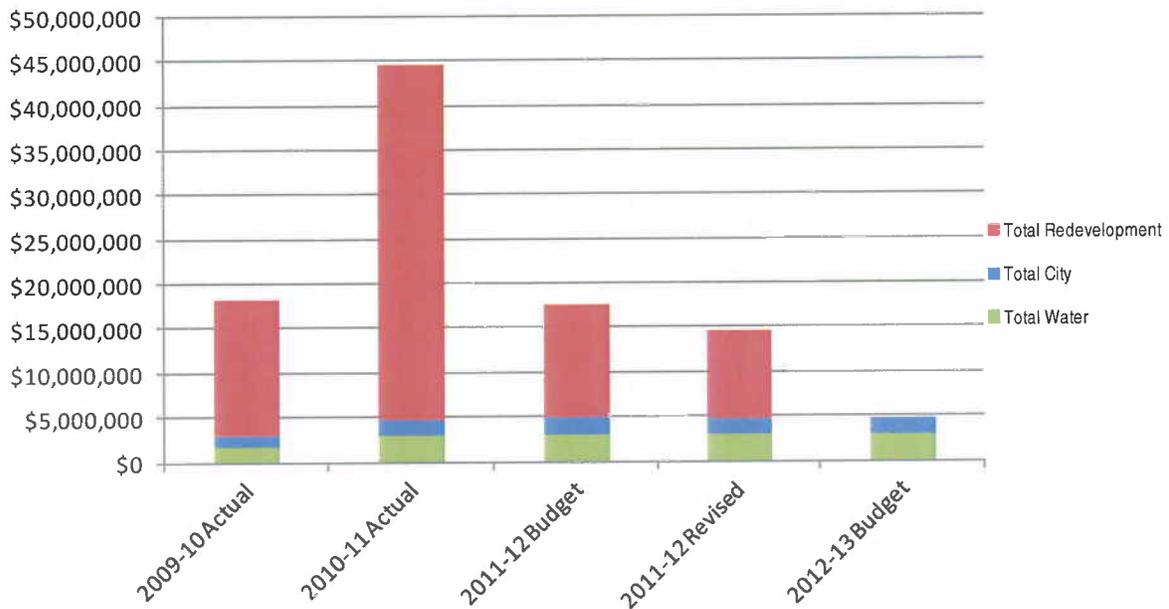
• High Desert County Government Center	\$ 8,400,000
• Fire Station 301 Construction	4,500,000
• Park and Ride Facility	<u>748,528</u>
	<b>\$13,648,528</b>

**Summary of Overall Debt Obligation Activity in Fiscal Year 2011-12 and 2012-13 Budget:**

- As of February 1, 2012, redevelopment agencies were dissolved by the State of California and funding for the former redevelopment agency obligations will be provided by the County of San Bernardino as outlined in ABX 26. As such, former redevelopment agency obligations will no longer be projected in the Debt Service Section of the City's Budget.
- During the time period since FY 2004-05, the lower interest rate environment associated with the variable rate debt issues resulted in the opportunity to prepay principal, through interest savings, thus lowering the overall outstanding debt more quickly. Prepayment information is as follows:
  - City Series 2004 Variable Rate Revenue Bonds (Streets) – The lower variable interest rate environment has enabled the City to prepay a total of \$2.4 million through budgetary savings.
  - Water 1998 Series A Revenue Bonds – The lower variable rate interest environment has enabled the Water District to prepay a total of \$500,000 through budgetary savings.
  - City 1996 HUD Section 108 Housing Loan – A total of \$300,000 in prepayments has been made toward this loan. The variable rate obligations for the City Streets Debt, Civic Plaza and Water District will continue to be monitored closely. If necessary, these obligations can be quickly swapped into fixed rates, as has been done with \$10 million of the Water 1998A series.

**Debt Obligation Principal and Interest Debt Service Payments**

The following chart summarizes the principal and interest debt service payments for all City debt obligations, from FY 2009-10 Actuals through the FY 2012-13 Budget:



**Summary of Operating Expenditures and Staffing Changes**

**CITY COUNCIL**

Department	2011-12 Budget	2012-13 Budget	Change From 2011-12 Budget	
			Amount	Percent
City Council	\$ 299,095	\$ 295,615	\$ (3,480)	-1%
City Attorney	300,000	350,000	50,000	17%
<b>Total City Council</b>	<b>\$ 599,095</b>	<b>\$ 645,615</b>	<b>\$ 46,520</b>	<b>8%</b>

Significant Department Expenditure and Staffing Changes:

- The City Attorney's Division experienced an unexpected increase in expenditures in FY 2011-12 primarily due to enforcement of the City's ban of illegal marijuana dispensaries and related litigation filed by the business and property owners. The increase in expenditures of \$50,000 above the 2011-12 Budget is anticipated to continue until further guidance is received from the California Supreme Court in 2013 and due to the wind-down of the Redevelopment Agency.

**CITY MANAGER**

Department	2011-12 Budget	2012-13 Budget	Change From 2011-12 Budget	
			Amount	Percent
City Manager	\$ 988,638	\$ 1,079,200	\$ 90,562	9%
City Clerk	0	0	0	0%
Information Technology	1,100,070	1,463,748	363,678	33%
<b>Total City Manager</b>	<b>\$ 2,088,708</b>	<b>\$ 2,542,948</b>	<b>\$ 454,240</b>	<b>22%</b>
Full & Part-Time Staff (FTE)	12.60	13.60	1.00	8%

Significant Department Expenditure and Staffing Changes:

- Funding of \$20,000 is included for consolidation with the San Bernardino County Registrar of Voters Office for the November 2012 General Election.
- The Assistant to the City Manager-Community Relations position is being retitled to the Deputy City Manager and being reallocated from 1.00 FTE in the City Manager Division to 0.75 FTE, with the remaining 0.25 FTE being transferred to the Information Technology Division to reflect the position's additional management responsibilities.
- One Management Analyst (1.00 FTE) is being transferred to the Information Technology (IT) Division from the Building and Safety program to provide staff assistance for the automated Land Management System and other IT related projects.
- Licensing and configuration of the CRW TRAKIT Land Management System which began in FY 2011-12 will be completed in FY 2012-13. Implementation of the Code Enforcement "CodeTRAK" module is scheduled for completion in FY 2012-13. All costs associated with Land Management System are being transferred from Development Services Department to City Manager Department.
- Funding of \$50,000 is included for 25<sup>th</sup> Anniversary events which include a Gala, community celebration with entertainment, staging and lighting, rentals, City bus tours and a time capsule. Costs will be off-set by community sponsorships of an undetermined amount.

**Summary of Operating Expenditures and Staffing Changes (Continued)**

**MANAGEMENT SERVICES**

Department	2011-12 Budget	2012-13 Budget	Change From 2011-12 Budget	
			Amount	Percent
Finance	\$ 1,465,052	\$ 1,482,607	\$ 17,555	1%
Human Resources/Risk Management	1,356,746	1,220,738	(136,008)	-10%
Management Information Services	0	0	0	0%
<b>Total Management Services</b>	<b>\$ 2,821,798</b>	<b>\$ 2,703,345</b>	<b>\$ (118,453)</b>	<b>-4%</b>
Full & Part-Time Staff (FTE)	18.26	17.26	-1.00	-5%

Significant Department Expenditure and Staffing Changes:

- The retirement of the Deputy Human Resources/Risk Management Director (1.00 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, with staffing assistance from other divisions to help with the workload.
- One additional Accountant (1.00 FTE) is being added and one vacant Administrative Analyst (1.00 FTE) position is being eliminated to reduce expenditures during the continuing economic downturn.

**ECONOMIC DEVELOPMENT DEPARTMENT**

Department	2011-12 Budget	2012-13 Budget	Change From 2011-12 Budget	
			Amount	Percent
<b>RDA:</b>				
Low/Moderate Income	\$ 5,271,672	\$ 0	\$ (5,271,672)	-100%
Administration	740,679	0	(740,679)	-100%
VVEDA Low/Moderate Income	410,970	0	(410,970)	-100%
Project Area #1 D/S	15,672,121	0	(15,672,121)	-100%
Project Area #2 D/S	1,330,976	0	(1,330,976)	-100%
Project Area #1 CIP	778,235	0	(778,235)	-100%
Project Area #2 CIP	0	0	0	0%
VVEDA	0	0	0	0%
<b>Subtotal RDA</b>	<b>\$ 24,204,653</b>	<b>\$ 0</b>	<b>\$(24,204,653)</b>	<b>-100%</b>
<b>Successor Agency:</b>				
Redevelopment Obligation Retirement Fund - Area 1	\$ 0	\$ 16,768,688	\$ 16,768,688	100%
Redevelopment Obligation Retirement Fund - Area 2	0	2,145,181	2,145,181	100%
Redevelopment Obligation Retirement Fund - Housing	0	3,626,356	3,626,356	100%
Successor Agency Administration	0	202,500	202,500	100%
<b>Subtotal Successor Agency</b>	<b>\$ 0</b>	<b>\$ 22,742,725</b>	<b>\$ 22,742,725</b>	<b>100%</b>

**Summary of Operating Expenditures and Staffing Changes (Continued)**

**ECONOMIC DEVELOPMENT DEPARTMENT (Continued)**

Department	2011-12 Budget	2012-13 Budget	Change From 2011-12 Budget	
			Amount	Percent
Community Development Commission				
Community Development Commission	\$ 0	\$ 617,168	\$ 617,168	100%
Subtotal Community Development Commission	\$ 0	\$ 617,168	\$ 617,168	100%
Hesperia Housing Authority				
Hesperia Housing Authority	\$ 0	\$ 1,328,974	\$ 1,328,974	100%
VVEDA Housing Authority	0	425,000	425,000	100%
Subtotal Hesperia Housing Authority	\$ 0	\$ 1,753,974	\$ 1,753,974	100%
CDBG:				
Administration	\$ 2,010,414	\$ 1,975,105	\$ (35,309)	-2%
HOME	0	0	0	0%
Revolving Loans	660,011	462,043	(197,968)	-30%
Neighborhood Stabilization	2,597,880	1,726,156	(871,724)	-34%
Subtotal CDBG	\$ 5,268,305	\$ 4,163,304	\$ (1,105,001)	-21%
<b>Total Economic Development</b>	<b>\$ 29,472,958</b>	<b>\$ 29,277,171</b>	<b>\$ (195,787)</b>	<b>-1%</b>
Full & Part-Time Staff (FTE)	10.00	8.00	-2.00	-20%

Significant Department Expenditure and Staffing Changes:

- Redevelopment Agency Dissolution Wind-down – As of February 1, 2012, redevelopment agencies were abolished by the State of California. Per ABX 26, future funding for the agency’s outstanding obligations will be provided by the County of San Bernardino in the form of property taxes.

As part of the dissolution process, the City Council adopted Resolution No. 2011-027, which designated the City as the Successor Agency to perform the duties and functions necessary to wind-down the agency. The following funds have been created as part of the Successor Agency wind-down: Fund 173 - Successor Agency Administration, Fund 160 – Redevelopment Obligation Retirement Fund P/A #1, Fund 161 – Redevelopment Obligation Retirement Fund P/A #2, and Fund 162, - Redevelopment Obligation Retirement Fund Housing.

With respect to housing activities, the City Council adopted Resolution No. 2011-021 and 2011-027, designating the City of Hesperia as the Successor Housing Agency. The Hesperia Housing Authority, Funds 370 and 371, were established to transact business pursuant to California Housing Authority Law along with the assumption the Hesperia Community Redevelopment Agency and Victor Valley Economic Development Authority functions, assets and obligations.

The City Council also approved the establishment of the Hesperia Community Development Commission, Fund 170, to transact certain economic and community development functions.

- Eliminate one vacant Administrative Analyst (1.0 FTE) position due to lack of funding because the State of California eliminating Redevelopment Agencies state wide to use tax increment to fund state responsibilities instead sponsoring economic development in cities and counties.
- Eliminate one vacant Senior Management Analyst (1.0 FTE) position due to lack of funding because the State of California eliminating Redevelopment Agencies state wide to use tax increment to fund state responsibilities instead sponsoring economic development in cities and counties.
- All other staff were reallocated to the Hesperia Community Development Commission (Fund 170), the Hesperia Housing Authority (Fund 370), or the Community Development Block Grant programs.

**Summary of Operating Expenditures and Staffing Changes (Continued)**

**D.S. COMMUNITY DEVELOPMENT**

Department	2011-12 Budget	2012-13 Budget	Change From 2011-12 Budget	
			Amount	Percent
Planning	\$ 983,146	\$ 891,224	\$ (91,922)	-9%
Building & Safety	759,795	678,629	(81,166)	-11%
<b>Total Community Development</b>	<b>\$ 1,742,941</b>	<b>\$ 1,569,853</b>	<b>\$ (173,088)</b>	<b>-10%</b>
Full & Part-Time Staff (FTE)	17.27	16.03	-1.24	-7%

Significant Department Expenditure and Staffing Changes:

- One Management Analyst (1.00 FTE) position is being transferred from the Planning program to the Information Technology (IT) Division to provide staff assistance for the automated Land Management System and other IT related projects as needed.
- Eliminate one vacant part time Senior Plans Examiner (0.24 FTE) position and use some consulting assistance for certain development projects.
- Land Management Operating expense transferred to Information Technology Division.
- General Plan Housing Element update as required by State law with consultant assistance of \$15,000.

**D.S. CODE COMPLIANCE**

Department	2011-12 Budget	2012-13 Budget	Change From 2011-12 Budget	
			Amount	Percent
Code Enforcement	\$ 815,344	\$ 858,727	\$ 43,383	5%
Animal Control	1,226,742	1,353,776	127,034	10%
<b>Total D.S.-Code Compliance</b>	<b>\$ 2,042,086</b>	<b>\$ 2,212,503</b>	<b>\$ 170,417</b>	<b>8%</b>
Full & Part-Time Staff (FTE)	23.78	23.78	0.00	0%

Significant Department Expenditure and Staffing Changes:

- Hearing Officer contractual costs and abatement costs are expected to increase from \$40,000 to \$70,000 for an increase of 75% due to Medical Marijuana case appeals and abandoned homes.
- Contractual expenditures increased for additional veterinary services costs due to "Buy one, get one free" the adoption program, which has depleted the spay/neuter trust fund thereby requiring more general fund veterinary expenses.
- One additional Animal Control Officer (1.00 FTE) is being added and one vacant Senior Animal Control Officer (1.00 FTE) is being eliminated.

**Summary of Operating Expenditures and Staffing Changes (Continued)**

**D.S. PUBLIC WORKS**

Department			Change From 2011-12 Budget	
	2011-12 Budget	2012-13 Budget	Amount	Percent
Street Maintenance	\$ 3,102,389	\$ 3,206,834	\$ 104,445	3%
Engineering	540,616	484,059	(56,557)	-10%
Building Maintenance	799,880	814,496	14,616	2%
<b>Total D.S. Public Works</b>	<b>\$ 4,442,885</b>	<b>\$ 4,505,389</b>	<b>\$ 62,504</b>	<b>1%</b>
Full & Part-Time Staff (FTE)	35.36	34.36	-1.00	-3%

Significant Department Expenditure and Staffing Changes:

- The retirement of one Office Assistant (0.50 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn and related reduced maintenance call activity.
- Eliminate one vacant Senior Engineer (0.50 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.
- Eliminate one Custodian (0.50 FTE) position and create one new Senior Custodian (0.50 FTE) position to lead and oversee current custodial staff and assist with minor maintenance and repair tasks for better overall maintenance of buildings and facilities.

**D.S. WATER**

Department			Change From 2011-12 Budget	
	2011-12 Budget	2012-13 Budget	Amount	Percent
Water Operating				
Source of Supply	\$ 2,744,923	\$ 2,581,602	\$ (163,321)	-6%
Production	2,926,431	2,974,373	47,942	2%
Distribution	1,124,084	1,123,748	(336)	0%
Pipeline Maintenance	1,136,878	1,261,650	124,772	11%
Engineering	881,340	819,342	(61,998)	-7%
Customer Service	1,134,023	1,140,523	6,500	1%
Utility Billing	935,038	959,326	24,288	3%
Administration	6,079,062	6,086,655	7,593	0%
Property Management	311,132	304,610	(6,522)	-2%
Subtotal Water Operating	\$ 17,272,911	\$ 17,251,829	\$ (21,082)	0%
Water Capital	0	0	0	0%
<b>Total D.S.-Water</b>	<b>\$ 17,272,911</b>	<b>\$ 17,251,829</b>	<b>\$ (21,082)</b>	<b>0%</b>
Full & Part-Time Staff (FTE)	69.77	68.77	-1.00	-1%

Significant Department Expenditure and Staffing Changes:

Production

- Hesperia Golf Course water supply well and four irrigation booster pumps will be integrated into the existing Water Production division's pump maintenance program.

**Summary of Operating Expenditures and Staffing Changes (Continued)**

**D.S. Water (Continued)**

Significant Department Expenditure and Staffing Changes:

Pipeline Maintenance

- The cost of materials is expected to increase due to projected price increases, and the purchase of additional material needed for CO 3404, which is a larger project.

Engineering

- Eliminate one vacant Senior Engineer (0.50 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.

Utility Billing

- Funding has been included for a new postage meter, folder-inserter, color printer, and mail room software lease agreement. This new equipment will eliminate the need for manual stuffing and folding of bills, while also reducing overall mailing costs.

Administration

- The retirement of one Office Assistant (0.50 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn.

Property Management

- Eliminate one Custodian (0.50 FTE) position and create one new Senior Custodian (0.50 FTE) position to lead and oversee current custodial staff and assist with minor maintenance and repair tasks for better overall maintenance of buildings and facilities.

**D.S. SEWER**

Department	2011-12 Budget	2012-13 Budget	Change From 2011-12 Budget	
			Amount	Percent
Sewer Operations	\$ 2,291,997	\$ 2,297,695	\$ 5,698	0%
Sewer Capital	0	200,000	200,000	100%
<b>Total D.S. Sewer</b>	<b>\$ 2,291,997</b>	<b>\$ 2,497,695</b>	<b>\$ 205,698</b>	<b>9%</b>
Full & Part-Time Staff (FTE)	4.50	4.50	0.00	0%

Significant Department Expenditure and Staffing Changes:

- None

**POLICE DEPARTMENT**

Department	2011-12 Budget	2012-13 Budget	Change From 2011-12 Budget	
			Amount	Percent
Police	\$ 11,902,792	\$ 12,422,738	\$ 519,946	4%
<b>Total Police</b>	<b>\$ 11,902,792</b>	<b>\$ 12,422,738</b>	<b>\$ 519,946</b>	<b>4%</b>
Full & Part-Time Staff (FTE)	70.50	72.50	2.00	3%

**Summary of Operating Expenditures and Staffing Changes (Continued)**

**POLICE DEPARTMENT (Continued)**

Significant Department Expenditure and Staffing Changes:

- The FY 2012-13 Police Department Budget of \$12,422,738 is expected to increase by \$520,000 or 4% from the FY 2011-12 Budget of \$11,902,792. The 4% increase is primarily due to the increase of two sworn positions.

In order to carryover the Police Service contract with the County, it was anticipated that the Police Service contract would increase by 5.3% or \$583,353, for total of \$11,830,783. The carryover increase is due to a \$0.3 million increase to salary and benefits, which is due to a 2% Cost of Living Adjustment (COLA), and an increase to the retirement rate for County employees, coupled with an increase of \$0.2 million to the contract administration cost charged by the County of San Bernardino. However, by eliminating one (1) vacant Sergeant position and restoring three (3) of the five (5) eliminated vacant Sheriff Deputy positions from the FY 2011-12 Budget, the contract would increase by \$344,007 over the carryover contract to a projected cost of \$12,174,790.

In order to offset the costs of restoring the three Sheriff Deputy positions, the FY 2012-13 does not include funding for the Police Booking Fees, which is a reduction of \$200,000 from the FY 2011-12 Budget. At this time, it appears that the State of California will reimburse for the any Booking Fees. In addition, after an in-depth analysis of Police overtime, the assumption was made that there should be sufficient vacancy credits to offset any overtime cost incurred, which will result in a reduction of \$200,000 from the previous fiscal year's budget. In total, an expected savings of \$400,000 will be used to offset some the costs of increasing the Police Service contract, thereby only increasing the Police Department Budget by 4%.

**FIRE DISTRICT**

Department	2011-12 Budget	2012-13 Budget	Change From 2011-12 Budget	
			Amount	Percent
Operations and Community Safety	\$9,245,210	\$8,193,879	\$ (1,051,331)	-11%
Administration	234,570	236,790	2,220	1%
<b>Total Fire District</b>	<b>\$ 9,479,780</b>	<b>\$ 8,430,669</b>	<b>\$ (1,049,111)</b>	<b>-11%</b>
Full & Part-Time Staff (FTE)	57.40	48.40	-9.00	-16%

Significant Department Expenditure and Staffing Changes:

- The County Fire contract changed during 2011-12 as the Proposed 2011-12 Budget was \$8,131,496, with the Adopted 2011-12 Budget approved June 21, 2011 being \$9,245,210, along with Measure F to be placed on the November 2011 ballot. After the Measure F failed, the Fire contract was amended down to \$8,555,919.

Therefore, the County contract for the current level of service has decreased from \$8,555,919 to \$8,193,879 for a \$362,040, or 4.2% decrease paid to the San Bernardino County Fire Protection District. This decrease reflects the 2011-12 amended contract decrease of 9.0 FTEs including 3.0 Captains; 3.0 Engineers; and 3.0 Firefighter/ Paramedics in the wake of the Measure F no vote.

These cost decreases are netted against the cost increases related to overtime costs increase from \$438,025 to \$627,489 for a \$189,464, or 43.3% increase due to changes at the County level requiring more overtime usage, and benefit cost increases from \$1,580,847 to \$1,792,375 for a \$211,528, or 13.4% increase.

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## CITY OF HESPERIA MISSION STATEMENT

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

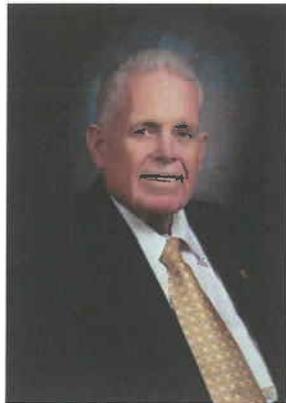
## CITY OF HESPERIA VALUES

***We, the City of Hesperia employees, value:***

- \* *Our individual contributions to the entire organization.*
- \* *High professional standards of integrity and ethical behavior.*
- \* *All employees as partners, empowering the work environment that encourages loyalty to the entire organization, and open communication.*
- \* *Mastering the fine points/details of our work and accepting responsibility for doing our job well.*
- \* *Providing superior quality service.*
- \* *Our customers.*
- \* *Our people as potential innovators and support acceptable risk taking.*
- \* *Recognizing fellow employees for their individual contributions.*

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# 2012-13 City Council



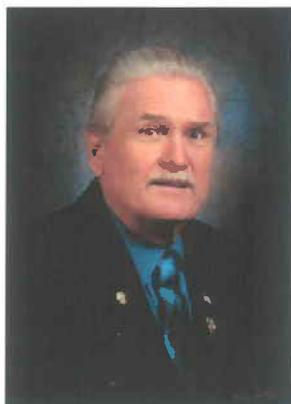
Russell "Russ" Blewett, Mayor



Bill Holland  
Mayor Pro Tem



Paul Bosacki  
Council Member



Mike Leonard  
Council Member

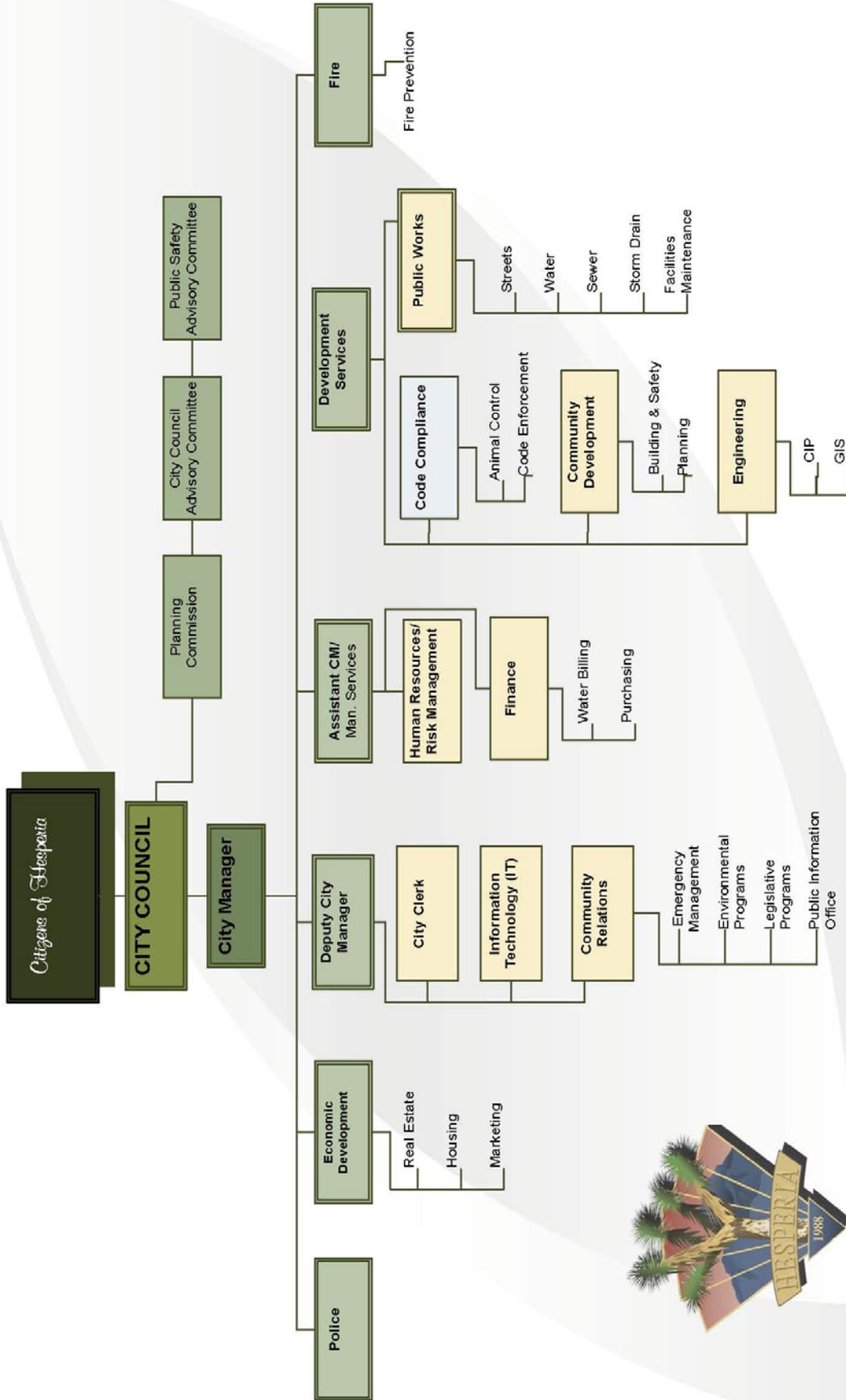


Thurston "Smitty" Smith  
Council Member



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# City of Hesperia Organizational Chart



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**City of Hesperia History**  
**Fiscal Year 2012-13**



The history of Hesperia is the history of the American West, as reflected by its name, which is reported to be Greek for "Star of the West". It is probable that the Native Americans were the first to settle in the area, with the first white man to pass through thought to be a Spaniard called Father Francisco Garces.

During the period of 1826-27, a guide by the name of Jedediah Smith pioneered the Mormon Trail, a route that extended across the desert from what today is Needles, a city at the California and Arizona border. As the trail wound westward toward its terminus at Mission San Gabriel, the Mormon Trail passed through Hesperia and was the route that General John Fremont and Kit Carson took in 1842, when they lead an Army party exploring the west. Fremont's journal specifically tells of the camp at the headwaters of the Mojave River, of the hundreds of Joshua trees everywhere, and of the "disappearing waters" where the river flows underground.

By 1845, the Mormon Trail was a well-established east-west crossing, with records reflecting that as many as 300 to 500 people per year traveled the trail; numbers that only increased as California became a part of the United States.

In 1847, the Atchison, Topeka and Santa Fe Railroad ran the first tracks through the area, and upon completion of the depot in 1885, the area was officially named "Hesperia". Also in 1885, a gentleman named Joseph Widney acquired the township of Hesperia, and shortly thereafter, he formed the Hesperia Land and Water Company for the purpose of creating a town.

Having laid out the Town, Hesperia Land and Water Company moved quickly to establish water rights with the County of San Bernardino, and this initial water appropriation was, ironically, in an amount sufficient to service a population of 56,500 people; only slightly less than the present day population of Hesperia.

During the time between 1870 and 1882, the agricultural crops of early ranchers (Mrs. C.B. Shaw, Mrs. Fleming and Mr. Sefton) received growing interest. The Shaw ranch employed 60 men and harvested 180 acres of grapes, which were tray-dried and shipped as raisins. It was Sefton, however, that brought the most fame to Hesperia with the wine created from his grapes being shipped throughout California and to the east coast.

Aside from grape production, Hesperia's first real industry was established around 1890, when an enterprising businessman saw commercial possibilities in the large Juniper bushes that dotted the Hesperia landscape. Contracting with Los Angeles bakers, he began supplying them with wood as fuel for their bakery kilns, shipping 7 to 10 carloads of Juniper cuttings to Los Angeles daily. Unfortunately, the juniper industry in Hesperia was short-lived, as oil became the principal fuel for baker's kilns in the early 1900's.

During the early 1900's, cross-country automobile travel brought visitors directly through Hesperia, the last major stopping point for automotive needs prior to crossing the dreaded Cajon Pass, with its narrow hairpin turns and steep roads. Unfortunately for local business, Highway ("Route 66") was realigned to the west of Hesperia in 1924.

As it is today, Hesperia became known in the 1950's for its affordable land (lots usually sold in increments of \$50 each), which attracted many investors, and the average dreamer wanting to invest in land. It wasn't until 1988, when voters approved incorporation and the City of Hesperia was born. The first City Council consisted of founding fathers Percy Bakker, George Beardsley, Bruce Kitchen, Howard Roth, and Val Shearer.

Having celebrated twenty years as a City, Hesperia has faced many challenges such as flooding, deteriorating streets, and a small tax base. But throughout the "growing pains" of early cityhood, the residents have continued to show a strong civic pride and community involvement that makes it unique in the High Desert. It is, in fact, during times of adversity that they demonstrate the spirit that carried their forefathers across the Mojave Desert to the place they call home.

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# HESPERIA COMMUNITY PROFILE

Date Incorporated ..... July 1, 1988

Form of Government..... General Law

Population as of January 1, 2012 (Ca State Dept of Finance est) ..... 91,033

Population 2008-2012 - 5 Years + 3,213 or 3.13%

	<u>Jan. 1, 2008</u>	<u>Jan. 1, 2009</u>	<u>Jan. 1, 2010</u>	<u>Jan. 1, 2011</u>	<u>Jan. 1, 2012</u>
Population:	87,820	88,184	88,479	90,726	91,033
Change: Amount	+1,944	+364	+295	+2,247	+307
Change: Percent	+2.3%	+0.4%	+0.3%	+2.5%	+0.3%

Median Family Income ..... \$47,932

Altitude..... 3,250 Feet

Rainfall..... Normal (Under 10 Inches)

Location ..... 45 Miles NE of Ontario Along I-15

Area ..... 74.77 Square Miles

Streets ..... 530.2 Miles

City Maintained Streets..... 524.5 Miles

**Fire Protection:**

Number of Stations ..... 4

Number of Staff – Firefighters/Officers ..... 43.90

Number of Staff – Non-Safety..... 4.50

**Police Protection (Contract with San Bernardino County):**

Number of Stations ..... 1

Number of Sworn Officers..... 54.00

Number of Staff – Non-Sworn..... 18.50

**Education (Hesperia Unified School District):**

Number of Schools ..... 25

Number of Teachers ..... 1,001

Number of Students..... 20,906

Recreation and Culture Parks..... 8

Hotels/Motels – Number of Lodging Properties ..... 9

City of Hesperia Employees (Full & Part-Time Positions)..... 186.30

**Water District:**

Water Service Connections ..... 26,189

Sewer Service Connections..... 5,150

Active Well Sites ..... 18

Reservoirs..... 14

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RESOURCES  
AND  
EXPENDITURE  
SUMMARIES

- *Overview*
  
- *Summary*
  
- *General Fund - 2012-13 Budget, Fund Balance, and Reserves*
  
- *Water District - 2012-13 Budget, Fund Balance, and Reserves*
  
- *Fire District - 2012-13 Budget, Fund Balance, and Reserves*
  
- *Streets Maintenance Fund - 2012-13 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 five primary operating funds or fund groups, which include the General Fund, Water District, Fire District, Public Works Streets Maintenance, and Redevelopment Agency.

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 five funds or fund groups. The 2012-13 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 2012-13 Budget.

## SUMMARY

Both the City's General Fund and Water District are balanced with a surplus above the 10% reserve level where cash reserve levels substantially exceed the City Council/Board policy of 10%. The City Council's/Board's policy of maintaining 10% cash reserves as a percent of expenditures is illustrated on the following table and schedules on the following pages. However, the Fire District is improving to 9% or just below the City Council 10% policy.

	<u>General Fund</u>		<u>Fire District</u>		<u>Water District</u>	
10% Cash Reserves (Council/Board Policy)	\$2,335,815	10%	\$843,067	10%	\$1,974,952	10%
Cash Reserves Above 10% Reserve	5,726,111	25%	(105,510)	-1%	1,972,611	10%
Total Estimated Cash Reserves	<u>\$8,061,926</u>	<u>35%</u>	<u>\$ 737,557</u>	<u>9%</u>	<u>\$3,947,563</u>	<u>20%</u>

**RESOURCES AND EXPENDITURES SUMMARIES**  
**GENERAL FUND – 2012-13 BUDGET, FUND BALANCE, AND RESERVES**

	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget	
<b>RESOURCES</b>					
<b>Total General Fund Revenue</b>	\$ 20,081,224	\$ 20,705,026	\$ 21,366,537	6%	
<b>Budgeted Reserves</b>					
1. Other	\$ 39,706	\$ 39,706	\$ 321,000		
2. Budget Amendment Reserves	0	648,006	0		
<b>Total Budgeted Reserves</b>	<b>\$ 39,706</b>	<b>\$ 687,712</b>	<b>\$ 321,000</b>	<b>708%</b>	
<b>Transfers</b>					
1. Fund 255 - AB 3229 COPS Grant	\$ 28,000	\$ 28,000	\$ 165,192		
2. Fund 389 - Indirect Cost Allocation-Redevelopment	549,355	0	0		
3. Fund 150 - Indirect Cost Allocation-RDA	0	549,355	0		
4. Fund 700 - Indirect Cost Allocation-Water	1,200,000	1,200,000	1,200,000		
5. Fund 710 - Indirect Cost Allocation-Sewer	180,966	180,966	167,057		
6. Fund 700 - G&A Prior Year Uncharged Water	500,000	500,000	500,000		
7. Fund 600 - Ranchero Rd Undercrossing Proj. Mgmt.	123,905	123,905	0		
8. Fund 401 - City Debt Service	(106,974)	(106,974)	(51,146)		
9. Fund 503 - County Building Reconciliation	0	(407,196)	0		
10. Fund 170 - Community Development Commission	0	0	(250,000)		
<b>Total Transfers</b>	<b>2,475,252</b>	<b>2,068,056</b>	<b>1,731,103</b>	<b>-30%</b>	
<b>TOTAL RESOURCES</b>					
(Revenue, Budgeted Reserves, and Transfers)	<u>22,596,182</u>	<u>23,460,794</u>	<u>23,418,640</u>		
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<u>22,537,916</u>	<u>22,916,038</u>	<u>23,358,148</u>	4%	
<b>DIFFERENCE RESOURCES/EXPENDITURES</b>	<b>\$ 58,266</b>	<b>\$ 544,756</b>	<b>\$ 60,492</b>		
<b>Fund Balance</b>					
July 1 Beginning Balance	\$ 15,885,555	\$ 16,923,804	\$ 16,780,848		
Total Budgeted Reserves	(39,706)	(687,712)	(321,000)		
Difference Resources/Expenditures	58,266	544,756	60,492		
<b>Estimated June 30 Ending Balance</b>	<b>\$ 15,904,115</b>	<b>\$ 16,780,848</b>	<b>\$ 16,520,340</b>		
<b>General Fund Reserve Amounts</b>					
10% of expenditures	\$ 2,253,792	\$ 2,291,604	\$ 2,335,815		
<b>Cash and Investments</b>					
June 30 Ending Balance	\$ 15,904,115	\$ 16,780,848	\$ 16,520,340		
Estimated Cash and Investment Portion of Fund Balance	x 48.8%	x 48.8%	x 48.8%		
<b>Estimated Cash and Investment Balance</b>	<b>\$ 7,761,208</b>	<b>\$ 8,189,054</b>	<b>\$ 8,061,926</b>		
<b>Reserves</b>	<u>2011-12 Reserve %</u>			<u>2012-13 Reserve %</u>	
10% Cash Reserve (Council Policy)	10%	\$ 2,253,792	\$ 2,291,604	\$ 2,335,815	10%
Reserves Above/(Below) 10% Reserve	24%	5,507,416	5,897,450	5,726,111	25%
<b>Total Estimated Cash Reserves</b>	<b>34%</b>	<b>\$ 7,761,208</b>	<b>\$ 8,189,054</b>	<b>\$ 8,061,926</b>	<b>35%</b>

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 actually higher as reported in the Comprehensive Annual Financial Report (CAFR).

**RESOURCES AND EXPENDITURES SUMMARIES**  
**WATER DISTRICT – 2012-13 BUDGET, FUND BALANCE, AND RESERVES**

	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>RESOURCES</b>				
Revenue				
Water Operating and Capital	\$ 16,445,489	\$ 16,499,077	\$ 16,505,432	0%
Sewer Operating and Capital	3,193,191	3,272,595	3,225,286	1%
Total Revenue	<u>\$ 19,638,680</u>	<u>\$ 19,771,672</u>	<u>\$ 19,730,718</u>	0%
Budgeted Reserves				
Budgeted Reserves	\$ 1,002,721	\$ 746,741	\$ 1,059,897	
Total Budgeted Reserves	<u>1,002,721</u>	<u>746,741</u>	<u>1,059,897</u>	
<b>Transfers</b>				
<b>Total Resources</b>	<u><b>\$ 20,641,401</b></u>	<u><b>\$ 20,518,413</b></u>	<u><b>\$ 20,790,615</b></u>	
<b>EXPENDITURES by Program</b>				
Water Operating and Capital	\$ 17,272,911	\$ 16,947,418	\$ 17,251,829	0%
Sewer Operating and Capital	2,291,997	2,294,518	2,497,695	9%
<b>Total Expenditures</b>	<u><b>19,564,908</b></u>	<u><b>19,241,936</b></u>	<u><b>19,749,524</b></u>	<b>1%</b>
Difference Resources/Expenses	\$ 1,076,493	\$ 1,276,477	\$ 1,041,091	

**WATER DISTRICT – FUND BALANCE AND RESERVES**

<b>Fund Balance</b>			
July 1 Beginning Balance	\$ 79,356,501	\$ 77,727,345	\$ 78,257,081
Budgeted Reserves	(1,002,721)	(746,741)	(1,059,897)
Difference Resources/Expenditures	1,076,493	1,276,477	1,041,091
<b>Estimated June 30 Ending Balance</b>	<u><b>\$ 79,430,273</b></u>	<u><b>\$ 78,257,081</b></u>	<u><b>\$ 78,238,275</b></u>
Less: Net Capital Assets	(91,852,169)	(88,081,397)	(88,081,397)
Construction in Progress	(726,797)	(2,252,682)	(2,252,682)
Add: Outstanding Long-Term Debt	22,766,457	20,942,910	20,942,910
<b>Estimated June 30 Ending Operating Fund Balance</b>	<u><b>9,617,764</b></u>	<u><b>8,865,912</b></u>	<u><b>8,847,106</b></u>
Water District Reserve Amounts			
10% of expenditures	\$ 1,956,491	\$ 1,924,194	\$ 1,974,952
<b>Cash and Investments</b>			
June 30 Ending Balance	\$ 79,430,273	\$ 78,257,081	\$ 78,238,275
Estimated Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%
<b>Estimated Cash and Investment Balance</b>	<u><b>\$ 14,297,449</b></u>	<u><b>\$ 14,086,275</b></u>	<u><b>\$ 14,082,890</b></u>

	2011-12 Reserve %			2012-13 Reserve %
<b>Reserves</b>				
10% Cash Reserve (Council Policy)	10%	\$ 1,956,491	\$ 1,924,194	\$ 1,974,952
Reserves Above/(Below) 10% Reserve	-5%	(1,038,938)	(353,537)	1,972,611
<b>Total Estimated Cash Reserves</b>	<u>5%</u>	<u><b>\$ 917,553</b></u>	<u><b>\$ 1,570,657</b></u>	<u><b>\$ 3,947,563</b></u>

**RESOURCES AND EXPENDITURES SUMMARIES**  
**WATER DISTRICT – WATER OPERATIONS - 2012-13 BUDGET, FUND BALANCE, AND RESERVES**

Below is the combined ending cash balance of the Hesperia Water District for the last three fiscal years and through March 2012 of the current fiscal year.

		<u>2011-12 Budget</u>	<u>2011-12 Revised</u>	<u>2012-13 Budget</u>
<b>Water District Cash Balances as of:</b>	<b>6/30/2009</b>	<b>6/30/2010</b>	<b>6/30/2011</b>	<b>3/31/2012</b>
Water Operations	\$ 3,657,331	\$ 6,623,895	\$ 5,193,205	\$ 6,618,109
Water Capital	(10,403,498)	(12,960,232)	(12,916,989)	(12,627,916)
Sewer Operations	4,301,986	3,653,898	5,843,447	6,401,073
Sewer Capital	3,350,209	3,599,992	3,450,994	3,556,298
<b>Total Water District Cash Balances</b>	<b>\$ 906,028</b>	<b>\$ 917,553</b>	<b>\$ 1,570,657</b>	<b>\$ 3,947,563</b>

As shown above, the combined cash balance of the Water District has been improving in light of the condition of the economy of the High Desert which has been hit hard by the effects of the recession. Some factors affecting the cash balance of the Water District are many vacant houses and the decision of home owners to conserve, or reduce for economic reasons, their water use. In light of the usage reduction, the Water District is obligated to incur various operating costs to maintain a sanitized water delivery system to its customers.

Other considerations on the cash balance of the Water District are that during the fiscal year ended June 30, 2010 the Fiscal Agent of the 1998 A&B bonds required the District to deposit with them \$1,880,000 as collateral. This caused a cash flow problem which was cured by the Water District borrowing \$6,000,000 from the former Hesperia Community Redevelopment Agency at the end of fiscal year 2009-10. This loan was for 5 years with repayment starting in fiscal year 2010-11 through fiscal year 2014-15 or \$1,200,000 plus outstanding interest on the balance.

When considering the extra debt burden on the Water District repaying the \$6,000,000 loan, the District's cash balance has been improving.

**RESOURCES AND EXPENDITURES SUMMARIES**  
**WATER DISTRICT – WATER OPERATIONS - 2012-13 BUDGET, FUND BALANCE, AND RESERVES**

	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>RESOURCES</b>				
Total Water Operations Revenue	\$ 16,270,190	\$ 16,200,677	\$ 16,345,432	0%
Budgeted Reserves				
Budgeted Reserves	1,002,721	746,741	906,397	
Budget Amendment Reserve	0	0	0	
Total Budgeted Reserves	<u>1,002,721</u>	<u>746,741</u>	<u>906,397</u>	
<b>Transfers</b>				
<b>Total Resources</b>	<u><b>17,272,911</b></u>	<u><b>16,947,418</b></u>	<u><b>17,251,829</b></u>	
<b>EXPENDITURES by Program</b>				
700 4010 Source of Supply	2,744,923	2,729,089	2,581,602	
700 4020 Production	2,926,431	2,840,021	2,974,373	
700 4030 Water Distribution	1,124,084	1,112,833	1,123,748	
700 4035 Water Line Replacement	1,136,878	1,066,767	1,261,650	
700 4040 Engineering	881,340	818,357	819,342	
700 4050 Customer Service	1,134,023	1,129,999	1,140,523	
700 4060 Utility Billing	935,038	979,644	959,326	
700 4070 Administration	6,079,062	5,997,697	6,086,655	
700 4080 Property Management	311,132	273,011	304,610	
<b>Total Expenditures</b>	<u><b>17,272,911</b></u>	<u><b>16,947,418</b></u>	<u><b>17,251,829</b></u>	0%
<b>Difference Resources/Expenses</b>	<u><b>\$ 0</b></u>	<u><b>\$ 0</b></u>	<u><b>\$ 0</b></u>	

**WATER OPERATIONS – FUND BALANCE AND RESERVES**

Fund Balance				
July 1 Beginning Balance	\$ 75,668,726	\$ 74,275,000	\$ 73,528,259	
Budgeted Reserves	(1,002,721)	(746,741)	(906,397)	
Difference Resources/Expenditures	0	0	0	
<b>Estimated June 30 Ending Balance</b>	<u><b>\$ 74,666,005</b></u>	<u><b>\$ 73,528,259</b></u>	<u><b>\$ 72,621,862</b></u>	
Less: Net Capital Assets	(85,716,742)	(82,148,647)	(82,148,647)	
Add: Outstanding Long-Term Debt	22,732,782	20,905,340	20,905,340	
<b>Estimated June 30 Ending Operating Fund Balance</b>	<u><b>11,682,045</b></u>	<u><b>12,284,952</b></u>	<u><b>11,378,555</b></u>	
Water District Reserve Amounts				
10% of expenditures	\$ 1,727,291	\$ 1,694,742	\$ 1,725,183	
Cash and Investments				
June 30 Ending Balance	\$ 74,666,005	\$ 73,528,259	\$ 72,621,862	
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%	
<b>Estimated Cash and Investment Balance</b>	<u><b>\$ 13,439,881</b></u>	<u><b>\$ 13,235,087</b></u>	<u><b>\$ 13,071,935</b></u>	
				<b>2012-13</b>
<b>Reserves</b>				<b>Reserve %</b>
10% Cash Reserve (Council Policy)	\$ 1,727,291	\$ 1,694,742	\$ 1,725,183	10%
Reserves Above/(Below) 10% Reserve	11,712,590	11,540,345	11,346,752	66%
<b>Total Estimated Cash Reserves</b>	<u><b>\$ 13,439,881</b></u>	<u><b>\$ 13,235,087</b></u>	<u><b>\$ 13,071,935</b></u>	<u><b>76%</b></u>

**RESOURCES AND EXPENDITURES SUMMARIES**  
**WATER DISTRICT – WATER CAPITAL - 2012-13 BUDGET, FUND BALANCE, AND RESERVES**

	<u>2011-12 Budget</u>	<u>2011-12 Revised</u>	<u>2012-13 Budget</u>	<u>% Change From 2011-12 Budget</u>
<b>RESOURCES</b>				
Total Water Capital Revenue	\$ 175,299	\$ 298,400	\$ 160,000	-9%
Budgeted Reserves				
Budgeted Reserves	0	0	0	
Total Budgeted Reserves	<u>0</u>	<u>0</u>	<u>0</u>	
<b>Total Resources</b>	<b>175,299</b>	<b>298,400</b>	<b>160,000</b>	
<b>EXPENDITURES by Program</b>				
701 800 Water CIP	<u>0</u>	<u>0</u>	<u>0</u>	
<b>Total Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	n/a
<b>Difference Resources/Expenses</b>	<b>\$ 175,299</b>	<b>\$ 298,400</b>	<b>\$ 160,000</b>	

**WATER CAPITAL – FUND BALANCE AND RESERVES**

Fund Balance			
July 1 Beginning Balance	\$ (12,057,582)	\$ (12,069,618)	\$ (11,771,218)
Budgeted Reserves	0	0	0
Difference Resources/Expenditures	175,299	298,400	160,000
<b>Estimated June 30 Ending Balance</b>	<b>\$ (11,882,283)</b>	<b>\$ (11,771,218)</b>	<b>\$ (11,611,218)</b>
Less: Construction in Progress	(726,797)	(2,252,682)	(2,252,682)
<b>Estimated June 30 Ending Operating Fund Balance</b>	<b>\$ (12,609,080)</b>	<b>\$ (14,023,900)</b>	<b>\$ (13,863,900)</b>

Water District Reserve Amounts			
10% of expenditures	\$ 0	\$ 0	\$ 0
Cash and Investments			
June 30 Ending Balance	\$ (11,882,283)	\$ (11,771,218)	\$ (11,611,218)
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%
<b>Estimated Cash and Investment Balance</b>	<b>\$ (2,138,811)</b>	<b>\$ (2,118,819)</b>	<b>\$ (2,090,019)</b>

				<u>2012-13 Reserve %</u>
<b>Reserves</b>				
10% Cash Reserve (Council Policy)	\$ 0	\$ 0	\$ 0	n/a
Reserves Above/(Below) 10% Reserve	(2,138,811)	(2,118,819)	(2,090,019)	n/a
<b>Total Estimated Cash Reserves</b>	<b>\$ (2,138,811)</b>	<b>\$ (2,118,819)</b>	<b>\$ (2,090,019)</b>	<b>n/a</b>

**RESOURCES AND EXPENDITURES SUMMARIES**  
**WATER DISTRICT – SEWER OPERATIONS - 2012-13 BUDGET, FUND BALANCE, AND RESERVES**

	<u>2011-12 Budget</u>	<u>2011-12 Revised</u>	<u>2012-13 Budget</u>	<b>% Change From 2011-12 Budget</b>
<b>RESOURCES</b>				
Total Sewer Operations Revenue	\$ 3,135,656	\$ 3,170,595	\$ 3,178,786	1%
Budgeted Reserves				
Budgeted Reserves	0	0	0	
Total Budgeted Reserves	<u>0</u>	<u>0</u>	<u>0</u>	
<b>Total Resources</b>	<b>3,135,656</b>	<b>3,170,595</b>	<b>3,178,786</b>	
<b>EXPENDITURES by Program</b>				
710 4200 Sewer Distribution	<u>2,291,997</u>	<u>2,294,518</u>	<u>2,297,695</u>	
<b>Total Expenditures</b>	<b>2,291,997</b>	<b>2,294,518</b>	<b>2,297,695</b>	0%
<b>Difference Resources/Expenses</b>	<b>\$ 843,659</b>	<b>\$ 876,077</b>	<b>\$ 881,091</b>	

**SEWER OPERATIONS – FUND BALANCE AND RESERVES**

Fund Balance				
July 1 Beginning Balance	\$ 11,954,916	\$ 12,059,601	\$ 12,935,678	
Budgeted Reserves	0	0	0	
Difference Resources/Expenditures	<u>843,659</u>	<u>876,077</u>	<u>881,091</u>	
<b>Estimated June 30 Ending Balance</b>	<b>\$ 12,798,575</b>	<b>\$ 12,935,678</b>	<b>\$ 13,816,769</b>	
Less: Net Capital Assets	(6,135,427)	(5,932,750)	(5,932,750)	
Add: Outstanding Long-Term Debt	<u>33,675</u>	<u>37,570</u>	<u>37,570</u>	
<b>Estimated June 30 Ending Operating Fund Balance</b>	<b>6,696,823</b>	<b>7,040,498</b>	<b>7,921,589</b>	
Water District Reserve Amounts				
10% of expenditures	\$ 229,200	\$ 229,452	\$ 229,770	
Cash and Investments				
June 30 Ending Balance	\$ 12,798,575	\$ 12,935,678	\$ 13,816,769	
Cash and Investment Portion of Fund Balance	<u>x 18.0%</u>	<u>x 18.0%</u>	<u>x 18.0%</u>	
<b>Estimated Cash and Investment Balance</b>	<b>\$ 2,303,744</b>	<b>\$ 2,328,422</b>	<b>\$ 2,487,018</b>	
				<b>2012-13</b>
<b>Reserves</b>				<b>Reserve %</b>
10% Cash Reserve (Council Policy)	\$ 229,200	\$ 229,452	\$ 229,770	<u>10%</u>
Reserves Above/(Below) 10% Reserve	<u>2,074,544</u>	<u>2,098,970</u>	<u>2,257,249</u>	<u>98%</u>
<b>Total Estimated Cash Reserves</b>	<b>\$ 2,303,744</b>	<b>\$ 2,328,422</b>	<b>\$ 2,487,018</b>	<b>108%</b>

**RESOURCES AND EXPENDITURES SUMMARIES**  
**WATER DISTRICT – SEWER CAPITAL - 2012-13 BUDGET, FUND BALANCE, AND RESERVES**

	<u>2011-12 Budget</u>	<u>2011-12 Revised</u>	<u>2012-13 Budget</u>	<u>% Change From 2011-12 Budget</u>
<b>RESOURCES</b>				
Total Sewer Capital Revenue	\$ 57,535	\$ 102,000	\$ 46,500	-19%
Budgeted Reserves				
Budgeted Reserves	0	0	153,500	
Total Budgeted Reserves	<u>0</u>	<u>0</u>	<u>153,500</u>	
<b>Total Resources</b>	<b>57,535</b>	<b>102,000</b>	<b>200,000</b>	
<b>EXPENDITURES by Program</b>				
711 900 Sewer CIP	0	0	200,000	
<b>Total Expenditures</b>	<u>0</u>	<u>0</u>	<u>200,000</u>	n/a
<b>Difference Resources/Expenses</b>	<b>\$ 57,535</b>	<b>\$ 102,000</b>	<b>\$ 0</b>	

**SEWER CAPITAL – FUND BALANCE AND RESERVES**

<b>Fund Balance</b>				
July 1 Beginning Balance	\$ 3,790,441	\$ 3,462,362	\$ 3,564,362	
Budgeted Reserves	0	0	(153,500)	
Difference Resources/Expenditures	57,535	102,000	0	
<b>Estimated June 30 Ending Balance</b>	<b>\$ 3,847,976</b>	<b>\$ 3,564,362</b>	<b>\$ 3,410,862</b>	
<b>Water District Reserve Amounts</b>				
10% of expenditures	\$ 0	\$ 0	\$ 20,000	
<b>Cash and Investments</b>				
June 30 Ending Balance	\$ 3,847,976	\$ 3,564,362	\$ 3,410,862	
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%	
<b>Estimated Cash and Investment Balance</b>	<b>\$ 692,636</b>	<b>\$ 641,585</b>	<b>\$ 613,955</b>	
				<b>2012-13</b>
				<b>Reserve %</b>
<b>Reserves</b>				
10% Cash Reserve (Council Policy)	\$ 0	\$ 0	\$ 20,000	n/a
Reserves Above/(Below) 10% Reserve	692,636	641,585	593,955	n/a
<b>Total Estimated Cash Reserves</b>	<b>\$ 692,636</b>	<b>\$ 641,585</b>	<b>\$ 613,955</b>	<b>n/a</b>

**RESOURCES AND EXPENDITURES SUMMARIES**  
**FIRE DISTRICT – 2012-13 BUDGET, FUND BALANCE, AND RESERVES**

	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change 2011-12 Budget	
<b>RESOURCES</b>					
Fire District Revenue	\$ 8,386,574	\$ 8,491,735	\$ 8,461,325	1%	
Total Fire District Revenue	\$ 8,386,574	\$ 8,491,735	\$ 8,461,325	1%	
<b>Budgeted Reserves</b>					
1. Budgeted Reserves	1,093,206	585,818	0		
Total Reserves	1,093,206	585,818	0		
<b>Transfers</b>					
1. Fund 100 - General Fund	\$ 0	\$ 0	\$ 0		
2. VVEDA Reallocation Revenue (Prior Years)	0	0	0		
Total Transfers	0	0	0		
<b>TOTAL RESOURCES</b>	<b>9,479,780</b>	<b>9,077,553</b>	<b>8,461,325</b>		
<b>EXPENDITURES</b>					
520 Operations & Community Safety	9,245,210	8,555,920	8,193,879	-11%	
521 Administration	234,570	521,633	236,790	1%	
Total Expenditures	9,479,780	9,077,553	8,430,669	-11%	
<b>DIFFERENCE RESOURCES/EXPENSES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 30,656</b>		
<b>Fund Balance</b>					
July 1 Beginning Balance	\$ 1,376,701	\$ 1,707,595	\$ 1,121,777		
Budgeted Reserves	(1,093,206)	(585,818)	0		
Difference Resources/Expenditures	0	0	30,656		
<b>Estimated June 30 Ending Balance</b>	<b>\$ 283,495</b>	<b>\$ 1,121,777</b>	<b>\$ 1,152,433</b>		
<b>Fire District Reserve Amounts</b>					
10% of expenditures	\$ 947,978	\$ 907,755	\$ 843,067		
<b>Cash and Investments</b>					
June 30 Ending Balance	\$ 283,495	\$ 1,121,777	\$ 1,152,433		
Estimated Cash and Investment Portion of Fund Balance	x 64%	x 64%	x 64%		
<b>Estimated Cash and Investment Balance</b>	<b>\$ 181,437</b>	<b>\$ 717,937</b>	<b>\$ 737,557</b>		
<b>Reserves</b>					
	2011-12 Reserve %			2012-13 Reserve %	
10% Cash Reserve (Council Policy)	10%	\$ 947,978	\$ 907,755	\$ 843,067	10%
Reserves Above/(Below) 10% Reserve	-8%	(766,541)	(189,818)	(105,510)	-1%
<b>Total Estimated Cash Reserves</b>	<b>2%</b>	<b>\$ 181,437</b>	<b>\$ 717,937</b>	<b>\$ 737,557</b>	<b>9%</b>

**RESOURCES AND EXPENDITURES SUMMARIES**  
STREETS MAINTENANCE FUND – 2012-13 BUDGET, FUND BALANCE, AND RESERVES

	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>RESOURCES</b>				
Total Street Maintenance Fund Revenue	\$ 28,250	\$ 28,581	\$ 29,080	3%
Budgeted Reserves	234,139	155,925	0	
1. Traffic Signal Battery Backup	0	0	102,000	
<b>Total Budgeted Reserves</b>	<b>\$ 234,139</b>	<b>\$ 155,925</b>	<b>\$ 102,000</b>	
<b>Transfers</b>				
Fund 204 - Measure I - Renewal	\$ 540,000	\$ 540,000	\$ 1,300,000	
Fund 205 - Gas Tax Fund	1,200,000	1,200,000	635,000	
Fund 206 - Gas Tax Swap	900,000	900,000	950,000	
Fund 207 - Local Transportation Fund (LTF)	200,000	200,000	205,000	
<b>Total Transfers</b>	<b>2,840,000</b>	<b>2,840,000</b>	<b>3,090,000</b>	
<b>TOTAL RESOURCES</b>				
(Revenue, Budgeted Reserves, and Transfers)	<b>3,102,389</b>	<b>3,024,506</b>	<b>3,221,080</b>	
<b>TOTAL STREET MAINTENANCE FUND EXPENDITURES</b>	<b>3,102,389</b>	<b>3,018,206</b>	<b>3,206,834</b>	<b>3%</b>
<b>DIFFERENCE RESOURCES/EXPENDITURES</b>	<b>\$ 0</b>	<b>\$ 6,300</b>	<b>\$ 14,246</b>	
<b>Fund Balance</b>				
July 1 Beginning Balance	\$ 436,413	\$ 437,428	\$ 287,803	
Total Budgeted Reserves	(234,139)	(155,925)	(102,000)	
Difference Resources/Expenditures	0	6,300	14,246	
<b>Estimated June 30 Ending Balance</b>	<b>\$ 202,274</b>	<b>\$ 287,803</b>	<b>\$ 200,049</b>	

**RESOURCES AND EXPENDITURES SUMMARIES**  
**REDEVELOPMENT AGENCY – 2012-13 BUDGET, FUND BALANCE, AND RESERVES**

	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>RESOURCES</b>				
Total Redevelopment Agency Revenue	\$ 21,082,106	\$ 11,394,733	\$ 0	-100%
Budgeted Reserves	4,785,719	0	0	-100%
<b>Transfers</b>				
Total Net Transfers	(549,355)	(4,286,613)	0	
<b>Total Resources</b>	<b>25,318,470</b>	<b>7,108,120</b>	<b>0</b>	<b>-100%</b>
<b>EXPENDITURES</b>				
385 RDA Low/Moderate Income	5,271,672	4,642,553	0	-100%
388 RDA Low/Mod Income VVEDA	410,970	57,565	0	-100%
389 RDA Administration	740,679	5,466	0	-100%
486 RDA Project Area #1 Debt Service	15,672,121	11,268,723	0	-100%
487 RDA Project Area #2 Debt Service	1,330,976	1,334,547	0	-100%
586 RDA Capital Improvements Project Area #1	778,235	69,604	0	-100%
587 RDA Capital Improvements Peoject Area #2	0	0	0	n/a
588 RDA Capital Improvements VVEDA	0	0	0	n/a
<b>Total Expenditures</b>	<b>24,204,653</b>	<b>17,378,458</b>	<b>0</b>	<b>-100%</b>
<b>DIFFERENCE RESOURCES/EXPENSES</b>	<b>\$ 1,113,817</b>	<b>\$ (10,270,338)</b>	<b>\$ 0</b>	
<b>Fund Balance</b>				
July 1 Beginning Balance	\$ 59,946,996	\$ 60,330,025	\$ 0	
Budgeted Reserves	(4,785,719)	0	0	
Residual Equity Transfer	0	(38,719,244)	0	
Difference Resources/Expenditures	1,113,817	(10,270,338)	0	
<b>Estimated June 30 Ending Balance</b>	<b>\$ 56,275,094</b>	<b>\$ 11,340,443</b>	<b>\$ 0</b>	
Less: Loans/Advances	(14,161,869)	0	0	
Land Held For Resale	(12,170,192)	(11,351,637)	0	
<b>Estimated June 30 Ending Operating Fund Balance</b>	<b>\$ 29,943,033</b>	<b>\$ (11,194)</b>	<b>\$ 0</b>	

Effective February 1, 2012 the State of California closed all redevelopment agencies within the state.

The balances on this page for these funds are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

**RESOURCES AND EXPENDITURES SUMMARIES**  
**SUCCESSOR AGENCY – 2012-13 BUDGET, FUND BALANCE, AND RESERVES**

	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>RESOURCES</b>				
Total Successor Agency Revenue	\$ 0	\$ 3,981,005	\$ 10,094,569	n/a
Budgeted Reserves	0	0	0	n/a
<b>Total Resources</b>	<b>0</b>	<b>3,981,005</b>	<b>10,094,569</b>	<b>n/a</b>
<b>EXPENDITURES</b>				
160 Redevelopment Obligation Retirement PA 1	0	9,699,916	18,610,832	n/a
161 Redevelopment Obligation Retirement PA 2	0	328,137	2,145,181	
162 Redevelopment Obligation Retirement Housing	0	1,412,796	4,326,356	n/a
173 Successor Agency Administration	0	0	263,012	n/a
<b>Total Expenditures</b>	<b>0</b>	<b>11,440,849</b>	<b>25,345,381</b>	<b>n/a</b>
<b>DIFFERENCE RESOURCES/EXPENSES</b>	<b>\$ 0</b>	<b>\$ (7,459,844)</b>	<b>\$ (15,250,812)</b>	
<b>Fund Balance</b>				
July 1 Beginning Balance	\$ 0	\$ 0	\$ (9,685,327)	
Budgeted Reserves	0	0	0	
Residual Equity Transfers	0	(2,225,483)	0	
Difference Resources/Expenditures	0	(7,459,844)	(15,250,812)	
<b>Estimated June 30 Ending Balance</b>	<b>\$ 0</b>	<b>\$ (9,685,327)</b>	<b>\$ (24,936,139)</b>	

The balances on this page for these funds are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

**RESOURCES AND EXPENDITURES SUMMARIES**  
**HESPERIA HOUSING AUTHORITY – 2012-13 BUDGET, FUND BALANCE, AND RESERVES**

	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>RESOURCES</b>				
Total Housing Authority Revenue	\$ 0	\$ 120,321	\$ 146,303	n/a
Budgeted Reserves	0	0	1,722,671	n/a
<b>Total Resources</b>	<b>0</b>	<b>120,321</b>	<b>1,868,974</b>	<b>n/a</b>
<b>EXPENDITURES</b>				
370 Hesperia Housing Authority	0	72,999	1,328,974	n/a
371 VVEDA Housing Authority	0	0	540,000	n/a
<b>Total Expenditures</b>	<b>0</b>	<b>72,999</b>	<b>1,868,974</b>	<b>n/a</b>
<b>DIFFERENCE RESOURCES/EXPENSES</b>	<b>\$ 0</b>	<b>\$ 47,322</b>	<b>\$ 0</b>	
<b>Fund Balance</b>				
July 1 Beginning Balance	\$ 0	\$ 0	\$ 42,596,178	
Budgeted Reserves	0	0	(1,722,671)	
Residual Equity Transfer	0	42,548,856	0	
Difference Resources/Expenditures	0	47,322	0	
<b>Estimated June 30 Ending Balance</b>	<b>\$ 0</b>	<b>\$ 42,596,178</b>	<b>\$ 40,873,507</b>	
Less: Loans/Advances	0	(11,632,352)	(11,632,352)	
Land Held For Resale	0	(818,555)	(818,555)	
<b>Estimated June 30 Ending Operating Fund Balance</b>	<b>\$ 0</b>	<b>\$ 30,145,271</b>	<b>\$ 28,422,600</b>	

The balances on this page for these funds are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

**RESOURCES AND EXPENDITURES SUMMARIES**  
**COMMUNITY DEVELOPMENT COMMISSION – 2012-13 BUDGET, FUND BALANCE, AND RESERVES**

	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>RESOURCES</b>				
Total Community Development Commission Revenue	\$ 0	\$ 236,000	\$ 262,000	n/a
Budgeted Reserves	0	0	0	n/a
Total Net Transfers	0	0	0	
<b>Total Resources</b>	<b>0</b>	<b>236,000</b>	<b>262,000</b>	<b>n/a</b>
<b>EXPENDITURES</b>				
170 Community Development Commission	0	0	302,859	n/a
<b>Total Expenditures</b>	<b>0</b>	<b>0</b>	<b>302,859</b>	<b>n/a</b>
<b>DIFFERENCE RESOURCES/EXPENSES</b>	<b>\$ 0</b>	<b>\$ 236,000</b>	<b>\$ (40,859)</b>	
<b>Fund Balance</b>				
July 1 Beginning Balance	\$ 0	\$ 0	\$ 236,000	
Budgeted Reserves	0	0	0	
Difference Resources/Expenditures	0	236,000	(40,859)	
<b>Estimated June 30 Ending Balance</b>	<b>\$ 0</b>	<b>\$ 236,000</b>	<b>\$ 195,141</b>	

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

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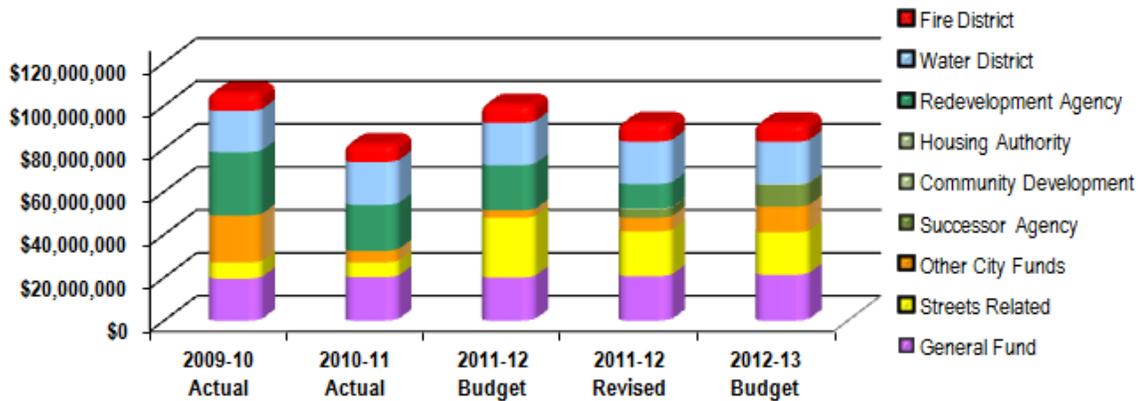
# REVENUE

## 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*
- *Successor Agency of the Hesperia Community Redevelopment Agency*
- *Community Development Commission*
- *Hesperia Housing Authority*
- *Streets, Transportation, and Other City Related Funds*
- *Water District Revenue Trend*
- *Fire District Revenue Trend*
- *Redevelopment Agency Revenue Trend*
- *Revenue – Summary by Major Groups*
- *Revenue – Detail by Fund*

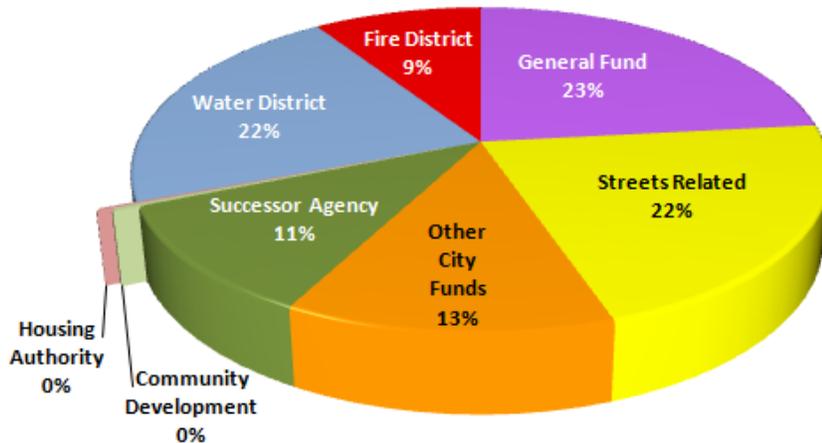
# REVENUE

## City of Hesperia Total City Revenue Trend



	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	%Change From 2011-12 Budget
General Fund	\$ 19,530,612	\$ 20,197,845	\$ 20,081,224	\$ 20,705,026	\$ 21,366,537	6%
Streets Related	7,462,898	6,864,992	27,717,283	20,749,040	19,628,836	-29%
Other City Funds	21,880,408	5,395,389	3,481,847	6,395,528	11,983,158	244%
<b>Total City Funds</b>	<b>48,873,918</b>	<b>32,458,226</b>	<b>51,280,354</b>	<b>47,849,594</b>	<b>52,978,531</b>	<b>3%</b>
Successor Agency	0	0	0	3,981,005	10,094,569	100%
Community Development	0	0	0	236,000	262,000	100%
Housing Authority	0	0	0	120,321	146,303	100%
Redevelopment Agency	29,540,067	21,452,189	21,082,106	11,394,733	0	-100%
Water District	19,164,060	19,900,497	19,638,680	19,771,672	19,730,718	0%
Fire District	8,207,106	8,165,840	8,386,574	8,491,735	8,461,325	1%
<b>Total All Funds</b>	<b>\$105,785,151</b>	<b>\$ 81,976,751</b>	<b>\$100,387,714</b>	<b>\$ 91,845,060</b>	<b>\$ 91,673,446</b>	<b>-9%</b>

2012-13 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 operates using a 'structurally' balanced budget and will not use one-time revenue (i.e. bond proceeds) to pay for on-going expenditures. Comparing the 2011-12 Budget to the 2012-13 Budget, a decrease from \$100.6 million to \$91.7 million for about a \$9.8 million, or 10%, reflecting the effects of the national mortgage crisis, housing slump, and the current recession and their influence on the 2012-13 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 \$7.5 million for the Rancho Road Undercrossing and the \$8.0 million for the second phase of the High Desert County building. Primarily, all development related revenues are down for the 2011-12 Revised and that condition is carried through into the 2012-13 Budget revenue estimates.

When compared to the 2009-10 Actual revenue, the overall combined City revenue for the 2012-13 Budget is expected to decrease from \$105.8 million to \$91.7 million or by 13% or \$14.1 million. This decrease is primarily related to the substantial reduction as a result of the Redevelopment Agency (Agency) dissolution effective February 1, 2012 and reflecting a decrease in the 2011-12 Revised and no revenue for 2012-13 Budget.

**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 2012-13 Budget for the General Fund is projecting an increase in revenues of 6% or \$1.3 million from the 2011-12 Budget, primarily because of the following:

- Sales and Use Tax revenue is projected to increase 30% or about \$2.0 million to just under \$8.6 million.
- Vehicle License Fee revenue is expecting a decrease of \$0.5 million, or 8%, to \$5.8 million.
- Development related revenues including Building Permit Fees, are anticipating a \$85,451, or a 8% decrease from the 2011-12 Budget estimate.
- Property Transfer Tax revenue is expected to reach \$160,000, a decrease of 16%, or about \$30,000, as a result of the high level of real estate transactions selling at lower prices.

**Streets & Transportation Related Funds** - This group is comprised of 12 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 increased 117% or \$0.5 million. This increase in the combined 2012-13 DIF Budget revenue from the 2011-12 DIF Budget revenue is not based on the continued nationwide housing slump and recession shown by the decrease in single residential building permits from 10 for the 2011-12 Budget, with an estimated 0 for the 2011-12 year end and anticipating 0 for the 2012-13 Budget. However, the increase is based on various commercial projects that will finalize during 2012-13.
- Measure I 2010 Renewal revenue is expected to increase to \$2.2 million or by 14% from the 2011-12 Budget of \$2.0 million.
- Local Transportation Fund (LTF) revenue is expected to increase by \$0.4 million or 43% to \$1.4 million from the 2011-12 Budget of \$1.0 million. This large increase is due to increased sales tax generation and to the Victor Valley Transit Authority (VVTA) receiving more funding from the State as it is changing how it funds transportation programs in FY 2012-13.

**Non-Streets Related Other City Funds** - This group is comprised of 14 other non-street related funds. Each of these funds receive revenue that is restricted for specific uses. Some of the major highlights are:

- Developer Impact Fee (DIF) for Fire, Police, and Public Safety revenue are expected to increase 39%, or \$0.1 million. This decrease in total 2012-13 Budget DIF revenue from 2011-12 Budget DIF revenue reflects the nationwide housing slump shown by the estimated decrease in single residential building permits from 10 for the 2011-12 Budget to 0 for 2012-13. However, the increase is based on various commercial projects that will finalize during 2012-13.
- The CDBG/HOME Housing and Urban Development (HUD) grants are expecting a combined decrease of 19%, or \$0.6 million, from the 2011-12 Budget to the 2012-13 Budget of \$2.6 million. The primary reason for this decrease is that some of the Neighborhood Stabilization Program (NSP) grant funds were spent in FY 2009-10 and in FY 2010-11, which will reduce what is available to draw for 2012-13 Budget. This NSP grant is used to buy, rehabilitate, and resell abandoned/foreclosed homes within the City.

## REVENUE

### Summary and Highlights (Continued)

**Successor Agency** – In the wake of the State's dissolution of all RDAs, the City elected to become the successor agency to its former RDA. The Successor Agency is responsible for receiving property tax money from the County and retiring the obligations of the former RDA. The property tax revenues to be received will be net of the overlapping governmental agencies' pass through obligations that the County will pay and is anticipated to be, along with interest revenue, \$10.1 million in FY 2012-13.

**Community Development Commission** – This agency was created to carry on the economic development function of the former RDA and is expected to receive \$0.3 million from certain agreements.

**Housing Authority** – The purpose of this agency is to continue the housing function of the former RDA and is expecting \$0.1 million of primarily interest revenue earned on the assets of the former RDA Low/Mod income housing function.

**Redevelopment Agency** - Overall Redevelopment Agency revenue will be \$0 for 2012-13 in the wake of the February 1, 2012 dissolution by the State of California..

**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 \$0.1 million from the 2011-12 Revised of \$19.8 million to the 2012-13 Budget of \$19.7 million. Although the Capital and Other revenues of the District are expected to decline \$0.2 million, this is offset by the anticipated \$0.3 million of sales revenues increases for the 2012-13 Budget.
- Water and Sewer operating revenue, dominated by the Sales revenues, are anticipating a 2% and a 1% increase, respectively, over the 2011-12 Revised primarily from the January 2008 approved rate increases and decreases in interest revenue. An increase of Water Sales revenue is projected in fiscal year 2012-13 compared to fiscal year 2011-12 Revised with an increase from \$15.2 million to \$15.4 million for a 1% or \$0.2 million increase. Factors that have an effect on Water Sales are 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 45% and 47%, respectively, from the 2011-12 Revised which reflects the current economic recession and the national housing slump.

**Fire District** - The revenues for the 2012-13 Budget are projected to be \$8.5 million, which is \$0.1 million, or 1% more than the 2011-12 Budget of \$8.4 million and a slight change upward from the 2011-12 Revised; primarily due to the anticipated combined property tax related revenue decline. Some of the major highlights are:

- Property Tax revenue is projected to be about the same as the 2011-12 Budget (\$3.7 million to \$3.7 million) and a decrease of 6% from the 2009-10 Actual or \$0.2 million less. 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 an increase of \$170,000 from the 2011-12 Budget to the 2012-13 Budget at \$2,100,000.
- Redevelopment Tax Increment Pass-Through for the 2012-13 Budget is projected to be unchanged from the 2011-12 Revised (\$1.1 million to \$1.1 million). This revenue will be received directly from the County of San Bernardino in the wake of the RDA dissolution. The assessed valuation change of the City is expected to be approximately flat as the bottom is thought to have been reached in property values.
- Community Facilities District 94-1 revenue is expected to increase by \$43,732, or 9%, from the 2011-12 Budget of \$500,500 to the 2012-13 Budget of \$544,232. The 1% decrease from the 2011-12 Budget to the 2011-12 Revised is due to increased non-payment of the assessment levy, resulting from the amount of vacant houses within the District.
- Community Facilities District 2005-1. Part of the annual assessment includes a public safety portion to offset some of the costs that 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 help offset the public safety costs of Police and Fire. For the 2012-13 Budget, this revenue is expected to be \$310,533.

## REVENUE

### General Fund Summary of Major Revenues

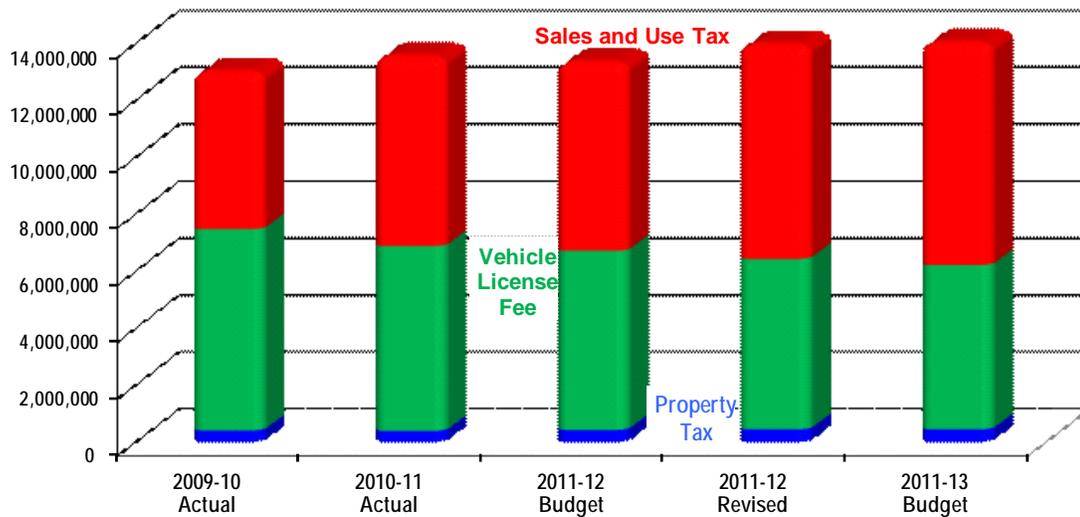
	2009-10	2010-11	2011-12	2011-12	2012-13	% Change From 2011-12
<u>General Fund Revenues</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>
Sales and Use Tax	\$ 4,309,035	\$ 5,123,929	\$ 4,951,500	\$ 5,669,031	\$ 6,416,250	30%
Sales Tax Triple Flip	1,199,607	1,517,284	1,650,500	1,840,969	2,138,750	30%
Sub-Total Sales and Use Tax	5,508,642	6,641,213	6,602,000	7,510,000	8,555,000	30%
Vehicle License Fee (VLF)	270,549	450,156	230,000	0	0	-100%
VLF Swap Triple Flip	6,799,188	6,045,571	6,061,894	5,987,271	5,768,736	-5%
Sub-Total Vehicle License Fee (VLF)	7,069,737	6,495,727	6,291,894	5,987,271	5,768,736	-8%
Secured Property Tax	403,213	383,863	422,000	439,439	439,439	4%
Sub-Total Triple Flip						
Affected Revenues	12,981,593	13,520,804	13,315,894	13,936,710	14,763,175	11%
Transient Occupancy Tax	807,411	843,063	790,000	825,000	820,000	4%
Property Transfer Tax	175,336	153,516	190,000	160,000	170,000	-11%
Franchise Fees	2,524,089	2,566,439	2,580,000	2,593,202	2,775,000	8%
Business License	211,778	202,374	200,000	210,000	200,000	0%
Interest Earnings	28,715	53,058	38,352	48,000	49,160	28%
Community Facilities						
District 2005-1	0	455,715	655,878	460,540	379,540	n/a
Development Related Revenues						
Planning	166,478	142,521	122,630	123,203	124,464	1%
Building & Safety	843,263	596,861	615,580	609,314	634,500	3%
Engineering	226,836	128,750	94,825	92,941	107,225	13%
Sub-Total Development Related Revenues	1,236,577	868,132	833,035	825,458	866,189	4%
All Other General Fund Revenues	1,565,113	1,990,461	1,478,065	1,646,116	1,343,473	-9%
<b>Total General Fund Revenues</b>	<b>\$19,530,612</b>	<b>\$20,197,845</b>	<b>\$20,081,224</b>	<b>\$20,705,026</b>	<b>\$21,366,537</b>	<b>6%</b>

The 2011-12 Revised amounts appearing in this budget document are basically a re-estimation of the 2011-12 Budget with the difference being that the Revised has a large portion of the fiscal year's actual transactions as part of the estimates. The following describes the change from the 2011-12 Revised amounts which, are projected with about 10 months of activity to the 2011-12 fiscal year. These Revised estimates sometimes reflect the final 2011-12 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 2011-12 year-to-date totals.

The total General Fund revenue is increasing from the 2011-12 Budget of \$20.1 million to \$21.4 million for a \$1.3 million or 6% increase. The change from the 2011-12 Budget to the 2011-12 Revised is an increase of \$0.6 million or 3%, primarily due to the combined Sales Tax revenue increasing \$0.9 million or 14%. However, the combined VLF revenue shows the loss of \$230,000 due to AB 89 approved in July 2011 to fund State public safety grants. Overall, the change from the 2011-12 Revised to the 2012-13 Budget shows an increase of about \$0.7 million or 3%.

## REVENUE

### Triple Flip Revenue Comparison



	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>General Fund Revenue</b>						
Sales and Use Tax	\$ 4,309,035	\$ 5,123,929	\$ 4,951,500	\$ 5,669,031	\$ 6,416,250	
Sales and Use Tax Triple Flip	1,199,607	1,517,284	1,650,500	1,840,969	2,138,750	
<b>Sub-Total Sales Tax Revenues</b>	<b>5,508,642</b>	<b>6,641,213</b>	<b>6,602,000</b>	<b>7,510,000</b>	<b>8,555,000</b>	<b>30%</b>
Vehicle License Fees (VLF)	270,549	450,156	230,000	0	0	
Triple Flip - Vehicle License Fees	6,799,188	6,045,571	6,061,894	5,987,271	5,768,736	
<b>Sub-Total VLF Revenues</b>	<b>7,069,737</b>	<b>6,495,727</b>	<b>6,291,894</b>	<b>5,987,271</b>	<b>5,768,736</b>	<b>-8%</b>
Secured Property Taxes	403,213	383,863	422,000	439,439	439,439	
AB1661 ERAF	0	0	0	0	0	
<b>Sub-Total Property Tax Revenues</b>	<b>403,213</b>	<b>383,863</b>	<b>422,000</b>	<b>439,439</b>	<b>439,439</b>	<b>4%</b>
<b>TOTAL TRIPLE-FLIP EFFECTED GENERAL FUND REVENUES</b>	<b>\$12,981,593</b>	<b>\$13,520,804</b>	<b>\$13,315,894</b>	<b>\$13,936,710</b>	<b>\$14,763,175</b>	<b>11%</b>

For the 2012-13 Budget this group of revenues are projected to be 69.1% of the total General Fund budget. Compared to the 2011-12 Revised of 67.4% of the total General Fund and the 2011-12 Budget of 66.3%.

**Triple Flip** – Due to the State's 2004 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 decision in a separate account in order to show the true property tax revenue. Until further notice from the State, the ERAF deductions have ceased.

## REVENUE

### Triple Flip Revenue Comparison (Continued)

**Sales and Use Tax** – In San Bernardino County, Sales Tax is currently 7.75% on various purchased items, with the City's share being 1.00% of the 7.75% (6.00% goes to the State, 0.50% is for Measure I, and 0.25% Local Transportation funding). The combined 2012-13 Budget estimate for Sales and Use Tax and the Sales Tax Triple Flip revenues, representing the City's total Sales Tax revenue, is \$8.6 million or a 14% increase of about \$1,045,000 from the 2011-12 Revised. The \$8.6 million of the 2012-13 Budget is about 30%, or about \$1,953,000 more than the 2011-12 Budget estimate. The 30% increase is better than the state-wide change in sales tax revenue as projected by the City's sales tax analysis primarily reflecting the current increase in fuel prices and the expected opening of Wal-mart and etc.

The combined Sales Tax revenue, for the 2012-13 Budget, is 40.3% 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.

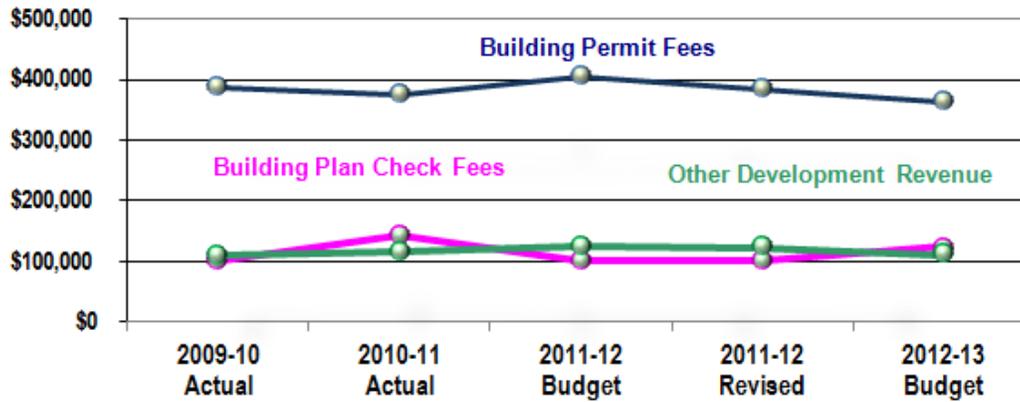
**Vehicle License Fee (VLF)** – Since the first two years of the State's 'Triple Flip' program, which began in fiscal year 2004-05, the growth of the City's *Triple Flip – Vehicle License Fees* is tied to the City's growth of assessed valuation. Through the 2008-09 Actual, this revenue grew substantially 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 2012-13 Budget for VLF and VLF Swap Triple Flip revenues estimate is \$5.8 million, a decrease of about \$0.2 million or 3.6% from the 2011-12 Revised. The \$5.8 million is \$0.5 million or 8% less than the 2011-12 Budget primarily because of AB89 which redirected the VLF revenue of all cities to fund law enforcement related grants.

The combined VLF revenues are 27.2% of the 2012-13 Budget down from the high point of the 2008-09 Actual, which was 39.8% of the General Fund total. The 2011-12 Budget was 31.2% of the General Fund's total estimated revenue.

**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 2012-13 Budget of \$439,439 is 4% more than the 2011-12 Budget, an increase of \$17,439. This increase can be attributed to the development of commercial projects during the last year or two. For the 2012-13 Budget, this revenue source is estimated to be 2.1% of the total General Fund revenues. The highest was for the 2008-09 Actual of 2.6% of the total General Fund revenues.

## REVENUE

### General Fund Development Revenue



	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>Development Revenues</b>						
Building Permit Fees	\$ 387,161	\$ 376,823	\$ 407,300	\$ 400,000	\$ 365,470	-10%
Building Plan Check Fees	99,964	141,825	101,000	110,000	123,300	22%
Planning	142,521	138,306	124,464	114,543	96,120	-23%
Engineering	128,750	172,261	107,225	115,525	83,500	-22%
Other Development Revenues	109,735	116,787	126,200	134,498	112,348	-11%
<b>Sub-Total Development Related Revenues</b>	<b>868,132</b>	<b>946,002</b>	<b>866,189</b>	<b>874,566</b>	<b>780,738</b>	<b>-10%</b>
Business License	211,778	202,374	200,000	210,000	200,000	0%
<b>Total Development Revenues</b>	<b>\$1,079,910</b>	<b>\$1,148,376</b>	<b>\$1,066,189</b>	<b>\$1,084,566</b>	<b>\$ 980,738</b>	<b>-8%</b>

Overall, Development revenues are projected to decrease by 10% from the 2011-12 Revised estimates based on an anticipated decrease to 0 single residential building permits. Development related revenue sources comprise 4% of the General Fund 2012-13 Budget estimates. This represents an 8% decrease from the 2011-12 Budget and a 9% decrease from the 2009-10 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.

Building Permit Fees represent 1.7% of the General Fund 2012-13 Budget revenue, which is down from 2.0% for the 2011-12 Budget. The 2012-13 Budget revenue projection estimates that 0 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 2011-12 Revised Single Family Residence permits, projected at 0, are unchanged from FY 2010-11, down from the 3 issued in FY 2009-10, the 12 issued for 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, and 1,459 for FY 2003-04.

**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 2012-13 Budget projects revenue of \$123,300 representing a 12% increase from the 2011-12 Revised estimate is reflective of the continued stagnation of residential development activity in the City. Compared to the 2009-10 Actual, this revenue has increased by 23% for the General Fund's 2012-13 Budget primarily due to various commercial projects.

## REVENUE

### General Fund Development Revenue (Continued)

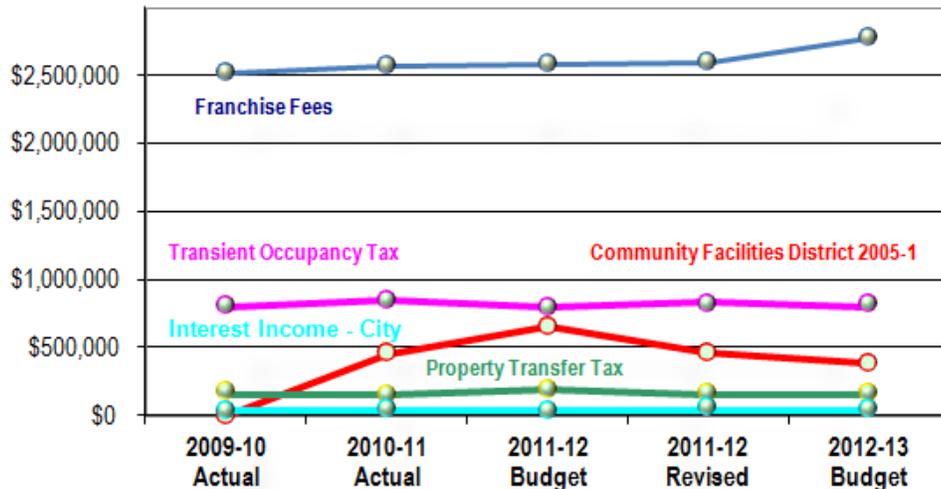
**Planning** related revenues, excluding the Business License revenue, for the 2012-13 Budget are estimated to be 16% less than the 2011-12 Revised and 23% less than the 2011-12 Budget. Planning related revenues for the 2012-13 Budget are projected to be 31% less than the 2010-11 Actual and 33% less than the 2009-10 Actual.

**Engineering** related revenues are estimated to be 28% less than the 2011-12 Revised and 22% less than the 2011-12 Budget. Compared to the 2010-11 Actual, these revenues are expected to be 52% less and 35% less than the 2009-10 Actual.

**Other Development Revenues** – This classification captures the remaining development revenues into one group. As a group these revenues are 0.5% of the total General Fund 2012-13 Budget. For the 2012-13 Budget, these revenues are projected to decrease by 16% from the 2011-12 Revised, and decrease by 6% from the 2009-10 Actual.

**Business License** – This revenue is paid by each business operating in the City. For 2012-13, this revenue is expecting to be unchanged from the 2011-12 Budget reflecting that the closing of some businesses due to the current recession may be leveling off.

**Other General Fund Taxes and Interest Income**



	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Franchise Fees	\$2,524,089	\$2,566,439	\$2,580,000	\$2,593,202	\$2,775,000	8%
Transient Occupancy Tax	807,411	843,063	790,000	825,000	820,000	4%
Property Transfer Tax	175,336	153,516	190,000	160,000	170,000	-11%
Interest Income – City	28,715	53,058	38,352	48,000	49,160	28%
Community Facilities District 2005-1	0	455,715	655,878	460,540	379,540	-42%
<b>Total Other Taxes &amp; Interest</b>	<b>\$3,535,551</b>	<b>\$4,071,790</b>	<b>\$4,254,230</b>	<b>\$4,086,742</b>	<b>\$4,193,700</b>	<b>-1%</b>

Overall, this group of revenues is projected to increase by 2% from the 2011-12 Revised. This group, Other Taxes and Interest, comprise about 20% of the total General Fund 2012-13 Budgeted revenue estimates. This is down from 21% for the 2011-12 Budget reflecting the percentage changes of other General Fund revenues. The primary reason for this decrease is the increase of the Sales and Use Tax revenue. By way of comparison, this group was only 18% of the 2009-10 Actual when the total General Fund revenue was \$21.2 million.

## REVENUE

**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 2012-13 budget estimates revenue of \$2,775,000 which is a 7% increase from the 2011-12 Revised. This revenue source is 13% of the General Fund 2012-12 Budget showing a slight decrease from 12.8% of the 2011-12 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 2011-12 Revised TOT revenue amounts will be 4% or \$35,000 more than the amount estimated for the 2011-12 Budget. This reflects the little overall change in occupancy rates, a result of the economic recession. The 2012-13 Budget projects revenue of \$820,000, representing a slight decrease from the 2011-12 Revised. This revenue is approximately 4% of the General Fund's 2012-13 Budget.

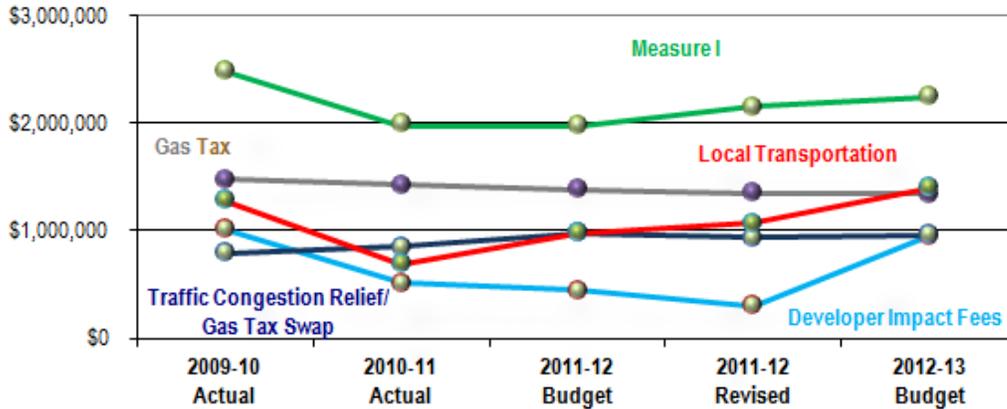
**Property Transfer Tax** – This revenue is based on the ownership transfer of real property within the City and serves as a barometer of future property tax revenues as the sales price of the property re-establishes the assessed valuation base that the 1% property tax rate is applied to. The City receives \$0.55 per \$1,000 of the sale value from the County and the rate charged on the ownership transfer is \$1.10 per \$1,000 which is then split with the County. The 2012-13 Budget estimate is \$170,000 and anticipates a \$10,000 change over the 2011-12 Revised but, a \$20,000 decrease from the 2011-12 Budget. This revenue is about 1% of the General Fund's 2012-13 Budget.

**Interest Income-City** – The monies 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 2011-12, the monthly LAIF interest rates have been steady. Monies invested in LAIF are legally protected from the State. For the 2012-13 Budget, the average interest rate for interest earnings is estimated at 0.39%. Compared to the 2011-12 Budget, this revenue source is projected to increase by 28% for the 2012-13 Budget. Interest rates have been little changed since the 2009-10 Actual.

**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 the district to repay the bonds. Part of the annual assessment includes a public safety portion to offset some of the costs of 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 2012-13 Budget, this revenue is expected to be \$379,540 or 2% of the City's total 2012-13 Budget or about a 1% decrease from the FY 2011-12 Budget.

## REVENUE

### Streets CIP and Other Transportation Related Funds



	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Measure I - Arterial & Local	\$ 2,196,023	\$ 1,539	\$ 0	\$ 692	\$ 300	n/a
Measure I - 2010 Renewal	294,318	1,989,365	1,976,844	2,151,770	2,249,095	14%
Traffic Congestion Relief	798,215	0	0	0	0	n/a
Gas Tax Swap	0	844,988	980,360	933,094	960,458	-2%
Gas Tax	1,475,928	1,429,061	1,388,410	1,347,086	1,339,799	-4%
Local Transportation	1,281,416	692,051	979,196	1,071,359	1,403,766	43%
<b>Sub-Total Streets-State/County Funded</b>	<b>6,045,900</b>	<b>4,957,004</b>	<b>5,324,810</b>	<b>5,504,001</b>	<b>5,953,418</b>	<b>12%</b>
Developer Impact Fees	1,008,498	510,013	438,469	304,232	951,293	117%
Ranchero & Other Street Related Funds	408,500	1,397,975	21,954,004	14,940,807	12,724,125	-42%
<b>Total Streets &amp; Transportation Related Funds</b>	<b>\$ 7,462,898</b>	<b>\$ 6,864,992</b>	<b>\$27,717,283</b>	<b>\$20,749,040</b>	<b>\$19,628,836</b>	<b>-29%</b>

Overall, this group of revenues is projecting a decrease from the 2011-12 Budget. The Streets-State/County funded revenue, which is an important ongoing revenue source to the City, is projected to increase by 12% to approximately \$6.0 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 street purpose expenditures to maintain or enhance the capacity of the City's streets and reflects a 5% increase from the 2011-12 Revised.

## REVENUE

### Streets CIP and Other Transportation Related Funds (Continued)

**Traffic Congestion Relief / Gas Tax Swap** – This revenue source is funded by the State, and for the 2011-12 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 2012-13 Budget reflects a 2% decrease from the 2011-12 Budget, a 3% increase from the 2011-12 Revised, a 14% increase from the 2010-11 Actual Traffic Congestion Relief fund revenue.

**Gas Tax** – Gas Tax revenue 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 2012-13 Budget estimates a 1% decrease from the 2011-12 Revised; a 4% decrease from the 2011-12 Budget; a 6% decrease from the 2010-11 Actual. In 2010-11, the State ‘cash flowed’ its operations by delaying payment on these monies by as much as 5 months. For 2011-12 Proposition 26 terminated this State borrowing practice.

**Local Transportation** – This is funded by the County 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 \$1,403,766 is a 31% increase from the 2011-12 Revised of \$1,071,359. This increase is the result of the growth of the City’s Sales & Use tax. The increase from the 2011-12 Revised is primarily the result of the City’s Sales & Use tax growth.

**Sub-Total Streets-State/County Funded** – Overall, this group, detailed above, is anticipating an 8% increase from the 2011-12 Revised; a 12% increase from the 2011-12 Budget; and a 20% increase from the 2010-11 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 2012-13 Budget these two DIFs are projected to increase by 213% from the 2011-12 Revised, reflecting new commercial permits anticipated to be 380,746 square feet to offset the 0 residential and an anticipated 0 multi-family units to be constructed during 2012-13 fiscal year.

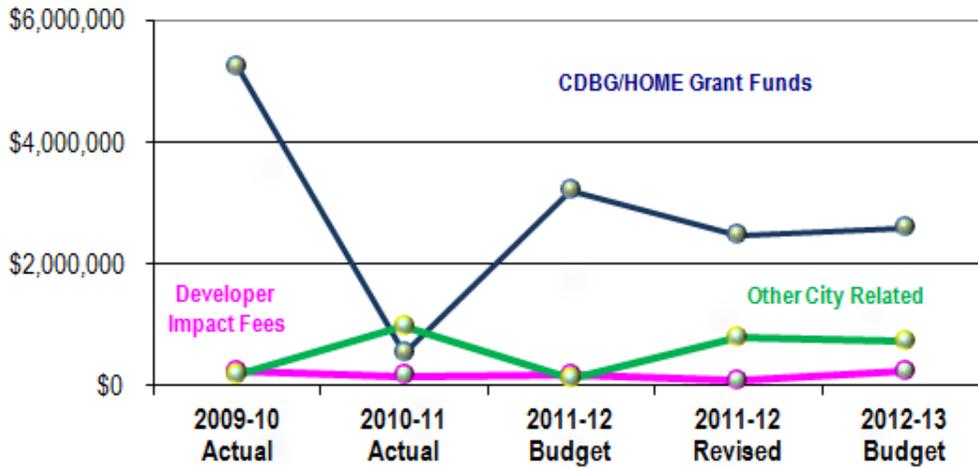
### Ranchero and Other Street Related Funds

**Ranchero Road Undercrossing and I-15 Interchange** – The 2012-13 Budget reflects the planned \$7.5 million of reimbursements for the Ranchero Road Undercrossing as the project started construction during 2011-12. The Ranchero Road / I-15 Interchange is expecting \$6.8 million in reimbursements, design is being finalized and right-of-way acquisition started during FY 2011-12.

**Other Streets & Transportation Related Funds** – This group is comprised of 6 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, AQMD (AB 2766) Transit, Industrial Park Lead Track, and the Township fund. Most notable of this group is the City Streets CIP which during 2011-12 Revised received the City’s second, and last, allocation of the Proposition 1B bond funds, from the State, that was approved by the voters. The allocation was used for street reconstruction throughout the City. Various other projects are planned for FY 2012-13 funded by more than \$2.5 million.

## REVENUE

Grant, Developer Impact Fee, and Other City Related Funds



	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
CDBG-Entitlement	\$ 1,061,648	\$ 459,749	\$ 2,060,215	\$ 723,209	\$ 1,975,105	-4%
HOME Grant	411	4,362	15,000	14	18	-100%
CDBG Revolving Loan	53,805	28,522	77,050	2,954	3,870	-95%
CDBG Neighborhood Stabilization Program	4,124,972	63,268	1,048,326	1,794,564	609,148	-42%
<b>CDBG/HOME Funds</b>	<b>5,240,836</b>	<b>555,901</b>	<b>3,200,591</b>	<b>2,520,741</b>	<b>2,588,141</b>	<b>-19%</b>
Developer Impact - Fire	63,660	62,198	55,528	38,767	122,045	120%
Developer Impact - Police	29,348	56,101	79,061	32,380	35,073	-56%
Developer Impact - Public Services	148,646	53,480	44,620	30,305	92,879	108%
<b>Developer Impact Fees (DIF)</b>	<b>241,654</b>	<b>171,779</b>	<b>179,209</b>	<b>101,452</b>	<b>249,997</b>	<b>40%</b>
County High Desert Government Center	16,223,725	3,684,600	0	2,977,000	8,400,000	n/a
<b>Other City Related Funds</b>	<b>174,193</b>	<b>983,109</b>	<b>102,047</b>	<b>796,335</b>	<b>745,020</b>	<b>630%</b>
<b>Total City Other Funds</b>	<b>\$ 21,880,408</b>	<b>\$ 5,395,389</b>	<b>\$ 3,481,847</b>	<b>\$ 6,395,528</b>	<b>\$ 11,983,158</b>	<b>244%</b>

Overall, this group of 14 funds is projecting a 244% increase from the 2011-12 Budget primarily due to the approximate reimbursement revenue increase from the County for the 2<sup>nd</sup> phase of the High Desert Government Center project which saw the 1<sup>st</sup> phase completed during FY 2010-11. The CDBG/HOME funds comprise 22% of this group's total 2012-13 Budget revenue estimates. The non-streets Developer Impact funds are 3% of the total and the Other City Related funds total the remaining 70%.

**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 low income housing within the City. The 2012-13 Budget is 3% more than the 2011-12 Revised primarily due to prior year's unused CDBG Entitlement funds being reprogrammed for new projects during 2012-13 within the City.

## REVENUE

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

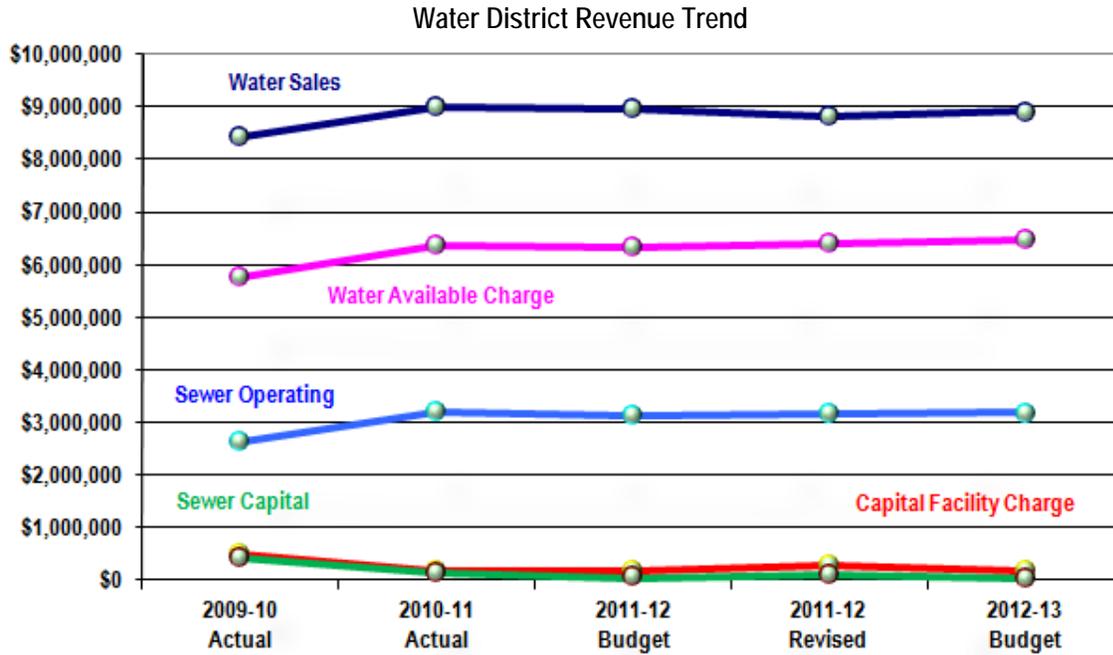
**Developer Impact Fees** – These non-street related Developer Impact Fees (DIFs) are made up of the Fire, Police, and Public Services DIF funds. Again, due to the slowdown in residential permitting activity (10 budgeted permits for 2011-12; 0 permits for the 2011-12 Revised), 2012-13 Budget (anticipating 0 Residential permits) is anticipating a 146% increase from the 2011-12 Revised primarily based on commercial projects that will be completed during 2012-13. 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 tracked the reimbursements from the County of San Bernardino for the costs to build the new 66,700 square feet County Government Center facility next to the Hesperia Civic Plaza and the 1<sup>st</sup> phase was completed during FY 2010-11. During 2012-13 the 2<sup>nd</sup> phase will start represented by the County reimbursement.

**Other City Related Funds** – This group of 6 funds make up 2% of the 2012-13 Budget. The funds in this group include: the Redevelopment Administration fund, the AB3229 Supplemental Law Enforcement grant fund; the Environmental Programs grant fund; the Reimbursable Grants fund; the Disaster Preparedness grant fund; and the City Debt Service fund. Each of these funds have restrictions limiting how its money can be spent.

The largest fund in this group is the AB3229 Supplemental Law Enforcement grant fund which is expected to receive \$172,216 from the State government in 2012-13. This fund's revenue, mostly a grant, will be used to offset the cost of police services within the City.

## REVENUE



REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	%Change From 2011-12 Budget
Water Sales	\$8,437,103	\$8,979,988	\$8,953,334	\$8,807,936	\$8,906,344	-1%
Water Availability Charge	5,757,741	6,379,295	6,344,000	6,403,252	6,486,608	2%
Total Water Sales	14,194,843	15,359,283	15,297,334	15,211,188	15,392,952	1%
Capital Facility Charge	498,973	187,560	175,299	298,400	160,000	-9%
Sewer Operating	2,616,190	3,194,099	3,135,656	3,170,595	3,178,786	1%
Sewer Capital	411,219	129,888	57,535	102,000	46,500	-19%
All Other District Revenue	1,442,834	1,029,666	972,856	989,489	952,480	-2%
<b>Total Water District Revenue</b>	<b>\$19,164,060</b>	<b>\$19,900,497</b>	<b>\$19,638,680</b>	<b>\$19,771,672</b>	<b>\$19,730,718</b>	<b>0%</b>

In January 2008, the Water District enacted the recommendations of a report by Bartle and Wells Associate, 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 2012-13 Budget projects a 2% increase from the 2011-12 Revised, and there is no planned consumption rate increase for the 2012-13 Budget. A gradual increase in consumption is projected in Water Sales revenue for fiscal year 2012-13 as compared to the 2011-12 Revised with an increase from \$8.8 million to \$8.9 million for a 1% or \$0.1 million increase. Mixed factors are affecting Water Sales like the impact of conservation, the dry winter, some customers not watering yards because of the economy, and vacant houses.

**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 5/8 inch to 8 inches. The 2012-13 Budget projects a 1% increase from the 2011-12 Revised, even though no increase in rates is planned for the 2012-13 Budget.

**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 2012-13 Budget projects a 9% decrease from the 2011-12 Budget, based on an anticipated reduction in development activity. The 2011-12 Revised development activity is expecting 0 Single Family Residential (SFR) permits issued as the last new residential permit was issued in April 2010.

## REVENUE

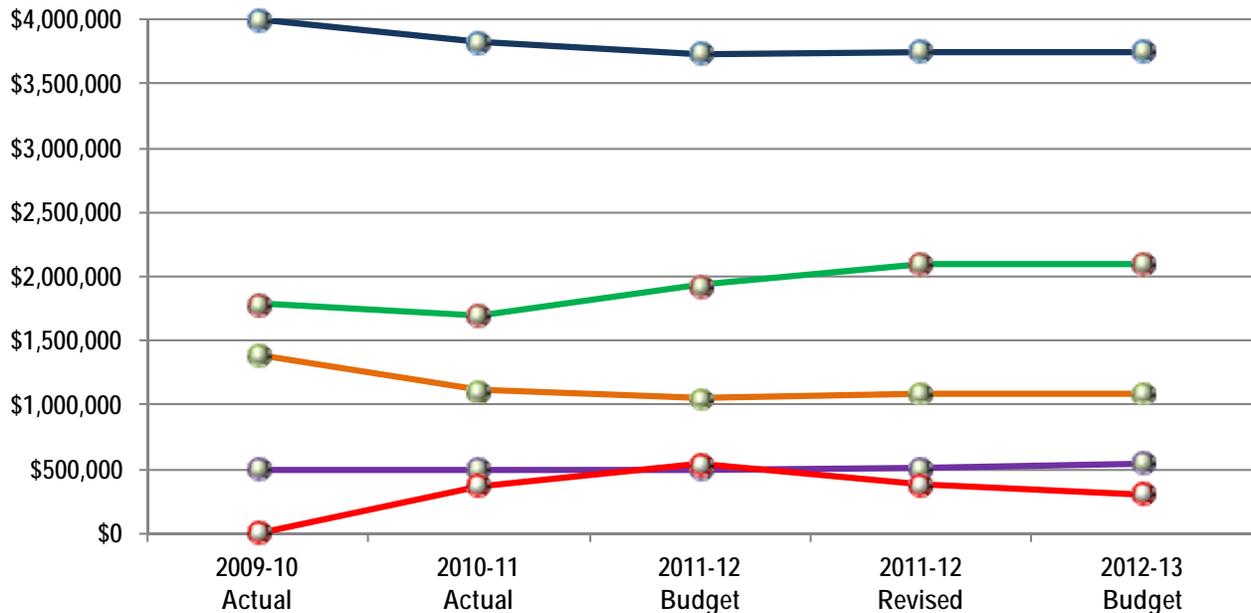
### Water District Revenue Trend (Continued)

**Sewer Operating** – Sewer services are primarily available along the Main Street corridor and the western portion of the City and comprises about 20% of the District’s water customers. The primary revenue of this group is Sewer Billing. The Sewer Billing revenue is expected to reach \$3,178,786 in the 2012-13 Budget, a slight increase from the 2011-12 Revised amount of \$3,170,595, and a 1% increase from the 2011-12 Budget.

**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 2011-12 Budget anticipated a reduced level of development activity, compared to prior years, the 2012-13 Budget is expecting this revenue to fall again. However, due to various commercial developments the 2011-12 Revised is anticipating \$102,000 or \$44,465 or 77% over the 2011-12 Budget of \$57,535.

**All Other District Revenue** – This group is the remainder of the Water District Operating and Capital revenue (about 5% of total District revenue) of which property rental revenue and property tax revenue are 50% of this group and are projected to be \$0.5 million, reflecting no significant increase from the 2011-12 Budget. However, this group is projected to decrease by 4% or \$37,009 from the 2011-12 Revised.

**Fire District Revenue Trend**



REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	%Change From 2011-12 Budget
Property Taxes	\$3,998,550	\$3,820,161	\$3,731,175	\$3,750,000	\$3,749,418	0%
Redevelopment Pass-Through	1,399,746	1,118,119	1,048,609	1,094,609	1,094,609	4%
Paramedic Ambulance Fees	1,788,956	1,700,836	1,930,000	2,100,000	2,100,000	9%
Community Facilities District 94-1	500,043	497,171	500,500	507,921	544,232	9%
Community Facilities District 2005-1	0	372,857	536,628	376,805	310,533	-42%
All Other Revenue	519,811	1,029,553	639,662	662,400	662,533	4%
<b>Total Fire District Revenue</b>	<b>\$8,207,106</b>	<b>\$8,538,697</b>	<b>\$8,386,574</b>	<b>\$8,491,735</b>	<b>\$8,461,325</b>	<b>1%</b>

## REVENUE

### Fire District Revenue Trend (Continued)

**Fire District** – Overall, the 2012-13 Budget reflects a slight decrease from the 2011-12 Revised, and a slight increase from the 2010-11 Budget. The largest revenue source for the Fire District is Property Tax revenue, which is 44% of the District's total revenues followed by Paramedic Ambulance Fees which is 25%. Property tax revenues and the Redevelopment Pass-Through comprise 57% 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 44% of the District's total revenue for the 2012-13 Budget, is projected to decrease slightly from the 2011-12 Revised and show an \$18,243 increase over the 2011-12 Budget. The prior years 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 a number of years.

**Redevelopment Pass-Through** – In the past, this revenue was received from the Hesperia Community Redevelopment Agency (HCRA) as a Pass-through of property tax increment received by the Redevelopment Agency. Starting February 1, 2012 this revenue will be received from the County of San Bernardino in the wake of the dissolved RDAs. For 2012-13 Budget this revenue source is projected to be the same as the 2011-12 Revised reflecting the anticipation that the City's valuation has bottomed out. For the 2012-13 Budget, this revenue source is approximately 13% of the District's total revenue; reflecting no change from the 2011-12 Budget. The 2012-13 Budget expects to have \$305,137 less revenue from Pass-Through payments compared to Fiscal Year 2009-10.

**Paramedic Ambulance Fees** – This is revenue received from ambulance transportation billing. The 2012-13 Budget estimates no growth from the 2011-12 Revised. From the 2010-11 Actual of \$1,700,836 to the 2011-12 Revised of \$2,100,000 the \$399,164 represents the enhanced revenue collection by using County Fire's ambulance billing vendor for FY 2011-12. Therefore, the 2012-13 Budget estimate is \$2.1 million. Because of the decrease of property tax related revenues and the enhanced collections, this revenue source has grown to 25% of the District's total revenue up from 23% of the 2011-12 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 services. For the 2012-13 Budget, this revenue is expected to increase (with the issuance of five new commercial businesses Walmart, JoAnn's, Del Taco, Chase Bank, and Autozone) over the 2011-12 Revised by 7%. This revenue source comprises 6% of the District's revenue for the 2012-13 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. For the 2012-13 Budget, this revenue is expected to be \$310,533. The following is a multi-year planned use of the trust deposits and the ongoing revenues:

	FY 2012-13 Budget	FY 2013-14 Proposed	FY 2014-15 Proposed	FY 2015-16 Proposed
<b>Current Deposits:</b>				
Fire - Fund 200 (45%)	\$ 116,906	\$ 116,906	\$ 0	\$ 0
<b>Ongoing Revenues:</b>				
<b>Fund #807 CFD 2005-1:</b>				
Fire - Fund 200 (45%)	193,627	193,627	193,627	193,627
<b>Combined Uses:</b>				
Fire - Fund 200 (45%)	\$ 310,533	\$ 310,533	\$ 193,627	\$ 193,627

**All Other Revenue** – This group of revenues comprise 8% of the District's 2012-13 Budget. The single largest revenue is the Non-Transport EMS Charge expected to receive \$173,000. Other revenues in this group are those related to the household hazardous waste center, fire prevention, fire inspections, others related to the ambulance function, and interest earnings.

## REVENUE

### Successor Agency to the Hesperia Community Redevelopment Agency

The Successor Agency's first revenues are presented as the 2011-12 Revised as the Agency started to receive revenues after the 2011-12 Budget was adopted and also, in part, in the wake of the dissolution of the City's RDA. The 2012-13 Budget shows the major revenue to be property tax revenue which is used to retire the debts of the former RDA. These tax revenues are significantly less than those of the former RDA as the will be 'net' of the former pass through obligations of the former RDA which will now be paid by the County directly.

### Community Development Commission

The Community Development Commission's first revenues are presented as the 2011-12 Revised as the Commission started to receive revenues after the 2011-12 Budget was adopted and also, in part, in the wake of the dissolution of the City's RDA. The 2012-13 Budget shows the major revenue to be the Rail Grant revenues from the federal government at 68% of the Commission total with Reimbursements (the annual civic park payment from the Recreation and Park District) being 25%.

### Hesperia Housing Authority

The Hesperia Housing Authority's first revenues are presented as the 2011-12 Revised as the Authority started to receive revenues after the 2011-12 Budget was adopted and also, in part, in the wake of the dissolution of the City's RDA. The 2012-13 Budget shows the major revenue to be interest revenue at 86% of the Authority total with rental revenue making up the remainder.

### Redevelopment Agency Revenue Trend

**Overall** – The Hesperia Community Redevelopment Agency was closed by action of the State Legislature effective February 1, 2012. The functions of the former agency are now carried on by The Successor Agency of the Hesperia Community Redevelopment Agency (debt service and economic development); the Hesperia Housing Authority (housing and low/moderate income housing); and the Community Development Commission. Starting with the 2012-13 Budget no further information is provided on the former agency.

**REVENUE  
SUMMARY BY MAJOR GROUP**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>General Fund Revenue</b>						
Taxes	\$ 7,094,779	\$ 8,512,041	\$ 8,710,619	\$ 9,446,111	\$ 10,415,111	20%
Fines & Forfeitures	239,392	231,892	235,300	199,325	185,300	-21%
Interest	28,715	53,058	38,352	48,000	49,160	28%
Intergovernmental	7,069,737	6,495,727	6,291,894	5,987,271	5,768,736	-8%
Charges for Services	1,776,176	1,743,087	1,694,089	1,664,793	1,461,990	-14%
Licenses & Permits	282,282	288,562	304,100	320,023	371,248	22%
Grants	294,813	128,325	115,719	211,662	110,890	-4%
Other Operating	2,744,530	2,734,260	2,691,151	2,826,537	3,004,102	12%
All Other	188	10,893	0	1,304	0	n/a
Total General Fund Revenue	\$ 19,530,612	\$ 20,197,845	\$ 20,081,224	\$ 20,705,026	\$ 21,366,537	6%
<b>Street, Transportation, and Other Related City Funds</b>						
Streets Related Funds	\$ 7,249,653	\$ 6,259,725	\$ 27,639,037	\$ 20,630,449	\$ 19,538,088	-29%
Other Transportation Related Funds	213,245	605,267	78,246	118,591	90,748	16%
Other City Related Funds	21,880,408	5,395,389	3,481,847	6,395,528	11,983,158	244%
Total Streets & Other City Revenue	\$ 29,343,306	\$ 12,260,381	\$ 31,199,130	\$ 27,144,568	\$ 31,611,994	1%
<b>Total City Funds</b>	\$ 48,873,918	\$ 32,458,226	\$ 51,280,354	\$ 47,849,594	\$ 52,978,531	3%
<b>Successor Agency Revenue</b>						
Successor Agency Funds	\$ 0	\$ 0	\$ 0	\$ 3,981,005	\$ 10,094,569	n/a
<b>Community Development Comm. Fund</b>						
Community Development Comm. Fund	\$ 0	\$ 0	\$ 0	\$ 236,000	\$ 262,000	n/a
<b>Hesperia Housing Authority</b>						
Hesperia Housing Authority Funds	\$ 0	\$ 0	\$ 0	\$ 120,321	\$ 146,303	n/a
<b>Redevelopment Revenue</b>						
Redevelopment Agency Funds	\$ 29,540,067	\$ 21,452,188	\$ 21,082,106	\$ 11,394,733	\$ 0	-100%
<b>Water District Revenue</b>						
700 Water Operating Fund	\$ 15,398,509	\$ 16,388,545	\$ 16,270,190	\$ 16,200,677	\$ 16,345,432	0%
701 Water Capital Fund	738,141	187,964	175,299	298,400	160,000	-9%
Total Water Operating & Capital Funds	\$ 16,136,650	\$ 16,576,509	\$ 16,445,489	\$ 16,499,077	\$ 16,505,432	0%
710 Sewer Operating Fund	\$ 2,616,190	\$ 3,194,099	\$ 3,135,656	\$ 3,170,595	\$ 3,178,786	1%
711 Sewer Capital Fund	411,219	129,888	57,535	102,000	46,500	-19%
Total Sewer Operating & Capital Funds	\$ 3,027,410	\$ 3,323,988	\$ 3,193,191	\$ 3,272,595	\$ 3,225,286	1%
Total Water District Revenue	\$ 19,164,060	\$ 19,900,497	\$ 19,638,680	\$ 19,771,672	\$ 19,730,718	0%
<b>200 Fire District Revenue</b>	\$ 8,207,106	\$ 8,165,840	\$ 8,386,574	\$ 8,491,735	\$ 8,461,325	1%
<b>TOTAL ALL FUNDS</b>	<b>\$105,785,151</b>	<b>\$ 81,976,751</b>	<b>\$100,387,714</b>	<b>\$ 91,845,060</b>	<b>\$ 91,673,446</b>	<b>-9%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>General Fund Revenue</b>						
<b>Taxes</b>						
Secured Property Tax 100 19 220 0000 4000	\$ 283,075	\$ 285,354	\$ 380,000	\$ 365,000	\$ 365,000	-4%
Prior Secured Property Tax 100 19 220 0000 4005	31,868	20,513	16,000	17,000	17,000	6%
HOPTR 100 19 220 0000 4410	5,864	6,210	6,000	6,439	6,439	7%
Current Supplemental Property 100 19 220 0000 4010	(21,272)	5,301	10,000	10,000	10,000	0%
Prior Supplemental Property Tax 100 19 220 0000 4011	103,678	66,485	10,000	41,000	41,000	310%
Sub-total Property Tax	\$ 403,213	\$ 383,863	\$ 422,000	\$ 439,439	\$ 439,439	4%
VVEDA Tax increment 100 19 220 0000 4095	188,975	8,361	7,138	7,138	7,138	0%
Payment in Lieu of Property Taxes 100 19 220 0000 4097	0	17,500	35,000	35,000	35,000	0%
Sales and Use Tax 100 19 220 0000 4100	4,309,035	5,123,929	4,951,500	5,669,031	6,416,250	30%
Sales and Use Tax Triple Flip 100 19 220 0000 4105	1,199,607	1,517,284	1,650,500	1,840,969	2,138,750	30%
Sub-Total Sales and Use Tax	\$ 5,508,642	\$ 6,641,213	\$ 6,602,000	\$ 7,510,000	\$ 8,555,000	30%
Community Facilities District #2005-1 100 19 220 0000 4031	0	455,715	655,878	460,540	379,540	-42%
Transient Occupancy Tax 100 19 220 0000 4140	807,411	843,063	790,000	825,000	820,000	4%
Property Transfer Tax 100 19 220 0000 4145	175,336	153,516	190,000	160,000	170,000	-11%
Other Taxes	11,201	8,810	8,603	8,994	8,994	5%
<b>Total Taxes</b>	<b>\$ 7,094,779</b>	<b>\$ 8,512,041</b>	<b>\$ 8,710,619</b>	<b>\$ 9,446,111</b>	<b>\$ 10,415,111</b>	<b>20%</b>
<b>Fines &amp; Forfeitures</b>						
Vehicle Code Fines 100 51 510 0000 5500	\$ 166,266	\$ 157,918	\$ 165,000	\$ 110,000	\$ 120,000	-27%
Booking Fees 100 51 510 0000 5540	2,006	3,236	2,000	400	0	-100%
DUI Arrest Fees 100 51 510 0000 5530	24,411	21,640	23,000	30,000	30,000	30%
Vehicle Tow Fees 100 51 510 0000 5510	34,890	30,700	30,000	20,000	20,000	-33%
Other Police Fines & Forfeitures	11,820	18,398	15,300	38,925	15,300	0%
<b>Total Fines &amp; Forfeitures</b>	<b>\$ 239,392</b>	<b>\$ 231,892</b>	<b>\$ 235,300</b>	<b>\$ 199,325</b>	<b>\$ 185,300</b>	<b>-21%</b>
<b>Interest</b>						
Interest Income – City 100 19 220 0000 5600	\$ 28,715	\$ 53,058	\$ 38,352	\$ 48,000	\$ 49,160	28%
<b>Total Interest</b>	<b>\$ 28,715</b>	<b>\$ 53,058</b>	<b>\$ 38,352</b>	<b>\$ 48,000</b>	<b>\$ 49,160</b>	<b>28%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>General Fund Revenue (Continued)</b>						
<b>Intergovernmental</b>						
Vehicle License Fee 100 19 220 0000 4400	\$ 270,549	\$ 450,156	\$ 230,000	\$ 0	\$ 0	-100%
Triple Flip - Motor Vehicle In Lieu 100 19 220 0000 4405	6,799,188	6,045,571	6,061,894	5,987,271	5,768,736	-5%
<b>Total Intergovernmental</b>	<b>\$ 7,069,737</b>	<b>\$ 6,495,727</b>	<b>\$ 6,291,894</b>	<b>\$ 5,987,271</b>	<b>\$ 5,768,736</b>	<b>-8%</b>
<b>Charges for Services</b>						
General Plan Update 100 29 300 3000 4942	\$ 893	\$ 2,177	\$ 2,500	\$ 400	\$ 300	-88%
Tentative Tract 100 29 300 3000 4990	2,023	0	0	0	0	n/a
Home Occupancy 100 29 300 3000 4960	67,755	63,127	60,000	53,400	45,000	-25%
Tenant Improvement Plan Review 100 29 300 3000 4963	7,882	5,449	5,000	5,000	4,500	-10%
Tentative Parcel 100 29 300 3000 4995	2,525	1,786	2,500	1,362	2,000	-20%
Project Extension 100 29 300 3000 4957	536	2,814	3,000	1,400	1,500	-50%
Conditional use 100 29 300 3000 5015	14,987	23,408	16,000	8,500	5,000	-69%
Site Plans 100 29 300 3000 5005	10,369	4,188	6,500	15,500	11,200	72%
Rental Housing Inspection Fee 100 29 305 3010 5038	102,542	107,224	125,000	125,000	0	-100%
Business License 100 29 300 3000 4200	211,778	202,374	200,000	210,000	200,000	0%
Administration Fine-Code Enforcement 100 29 305 3010 5405	351,173	294,110	275,000	265,000	275,000	0%
Municipal Code Fines 100 29 305 3010 5420	50,954	32,074	50,000	10,250	25,000	-50%
Building Plan Check Fees 100 29 300 3020 5030	99,964	141,825	101,000	110,000	123,300	22%
Building Permit Fees 100 29 300 3020 4250	387,161	376,823	407,300	400,000	365,470	-10%
Automation Fee 100 29 300 3020 4930	59,424	63,625	57,000	67,000	50,500	-11%
Microfilm Fee 100 29 300 3020 4935	629	298	100	400	200	100%
Parks & Rec Collection Fees 100 29 300 3020 5027	4,300	175	0	75	0	n/a
Lot Grading Permit Fees 100 29 300 3020 4255	12,344	18,296	14,000	11,500	6,900	-51%
Final Subdivision Processing Fee 100 29 310 3100 5010	344	0	1,000	2,000	1,000	0%

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10	2010-11	2011-12	2011-12	2012-13	% Change
	Actual	Actual	Budget	Revised	Budget	From 2011-12 Budget
<b>General Fund Revenue</b>						
<b>(Continued)</b>						
<b>Charges for Services</b>						
<b>(Continued)</b>						
Final P/M Processing Fee 100 29 310 3100 5012	\$ 1,650	\$ 1,650	\$ 1,000	\$ 750	\$ 1,000	0%
Construction Permit Fee 100 29 310 3100 4260	4,732	3,536	4,000	5,500	4,000	0%
Engineering Plan Check Fees 100 29 310 3100 5045	14,919	9,314	15,000	15,000	13,000	-13%
Grading Plan Review Fees 100 29 310 3100 5050	7,851	11,538	7,000	6,000	5,000	-29%
Construction Inspection Fees 100 29 310 3100 5035	72,708	40,727	50,000	62,000	40,000	-20%
County Animal Control Revenue 100 29 305 5000 4917	0	35,968	25,000	26,000	26,000	4%
Administration Fine-Animal Control 100 29 305 5000 5405	218,170	226,324	200,000	200,000	200,000	0%
Other Charges for Services	68,562	74,258	66,189	62,756	56,120	-15%
<b>Total Charges for Services</b>	<b>\$ 1,776,176</b>	<b>\$ 1,743,087</b>	<b>\$ 1,694,089</b>	<b>\$ 1,664,793</b>	<b>\$ 1,461,990</b>	<b>-14%</b>
<b>Licenses &amp; Permits</b>						
Animal Licenses 100 29 305 5000 4210	\$ 182,691	\$ 190,718	\$ 190,000	\$ 205,000	\$ 250,000	32%
Animal Impound Fee 100 29 305 5000 5065	56,508	54,908	50,000	55,000	55,000	10%
Other Licenses & Permits	43,083	42,935	64,100	60,023	66,248	3%
<b>Total Licenses &amp; Permits</b>	<b>\$ 282,282</b>	<b>\$ 288,562</b>	<b>\$ 304,100</b>	<b>\$ 320,023</b>	<b>\$ 371,248</b>	<b>22%</b>
<b>Grants</b>						
CDBG Grant - Environmental 100 07 220 0000 4700	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	0%
Healthy City Grant 100 07 200 0000 4725	0	0	0	25,000	0	n/a
CDBG Grant-Code Enforcement 100 29 305 3010 4700	3,498	5,204	0	0	0	n/a
CDBG Grant - Police 100 51 510 0000 4775	69,108	28,941	20,010	20,010	0	-100%
Police JAG Grant 100 51 510 0000 4700	28,790	0	0	0	20,890	n/a
Police Dept. of Justice LLEBG 100 51 510 0000 4770	118,340	29,180	0	25,717	0	n/a
Police Off Highway 100 51 510 0000 4790	0	0	0	14,591	0	n/a
Police Seatbelt Grant 100 51 510 0000 4795	0	0	4,246	4,246	5,500	30%
Police Sobriety Grant 100 51 510 0000 4797	0	0	26,463	27,240	19,500	-26%
Police Homeland Security Grant 100 51 510 0000 4811	10,077	0	0	29,858	0	n/a
<b>Total Grants</b>	<b>\$ 294,813</b>	<b>\$ 128,325</b>	<b>\$ 115,719</b>	<b>\$ 211,662</b>	<b>\$ 110,890</b>	<b>-4%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10	2010-11	2011-12	2011-12	2012-13	% Change
	Actual	Actual	Budget	Revised	Budget	From 2011-12 Budget
<b>General Fund Revenue</b>						
<b>(Continued)</b>						
<b>Other Operating</b>						
Article 19 Landfill Fee	\$ 73,828	\$ 68,576	\$ 80,000	\$ 65,000	\$ 60,000	-25%
100 19 220 0000 4170						
Cable Franchise Fee	428,995	482,989	480,000	526,000	520,000	8%
100 19 220 0000 4150, 4151						
Advance Disposal Franchise Fee	933,517	915,208	915,000	933,000	1,115,000	22%
100 19 220 0000 4155						
Utilities Franchise Fee	837,749	849,665	855,000	819,202	830,000	-3%
100 19 220 0000 4160						
Water Franchise Fee	250,000	250,000	250,000	250,000	250,000	0%
100 19 220 0000 4165						
<b>Sub Total Franchise Fees</b>	<b>\$ 2,524,089</b>	<b>\$ 2,566,439</b>	<b>\$ 2,580,000</b>	<b>\$ 2,593,202</b>	<b>\$ 2,775,000</b>	<b>8%</b>
State Mandated Claims SB90	\$ 51,349	\$ 43,085	\$ 0	\$ 42,307	\$ 40,000	n/a
100 19 220 0000 4500						
Assessment Cost Recovery	75,145	7,716	10,991	7,327	7,547	-31%
100 19 220 0000 5830						
Leased Water Rights	0	0	0	0	10,680	n/a
100 19 220 0000 5871						
Pet Adoption Charges	64,828	66,445	72,000	62,000	62,000	-14%
100 29 305 5000 4215						
Cell Tower Rent	16,619	19,392	19,780	19,780	20,175	2%
100 19 220 0000 5885						
CSI Grant Reimbursement	0	0	0	68,000	68,000	n/a
100 29 310 3110 4860						
Library Electricity Reimb	0	20,442	0	10,500	10,500	n/a
100 29 310 3110 5804						
Other Operating	12,500	10,742	8,380	23,421	10,200	22%
<b>Total Other Operating</b>	<b>\$ 2,744,530</b>	<b>\$ 2,734,260</b>	<b>\$ 2,691,151</b>	<b>\$ 2,826,537</b>	<b>\$ 3,004,102</b>	<b>12%</b>
<b>All Other</b>						
Miscellaneous/General Govt.	\$ 188	\$ 10,893	\$ 0	\$ 1,304	\$ 0	n/a
100 19 220 0000 5950						
<b>Total All Other</b>	<b>\$ 188</b>	<b>\$ 10,893</b>	<b>\$ 0</b>	<b>\$ 1,304</b>	<b>\$ 0</b>	<b>n/a</b>
<b>Total General Fund Revenue</b>	<b>\$ 19,530,612</b>	<b>\$ 20,197,845</b>	<b>\$ 20,081,224</b>	<b>\$ 20,705,026</b>	<b>\$ 21,366,537</b>	<b>6%</b>
<b>Successor Agency (SA) Funds</b>						
<b>(160, 161, 162, 173)</b>						
<b>Taxes</b>						
SA RORF Debt Service - PA #1						
Property Tax	\$ 0	\$ 0	\$ 0	\$ 2,200,675	\$ 5,817,701	n/a
160 25 261 0000 4000						
SA RORF Debt Service - PA #2						
Property Tax	0	0	0	144,195	410,478	n/a
161 25 261 0000 4000						
SA RORF Debt Service - Housing						
Property Tax	0	0	0	1,628,979	3,858,254	n/a
162 25 263 2700 4000						
<b>Total Taxes</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,973,849</b>	<b>\$ 10,086,433</b>	<b>n/a</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>Successor Agency (SA) Funds (160, 161, 162, 173) Con't.</b>						
<b>Interest</b>						
ROR Area #1 - Interest 160 19 220 0000 5600	\$ 0	\$ 0	\$ 0	\$ 499	\$ 100	n/a
ROR Area #2 - Interest 161 19 220 0000 5600	0	0	0	5,136	7,533	n/a
ROR Housing - Interest 162 19 220 0000 5600	0	0	0	1,521	503	n/a
<b>Total Interest Income</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 7,156</b>	<b>\$ 8,136</b>	<b>n/a</b>
<b>Other</b>						
Other-All Other Combined	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	n/a
<b>Total SA Other</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>n/a</b>
<b>Total Successor Agency Revenue</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,981,005</b>	<b>\$ 10,094,569</b>	<b>n/a</b>
<b>160 Redevelopment Obligation Retirement P. A. #1</b>						
<b>Taxes</b>						
SA RORF Debt Service - PA #1 Property Tax 160 25 261 0000 4000	\$ 0	\$ 0	\$ 0	\$ 2,200,675	\$ 5,817,701	n/a
<b>Total Taxes</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,200,675</b>	<b>\$ 5,817,701</b>	<b>n/a</b>
<b>Interest</b>						
ROR Area #1 - Interest 160 19 220 0000 5600	\$ 0	\$ 0	\$ 0	\$ 499	\$ 100	n/a
<b>Total Interest Income</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 499</b>	<b>\$ 100</b>	<b>n/a</b>
<b>Total Redevelopment Obligation Retirement P. A. #1 160</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,201,174</b>	<b>\$ 5,817,801</b>	<b>n/a</b>
<b>161 Redevelopment Obligation Retirement P. A. #2</b>						
<b>Taxes</b>						
SA RORF Debt Service - PA #2 Property Tax 161 25 261 0000 4000	\$ 0	\$ 0	\$ 0	\$ 144,195	\$ 410,478	n/a
<b>Total Taxes</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 144,195</b>	<b>\$ 410,478</b>	<b>n/a</b>
<b>Interest</b>						
ROR Area #2 - Interest 161 19 220 0000 5600	\$ 0	\$ 0	\$ 0	\$ 5,136	\$ 7,533	n/a
<b>Total Interest Income</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 5,136</b>	<b>\$ 7,533</b>	<b>n/a</b>
<b>Total Redevelopment Obligation Retirement P. A. #2 161</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 149,331</b>	<b>\$ 418,011</b>	<b>n/a</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>(160, 161, 162, 173) Con't.</b>						
<b>162 Redevelopment Obligation Retirement Housing</b>						
<b>Taxes</b>						
SA RORF Debt Service - Housing Property Tax 162 25 263 2700 4000	\$ 0	\$ 0	\$ 0	\$ 1,628,979	\$ 3,858,254	n/a
<b>Total Taxes</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,628,979</b>	<b>\$ 3,858,254</b>	<b>n/a</b>
<b>Interest</b>						
ROR Housing - Interest 162 19 220 0000 5600	\$ 0	\$ 0	\$ 0	\$ 1,521	\$ 503	n/a
<b>Total Interest Income</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,521</b>	<b>\$ 503</b>	<b>n/a</b>
<b>Total Redevelopment Obligation Retirement Housing 162</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,630,500</b>	<b>\$ 3,858,757</b>	<b>n/a</b>
<b>Total Successor Agency Revenue</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,981,005</b>	<b>\$ 10,094,569</b>	<b>n/a</b>
<b>170 Community Development Commission</b>						
<b>Interest</b>						
ROR Housing - Interest 170 25 261 0000 5600	\$ 0	\$ 0	\$ 0	\$ 1,000	\$ 2,000	n/a
<b>Total Interest Income</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,000</b>	<b>\$ 2,000</b>	<b>n/a</b>
<b>Other</b>						
Rents & Leases 170 25 261 0000 5700	\$ 0	\$ 0	\$ 0	\$ 35,000	\$ 60,000	n/a
Reimbursements/Other Agencies 170 25 261 0000 5800	0	0	0	200,000	200,000	n/a
Reimbursements/Other Agencies 170 25 261 0000 5800	0	0	0	0	0	n/a
<b>Total CDC Other</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 235,000</b>	<b>\$ 260,000</b>	<b>n/a</b>
<b>Total Community Development Commission</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 236,000</b>	<b>\$ 262,000</b>	<b>n/a</b>
<b>Funds (370, 371)</b>						
<b>370 Hesperia Housing Authority</b>						
<b>Interest</b>						
Housing Authority - Interest 370 19 220 0000 5600	\$ 0	\$ 0	\$ 0	\$ 100,751	\$ 122,200	n/a
<b>Total Interest</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 100,751</b>	<b>\$ 122,200</b>	<b>n/a</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>Funds (370, 371) Continued</b>						
<b>370 Hesperia Housing Authority (Continued)</b>						
<b>Other</b>						
Rents & Leases 370 25 263 0000 5700	\$ 0	\$ 0	\$ 0	\$ 15,473	\$ 19,800	n/a
Proceeds from Land Sales 370 25 263 0000 5900	0	0	0	0	0	n/a
Miscellaneous 370 25 263 0000 5950	0	0	0	2,000	0	n/a
<b>Total Other</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 17,473</b>	<b>\$ 19,800</b>	<b>n/a</b>
<b>Total Hesperia Housing</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 118,224</b>	<b>\$ 142,000</b>	<b>n/a</b>
<b>371 VVEDA Housing</b>						
<b>Interest</b>						
VVEDA Housing Authority - Interest 371 19 220 0000 5600	\$ 0	\$ 0	\$ 0	\$ 2,097	\$ 4,303	n/a
<b>Total Interest</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,097</b>	<b>\$ 4,303</b>	<b>n/a</b>
<b>Total VVEDA Housing</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,097</b>	<b>\$ 4,303</b>	<b>n/a</b>
<b>Total HHA Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 120,321</b>	<b>\$ 146,303</b>	<b>n/a</b>
<b><u>Other City Funds</u></b>						
<b>251 CDBG Fund</b>						
CDBG Administration Reimbursement 251 25 270 2700 4730	\$ 1,046,409	\$ 459,749	\$ 2,035,215	\$ 714,790	\$ 1,960,105	-4%
CDBG Administration Reimbursement 251 29 700 7091 4730	0	0	0	0	0	n/a
CDBG Loan Repayment 251 25 270 2700 4746	15,041	0	25,000	8,419	15,000	-40%
CDBG Interest 251 19 220 0000 5600	198	0	0	0	0	n/a
<b>Total CDBG Fund 251</b>	<b>\$ 1,061,648</b>	<b>\$ 459,749</b>	<b>\$ 2,060,215</b>	<b>\$ 723,209</b>	<b>\$ 1,975,105</b>	<b>-4%</b>
<b>252 HOME Grant Fund</b>						
<b>Interest</b>						
CDBG HOME Grant Program Interest Income 252 19 220 0000 5600	\$ 411	\$ 6	\$ 0	\$ 14	\$ 18	n/a
<b>Total Interest Income</b>	<b>\$ 411</b>	<b>\$ 6</b>	<b>\$ 0</b>	<b>\$ 14</b>	<b>\$ 18</b>	<b>n/a</b>
<b>Grants</b>						
CDBG HOME Grant 2000 252 25 264 2700 4750	\$ 0	\$ 4,281	\$ 15,000	\$ 0	\$ 0	-100%
CDBG 2002 HOME Construction 252 25 264 2700 4756	0	75	0	0	0	n/a
<b>Total Grants</b>	<b>\$ 0</b>	<b>\$ 4,356</b>	<b>\$ 15,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Total HOME Fund 252</b>	<b>\$ 411</b>	<b>\$ 4,362</b>	<b>\$ 15,000</b>	<b>\$ 14</b>	<b>\$ 18</b>	<b>-100%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b><u>Other City Funds (Continued)</u></b>						
<b>Community Development Block Grant (CDBG) Funds (251, 252, 253, 257) (Continued)</b>						
<b>253 CDBG-Revolving Loan Fund</b>						
CDBG Revolving Loan Program Interest Income	\$ 4,853	\$ 4,046	\$ 3,098	\$ 2,954	\$ 3,870	25%
253 19 220 0000 5600						
CDBG-Revolving Loan Fund - Miscellaneous Income	48,952	24,476	73,952	0	0	-100%
<b>Total CDBG-Revolving Loan Fund 253</b>	<b>\$ 53,805</b>	<b>\$ 28,522</b>	<b>\$ 77,050</b>	<b>\$ 2,954</b>	<b>\$ 3,870</b>	<b>-95%</b>
<b>257 CDBG-Neighborhood Stabilization Program (NSP) Fund</b>						
NSP Interest Income	\$ 0	\$ 0	\$ 0	\$ 2,404	\$ 3,870	n/a
257 19 220 0000 5600						
Neighborhood Stabilization Program	4,124,972	63,268	289,246	289,246	71,766	-75%
257 270 2700 0000 4760						
NSP - Proceeds from Sales	0	0	738,476	1,502,914	488,509	-34%
257 270 2700 0000 5901						
NSP - Rents/Lease	0	0	20,604	0	45,003	118%
257 270 2700 0000 5870						
<b>Total CDBG-Neighborhood Stabilization Fund 257</b>	<b>\$ 4,124,972</b>	<b>\$ 63,268</b>	<b>\$ 1,048,326</b>	<b>\$ 1,794,564</b>	<b>\$ 609,148</b>	<b>-42%</b>
<b>Total CDBG Funds (251, 252, 253, 257)</b>	<b>\$ 5,240,836</b>	<b>\$ 555,901</b>	<b>\$ 3,200,591</b>	<b>\$ 2,520,741</b>	<b>\$ 2,588,141</b>	<b>-19%</b>
<b>150 Redevelopment Administration</b>						
Redevelopment Administration Interest Income	\$ 0	\$ 9,957	\$ 0	\$ 11,602	\$ 264	n/a
150 19 220 0000 5600						
Miscellaneous	0	22,000	0	0	0	n/a
150 25 261 0000 5950						
<b>Total Redevelopment Administration Fund 150</b>	<b>\$ 0</b>	<b>\$ 31,957</b>	<b>\$ 0</b>	<b>\$ 11,602</b>	<b>\$ 264</b>	<b>n/a</b>
<b>201 Measure I - Arterial Fund</b>						
Measure I - Arterial Interest Income	\$ 355	\$ 1,539	\$ 0	\$ 692	\$ 300	n/a
201 19 220 0000 5600						
Measure I - Arterial	1,502,299	0	0	0	0	n/a
201 29 310 3150 4120						
<b>Total Measure I - Arterial Fund 201</b>	<b>\$ 1,502,654</b>	<b>\$ 1,539</b>	<b>\$ 0</b>	<b>\$ 692</b>	<b>\$ 300</b>	<b>n/a</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b><u>Other City Funds (Continued)</u></b>						
<b>202 Measure I - Local Fund</b>						
Measure I – Local 202 29 310 3150 4115	\$ 693,369	\$ 0	\$ 0	\$ 0	\$ 0	n/a
<b>Total Measure I - Local Fund 202</b>	<b>\$ 693,369</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>n/a</b>
<b>203 Measure I - Transit Fund</b>						
Measure I - Transit Interest Income 203 19 220 0000 5600	\$ 250	\$ 44	\$ 0	\$ 0	\$ 0	n/a
Measure I – Transit 203 29 310 3150 4125	115,561	0	0	0	0	n/a
<b>Total Measure I - Transit Fund 203</b>	<b>\$ 115,811</b>	<b>\$ 44</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>n/a</b>
<b>204 Measure I - 2010 Renewal Fund</b>						
Measure I - 2010 Renewal Interest Income 203 19 220 0000 5600	\$ 0	\$ 659	\$ 188	\$ 2,630	\$ 3,244	1626%
Measure I – 2010 Renewal 203 29 310 3150 4125	294,318	1,988,706	1,976,656	2,149,140	2,245,851	14%
<b>Total Measure I - 2010 Renewal Fund 204</b>	<b>\$ 294,318</b>	<b>\$ 1,989,365</b>	<b>\$ 1,976,844</b>	<b>\$ 2,151,770</b>	<b>\$ 2,249,095</b>	<b>14%</b>
<b>Total Measure I (201, 202, 203, 204)</b>	<b>\$ 2,311,834</b>	<b>\$ 1,583</b>	<b>\$ 1,976,844</b>	<b>\$ 2,152,462</b>	<b>\$ 2,249,395</b>	<b>14%</b>
<b>205 Gas Tax Fund</b>						
<b>Interest</b>						
Gas Tax Fund Interest Income 205 19 220 0000 5600	\$ 0	\$ 15	\$ 0	\$ 50	\$ 50	n/a
<b>SubTotal Interest</b>	<b>\$ 0</b>	<b>\$ 15</b>	<b>\$ 0</b>	<b>\$ 50</b>	<b>\$ 50</b>	<b>n/a</b>
<b>Intergovernmental</b>						
Gas Tax Section 2105 205 29 310 3150 4130	\$ 493,928	\$ 480,063	\$ 466,503	\$ 432,268	\$ 427,660	-8%
Gas Tax Section 2106 205 29 310 3150 4132	309,357	299,966	293,589	294,006	290,838	-1%
Gas Tax Section 2107 205 29 310 3150 4134	657,643	641,517	620,818	613,262	613,751	-1%
Gas Tax Section 2107.5 205 29 310 3150 4135	15,000	7,500	7,500	7,500	7,500	0%
<b>SubTotal Intergovernmental</b>	<b>\$ 1,475,928</b>	<b>\$ 1,429,046</b>	<b>\$ 1,388,410</b>	<b>\$ 1,347,036</b>	<b>\$ 1,339,749</b>	<b>-4%</b>
<b>Total Gas Tax Fund 205</b>	<b>\$ 1,475,928</b>	<b>\$ 1,429,061</b>	<b>\$ 1,388,410</b>	<b>\$ 1,347,086</b>	<b>\$ 1,339,799</b>	<b>-4%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10	2010-11	2011-12	2011-12	2012-13	% Change
<u>Other City Funds (Continued)</u>	Actual	Actual	Budget	Revised	Budget	From 2011-12 Budget
<b>206 Gas Tax Swap</b>						
Gas Tax Swap Interest Income 206 19 220 0000 5600	\$ 0	\$ 0	\$ 0	\$ 63	\$ 50	n/a
Gas Tax Swap 7360 206 29 310 3150 4136	0	844,988	980,360	933,031	960,408	-2%
<b>Total Gas Tax Swap Fund 206</b>	<b>\$ 0</b>	<b>\$ 844,988</b>	<b>\$ 980,360</b>	<b>\$ 933,094</b>	<b>\$ 960,458</b>	<b>-2%</b>
<b>207 Local Transportation Fund</b>						
Local Transportation Fund Interest Income 207 19 220 0000 5600	\$ 0	\$ 77	\$ 100	\$ 434	\$ 496	396%
Local Transportation SB325 - Article 8 207 29 310 3150 4110	1,281,416	691,974	979,096	1,070,925	1,403,270	43%
<b>Total Local Transportation Fund 207</b>	<b>\$ 1,281,416</b>	<b>\$ 692,051</b>	<b>\$ 979,196</b>	<b>\$ 1,071,359</b>	<b>\$ 1,403,766</b>	<b>43%</b>
<b>250 Traffic Congestion Relief Fund</b>						
Traffic Congestion Relief Interest 250 19 220 0000 5600	\$ 20	\$ 0	\$ 0	\$ 0	\$ 0	n/a
Traffic Congestion Relief 250 29 310 3150 4870	798,195	0	0	0	0	n/a
<b>Total Traffic Congestion Relief Fund 250</b>	<b>\$ 798,215</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>n/a</b>
<b>254 AQMD (AB2766 - Transit) Fund</b>						
AQMD Fund Interest Income 254 19 220 0000 5600	\$ 752	\$ 694	\$ 518	\$ 508	\$ 668	29%
AQMD - AB2766 Transit Grant 254 29 310 3150 4875	59,301	58,968	45,000	56,000	58,000	29%
<b>Total AQMD Fund 254</b>	<b>\$ 60,053</b>	<b>\$ 59,662</b>	<b>\$ 45,518</b>	<b>\$ 56,508</b>	<b>\$ 58,668</b>	<b>29%</b>
<b>255 AB3229 Supplemental Law Fund</b>						
AB2339 Supplemental Law Interest Income 255 19 220 0000 5600	\$ 0	\$ 36	\$ 8	\$ 50	\$ 48	500%
AB3229 COP's Grant 255 51 510 0000 4780	121,426	99,573	0	146,608	146,608	n/a
LSPA Grant 255 51 510 0000 4781	0	0	0	25,560	25,560	n/a
<b>Total AB3229 Supplemental Law Fund 255</b>	<b>\$ 121,426</b>	<b>\$ 99,609</b>	<b>\$ 8</b>	<b>\$ 172,218</b>	<b>\$ 172,216</b>	<b>2152600%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10	2010-11	2011-12	2011-12	2012-13	% Change
<u>Other City Funds (Continued)</u>	Actual	Actual	Budget	Revised	Budget	From 2011-12 Budget
<b>256 Environmental Programs Grants</b>						
Environmental Programs Grants						
Fund Interest Income	\$ 33	\$ 26	\$ 16	\$ 0	\$ 0	-100%
256 19 220 0000 5600						
Beverage Recycling Grant	10,900	23,373	22,803	23,915	23,915	5%
256 07 200 0000 4710						
Recycling Revenue	5,000	8,969	5,000	5,000	5,000	0%
256 07 200 0000 5895						
Tire Grant	4,689	12,586	39,761	39,761	0	-100%
256 07 200 2001 4700						
Litter Fines	0	221	0	100	0	n/a
256 51 510 0000 5402						
<b>Total Environmental Programs Grants Fund 256</b>	<b>\$ 20,622</b>	<b>\$ 45,175</b>	<b>\$ 67,580</b>	<b>\$ 68,776</b>	<b>\$ 28,915</b>	<b>-57%</b>
<b>259 Reimbursable Grants Fund</b>						
ARRA Grant Reimbursement	\$ 0	\$ 775,100	\$ 0	\$ 0	\$ 0	n/a
259 29 650 6516 4700						
<b>Total Reimbursable Grants Fund 259</b>	<b>\$ 0</b>	<b>\$ 775,100</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>n/a</b>
<b>260 Disaster Preparedness Grant</b>						
Disaster Preparedness Grant Fund						
Interest Income	\$ 44	\$ 29	\$ 30	\$ 0	\$ 0	-100%
260 19 220 0000 5600						
Disaster Preparedness Grant Reimbursement	18,089	23,736	28,381	28,381	29,705	5%
260 07 200 0000 4700						
Miscellaneous Revenue	0	1,000	1,000	1,000	1,000	0%
<b>Total Disaster Preparedness Grant Fund 260</b>	<b>\$ 18,133</b>	<b>\$ 24,765</b>	<b>\$ 29,411</b>	<b>\$ 29,381</b>	<b>\$ 30,705</b>	<b>4%</b>
<b>263 Public Works Street Maintenance</b>						
Public Works Street Maintenance						
Interest Income	\$ 1,883	\$ 1,906	\$ 1,250	\$ 1,581	\$ 2,080	66%
263 19 220 0000 5600						
Emergency Recovery	0	504,449	0	0	0	n/a
263 29 310 3150 4800						
Public Works Graffiti Miscellaneous Income	28,219	34,005	27,000	27,000	27,000	0%
<b>Total Public Works Street Maintenance 263</b>	<b>\$ 30,102</b>	<b>\$ 540,360</b>	<b>\$ 28,250</b>	<b>\$ 28,581</b>	<b>\$ 29,080</b>	<b>3%</b>

**REVENUE  
DETAIL BY FUND**

<b>REVENUE DETAIL</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2011-12</b>	<b>2012-13</b>	<b>% Change</b>
<b>Other City Funds (Continued)</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Revised</b>	<b>Budget</b>	<b>From 2011-12 Budget</b>
<b>300 Streets Development Impact Fee (DIF) Fund</b>						
Streets DIF Interest Income 300 19 220 0000 5600	\$ 50,262	\$ 31,804	\$ 25,956	\$ 22,941	\$ 30,040	16%
Streets DIF Fees 300 29 310 3150 5060	787,721	413,703	359,348	243,361	807,182	125%
<b>Total Streets DIF Fund 300</b>	<b>\$ 837,983</b>	<b>\$ 445,507</b>	<b>\$ 385,304</b>	<b>\$ 266,302</b>	<b>\$ 837,222</b>	<b>117%</b>
<b>301 Storm Drain Development Impact Fee (DIF) Fund</b>						
Storm Drain DIF Interest Income 301 19 220 0000 5600	\$ 9,215	\$ 7,527	\$ 5,782	\$ 5,710	\$ 7,462	29%
Storm Drain DIF Fees 301 29 310 3150 5088	161,300	56,979	47,383	32,220	106,609	125%
<b>Total Storm Drain DIF 301</b>	<b>\$ 170,515</b>	<b>\$ 64,506</b>	<b>\$ 53,165</b>	<b>\$ 37,930</b>	<b>\$ 114,071</b>	<b>115%</b>
<b>302 Fire Development Impact Fee (DIF) Fund</b>						
Fire DIF Interest Income 302 19 220 0000 5600	\$ 6,196	\$ 3,963	\$ 3,034	\$ 3,058	\$ 4,014	32%
Fire DIF Fees 302 29 310 3150 5062	57,464	58,235	52,494	35,709	118,031	125%
<b>Total Fire DIF 302</b>	<b>\$ 63,660</b>	<b>\$ 62,198</b>	<b>\$ 55,528</b>	<b>\$ 38,767</b>	<b>\$ 122,045</b>	<b>120%</b>
<b>303 Police Development Impact Fee (DIF) Fund</b>						
Police DIF Interest Income 303 19 220 0000 5600	\$ 7,440	\$ 1,782	\$ 2,728	\$ 628	\$ 806	-70%
CSI Grant Reimbursement 303-29-650-6516-4860	0	37,111	61,000	0	0	-100%
Police DIF Fees 303 29 310 3150 5063	21,908	17,208	15,333	10,519	34,267	123%
CSI Reimbursement/Other Agencies 303 29 650 6516 5800	0	0	0	21,233	0	
<b>Total Police DIF 303</b>	<b>\$ 29,348</b>	<b>\$ 56,101</b>	<b>\$ 79,061</b>	<b>\$ 32,380</b>	<b>\$ 35,073</b>	<b>-56%</b>
<b>304 Public Services Development Impact Fee (DIF) Fund</b>						
Public Services DIF Interest Income 304 19 220 0000 5600	\$ 7,864	\$ 4,590	\$ 3,922	\$ 2,369	\$ 1,500	-62%
Public Services DIF Fees 304 29 310 3150 5064	140,782	48,890	40,698	27,936	91,379	125%
<b>Total Public Services DIF 304</b>	<b>\$ 148,646</b>	<b>\$ 53,480</b>	<b>\$ 44,620</b>	<b>\$ 30,305</b>	<b>\$ 92,879</b>	<b>108%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b><u>Other City Funds (Continued)</u></b>						
<b>400 Measure I Debt Service Fund</b>						
Measure I Debt Service Interest Income 400 19 220 0000 5600	\$ 7,279	\$ 5,201	\$ 4,478	\$ 33,502	\$ 3,000	-33%
<b>Total Measure I Debt Service Fund 400</b>	<b>\$ 7,279</b>	<b>\$ 5,201</b>	<b>\$ 4,478</b>	<b>\$ 33,502</b>	<b>\$ 3,000</b>	<b>-33%</b>
<b>401 City Debt Service Fund</b>						
City Debt Service Fund Interest Income 401 19 220 0000 5600	\$ 8,141	\$ 6,503	\$ 5,048	\$ 4,267	\$ 3,000	-41%
<b>Total City Debt Service Fund 401</b>	<b>\$ 8,141</b>	<b>\$ 6,503</b>	<b>\$ 5,048</b>	<b>\$ 4,267</b>	<b>\$ 3,000</b>	<b>-41%</b>
<b>500 AD 91-1 Fund</b>						
AD 91-1 Fund Interest Income 500 19 220 0000 5600	\$ 1,974	\$ 0	\$ 0	\$ 0	\$ 0	n/a
<b>Total AD 91-1 Fund 500</b>	<b>\$ 1,974</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>n/a</b>
<b>501 CFD 91-3 Fund</b>						
CFD 91-3 Fund Interest Income 501 19 220 0000 5600	\$ 1,957	\$ 0	\$ 0	\$ 0	\$ 0	n/a
<b>Total CFD 91-3 Fund 501</b>	<b>\$ 1,957</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>n/a</b>
<b>502 Fire Station Building Fund</b>						
Fire Capital Pass Through 502 19 220 0000 4090	\$ 0	\$ 0	\$ 0	\$ 504,034	\$ 504,034	n/a
Fire Station Building Interest Income 502 19 220 0000 5600	1,940	0	0	6,057	5,886	n/a
<b>Total Fire Station Building Fund 502</b>	<b>\$ 1,940</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 510,091</b>	<b>\$ 509,920</b>	<b>n/a</b>
<b>503 High Desert Government Center</b>						
Reimbursement 503 29 650 6520 5800	\$ 16,223,725	\$ 3,680,722	\$ 0	\$ 2,977,000	\$ 8,400,000	n/a
High Desert Government Center Interest Income 503 19 220 0000 5600	0	3,878	0	0	0	n/a
<b>Total High Desert Government Center Fund 503</b>	<b>\$ 16,223,725</b>	<b>\$ 3,684,600</b>	<b>\$ 0</b>	<b>\$ 2,977,000</b>	<b>\$ 8,400,000</b>	<b>n/a</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>Other City Funds (Continued)</b>						
<b>504 City Streets CIP</b>						
FEMA 2010 504 29 700 7091 4821	\$ 0	\$ 0	\$ 1,500,000	\$ 87,808	\$ 1,211,404	-19%
County Reimbursement-Ranchero Corridor 504 29 700 7094 5800	0	308,402	288,539	151,961	180,628	-37%
SANBAG Local Stimulus Program 504 29 700 7100 4837	0	0	800,075	831,636	0	-100%
CalEMA Emergency Recovery 504 29 700 7117 4800	0	64,178	0	0	0	n/a
SANBAG Local Stimulus Program 504 29 700 7117 4837	0	400,001	0	0	0	n/a
Park and Ride MDAQMD 504 29 650 6523 4700	0	0	0	0	184,346	n/a
Park and Ride CMAQ 504 29 650 6523 4800	0	0	508,000	0	508,000	0%
2011-12 Street Improvement Proj / Prop. 1B 504 29 700 7121 4700	0	0	450,000	0	450,000	0%
2011-12 Street Improvement Proj / SANBAG Local Stimulus 504 29 700 7121 4837	0	0	0	0	18,439	n/a
2011-12 Street Improvement Proj / Prop. 1B 504 29 700 7121 5800	0	0	0	319,166	957,496	n/a
Willow Street Bikeway Paseo 504 29 700 7123 4700	0	0	0	0	834,900	n/a
Bear Valley/Sequoia Bicycle Bypass 504 29 700 7124 4700	0	0	0	0	547,152	n/a
City Wide Projects Fund Interest 504 19 220 0000 5600	103	2,846	448	3,786	3,000	570%
Other Miscellaneous	0	37	0	146	0	n/a
<b>Total City Streets CIP Fund 504</b>	<b>\$ 103</b>	<b>\$ 775,464</b>	<b>\$ 3,547,062</b>	<b>\$ 1,394,503</b>	<b>\$ 4,895,365</b>	<b>38%</b>
<b>506 Industrial Park Lead Track</b>						
Industrial Park Lead Track Interest 506 19 220 0000 5600	\$ 0	\$ 9,148	\$ 500	\$ 12,663	\$ 0	-100%
Rail Grant Reimbursement 506-29-700-7108-4761	0	0	1,300,000	1,790,435	209,565	-84%
<b>Total Industrial Park Lead Track Fund 506</b>	<b>\$ 0</b>	<b>\$ 9,148</b>	<b>\$ 1,300,500</b>	<b>\$ 1,803,098</b>	<b>\$ 209,565</b>	<b>-84%</b>
<b>507 Township</b>						
Township Interest 506 19 220 0000 5600	\$ 0	\$ 592	\$ 50	\$ 988	\$ 0	-100%
<b>Total Township Fund 507</b>	<b>\$ 0</b>	<b>\$ 592</b>	<b>\$ 50</b>	<b>\$ 988</b>	<b>\$ 0</b>	<b>-100%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10	2010-11	2011-12	2011-12	2012-13	% Change
<u>Other City Funds (Continued)</u>	Actual	Actual	Budget	Revised	Budget	From 2011-12 Budget
<b>508 Rancho Rd Undercrossing Local Fund</b>						
Undercrossing Local Interest 508 19 220 0000 5600	\$ 0	\$ 6,554	\$ 0	\$ 15,081	\$ 0	n/a
<b>Total Rancho Rd Undercrossing Local Fund 508</b>	<b>\$ 0</b>	<b>\$ 6,554</b>	<b>\$ 0</b>	<b>\$ 15,081</b>	<b>\$ 0</b>	<b>n/a</b>
<b>600 Rancho Road Undercrossing Fund</b>						
US DOT-Federal Highway Administration Grant 600 29 700 7046 4700	\$ 0	\$ 0	\$ 2,970,000	\$ 0	\$ 2,970,000	0%
NCPDP Grant Reimb 600 29 700 7046 4835	195,152	0	0	1,108,847	0	n/a
SAFETEA-LU Federal Grant 600 29 700 7046 4833	0	0	3,599,600	3,599,600	0	-100%
SANBAG-STP Grant 600 29 700 7046 4834	0	0	3,650,000	91,553	3,558,447	-3%
Prop 1B - SLPP 600 29 700 7046 4843	0	0	0	0	1,000,000	n/a
Reimbmnts/Other Agencies 600 29 700 7046 5800	0	0	0	0	0	n/a
<b>Total Rancho Road Undercrossing Fund 600</b>	<b>\$ 195,152</b>	<b>\$ 0</b>	<b>\$ 10,219,600</b>	<b>\$ 4,800,000</b>	<b>\$ 7,528,447</b>	<b>-26%</b>
<b>602 Rancho Rd / I-15 Interchange</b>						
SANBAG-STIP 602 29 700 7086 4836	\$ 0	\$ 0	\$ 6,808,546	\$ 6,808,546	\$ 0	-100%
Rancho / I-15 Interchange Interest 602 19 220 0000 5600	0	950	0	0	0	n/a
<b>Total Rancho Rd / I-15 Interchange Fund 602</b>	<b>\$ 0</b>	<b>\$ 950</b>	<b>\$ 6,808,546</b>	<b>\$ 6,808,546</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Streets, Transportation, and Other City Funds Summary</b>						
<b>Streets Capital Improvement Project (CIP) Funds</b>						
201 Measure I - Arterial	\$ 1,502,654	\$ 1,539	\$ 0	\$ 692	\$ 300	n/a
202 Measure I - Local	693,369	0	0	0	0	n/a
204 Measure I - 2010 Renewal	294,318	1,989,365	1,976,844	2,151,770	2,249,095	14%
<b>Total Measure I (201, 202)</b>	<b>\$ 2,490,341</b>	<b>\$ 1,990,904</b>	<b>\$ 1,976,844</b>	<b>\$ 2,152,462</b>	<b>\$ 2,249,395</b>	<b>14%</b>
205 Gas Tax	1,475,928	1,429,061	1,388,410	1,347,086	1,339,799	-4%
206 Gas Tax Swap	0	844,988	980,360	933,094	960,458	-2%

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10	2010-11	2011-12	2011-12	2012-13	% Change
	Actual	Actual	Budget	Revised	Budget	From 2011-12 Budget
<b><u>Other City Funds (Continued)</u></b>						
207 Local Transportation	\$ 1,281,416	\$ 692,051	\$ 979,196	\$ 1,071,359	\$ 1,403,766	43%
250 Traffic Congestion Relief	798,215	0	0	0	0	n/a
300 Street Development Impact Fee	837,983	445,507	385,304	266,302	837,222	117%
301 Storm Drain Development Impact Fee	170,515	64,506	53,165	37,930	114,071	115%
504 City Streets CIP	103	775,464	3,547,062	1,394,503	4,895,365	38%
506 Industrial Park Lead Track	0	9,148	1,300,500	1,803,098	209,565	-84%
507 Township	0	592	50	988	0	-100%
508 Rancho Rd Undercrossing	0	6,554	0	15,081	0	n/a
600 Rancho Rd Undercrossing	195,152	0	10,219,600	4,800,000	7,528,447	-26%
602 Rancho Rd / I-15 Interchange	0	950	6,808,546	6,808,546	0	-100%
Total Streets CIP Related Revenue Funds	\$ 7,249,653	\$ 6,259,725	\$ 27,639,037	\$ 20,630,449	\$ 19,538,088	-29%

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

**Other Transportation Related  
Funds**

203 Measure I - Transit	\$ 115,811	\$ 44	\$ 0	\$ 0	\$ 0	n/a
254 AQMD (AB2766 Transit)	60,053	59,662	45,518	56,508	58,668	29%
263 Public Works Street Maintenance	30,102	540,360	28,250	28,581	29,080	3%
400 Measure I Debt Service	7,279	5,201	4,478	33,502	3,000	-33%
Total Other Transportation Funds	\$ 213,245	\$ 605,267	\$ 78,246	\$ 118,591	\$ 90,748	16%

**Total Streets Capital and Other  
Transportation Funds**

**\$ 7,462,898    \$ 6,864,992    \$ 27,717,283    \$ 20,749,040    \$ 19,628,836    -29%**

**Other City Related Funds**

150 Redevelopment Administration	\$ 0	\$ 31,957	\$ 0	\$ 11,602	\$ 264	n/a
251 Community Development Block Grant	1,061,648	459,749	2,060,215	723,209	1,975,105	-4%
252 HOME Grant	411	4,362	15,000	14	18	-100%
253 CDBG Revolving Loan Program	53,805	28,522	77,050	2,954	3,870	-95%
255 AB3229 Supplemental Law	121,426	99,609	8	172,218	172,216	2152600%
256 Environmental Programs Grants	20,622	45,175	67,580	68,776	28,915	-57%
257 Neighborhood Stabilization Program	4,124,972	63,268	1,048,326	1,794,564	609,148	-42%
259 Reimbursable Grants Fund	0	775,100	0	0	0	n/a
260 Disaster Preparedness Grant	18,133	24,765	29,411	29,381	30,705	4%
302 Fire Development Impact Fee	63,660	62,198	55,528	38,767	122,045	120%
303 Police Development Impact Fee	29,348	56,101	79,061	32,380	35,073	-56%

**REVENUE  
DETAIL BY FUND**

<b>REVENUE DETAIL</b>	<b>2009-10 Actual</b>	<b>2010-11 Actual</b>	<b>2011-12 Budget</b>	<b>2011-12 Revised</b>	<b>2012-13 Budget</b>	<b>% Change From 2011-12 Budget</b>
<b>304 Public Services Development</b>						
Impact Fee	148,646	53,480	44,620	30,305	92,879	108%
<b>401 City Debt Service Fund</b>	8,141	6,503	5,048	4,267	3,000	-41%
500 AD 91-1	1,974	0	0	0	0	n/a
501 CFD 91-3	1,957	0	0	0	0	n/a
502 Fire Station Building	1,940	0	0	510,091	509,920	n/a
<b>503 High Desert County     Government Center</b>	16,223,725	3,684,600	0	2,977,000	8,400,000	n/a
<b>Total Other City Related Funds</b>	<b>\$ 21,880,408</b>	<b>\$ 5,395,389</b>	<b>\$ 3,481,847</b>	<b>\$ 6,395,528</b>	<b>\$ 11,983,158</b>	<b>244%</b>
<b>Total Streets CIP, Other Transportation, and Other City Related Funds</b>	<b>\$ 29,343,306</b>	<b>\$ 12,260,381</b>	<b>\$ 31,199,130</b>	<b>\$ 27,144,568</b>	<b>\$ 31,611,994</b>	<b>1%</b>
<b><u>Water District</u></b>						
<b>700 Water Operating Fund</b>						
<b>Taxes</b>						
Secured Property Taxes	\$ 238,805	\$ 250,482	\$ 241,600	\$ 260,000	\$ 241,600	0%
700 29 400 4070 4000						
VVEDA Pass Through	0	5,389	4,601	4,601	4,601	0%
700 29 400 4070 4095						
Other Taxes	8,539	6,711	6,296	6,447	6,046	-4%
<b>Total Taxes</b>	<b>\$ 247,344</b>	<b>\$ 262,582</b>	<b>\$ 252,497</b>	<b>\$ 271,048</b>	<b>\$ 252,247</b>	<b>0%</b>
<b>Interest</b>						
Interest Income	\$ (14,461)	\$ 14,275	\$ 22,274	\$ 4,500	\$ 2,500	-89%
700 29 400 4070 5605						
<b>Total Interest</b>	<b>\$ (14,461)</b>	<b>\$ 14,275</b>	<b>\$ 22,274</b>	<b>\$ 4,500</b>	<b>\$ 2,500</b>	<b>-89%</b>
<b>Intergovernmental</b>						
City Rent Charge	\$ 58,375	\$ 58,375	\$ 52,537	\$ 52,537	\$ 52,537	0%
700 29 400 4070 5880						
<b>Total Intergovernmental</b>	<b>\$ 58,375</b>	<b>\$ 58,375</b>	<b>\$ 52,537</b>	<b>\$ 52,537</b>	<b>\$ 52,537</b>	<b>0%</b>
<b>Charges for Services</b>						
Water Sales	\$ 8,437,103	\$ 8,979,988	\$ 8,953,334	\$ 8,807,936	\$ 8,906,344	-1%
700 29 400 4060 5100						
Water Availability Charge	5,757,741	6,379,295	6,344,000	6,403,252	6,486,608	2%
700 29 400 4060 5110						
<b>Sub-Total Water Billing Revenue</b>	<b>\$ 14,194,843</b>	<b>\$ 15,359,283</b>	<b>\$ 15,297,334</b>	<b>\$ 15,211,188</b>	<b>\$ 15,392,952</b>	<b>1%</b>
Water Meter Fees	22,335	5,159	6,000	15,000	10,000	67%
700 29 400 4070 5140						
Reconnection Fees	214,172	236,545	230,000	212,705	215,000	-7%
700 29 400 4070 5130						
Water Inspection	8,704	688	1,000	2,100	1,000	0%
700 29 400 4070 5180						
Rent Eagle Plaza	197,842	181,120	178,670	178,670	178,670	0%
700 29 400 4070 5875						
Other Charges for Services	47,054	52,669	23,100	45,075	37,166	61%
<b>Total Charges for Services</b>	<b>\$ 14,684,950</b>	<b>\$ 15,835,464</b>	<b>\$ 15,736,104</b>	<b>\$ 15,664,738</b>	<b>\$ 15,834,788</b>	<b>1%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b><u>Water District (Continued)</u></b>						
<b>Other Operating</b>						
Other Operating	\$ 367,271	\$ 165,735	\$ 174,778	\$ 180,489	\$ 178,360	2%
Total Other Operating	\$ 367,271	\$ 165,735	\$ 174,778	\$ 180,489	\$ 178,360	2%
<b>All Other</b>						
All Other	\$ 55,029	\$ 52,113	\$ 32,000	\$ 27,365	\$ 25,000	-22%
Total All Other	\$ 55,029	\$ 52,113	\$ 32,000	\$ 27,365	\$ 25,000	-22%
<b>Total Water Operating Fund 700</b>	<b>\$ 15,398,509</b>	<b>\$ 16,388,545</b>	<b>\$ 16,270,190</b>	<b>\$ 16,200,677</b>	<b>\$ 16,345,432</b>	<b>0%</b>
<b>701 Water Capital Fund</b>						
<b>Charges for Services</b>						
Capital Facility Charges 701 29 400 4070 5120	\$ 498,973	\$ 187,560	\$ 175,299	\$ 298,400	\$ 160,000	-9%
Other Charges for Services	239,168	404	0	0	0	n/a
<b>Total Water Capital Fund 701</b>	<b>\$ 738,141</b>	<b>\$ 187,964</b>	<b>\$ 175,299</b>	<b>\$ 298,400</b>	<b>\$ 160,000</b>	<b>-9%</b>
<b>Total Water Operating and Capital Fund Revenues</b>	<b>\$ 16,136,650</b>	<b>\$ 16,576,509</b>	<b>\$ 16,445,489</b>	<b>\$ 16,499,077</b>	<b>\$ 16,505,432</b>	<b>0%</b>
<b><u>710 Sewer Operating Fund</u></b>						
<b>Interest</b>						
Interest Income 710 19 220 0000 5600	\$ 25,319	\$ 109,844	\$ 9,870	\$ 3,000	\$ 3,000	-70%
Total Interest	\$ 25,319	\$ 109,844	\$ 9,870	\$ 3,000	\$ 3,000	-70%
<b>Charges for Services</b>						
Sewer Billing 710 29 420 4200 5200	\$ 2,582,321	\$ 3,016,286	\$ 3,122,786	\$ 3,093,570	\$ 3,122,786	0%
Zone J Sewer Billing 710 29 420 4200 5210	0	63,282	0	67,725	50,000	
Sewer Inspections 710 29 420 4200 5250	7,500	4,650	3,000	6,300	3,000	0%
Other Charges for Services	1,050	37	0	0	0	n/a
Total Charges for Service	\$ 2,590,871	\$ 3,084,255	\$ 3,125,786	\$ 3,167,595	\$ 3,175,786	2%
<b>Total Sewer Operating Fund 710</b>	<b>\$ 2,616,190</b>	<b>\$ 3,194,099</b>	<b>\$ 3,135,656</b>	<b>\$ 3,170,595</b>	<b>\$ 3,178,786</b>	<b>1%</b>
<b><u>711 Sewer Capital Fund</u></b>						
<b>Charges for Services</b>						
Sewer Connections 711 29 420 4200 5220	\$ 399,829	\$ 123,350	\$ 46,779	\$ 100,000	\$ 45,000	-4%
Interest Income 711 19 220 0000 5600	11,390	6,538	10,756	2,000	1,500	-86%
<b>Total Sewer Capital Fund 711</b>	<b>\$ 411,219</b>	<b>\$ 129,888</b>	<b>\$ 57,535</b>	<b>\$ 102,000</b>	<b>\$ 46,500</b>	<b>-19%</b>
<b>Total Sewer Operating &amp; Capital</b>	<b>\$ 3,027,410</b>	<b>\$ 3,323,988</b>	<b>\$ 3,193,191</b>	<b>\$ 3,272,595</b>	<b>\$ 3,225,286</b>	<b>1%</b>
<b>TOTAL WATER DISTRICT (700, 701, 710, 711)</b>	<b>\$ 19,164,060</b>	<b>\$ 19,900,497</b>	<b>\$ 19,638,680</b>	<b>\$ 19,771,672</b>	<b>\$ 19,730,718</b>	<b>0%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b><u>200 Fire District Fund</u></b>						
<b>Taxes</b>						
Secured Property Taxes 200 55 521 0000 4000	\$ 3,998,550	\$ 3,820,161	\$ 3,731,175	\$ 3,750,000	\$ 3,749,418	0%
Fire Assessment 200 55 521 0000 4020	256	57	10	0	0	-100%
CFD #94-1 200 55 521 0000 4030	500,043	497,171	500,500	507,921	544,232	9%
CFD #2005-1 200 55 521 0000 4031	0	372,857	536,628	376,805	310,533	-42%
Redevelopment Agency Pass- Through 200 55 521 0000 4090	1,399,746	1,118,119	1,048,609	1,094,609	1,094,609	4%
VVEDA Pass-Through 200 55 521 0000 4095	0	80,494	68,717	68,717	68,717	0%
<b>Total Taxes</b>	<b>\$ 5,898,595</b>	<b>\$ 5,888,859</b>	<b>\$ 5,885,639</b>	<b>\$ 5,798,052</b>	<b>\$ 5,767,509</b>	<b>-2%</b>
<b>Interest</b>						
Interest Income 200 19 220 0000 5600	\$ 1,932	\$ 2,317	\$ 0	\$ 600	\$ 100	100%
Other Interest	3,396	3,396	3,396	3,396	3,396	0%
<b>Total Interest</b>	<b>\$ 5,328</b>	<b>\$ 5,713</b>	<b>\$ 3,396</b>	<b>\$ 3,996</b>	<b>\$ 3,496</b>	<b>3%</b>
<b>Charges for Services</b>						
State Regulated Inspections 200 55 523 0000 5330	\$ 350	\$ 550	\$ 500	\$ 500	\$ 500	0%
Fire Hazard Inspection 200 55 523 0000 5335	124,298	129,151	156,318	107,820	107,820	-31%
Tenant Improvement Plans Review 200 55 523 0000 4963	1,670	0	1,000	0	0	-100%
Burn Permits 200 55 523 0000 4340	4,700	7,050	5,500	7,000	7,000	27%
Paramedic Ambulance Fees 200 55 525 0000 5300	1,788,956	1,700,836	1,930,000	2,100,000	2,100,000	9%
Non-Transport EMS Charge 200 55 525 0000 5315	101,830	115,136	105,000	173,000	173,000	65%
Ambulance Membership Service 200 55 525 0000 5305	19,125	19,200	18,000	15,000	15,000	-17%
City/County HazMat Contract 200 55 527 0000 5368	146,561	149,658	152,686	152,686	152,686	0%
Other Charges for Services	76,218	98,167	77,700	83,079	81,209	5%
<b>Total Charges for Services</b>	<b>\$ 2,263,708</b>	<b>\$ 2,219,748</b>	<b>\$ 2,446,704</b>	<b>\$ 2,639,085</b>	<b>\$ 2,637,215</b>	<b>8%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>200 Fire District Fund (Continued)</b>						
<b>Other Operating</b>						
Cell Tower Rent 200 19 220 0000 5885	\$ 39,451	\$ 51,321	\$ 50,835	\$ 50,602	\$ 53,105	4%
State Mandated Claims Reimbursements 200 55 521 0000 4500	0	0	0	0	0	n/a
<b>Total Other Operating</b>	<b>\$ 39,451</b>	<b>\$ 51,321</b>	<b>\$ 50,835</b>	<b>\$ 50,602</b>	<b>\$ 53,105</b>	<b>4%</b>
<b>All Other</b>						
All Other	\$ 25	\$ 199	\$ 0	\$ 0	\$ 0	n/a
<b>Total All Other</b>	<b>\$ 25</b>	<b>\$ 199</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>n/a</b>
<b>Total Fire District Fund</b>	<b>\$ 8,207,106</b>	<b>\$ 8,165,840</b>	<b>\$ 8,386,574</b>	<b>\$ 8,491,735</b>	<b>\$ 8,461,325</b>	<b>1%</b>
<b><u>Redevelopment Agency (RDA) Funds (385, 388, 389, 486, 487, 586, 587, 588)</u></b>						
<b>Taxes</b>						
RDA Debt Service - Project Area #1 Tax Increment 486 25 261 0000 4060	\$ 15,224,775	\$ 12,229,901	\$ 11,430,400	\$ 6,927,506	\$ 0	-100%
RDA Debt Service - Project Area #1 Amendment Tax Increment 486 25 261 0000 4062	2,802,088	2,203,889	2,152,224	1,282,386	0	-100%
RDA Debt Service - Project Area #2 Tax Increment 487 25 261 0000 4060	1,669,742	1,282,961	1,199,440	707,213	0	-100%
RDA Project Area #1 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4070	3,806,194	3,057,475	2,857,600	1,731,877	0	-100%
RDA Project Area #1 Amendment Low/Mod - LMI 20% Property Tax 385 25 263 2700 4073	700,522	550,972	538,056	320,597	0	-100%
RDA Project Area #2 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4075	417,436	320,740	299,860	176,803	0	-100%
<b>SubTotal Property Tax Increment</b>	<b>\$ 24,620,757</b>	<b>\$ 19,645,938</b>	<b>\$ 18,477,580</b>	<b>\$ 11,146,382</b>	<b>\$ 0</b>	<b>-100%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>Redevelopment Agency (RDA) Funds (Continued)</b>						
<b>(385, 388, 389, 486, 487, 586, 587, 588)</b>						
<b>Taxes (Continued)</b>						
VVEDA - Low/Mod 385 25 263 2700 4078	201,144	0	0	0	0	n/a
VVEDA - Low/Mod 388 25 263 2700 4078	0	149,297	127,447	82,656	0	-100%
VVEDA - Capital Project 588 25 261 0000 4068	(145,789)	51,117	158,296	72,662	0	-100%
<b>Total Taxes</b>	<b>\$ 24,676,112</b>	<b>\$ 19,846,353</b>	<b>\$ 18,763,323</b>	<b>\$ 11,301,700</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Interest</b>						
RDA - Debt Service - Interest Project Area #1 486 19 220 0000 5600	\$ 208,915	\$ 104,629	\$ 70,000	\$ 7,831	\$ 0	-100%
RDA - Debt Service - Interest Project Area #2 487 19 220 0000 5600	144	31	0	16	0	n/a
RDA Low/Mod Fund-Interest Income 385 19 220 0000 5600	2,253,831	447,514	61,000	17,245	0	-100%
VVEDA Low/Moderate Housing - Interest 388 19 220 0000 5600	0	8,881	5,000	3,202	0	-100%
<b>Interest (Continued)</b>						
RDA CIP Area #1 - Interest 586 19 220 0000 5600	1,619,744	232,891	1,000	0	0	-100%
RDA CIP Area #2 - Interest 587 19 220 0000 5600	455	62	16	8	0	-100%
RDA CIP VVEDA - Interest 588 19 220 0000 5600	15,214	1,618	0	0	0	n/a
<b>Total Interest Income</b>	<b>\$ 4,098,303</b>	<b>\$ 795,626</b>	<b>\$ 137,016</b>	<b>\$ 28,302</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Other</b>						
Other-All Other Combined	\$ 765,651	\$ 810,210	\$ 2,181,767	\$ 64,731	\$ 0	-100%
<b>Total RDA Other</b>	<b>\$ 765,651</b>	<b>\$ 810,210</b>	<b>\$ 2,181,767</b>	<b>\$ 64,731</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Total Redevelopment Agency Revenue</b>	<b>\$ 29,540,067</b>	<b>\$ 21,452,188</b>	<b>\$ 21,082,106</b>	<b>\$ 11,394,733</b>	<b>\$ 0</b>	<b>-100%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>Redevelopment Agency (RDA) Funds (385, 388, 389, 486, 487, 586, 587, 588)</b>						
<b>385 Low/Mod Income Housing Taxes</b>						
RDA Project Area #1 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4070	\$ 3,806,194	\$ 3,057,475	\$ 2,857,600	\$ 1,731,877	\$ 0	-100%
RDA Project Area #1 Amendment Low/Mod - LMI 20% Property Tax 385 25 263 2700 4073	700,522	550,972	538,056	320,597	0	-100%
RDA Project Area #2 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4075	417,436	320,740	299,860	176,803	0	-100%
VVEDA - Low/Mod 385 25 263 2700 4078	201,144	0	0	0	0	n/a
<b>Total Taxes</b>	<b>\$ 5,125,296</b>	<b>\$ 3,929,188</b>	<b>\$ 3,695,516</b>	<b>\$ 2,229,277</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Interest</b>						
RDA Low/Mod Fund-Interest Income 385 19 220 0000 5600	\$ 2,253,831	\$ 447,514	\$ 61,000	\$ 17,245	\$ 0	-100%
<b>Total Interest</b>	<b>\$ 2,253,831</b>	<b>\$ 447,514</b>	<b>\$ 61,000</b>	<b>\$ 17,245</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Other</b>						
Rents & Leases 385 25 263 0000 5700	\$ 21,100	\$ 9,150	\$ 40,140	\$ 0	\$ 0	-100%
Proceeds from Land Sales 385 25 263 0000 5900	0	0	127,127	0	0	-100%
Miscellaneous 385 25 263 0000 5950	0	53,857	0	0	0	-100%
<b>Total Other</b>	<b>\$ 21,100</b>	<b>\$ 63,007</b>	<b>\$ 167,267</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Total Low/Mod Income Housing</b>	<b>\$ 7,400,227</b>	<b>\$ 4,439,708</b>	<b>\$ 3,923,783</b>	<b>\$ 2,246,522</b>	<b>\$ 0</b>	<b>-100%</b>
<b>388 VVEDA Low/Mod Income Housing Taxes</b>						
VVEDA - Low/Mod 388 25 263 2700 4078	\$ 0	\$ 149,297	\$ 127,447	\$ 82,656	\$ 0	-100%
<b>Total Taxes</b>	<b>\$ 0</b>	<b>\$ 149,297</b>	<b>\$ 127,447</b>	<b>\$ 82,656</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Interest</b>						
RDA Low/Mod Fund-Interest Income 388 19 220 0000 5600	\$ 0	\$ 8,881	\$ 5,000	\$ 3,202	\$ 0	-100%
<b>Total Interest</b>	<b>\$ 0</b>	<b>\$ 8,881</b>	<b>\$ 5,000</b>	<b>\$ 3,202</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Total VVEDA Low/Mod Income Housing</b>	<b>\$ 0</b>	<b>\$ 158,178</b>	<b>\$ 132,447</b>	<b>\$ 85,858</b>	<b>\$ 0</b>	<b>-100%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>Redevelopment Agency (RDA)</b>						
<b>Funds</b>						
<b>(385, 388, 389, 486, 487, 586, 587, 588)</b>						
<b>389 RDA Administration</b>						
<b>Other</b>						
Miscellaneous	\$ 6,000	\$ 0	\$ 24,000	\$ 0	\$ 0	-100%
389 25 261 0000 5950						
<b>Total Other</b>	<b>\$ 6,000</b>	<b>\$ 0</b>	<b>\$ 24,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Total RDA Administration</b>	<b>\$ 6,000</b>	<b>\$ 0</b>	<b>\$ 24,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>-100%</b>
<b>486 RDA Debt Service Project Area #1</b>						
<b>Taxes</b>						
RDA Debt Service - Project Area #1 Tax Increment	\$ 15,224,775	\$ 12,229,901	\$ 11,430,400	\$ 6,927,506	\$ 0	-100%
486 25 261 0000 4060						
RDA Debt Service - Project Area #1 Amendment Tax Increment	2,802,088	2,203,889	2,152,224	1,282,386	0	-100%
486 25 261 0000 4062						
<b>Total Taxes</b>	<b>\$ 18,026,863</b>	<b>\$ 14,433,790</b>	<b>\$ 13,582,624</b>	<b>\$ 8,209,892</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Interest</b>						
RDA - Debt Service - Interest Project Area #1	\$ 208,915	\$ 104,629	\$ 70,000	\$ 7,831	\$ 0	-100%
486 19 220 0000 5600						
<b>Total Interest</b>	<b>\$ 208,915</b>	<b>\$ 104,629</b>	<b>\$ 70,000</b>	<b>\$ 7,831</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Total RDA Debt Service Project Area #1</b>	<b>\$ 18,235,778</b>	<b>\$ 14,538,419</b>	<b>\$ 13,652,624</b>	<b>\$ 8,217,723</b>	<b>\$ 0</b>	<b>-100%</b>
<b>487 RDA Debt Service Project Area #2</b>						
<b>Taxes</b>						
RDA Debt Service - Project Area #2 Tax Increment	\$ 1,669,742	\$ 1,282,961	\$ 1,199,440	\$ 707,213	\$ 0	-100%
487 25 261 0000 4060						
<b>Total Taxes</b>	<b>\$ 1,669,742</b>	<b>\$ 1,282,961</b>	<b>\$ 1,199,440</b>	<b>\$ 707,213</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Interest</b>						
RDA - Debt Service - Interest Project Area #2	\$ 144	\$ 31	\$ 0	\$ 16	\$ 0	n/a
487 19 220 0000 5600						
<b>Total Interest</b>	<b>\$ 144</b>	<b>\$ 31</b>	<b>\$ 0</b>	<b>\$ 16</b>	<b>\$ 0</b>	<b>n/a</b>
<b>Total RDA Debt Service Project Area #2</b>	<b>\$ 1,669,886</b>	<b>\$ 1,282,992</b>	<b>\$ 1,199,440</b>	<b>\$ 707,229</b>	<b>\$ 0</b>	<b>-100%</b>

**REVENUE  
DETAIL BY FUND**

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>Redevelopment Agency (RDA)</b>						
<b>Funds</b>						
<b>(385, 388, 389, 486, 487, 586, 587, 588)</b>						
<b>586 RDA Capital Project Area #1</b>						
<b>Interest</b>						
RDA CIP Area #1 - Interest 586 19 220 0000 5600	\$ 1,619,744	\$ 232,891	\$ 1,000	\$ 0	\$ 0	-100%
<b>Total Interest</b>	<b>\$ 1,619,744</b>	<b>\$ 232,891</b>	<b>\$ 1,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Other</b>						
Reimbursement 586 25 261 0000 5800	\$ 0	\$ 0	\$ 200,000	\$ 0	\$ 0	-100%
Reimbursement 586 29 700 7046 5800	0	19	0	0	0	0%
Rail Grant Reimbursement 586-29-700-7108-4761	0	0	0	0	0	n/a
Reimbursement 586 29 700 7108 5800	0	0	0	0	0	n/a
Rents & Leases 586 25 261 0000 5700	80,000	117,500	134,000	62,500	0	-100%
Proceeds of Land Sale 586 25 261 0000 5900	0	0	1,497,000	0	0	-100%
Miscellaneous 586 25 261 0000 5950	594,525	479,190	159,500	2,231	0	-100%
<b>Total Other</b>	<b>\$ 674,525</b>	<b>\$ 596,709</b>	<b>\$ 1,990,500</b>	<b>\$ 64,731</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Total RDA Capital Project Area #1</b>	<b>\$ 2,294,269</b>	<b>\$ 829,600</b>	<b>\$ 1,991,500</b>	<b>\$ 64,731</b>	<b>\$ 0</b>	<b>-100%</b>
<b>587 RDA Capital Project Area #2</b>						
<b>Interest</b>						
RDA CIP Area #2 - Interest 587 19 220 0000 5600	\$ 455	\$ 62	\$ 16	\$ 8	\$ 0	-100%
<b>Total Interest</b>	<b>\$ 455</b>	<b>\$ 62</b>	<b>\$ 16</b>	<b>\$ 8</b>	<b>\$ 0</b>	<b>-100%</b>
<b>Other</b>						
Miscellaneous 587 25 261 0000 5950	\$ 64,026	\$ 50,494	\$ 0	\$ 0	\$ 0	0%
Reimbursement 587 29 700 7117 5800	0	100,000	0	0	0	n/a
<b>Total Other</b>	<b>\$ 64,026</b>	<b>\$ 150,494</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0%</b>
<b>Total RDA Capital Project Area #2</b>	<b>\$ 64,481</b>	<b>\$ 150,556</b>	<b>\$ 16</b>	<b>\$ 8</b>	<b>\$ 0</b>	<b>-100%</b>
<b>588 RDA Capital Project VVEDA</b>						
<b>Taxes</b>						
VVEDA - Capital Project 588 25 261 0000 4068	\$ (145,789)	\$ 51,117	\$ 158,296	\$ 72,662	\$ 0	-100%
<b>Total Taxes</b>	<b>\$ (145,789)</b>	<b>\$ 51,117</b>	<b>\$ 158,296</b>	<b>\$ 72,662</b>	<b>\$ 0</b>	<b>-100%</b>

REVENUE  
DETAIL BY FUND

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<u>Redevelopment Agency (RDA)</u>						
<u>Funds</u>						
<u>(385, 388, 389, 486, 487, 586, 587, 588)</u>						
588 RDA Capital Project VVEDA (Continued)						
Interest						
RDA CIP VVEDA - Interest 588 19 220 0000 5600	\$ 15,214	\$ 1,618	\$ 0	\$ 0	\$ 0	n/a
Total Interest	<u>\$ 15,214</u>	<u>\$ 1,618</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>n/a</u>
Total RDA Capital Project VVEDA	<u>\$ (130,575)</u>	<u>\$ 52,736</u>	<u>\$ 158,296</u>	<u>\$ 72,662</u>	<u>\$ 0</u>	<u>-100%</u>
Total RDA Funds	<u>\$ 29,540,067</u>	<u>\$ 21,452,189</u>	<u>\$ 21,082,106</u>	<u>\$ 11,394,733</u>	<u>\$ 0</u>	<u>-100%</u>
TOTAL REVENUE ALL FUNDS	\$105,785,151	\$ 81,976,751	\$100,387,714	\$ 91,845,060	\$ 91,673,446	-9%

# 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*
- *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

Budgeted expenditures are expected to increase by 3% from the FY 2011-12 Budget of \$117,527,889. Compared to the FY 2009-10 Actual of \$154,304,909, overall expenditures have been significantly reduced by 21% or \$33.1 million to \$121,183,912 for FY 2012-13.

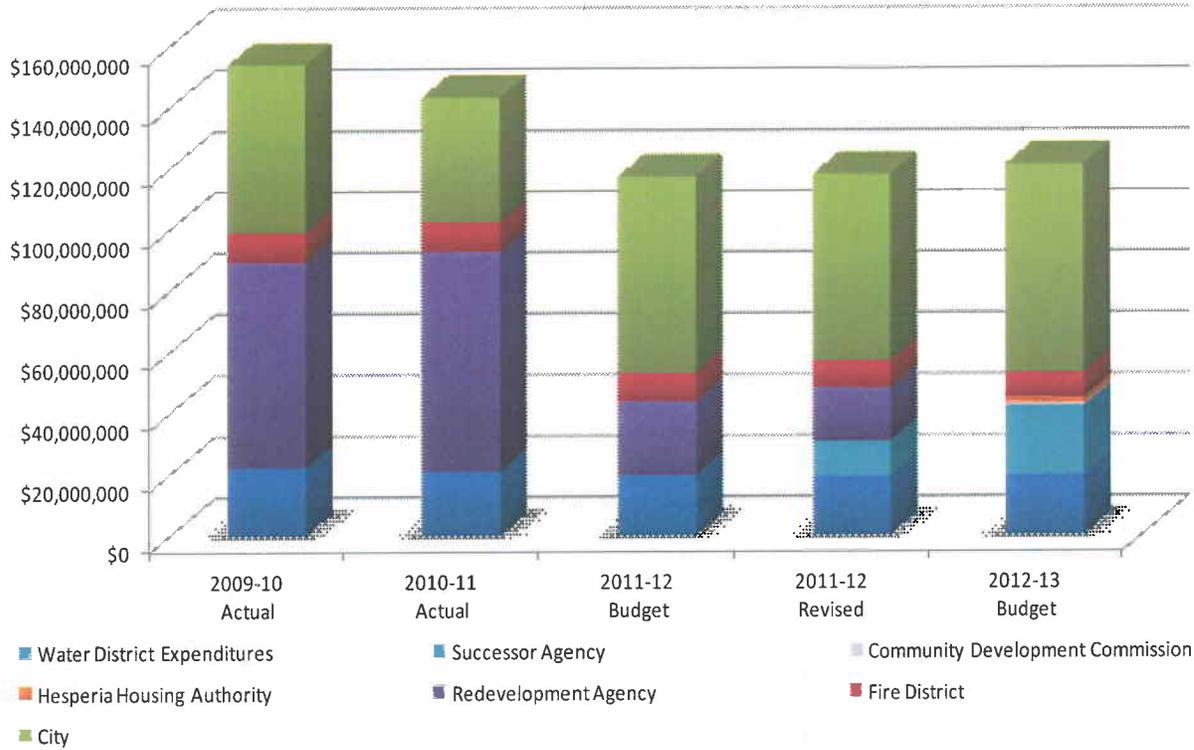
### Overall Expenditures Highlights:

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

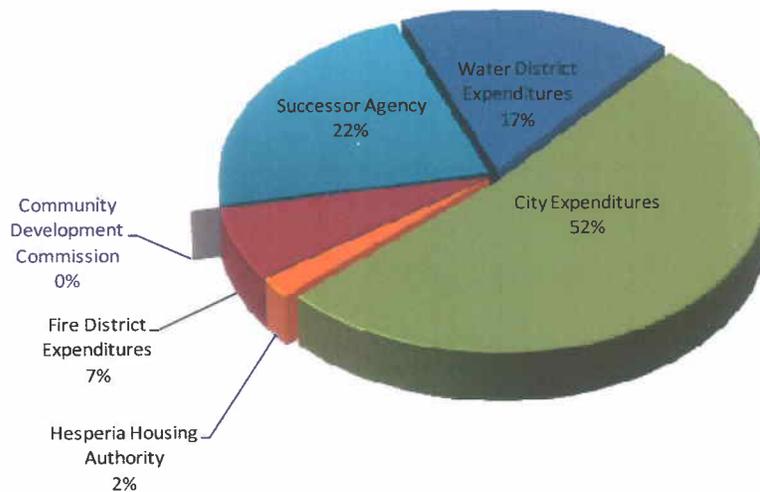
- City – City related expenditures, which account for normal operations and services provided by the City, are expected to increase by \$4.1 million or 6% from the FY 2011-12 Budget. The primary reason for the increase is due to a \$12.2 million increase in Facilities related projects, which is due to the construction of the High Desert Public Safety Operations Center and the construction of Fire Station 301. These increases are netted against a decrease of \$8.8 million in Streets Capital Improvement Projects, which is due to the progression of the Rancho Road Undercrossing, along with the Rancho Road Interchange projects, and the completion of the Industrial Lead Track Project.
- Fire District – 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 Fire Contract is expected to decrease by \$1.1 million or 11% due to the elimination of nine safety positions. The FY 2011-12 Budget was proposed with the elimination of nine Firefighter/Paramedic positions; however, Council adopted the FY 2011-12 Budget without the elimination of positions, contingent upon the approval by the voters of the Fire ballot measure. Since the Fire ballot measure did not pass, the following positions were eliminated: three Captains, three Engineers, and three Firefighter/Paramedic.
- Redevelopment Agency – During FY 2011-12, the Hesperia Community Redevelopment Agency (HCRA) was eliminated by Assembly Bill x1 26 (ABx1 26). The dissolution of the Agency occurred on February 01, 2012 with all enforceable obligations of the former HCRA being transferred to the Successor Agency of the Redevelopment Agency. The 2011-12 Revised for the HCRA reflect those transactions that occurred between July 1, 2011 and January 31, 2012.
- Hesperia Housing Authority – The purpose of this agency is to continue the housing function of the former HCRA.
- Community Development Commission - This agency was created to carry on the economic development function of the former HCRA.
- Successor Agency – The Successor Agency bears the responsibility of servicing the remaining enforceable obligations of the former HCRA.
- Water District – The Water District funds report the City's water and sewer financial operations. The budgeted expenditures support the District in providing water service and the cost of sewage treatment. For the FY 2012-13 Budget, it is expected that the Water District expenditures will remain flat.

## EXPENDITURE SUMMARIES

### 2012-13 Budgeted Expenditures Overview

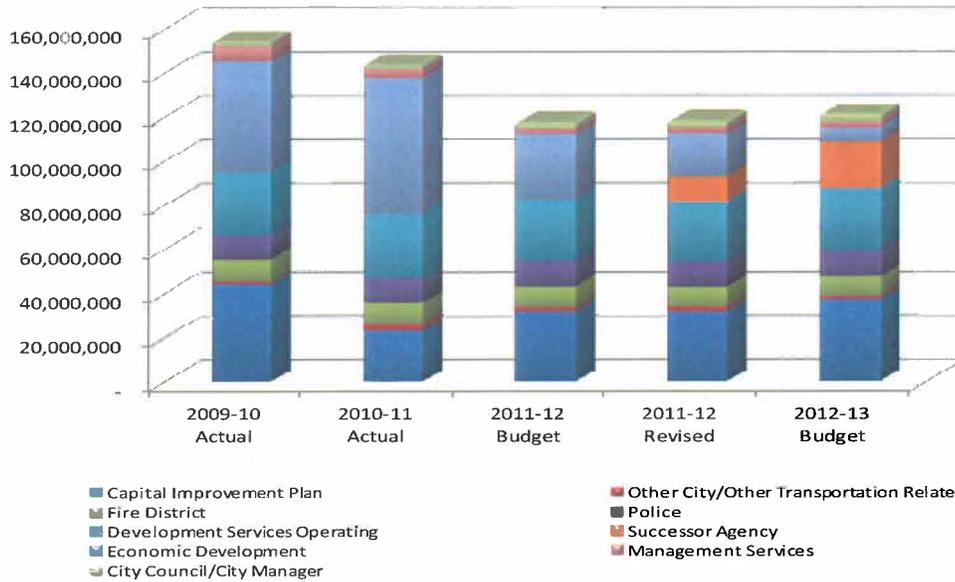


Budgeted Expenditures	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
City Expenditures	\$ 54,889,966	\$ 40,846,288	\$ 64,278,548	\$ 61,073,527	\$ 68,089,852
Fire District Expenditures	9,683,964	9,694,755	9,479,780	8,931,867	8,430,669
Redevelopment Agency Expenditures	67,530,259	72,018,032	24,204,653	17,378,458	0
Hesperia Housing Authority	0	0	0	72,999	1,753,974
Community Development Commission	0	0	0	0	617,168
Successor Agency	0	0	0	11,440,849	22,742,725
Water District Expenditures	22,200,720	20,974,551	19,564,908	19,241,936	19,549,524
<b>Total Budgeted Expenditures</b>	<b>\$ 154,304,909</b>	<b>\$ 143,533,626</b>	<b>\$ 117,527,889</b>	<b>\$ 118,139,636</b>	<b>\$ 121,183,912</b>



## EXPENDITURE SUMMARIES

### Total Expenditures by Department 2012-13 Budget

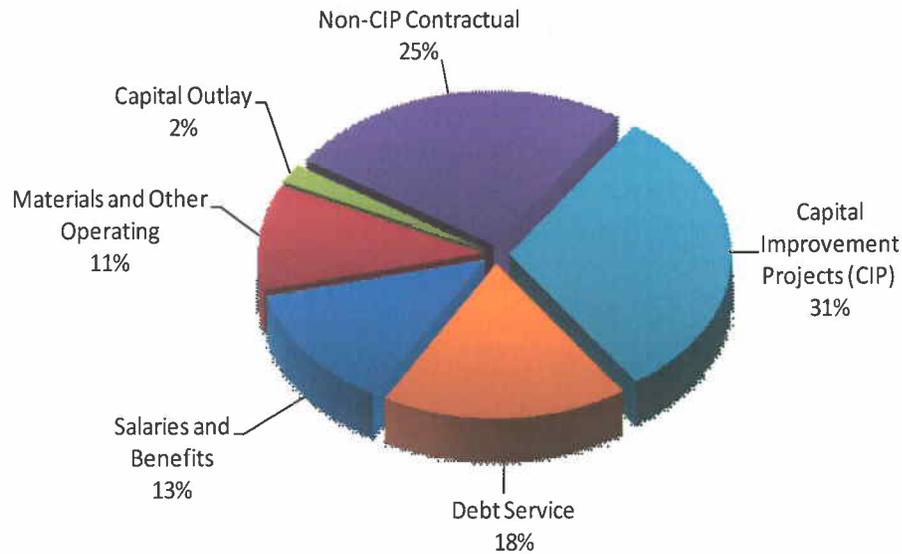


DEPARTMENTS	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
City Council	\$ 652,388	\$ 664,005	\$ 599,095	\$ 675,773	\$ 645,615	8%
City Manager	1,338,247	1,039,272	2,088,708	1,985,831	2,505,539	20%
Management Services	7,101,543	3,978,355	2,821,798	3,323,034	2,703,345	-4%
Economic Development						
Redevelopment Agency	\$ 45,549,562	\$ 60,641,994	\$ 24,182,830	\$ 17,358,202	\$ 0	-100%
Successor Agency	0	0	0	11,431,782	21,196,708	100%
Community Development Commission	0	0	0	0	617,168	100%
Hesperia Housing Authority	0	0	0	72,999	1,753,974	100%
C.D.B.G.	4,642,253	1,136,019	5,268,305	1,407,846	4,163,304	-21%
Total Economic Development	\$ 50,191,815	\$ 61,778,013	\$ 29,451,135	\$ 30,270,829	\$ 27,731,154	-6%
Development Services						
Community Development	\$ 2,661,715	\$ 1,828,446	\$ 1,742,941	\$ 1,747,257	\$ 1,569,853	-10%
Code Compliance	2,101,417	1,995,824	2,042,086	2,175,590	2,212,503	8%
Public Works	4,504,137	4,356,180	4,442,885	4,271,988	4,505,389	1%
Water Operations	17,397,368	18,609,414	17,272,911	16,947,418	17,251,829	0%
Sewer Operations	2,048,377	2,365,137	2,291,997	2,294,518	2,297,695	0%
Total Development Services	\$ 28,713,014	\$ 29,155,001	\$ 27,792,820	\$ 27,436,771	\$ 27,837,269	0%
Police	11,200,545	11,350,805	11,902,792	11,754,771	12,422,738	4%
Fire District	9,683,964	9,694,755	9,479,780	8,931,867	8,430,669	-11%
Other Transportation Related						
Expenditures	879,388	895,429	827,500	810,578	827,520	0%
Other City Related Expenditures	459,021	2,023,016	938,957	1,345,676	878,412	-6%
Capital Improvement Plan						
C I P - Facilities	\$ 16,371,423	\$ 8,584,259	\$ 655,650	\$ 3,076,191	\$ 13,648,528	1982%
C I P - Redevelopment Agency	21,980,697	11,376,038	21,823	20,256	0	-100%
C I P - Successor Agency	0	0	0	9,067	1,546,017	100%
C I P - Streets	2,977,889	2,994,678	30,947,831	28,498,992	22,007,106	-29%
C I P - Water	2,653,866	0	0	0	0	0%
C I P - Sewer	101,109	0	0	0	0	0%
Total Capital Improvement Plan	\$ 44,084,984	\$ 22,954,975	\$ 31,625,304	\$ 31,604,506	\$ 37,201,651	18%
<b>Total City Expenditures</b>	<b>\$154,304,909</b>	<b>\$ 143,533,626</b>	<b>\$117,527,889</b>	<b>\$ 118,139,636</b>	<b>\$ 121,183,912</b>	<b>3%</b>

## EXPENDITURE SUMMARIES

### Total Expenditures by Major Expenditure Classification

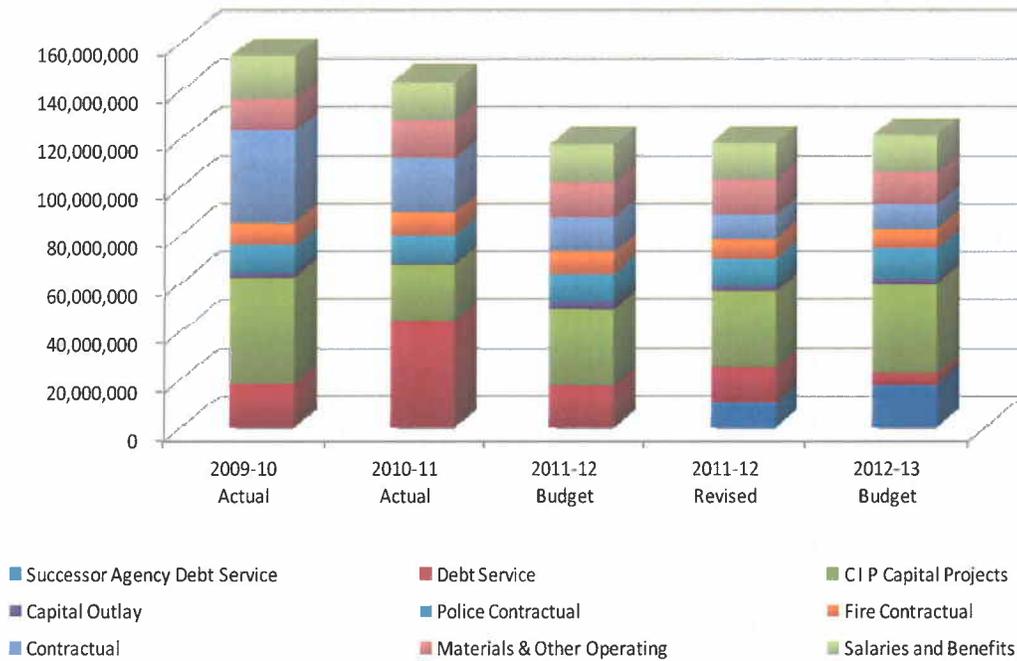
#### 2012-13 Budget



CLASSIFICATION	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% of Budget	% Change From 2011-12 Budget
Salaries and Benefits	\$ 17,950,450	\$ 15,669,782	\$ 15,717,099	\$ 15,246,046	\$ 15,194,622	13%	-3%
Materials and Other Operating	13,129,378	15,738,649	14,616,499	14,824,391	13,310,544	11%	-9%
Capital Outlay	2,196,171	761,492	3,377,784	2,205,281	2,426,612	2%	-28%
<b>Non-CIP Contractual</b>							
Contractual	17,689,851	3,062,667	4,551,794	3,888,852	10,349,779	9%	127%
Police Contractual	10,906,682	11,531,757	11,302,691	11,302,691	12,174,790	10%	8%
Fire Contractual	9,429,336	9,474,569	9,245,210	8,555,920	8,193,879	7%	-11%
Redevelopment Agency (RDA)							
Contractual	1,356,426	9,224,207	1,783,713	758,203	0	0%	-100%
<b>Total Non-CIP Contractual</b>	<b>\$ 39,382,295</b>	<b>\$ 33,293,200</b>	<b>\$ 26,883,408</b>	<b>\$ 24,505,666</b>	<b>\$ 30,718,448</b>	<b>25%</b>	<b>14%</b>
<b>Capital Improvement Plan (CIP)</b>							
C I P - Facilities	16,371,423	8,584,259	655,650	3,076,191	13,648,528	12%	1982%
C I P - Redevelopment Agency	21,980,697	11,376,038	21,823	20,256	0	0%	-100%
C I P - Successor Agency	0	0	0	9,067	1,546,017	1%	100%
C I P - Streets	2,977,889	2,994,678	30,947,831	28,498,992	22,007,106	18%	-29%
C I P - Water	2,653,866	0	0	0	0	0%	0%
C I P - Sewer	101,109	0	0	0	0	0%	0%
<b>Total CIP</b>	<b>\$ 44,084,984</b>	<b>\$ 22,954,975</b>	<b>\$ 31,625,304</b>	<b>\$ 31,604,506</b>	<b>\$ 37,201,651</b>	<b>31%</b>	<b>18%</b>
<b>Debt Service</b>							
Debt Service	3,044,986	4,703,239	4,841,333	4,634,422	4,797,484	4%	-1%
Successor Agency Debt Service	0	0	0	10,218,608	17,534,551	14%	100%
RDA - Debt Service	15,114,174	39,838,726	12,614,225	9,866,922	0	0%	-100%
RDA - Contractual Pass Through	19,402,471	10,573,563	7,852,237	5,033,794	0	0%	-100%
<b>Total Debt Service</b>	<b>\$ 37,561,631</b>	<b>\$ 55,115,528</b>	<b>\$ 25,307,795</b>	<b>\$ 29,753,746</b>	<b>\$ 22,332,035</b>	<b>18%</b>	<b>-12%</b>
<b>Total Expenditures</b>	<b>\$ 154,304,909</b>	<b>\$ 143,533,626</b>	<b>\$ 117,527,889</b>	<b>\$ 118,139,636</b>	<b>\$ 121,183,912</b>	<b>100%</b>	<b>3%</b>

## EXPENDITURE SUMMARIES

### Total Expenditures by Major Expenditure Account 2012-13 Budget



CLASSIFICATION	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<b>Salaries and Benefits</b>						
Salaries	\$ 12,726,314	\$ 11,322,806	\$ 11,121,668	\$ 10,789,079	\$ 10,928,358	-2%
Benefits	5,224,136	4,346,976	4,595,431	4,456,967	4,266,264	-7%
<b>Total Salaries and Benefits</b>	<b>17,950,450</b>	<b>15,669,782</b>	<b>15,717,099</b>	<b>15,246,046</b>	<b>15,194,622</b>	<b>-3%</b>
<b>Materials</b>	<b>10,183,392</b>	<b>11,507,345</b>	<b>10,301,038</b>	<b>9,745,631</b>	<b>9,966,893</b>	<b>-3%</b>
<b>Contractual</b>	<b>38,448,748</b>	<b>22,860,437</b>	<b>14,187,744</b>	<b>9,680,849</b>	<b>10,349,779</b>	<b>-27%</b>
<b>C I P Related Contractual</b>	<b>29,738,349</b>	<b>22,475,925</b>	<b>14,597,158</b>	<b>23,900,856</b>	<b>37,201,651</b>	<b>155%</b>
<b>Fire Contractual</b>	<b>9,429,336</b>	<b>9,474,569</b>	<b>9,245,210</b>	<b>8,555,920</b>	<b>8,193,879</b>	<b>-11%</b>
<b>Police Contractual</b>	<b>10,906,682</b>	<b>11,531,757</b>	<b>11,302,691</b>	<b>11,302,691</b>	<b>12,174,790</b>	<b>8%</b>
<b>Other Operating</b>	<b>2,945,986</b>	<b>4,231,304</b>	<b>4,315,461</b>	<b>5,078,760</b>	<b>3,343,651</b>	<b>-23%</b>
<b>Capital Outlay</b>	<b>2,196,171</b>	<b>761,492</b>	<b>3,377,784</b>	<b>2,205,281</b>	<b>2,426,612</b>	<b>-28%</b>
<b>C I P Capital Outlay</b>	<b>14,346,635</b>	<b>479,050</b>	<b>17,028,146</b>	<b>7,703,650</b>	<b>0</b>	<b>-100%</b>
<b>Debt Service</b>						
Debt Service	18,159,160	44,541,965	17,455,558	14,501,344	4,797,484	-73%
Successor Agency Debt Service	0	0	0	10,218,608	17,534,551	100%
<b>Total Debt Service</b>	<b>18,159,160</b>	<b>44,541,965</b>	<b>17,455,558</b>	<b>24,719,952</b>	<b>22,332,035</b>	<b>28%</b>
<b>Total Expenditures</b>	<b>\$ 154,304,909</b>	<b>\$ 143,533,626</b>	<b>\$ 117,527,889</b>	<b>\$ 118,139,636</b>	<b>\$ 121,183,912</b>	<b>3%</b>

## EXPENDITURE SUMMARIES

### Total Expenditures by Major Expenditure Account 2012-13 Budget (Continued)

#### OVERALL EXPENDITURES HIGHLIGHTS:

Budgeted expenditures are shown by major account classification. For demonstration purposes, the contracts for Police and Fire Service are shown separate from the contract services classification. In addition, CIP Contractual is shown separate for the Contractual classification, as well as CIP Capital Outlay, which is part of the Capital Outlay Classification.

Overall, budgeted expenditures are expected to increase by 3% over the 2011-12 Budget.

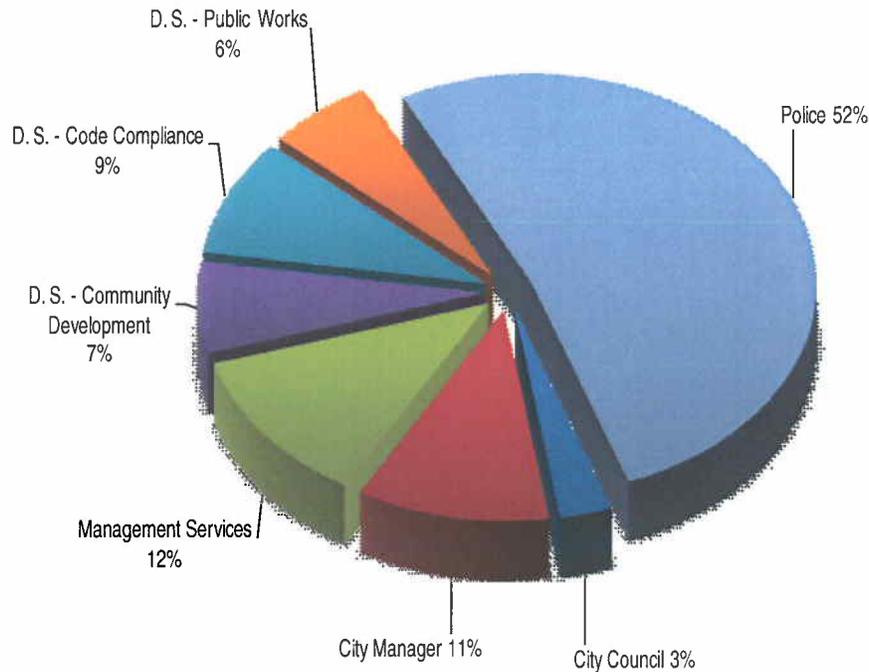
- Salaries and Benefits - The overall Salaries and Benefits represent a decrease of 3% for the 2012-13 Budget. Salaries will be reduced by 2%, which is the result of a two percent salary increase, which is offset by the elimination of five (5) full time vacant city positions. The 7% decrease to benefits is due to employees paying a larger share of the CalPERS pension rates.
- Materials - Materials are expected to decrease by 3%, which can be attributed to cost saving measures.
- Contractual - Contractual is expected to decrease by 27%, which is about \$3.8 million. The primary reason for the reduction is due to contract services related to the former Hesperia Community Redevelopment Agency, which are no longer being funded pursuant to ABx1 26.
- Fire Contractual - The Fire Contract is expected to decrease by \$1.1 million or 11% due to the elimination of nine safety positions starting in January 2012. The FY 2011-12 Budget was proposed with the elimination of nine Firefighter/Paramedic positions; however, Council adopted the FY 2011-12 Budget without the elimination of positions, contingent upon the approval by the voters of the Fire ballot measure to fund the nine Firefighter/Paramedic positions. Since Fire ballot measure did not pass, the following positions were eliminated: three Captains, three Engineers, and three Firefighter/Paramedic.
- Police Contractual - Police Contractual, which represents 10% of the overall budget, is expected to increase by 8%. The increase is primarily due to the increase of two sworn positions.

In order to carryover the Police Service contract with the County, it was anticipated that the Police Service contract would increase by 5.3% or \$583,353, for total of \$11,830,783. The carryover increase is due to a \$0.3 million increase to salary and benefits, which is due to a 2% Cost of Living Adjustment (COLA), and an increase to the retirement rate for County employees, coupled with an increase of \$0.2 million to the contract administration cost charged by the County of San Bernardino. However, by eliminating one (1) vacant Sergeant position and restoring three (3) of the five (5) eliminated vacant Sheriff Deputy positions from the FY 2011-12 Budget, the contract would increase by \$344,007 over the carryover contract to a projected cost of \$12,174,790.

- Other Operating - Other Operating is experiencing a 23% decrease due to the completion of grant-funded projects, such as the Industrial Park Lead Track in FY 2011-12.
- Capital Outlay - During the upcoming fiscal year, Capital Outlay is expected to decrease by 28%, which is nearly \$1.0 million. The majority of the budgeted outlay is related to the Neighborhood Stabilization Program (NSP).
- CIP Capital Outlay - CIP Capital Outlay will decrease to \$0 during FY 2012-13 Budget, as the CIP projects are now in the construction phase.
- Debt Service - Overall Debt Service is expected to increase by 28%. This is the result of projected upcoming principal and interest payments due during FY 2012-13.

## EXPENDITURE SUMMARIES

### Total General Fund Expenditures by Department 2012-13 Budget



DEPARTMENTS	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% of Budget	% Change From 2011-12 Budget
City Council	\$ 652,388	\$ 664,005	\$ 599,095	\$ 675,773	\$ 645,615	3%	8%
City Manager	1,338,247	1,039,272	2,088,708	1,985,831	2,505,539	11%	20%
Management Services	7,101,543	3,978,355	2,821,798	3,323,034	2,703,345	12%	-4%
Development Services							
D. S. - Community Development	2,661,715	1,828,446	1,742,941	1,747,257	1,569,853	7%	-10%
D. S. - Code Compliance	2,101,417	1,995,824	2,042,086	2,175,590	2,212,503	9%	8%
D. S. - Public Works	1,255,473	1,265,265	1,340,496	1,253,782	1,298,555	6%	-3%
D. S. - Capital Improvement	125,286	0	0	0	0	0%	0%
Development Services Total	6,143,891	5,089,535	5,125,523	5,176,629	5,080,911	22%	-1%
Police	11,200,545	11,350,805	11,902,792	11,754,771	12,422,738	52%	4%
<b>Total General Fund Expenditures</b>	<b>\$26,436,614</b>	<b>\$ 22,121,972</b>	<b>\$22,537,916</b>	<b>\$22,916,038</b>	<b>\$ 23,358,148</b>	<b>100%</b>	<b>4%</b>

## EXPENDITURE SUMMARIES

### Total General Fund Expenditures by Department 2012-13 Budget (Continued)

#### GENERAL FUND BY DEPARTMENT HIGHLIGHTS:

Budgeted General Fund Department expenditures are shown by Division or Program.

Budgeted expenditures for the General Fund are expected to increase by \$0.8 million or 4%. The following is a breakdown of the General Fund Departments:

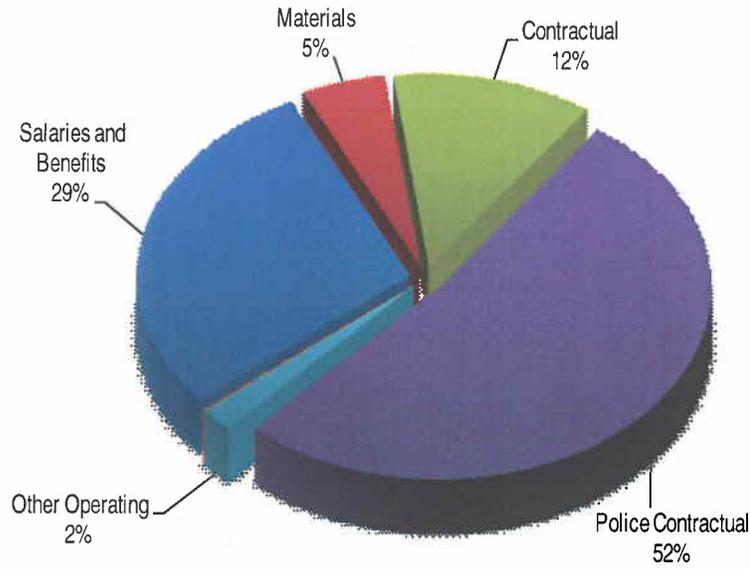
- City Council – The City Council Department is proposed to increase by \$46,520 or 3% over the FY 2011-12 Budget, which is due to allocating \$50,000 more to the City Attorney budget.
- City Manager - The City Manager Department, which is comprised of the City Manager Division and the Information Technology Division, is expected to increase by 20%. The City Manager proposed budget will increase by 9%. The increase is primarily due to budgeting for the November 2012 General Election. The Information Technology Division is projected to increase by \$326,000 or 30% over the FY 2011-12 Budget of \$1,100,070. The increase is due to the purchase of new software, hardware, and the reallocation of a Management Analyst position from the Community Development Program. The use of one time budgeted reserves will fund \$250,000 of the increase, which is for TRAKIT Land Management System (software) and the computer hardware.
- Management Services – The Management Services Department, which is comprised of the Finance Division and the Human Resource/Risk Management (HR/RM), will decrease by 4% or \$118,000, which is primarily due to the elimination of the vacant Deputy Human Resources/Risk Management Director position.
- Development Services - Development Services is expected to decrease by a modest 1%. The decrease is due in part to cost cutting measures, the elimination of a vacant position, along with a position transfer to the City Manager Department.
- Police Department - The FY 2012-13 Police Department Budget of \$12,422,738 is expected to increase by \$520,000 or 4% from the FY 2011-12 Budget of \$11,902,792. The 4% increase is primarily due to the increase of two sworn positions.

In order to carryover the Police Service contract with the County, it was anticipated that the Police Service contract would increase by 5.3% or \$583,353, for total of \$11,830,783. The carryover increase is due to a \$0.3 million increase to salary and benefits, which is due to a 2% Cost of Living Adjustment (COLA), and an increase to the retirement rate for County employees, coupled with an increase of \$0.2 million to the contract administration cost charged by the County of San Bernardino. However, by eliminating one (1) vacant Sergeant position and restoring three (3) of the five (5) eliminated vacant Sheriff Deputy positions from the FY 2011-12 Budget, the contract would increase by \$344,007 over the carryover contract to a projected cost of \$12,174,790.

In order to offset the costs of restoring the three Sherriff Deputy positions, the FY 2012-13 does not include funding for the Police Booking Fees, which is a reduction of \$200,000 from the FY 2011-12 Budget. At this time, it appears that the State of California will reimburse for the any Booking Fees. In addition, after an in-depth analysis of Police overtime, the assumption was made that there should be sufficient vacancy credits to offset any overtime cost incurred, which will result in a reduction of \$200,000 from the previous fiscal year's budget. In total, an expected savings of \$400,000 will be used to offset some the costs of increasing the Police Service contract, thereby only increasing the Police Department Budget by 4%.

## EXPENDITURE SUMMARIES

### Total General Fund Expenditures by Major Expenditure Account 2012-13 Budget



CLASSIFICATION	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% of Budget	% Change From
							2011-12 Budget
<b>Salaries and Benefits</b>							
Salaries	\$ 6,051,677	\$ 5,197,661	\$ 5,034,092	\$ 4,954,266	\$ 4,951,785	21%	-2%
Benefits	2,427,443	1,929,823	2,082,242	2,056,209	1,950,549	8%	-6%
<b>Total Salaries and Benefits</b>	<b>\$ 8,479,120</b>	<b>\$ 7,127,484</b>	<b>\$ 7,116,334</b>	<b>\$ 7,010,475</b>	<b>\$ 6,902,334</b>	<b>29%</b>	<b>-3%</b>
Materials	1,161,614	1,245,713	1,433,472	1,143,351	1,188,454	5%	-17%
Contractual	2,837,748	1,819,960	2,381,613	2,819,799	2,634,523	12%	11%
Police Contractual	10,906,682	11,531,757	11,302,691	11,302,691	12,174,790	52%	8%
Other Operating	397,190	329,504	303,806	378,447	443,047	2%	46%
Capital Outlay	2,654,260	67,554	0	261,275	15,000	0%	100%
<b>Total General Fund Expenditures</b>	<b>\$ 26,436,614</b>	<b>\$ 22,121,972</b>	<b>\$ 22,537,916</b>	<b>\$22,916,038</b>	<b>\$ 23,358,148</b>	<b>100%</b>	<b>4%</b>

## EXPENDITURE SUMMARIES

### Total General Fund Expenditures by Major Expenditure Account 2012-13 Budget (Continued)

#### GENERAL FUND BY DEPARTMENT CLASSIFICATION HIGHLIGHTS:

Budgeted General Fund expenditures are shown by major account classification. For demonstration purposes, the contract for Police Service is shown separate from the contract services classification.

Overall, General Fund budgeted expenditures are expected to increase by \$0.8 million or 4% from the 2011-12 Budget.

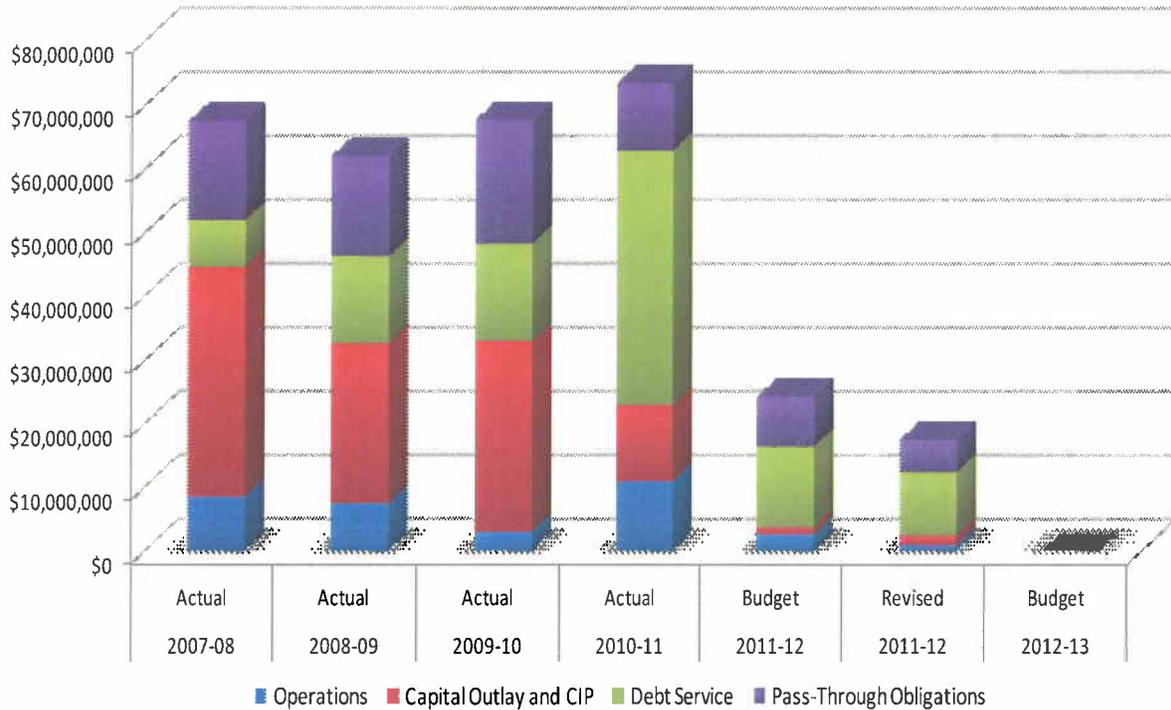
The following is a brief discussion of the General Fund expenditures:

- Salaries and Benefits - Salaries are expected to decrease by 2%, which is the result of a two percent (2%) salary increase, which is offset by the elimination two vacant full-time positions. Due to the employees paying a larger share of the CalPERS, Benefits are expected to decrease by 6%. Combined, Salaries and Benefits are expected to decrease by 3% over the FY 2011-12 Budget.
- Materials - Materials are expected to decrease by \$0.2 million or 17% from the FY 2011-12 Budget. This is partially related to the no longer budgeting \$0.2 million for Police Booking Fee Costs, since the State has committed to fund these costs.
- Contractual and Other Operating - Contractual and Other Operating related expenditures are expected to increase in the 2012-13 Budget by a combined 14% or \$0.4 million over the FY 2011-12 Budget of \$22,537,916. The increase is attributed due to the purchasing of the CRW TRAKiT Land Management System and the budgeting for the City's 25<sup>th</sup> Anniversary event, which will be funded by the use of budgeted reserves. In addition, a portion of the increase is associated with the General Fund increasing the funding for veterinary service funding. In the past, veterinary services were funded by the General Fund, along with collections from adopters held in trust. While the amount collected by the adopters has remained the same, the cost for veterinary services have increased overtime, thereby requiring the General Fund to subsidize a greater amount the veterinary services.
- Police Contractual - Police Contractual, which represents 52% of the overall budget, is expected to increase by 8%. The increase is primarily due to the increase of two sworn positions.

As previously indicated, the carryover costs associated with the Police Service contract with the County were expected to increase by 5.3% or \$583,353, for total of \$11,830,783. The increase is due to a \$0.5 million increase associated with a 2% Cost of Living Adjustment (COLA), and increasing to the retirement rate for County employees, and an increase of \$0.2 million to the contract administration cost charged by the County of San Bernardino. However, by eliminating one (1) vacant Sergeant position and restoring three (3) of the five (5) eliminated vacant Sheriff Deputy positions from the FY 2011-12 Budget, the contract would increase by \$344,007 over the carryover contract to a projected cost of \$12,174,790.

## EXPENDITURE SUMMARIES

### Total Redevelopment Agency (RDA) Expenditures by Major Expenditure Account 2012-13 Budget



CLASSIFICATION								% Change From 2011-12 Budget
	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	
Salaries and Benefits	\$ 856,986	\$ 955,803	\$ 1,147,043	\$ 940,445	\$ 306,930	\$ 135,868	\$ 0	-100%
Materials and Other Operating	531,767	542,552	469,264	527,827	545,725	5,910	0	-100%
Capital Outlay	13,145,274	5,802,192	8,060,185	607,423	1,080,000	1,557,505	0	-100%
Contractual	7,095,800	5,971,110	1,356,426	9,441,768	1,783,713	758,203	0	-100%
Capital Improvement Plan								
Contractual - CIP	20,800,645	16,818,719	20,701,013	11,196,534	21,823	20,256	0	-100%
Capital Outlay - CIP	2,110,176	2,470,726	1,279,683	179,504	0	0	0	0%
Total CIP	22,910,821	19,289,445	21,980,696	11,376,038	21,823	20,256	0	-100%
Debt Service								
Debt Service	7,278,257	13,629,535	15,114,174	39,838,726	12,614,225	9,866,922	0	-100%
Contractual - Pass Through	15,541,971	15,709,763	19,402,471	10,573,563	7,852,237	5,033,794	0	-100%
Total Debt Service	\$22,820,228	\$29,339,298	\$34,516,645	\$50,412,289	\$20,466,462	\$14,900,716	\$ 0	-100%
<b>Total RDA Expenditures</b>	<b>\$67,360,876</b>	<b>\$61,900,400</b>	<b>\$67,530,259</b>	<b>\$73,305,790</b>	<b>\$24,204,653</b>	<b>\$17,378,458</b>	<b>\$ 0</b>	<b>-100%</b>

#### REDEVELOPMENT AGENCY EXPENDITURES HIGHLIGHTS:

During FY 2011-12, the Hesperia Community Redevelopment Agency (HCRA) was eliminated by Assembly Bill x1 26 (ABx1 26). The dissolution of the Agency occurred on February 01, 2012 with all enforceable obligations of the former HCRA being transferred to the Successor Agency of the Redevelopment Agency. The 2011-12 Revised for the HCRA reflect those transactions that occurred between July 1, 2011 and January 31, 2012. Refer to the Successor Agency of the Redevelopment Agency for the budgeting of the former HCRA's enforceable obligations.

**EXPENDITURE SUMMARIES**

**TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM**

						% Change From
	2009-10	2010-11	2011-12	2011-12	2012-13	2011-12
<b>EXPENDITURES BY FUND</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Revised</b>	<b>Budget</b>	<b>Budget</b>
<b><u>General Fund</u></b>						
<b><u>City Council</u></b>						
100 100 City Council	\$ 422,502	\$ 321,517	\$ 299,095	\$ 300,773	\$ 295,615	-1%
100 102 City Attorney	229,886	342,488	300,000	375,000	350,000	17%
Total City Council	\$ 652,388	\$ 664,005	\$ 599,095	\$ 675,773	\$ 645,615	8%
<b><u>City Manager</u></b>						
100 200 City Manager	\$ 957,778	\$ 846,281	\$ 988,638	\$ 999,450	\$ 1,041,791	5%
100 210 City Clerk	380,469	192,991	0	0	0	0%
100 215 Information Technology	0	0	1,100,070	986,381	1,463,748	33%
Total City Manager	\$ 1,338,247	\$ 1,039,272	\$ 2,088,708	\$ 1,985,831	\$ 2,505,539	20%
<b><u>Management Services</u></b>						
100 220 Finance	\$ 4,304,431	\$ 1,484,844	\$ 1,465,052	\$ 1,693,557	\$ 1,482,607	1%
100 225 Human Resources/ Risk Mgmt.	1,555,400	1,323,943	1,356,746	1,629,477	1,220,738	-10%
100 228 Mgmt. Information Services	1,241,712	1,169,568	0	0	0	0%
Total Management Services	\$ 7,101,543	\$ 3,978,355	\$ 2,821,798	\$ 3,323,034	\$ 2,703,345	-4%
<b><u>D. S. - Community Development</u></b>						
100 3000 Planning	\$ 1,526,834	\$ 1,027,905	\$ 983,146	\$ 976,489	\$ 891,224	-9%
100 3020 Building & Safety	1,134,881	800,541	759,795	770,768	678,629	-11%
Total D. S. Community Development	\$ 2,661,715	\$ 1,828,446	\$ 1,742,941	\$ 1,747,257	\$ 1,569,853	-10%
<b><u>D. S. - Code Compliance</u></b>						
100 3010 Code Enforcement	\$ 858,758	\$ 795,288	\$ 815,344	\$ 846,671	\$ 858,727	5%
100 5000 Animal Control	1,242,659	1,200,536	1,226,742	1,328,919	1,353,776	10%
Total D. S. Code Compliance	\$ 2,101,417	\$ 1,995,824	\$ 2,042,086	\$ 2,175,590	\$ 2,212,503	8%
<b><u>D. S. - Public Works</u></b>						
100 3100 Engineering	\$ 555,436	\$ 506,594	\$ 540,616	\$ 484,035	\$ 484,059	-10%
100 3110 Building Maintenance	700,037	758,671	799,880	769,747	814,496	2%
100 Capital Improvement Program	125,286	0	0	0	0	0%
Total D. S. - Public Works	\$ 1,380,759	\$ 1,265,265	\$ 1,340,496	\$ 1,253,782	\$ 1,298,555	-3%
<b>100 510 Police</b>	\$ 11,200,545	\$ 11,350,805	\$ 11,902,792	\$ 11,754,771	\$ 12,422,738	4%
<b>Total General Fund Expenditures</b>	\$ 26,436,614	\$ 22,121,972	\$ 22,537,916	\$ 22,916,038	\$ 23,358,148	4%
<b><u>Redevelopment Agency Funds</u></b>						
385 RDA Low/Moderate Income	\$ 6,333,400	\$ 33,332,438	\$ 5,271,672	\$ 4,642,553	\$ 0	-100%
388 WEDA Low/Moderate Income	0	0	410,970	57,565	0	-100%
389 RDA Administration (Fund 150)	1,455,839	1,287,758	740,679	5,466	0	-100%
486 RDA Debt Service Project Area #1	27,866,983	24,617,452	15,672,121	11,268,723	0	-100%
487 RDA Debt Service Project Area #2	2,494,422	1,596,772	1,330,976	1,334,547	0	-100%
586 RDA Capital Improvements Area #1	28,392,737	8,535,863	778,235	69,604	0	-100%
587 RDA Capital Improvements Area #2	941,770	2,258,581	0	0	0	0%
588 VVEDA	45,108	1,676,926	0	0	0	0%
<b>Total RDA Expenditures</b>	\$ 67,530,259	\$ 73,305,790	\$ 24,204,653	\$ 17,378,458	\$ 0	-100%

**EXPENDITURE SUMMARIES**

**TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM**

	2009-10	2010-11	2011-12	2011-12	2012-13	% Change From 2011-12
<b>EXPENDITURES BY FUND</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Revised</b>	<b>Budget</b>	<b>Budget</b>
<b>Successor Agency Funds</b>						
160 Redevelopment Obligation Retirement	\$ 0	\$ 0	\$ 0	\$ 9,699,916	\$ 16,768,688	100%
161 Redevelopment Obligation Retirement	0	0	0	328,137	2,145,181	100%
162 Redevelopment Obligation Retirement	0	0	0	1,412,796	3,626,356	100%
173 Successor Agency Administration	0	0	0	0	202,500	100%
<b>Total Successor Agency Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 11,440,849</b>	<b>\$ 22,742,725</b>	<b>100%</b>
<b>Community Development Commission Funds</b>						
<b>170 Community Development Commission</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 617,168</b>	<b>100%</b>
<b>Hesperia Housing Authority Funds</b>						
370 Hesperia Housing Authority	\$ 0	\$ 0	\$ 0	\$ 72,999	\$ 1,328,974	100%
371 WVEDA Housing Authority	0	0	0	0	425,000	100%
<b>Total Hesperia Housing Authority Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 72,999</b>	<b>\$ 1,753,974</b>	<b>100%</b>
<b>C.D.B.G Funds</b>						
251 C.D.B.G Administration	\$ 517,283	\$ 809,845	\$ 2,010,414	\$ 719,136	\$ 1,975,105	-2%
252 C.D.B.G Home Grant	0	0	0	0	0	0%
253 C.D.B.G Revolving Loans	0	235,608	660,011	91,185	462,043	-30%
257 Neighborhood Stabilization Program	4,124,970	90,566	2,597,880	597,525	1,726,156	-34%
<b>Total C.D.B.G Expenditures</b>	<b>\$ 4,642,253</b>	<b>\$ 1,136,019</b>	<b>\$ 5,268,305</b>	<b>\$ 1,407,846</b>	<b>\$ 4,163,304</b>	<b>-21%</b>
<b>D. S. - Public Works Funds</b>						
<b>263 310 Street Maintenance Fund</b>	<b>\$ 3,248,664</b>	<b>\$ 3,090,915</b>	<b>\$ 3,102,389</b>	<b>\$ 3,018,206</b>	<b>\$ 3,206,834</b>	<b>3%</b>
<b>Streets Capital Improvement Projects (CIP) Funds</b>						
201 Measure I - Arterial	\$ 53,426	\$ 466,573	\$ 0	\$ 94,772	\$ 0	0%
202 Measure I - Local	0	0	0	0	0	0%
204 Measure I - 2010 Renewal	0	516,371	448,338	129,850	1,805,975	303%
205 Gas Tax Fund	0	8,000	0	0	0	0%
250 Traffic Congestion Relief	0	0	0	0	0	0%
300 Streets Development Impact Fee	2,575,224	1,334,660	150,955	946,162	8,029,053	5219%
301 Storm Drain Development Impact Fee	34,948	17,802	0	0	0	0%
504 CityWide Streets Projects	0	465,162	5,111,815	1,199,179	5,392,159	5%
506 Industrial Park Lead Track	0	0	5,113,000	5,113,000	0	-100%
507 Township	0	0	378,177	378,177	0	-100%
508 Rancho Rd Undercrossing- Local	0	0	3,280,400	8,292,730	0	-100%
600 Rancho Road Undercrossing	217,096	0	10,219,600	4,800,000	7,528,447	-26%
602 Rancho Rd/I-15 Interchange	0	231,254	6,808,546	7,585,358	0	-100%
<b>Total Streets CIP Funds</b>	<b>\$ 2,880,694</b>	<b>\$ 3,039,822</b>	<b>\$ 31,510,831</b>	<b>\$ 28,539,228</b>	<b>\$ 22,755,634</b>	<b>-28%</b>

**EXPENDITURE SUMMARIES**

**TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM**

	2009-10	2010-11	2011-12	2011-12	2012-13	% Change From 2011-12
<b>EXPENDITURES BY FUND</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Revised</b>	<b>Budget</b>	<b>Budget</b>
<b><u>Other Transportation Related Funds</u></b>						
203 Measure I - Transit	\$ 148,474	\$ 29,942	\$ 0	\$ 0	\$ 0	0%
254 AB 2766 AOMD	35,000	50,000	25,000	50,000	80,000	220%
264 Traffic Signal	0	0	0	0	0	0%
400 Measure I Debt Service	667,823	770,343	772,500	722,500	747,520	-3%
<b>Total Other Transportation Related Funds</b>	<b>\$ 851,297</b>	<b>\$ 850,285</b>	<b>\$ 797,500</b>	<b>\$ 772,500</b>	<b>\$ 827,520</b>	<b>4%</b>
<b><u>Facilities</u></b>						
303 Development Impact Fees-Police	\$ 0	\$ 1,431,106	\$ 0	\$ 0	\$ 0	0%
502 Fire Station Building	2,080,574	0	0	0	3,750,000	100%
503 High Desert Government Center	13,876,261	6,378,053	0	2,977,000	8,400,000	100%
<b>Total Facilities Funds</b>	<b>\$ 15,956,835</b>	<b>\$ 7,809,159</b>	<b>\$ 0</b>	<b>\$ 2,977,000</b>	<b>\$ 12,150,000</b>	<b>100%</b>
<b><u>Other City Related Funds</u></b>						
150 Redevelopment Agency Administration	\$ 0	\$ 0	\$ 0	\$ 485,070	\$ 0	0%
256 Environmental Programs Grant Fund	20,393	44,717	71,564	60,564	67,267	-6%
259 Reimbursable Grants Fund	0	775,100	0	0	0	0%
260 Disaster Preparedness Fund	5,946	24,867	28,381	28,104	15,545	-45%
302 Fire Development Impact Fee	414,588	0	122,650	97,033	550,000	348%
304 Public Services Dev. Impact Fee	31,225	0	0	0	0	0%
401 City Debt Service Fund	401,457	665,674	839,012	771,938	795,600	-5%
501 CFD 91-3 Belgate	0	0	0	0	0	0%
<b>Total Other City Related Funds</b>	<b>\$ 873,609</b>	<b>\$ 1,510,358</b>	<b>\$ 1,061,607</b>	<b>\$ 1,442,709</b>	<b>\$ 1,428,412</b>	<b>35%</b>
<b>Total Streets CIP, Other Transportation, City Facilities, &amp; Other City Related Funds</b>	<b>\$ 20,562,435</b>	<b>\$ 13,209,624</b>	<b>\$ 33,369,938</b>	<b>\$ 33,731,437</b>	<b>\$ 37,161,566</b>	<b>11%</b>
<b><u>700 Water Operating Fund</u></b>						
4010 Source of Supply	\$ 3,226,523	\$ 3,740,660	\$ 2,744,923	\$ 2,729,089	\$ 2,581,602	-6%
4020 Production	3,195,506	3,085,363	2,926,431	2,840,021	2,974,373	2%
4030 Distribution	1,574,607	1,103,175	1,124,084	1,112,833	1,123,748	0%
4035 Pipeline Maintenance	1,298,810	1,353,563	1,136,878	1,066,767	1,261,650	11%
4040 Engineering	990,764	919,460	881,340	818,357	819,342	-7%
4050 Customer Service	1,085,066	1,253,034	1,134,023	1,129,999	1,140,523	1%
4060 Utility Billing	863,133	835,601	935,038	979,644	959,326	3%
4070 Administration	4,835,320	6,047,967	6,079,062	5,997,697	6,086,655	0%
4080 Property Management	327,639	270,591	311,132	273,011	304,610	-2%
<b>Total Water Operating</b>	<b>\$ 17,397,368</b>	<b>\$ 18,609,414</b>	<b>\$ 17,272,911</b>	<b>\$ 16,947,418</b>	<b>\$ 17,251,829</b>	<b>0%</b>
<b>701 Water Capital Projects Fund</b>	<b>\$ 2,653,866</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0%</b>
<b>710 Sewer Operating Fund</b>	<b>\$ 2,048,377</b>	<b>\$ 2,365,137</b>	<b>\$ 2,291,997</b>	<b>\$ 2,294,518</b>	<b>\$ 2,297,695</b>	<b>0%</b>
<b>711 Sewer Capital Fund</b>	<b>\$ 101,109</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 200,000</b>	<b>100%</b>

**EXPENDITURE SUMMARIES**

**TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM**

<b>EXPENDITURES BY FUND</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2011-12</b>	<b>2012-13</b>	<b>% Change From 2011-12</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Revised</b>	<b>Budget</b>	<b>Budget</b>
<b><u>200 Fire District Fund</u></b>						
520 Operations & Community Safety	\$ 9,429,336	\$ 9,474,569	\$ 9,245,210	\$ 8,555,920	\$ 8,193,879	-11%
521 Administration	254,628	220,186	234,570	375,947	236,790	1%
<b>Total Fire District Fund</b>	<b>\$ 9,683,964</b>	<b>\$ 9,694,755</b>	<b>\$ 9,479,780</b>	<b>\$ 8,931,867</b>	<b>\$ 8,430,669</b>	<b>-11%</b>
<b>Total Expenditures By Fund, Department, and Program</b>	<b>\$ 154,304,909</b>	<b>\$ 143,533,626</b>	<b>\$ 117,527,889</b>	<b>\$ 118,139,636</b>	<b>\$ 121,183,912</b>	<b>3%</b>

**EXPENDITURE SUMMARIES**

**TOTAL EXPENDITURES BY DEPARTMENT AND PROGRAMS**

DEPARTMENT AND PROGRAM EXPENDITURES SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change
						From 2011-12 Budget
<b>City Council</b>						
100 100 City Council	\$ 422,502	\$ 321,517	\$ 299,095	\$ 300,773	\$ 295,615	-1%
100 102 City Attorney	229,886	342,488	300,000	375,000	350,000	17%
<b>Total City Council</b>	<b>\$ 652,388</b>	<b>\$ 664,005</b>	<b>\$ 599,095</b>	<b>\$ 675,773</b>	<b>\$ 645,615</b>	<b>8%</b>
<b>City Manager</b>						
100 200 City Manager	\$ 957,778	\$ 846,281	\$ 988,638	\$ 999,450	\$ 1,041,791	5%
100 210 City Clerk	380,469	192,991	0	0	0	0%
100 215 Information Technology	0	0	1,100,070	986,381	1,463,748	33%
<b>Total City Manager</b>	<b>\$ 1,338,247</b>	<b>\$ 1,039,272</b>	<b>\$ 2,088,708</b>	<b>\$ 1,985,831</b>	<b>\$ 2,505,539</b>	<b>20%</b>
<b>Management Services</b>						
100 220 Finance	\$ 4,304,431	\$ 1,484,844	\$ 1,465,052	\$ 1,693,557	\$ 1,482,607	1%
100 225 Human Resources/Risk Mgmt.	1,555,400	1,323,943	1,356,746	1,629,477	1,220,738	-10%
100 228 Mgmt. Information Services	1,241,712	1,169,568	0	0	0	0%
<b>Total Management Services</b>	<b>\$ 7,101,543</b>	<b>\$ 3,978,355</b>	<b>\$ 2,821,798</b>	<b>\$ 3,323,034</b>	<b>\$ 2,703,345</b>	<b>-4%</b>
<b>Economic Development</b>						
<u>Redevelopment Agency</u>						
385 RDA Low/Moderate Income	\$ 6,333,400	\$ 33,332,438	\$ 5,271,672	\$ 4,642,553	\$ 0	-100%
388 WEDA Low/Moderate Income	0	0	410,970	57,565	0	-100%
389 RDA Administration (Fund 150)	1,455,839	1,287,758	740,679	5,466	0	-100%
486 RDA Debt Service Project Area #1	27,866,983	24,617,452	15,672,121	11,268,723	0	-100%
487 RDA Debt Service Project Area #2	2,494,422	1,596,772	1,330,976	1,334,547	0	-100%
586 RDA Project Area #1 C I P	28,392,737	8,535,863	778,235	69,604	0	-100%
587 RDA Project Area #2 C I P	941,770	2,258,581	0	0	0	0%
588 V V E D A	45,108	1,676,926	0	0	0	0%
Subtotal Redevelopment Agency	\$ 67,530,259	\$ 73,305,790	\$ 24,204,653	\$ 17,378,458	\$ 0	-100%
<u>Successor Agency Funds</u>						
160 Redevelopment Obligation Retirement Fund - Area 1	\$ 0	\$ 0	\$ 0	\$ 9,699,916	\$ 16,768,688	100%
161 Redevelopment Obligation Retirement Fund - Area 2	0	0	0	328,137	2,145,181	100%
162 Redevelopment Obligation Retirement Fund - Housing	0	0	0	1,412,796	3,626,356	100%
173 Successor Agency Administration	0	0	0	0	202,500	100%
<b>Total Successor Agency Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 11,440,849</b>	<b>\$ 22,742,725</b>	<b>100%</b>
<u>Other City Related Funds</u>						
150 Redevelopment Agency Administration	\$ 0	\$ 0	\$ 0	\$ 485,070	\$ 0	0%
<u>Community Development Commission Fund</u>						
170 Community Development Commission	\$ 0	\$ 0	\$ 0	\$ 0	\$ 617,168	100%
<u>Hesperia Housing Authority Funds</u>						
370 Hesperia Housing Authority	\$ 0	\$ 0	\$ 0	\$ 72,999	\$ 1,328,974	100%
371 WEDA Housing Authority	0	0	0	0	425,000	100%
Subtotal Hesperia Housing Authority	\$ 0	\$ 0	\$ 0	\$ 72,999	\$ 1,753,974	100%

**EXPENDITURE SUMMARIES**

**TOTAL EXPENDITURES BY DEPARTMENT AND PROGRAMS**

DEPARTMENT AND PROGRAM EXPENDITURES SUMMARY	2009-10	2010-11	2011-12	2011-12	2012-13	% Change
	Actual	Actual	Budget	Revised	Budget	From 2011-12 Budget
<b>C.D.B.G</b>						
251 C.D.B.G Administration	\$ 517,283	\$ 809,845	\$ 2,010,414	\$ 719,136	\$ 1,975,105	-2%
252 C.D.B.G Home Grant	0	0	0	0	0	0%
253 C.D.B.G Revolving Loans	0	235,608	660,011	91,185	462,043	-30%
257 Neighborhood Stabilization Program	4,124,970	90,566	2,597,880	597,525	1,726,156	-34%
Subtotal C.D.B.G	\$ 4,642,253	\$ 1,136,019	\$ 5,268,305	\$ 1,407,846	\$ 4,163,304	-21%
<b>Total Economic Development</b>	<b>\$ 72,172,512</b>	<b>\$ 74,441,809</b>	<b>\$ 29,472,958</b>	<b>\$ 30,785,222</b>	<b>\$ 29,277,171</b>	<b>-1%</b>
<b>D. S. - Community Development</b>						
100 3000 Planning	\$ 1,526,834	\$ 1,027,905	\$ 983,146	\$ 976,489	\$ 891,224	-9%
100 3020 Building & Safety	1,134,881	800,541	759,795	770,768	678,629	-11%
<b>Total D. S. - Community Development</b>	<b>\$ 2,661,715</b>	<b>\$ 1,828,446</b>	<b>\$ 1,742,941</b>	<b>\$ 1,747,257</b>	<b>\$ 1,569,853</b>	<b>-10%</b>
<b>D. S. - Code Compliance</b>						
100 3010 Code Enforcement	\$ 858,758	\$ 795,288	\$ 815,344	\$ 846,671	\$ 858,727	5%
100 5000 Animal Control	1,242,659	1,200,536	1,226,742	1,328,919	1,353,776	10%
<b>Total D. S. - Code Compliance</b>	<b>\$ 2,101,417</b>	<b>\$ 1,995,824</b>	<b>\$ 2,042,086</b>	<b>\$ 2,175,590</b>	<b>\$ 2,212,503</b>	<b>8%</b>
<b>D. S. - Public Works</b>						
100 3100 Engineering	\$ 555,436	\$ 506,594	\$ 540,616	\$ 484,035	\$ 484,059	-10%
100 3110 Building Maintenance	700,037	758,671	799,880	769,747	814,496	2%
263 3150 Street Maintenance Fund	3,248,664	3,090,915	3,102,389	3,018,206	3,206,834	3%
<b>Total D. S. - Public Works</b>	<b>\$ 4,504,137</b>	<b>\$ 4,356,180</b>	<b>\$ 4,442,885</b>	<b>\$ 4,271,988</b>	<b>\$ 4,505,389</b>	<b>1%</b>
<b>D. S.- Water</b>						
<b>700 Water Operating Fund</b>						
4010 Source of Supply	\$ 3,226,523	\$ 3,740,660	\$ 2,744,923	\$ 2,729,089	\$ 2,581,602	-6%
4020 Production	3,195,506	3,085,363	2,926,431	2,840,021	2,974,373	2%
4030 Distribution	1,574,607	1,103,175	1,124,084	1,112,833	1,123,748	0%
4035 Pipeline Maintenance	1,298,810	1,353,563	1,136,878	1,066,767	1,261,650	11%
4040 Engineering	990,764	919,460	881,340	818,357	819,342	-7%
4050 Customer Service	1,085,066	1,253,034	1,134,023	1,129,999	1,140,523	1%
4060 Utility Billing	863,133	835,601	935,038	979,644	959,326	3%
4070 Administration	4,835,320	6,047,967	6,079,062	5,997,697	6,086,655	0%
4080 Property Management	327,639	270,591	311,132	273,011	304,610	-2%
Total Water Operating	\$ 17,397,368	\$ 18,609,414	\$ 17,272,911	\$ 16,947,418	\$ 17,251,829	0%
701 Water Capital Projects	\$ 2,653,866	\$ 0	\$ 0	\$ 0	\$ 0	0%
<b>Total D. S. - Water Operating &amp; Capital</b>	<b>\$ 20,051,234</b>	<b>\$ 18,609,414</b>	<b>\$ 17,272,911</b>	<b>\$ 16,947,418</b>	<b>\$ 17,251,829</b>	<b>0%</b>
<b>D. S. - Sewer</b>						
710 Sewer Operations	\$ 2,048,377	\$ 2,365,137	\$ 2,291,997	\$ 2,294,518	\$ 2,297,695	0%
711 Sewer Capital	101,109	0	0	0	200,000	100%
<b>Total D. S. - Sewer Operating &amp; Capital</b>	<b>\$ 2,149,486</b>	<b>\$ 2,365,137</b>	<b>\$ 2,291,997</b>	<b>\$ 2,294,518</b>	<b>\$ 2,497,695</b>	<b>9%</b>

**EXPENDITURE SUMMARIES**

**TOTAL EXPENDITURES BY DEPARTMENT AND PROGRAMS**

DEPARTMENT AND PROGRAM EXPENDITURES SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change
						From 2011-12 Budget
<b>100 510 Police</b>	\$ 11,200,545	\$ 11,350,805	\$ 11,902,792	\$ 11,754,771	\$ 12,422,738	4%
<b>Fire District</b>						
520 Operations & Community Safety	\$ 9,429,336	\$ 9,474,569	\$ 9,245,210	\$ 8,555,920	\$ 8,193,879	-11%
521 Administration	254,628	220,186	234,570	375,947	236,790	1%
<b>Total Fire District</b>	<b>\$ 9,683,964</b>	<b>\$ 9,694,755</b>	<b>\$ 9,479,780</b>	<b>\$ 8,931,867</b>	<b>\$ 8,430,669</b>	<b>-11%</b>
<b>Streets Capital Improvement Project (CIP) Funds</b>						
100 Capital Improvement Program	\$ 125,286	\$ 0	\$ 0	\$ 0	\$ 0	0%
201 Measure I - Arterial	53,426	466,573	0	94,772	0	0%
202 Measure I - Local	0	0	0	0	0	0%
204 Measure I - 2010 Renewal	0	516,371	448,338	129,850	1,805,975	303%
205 Gas Tax Fund	0	8,000	0	0	0	0%
250 Traffic Congestion Relief	0	0	0	0	0	0%
300 Streets Development Impact Fee	2,575,224	1,334,660	150,955	946,162	8,029,053	5219%
301 Storm Drain Dev. Impact Fee	34,948	17,802	0	0	0	0%
504 City Streets CIP	0	465,162	5,111,815	1,199,179	5,392,159	5%
506 Industrial Park Lead Track	0	0	5,113,000	5,113,000	0	-100%
507 Township	0	0	378,177	378,177	0	-100%
508 Ranchero Rd Undercrossing- Local	0	0	3,280,400	8,292,730	0	-100%
600 Ranchero Road Undercrossing	217,096	0	10,219,600	4,800,000	7,528,447	-26%
602 Ranchero Rd/I-15 Interchange	0	231,254	6,808,546	7,585,358	0	-100%
<b>Total Streets CIP Funds</b>	<b>\$ 3,005,980</b>	<b>\$ 3,039,822</b>	<b>\$ 31,510,831</b>	<b>\$ 28,539,228</b>	<b>\$ 22,755,634</b>	<b>-28%</b>
<b>Other Transportation Related Funds</b>						
203 Measure I - Transit	\$ 148,474	\$ 29,942	\$ 0	\$ 0	\$ 0	0%
254 AB 2766 AQMD	35,000	50,000	25,000	50,000	80,000	220%
264 Traffic Signal	0	0	0	0	0	0%
400 Measure I Debt Service	667,823	770,343	772,500	722,500	747,520	-3%
<b>Total Other Transportation Funds</b>	<b>\$ 851,297</b>	<b>\$ 850,285</b>	<b>\$ 797,500</b>	<b>\$ 772,500</b>	<b>\$ 827,520</b>	<b>4%</b>
<b>Facilities</b>						
303 Development Impact Fees-Police	\$ 0	\$ 1,431,106	\$ 0	\$ 0	\$ 0	0%
502 Fire Station Building	2,080,574	0	0	0	3,750,000	100%
503 High Desert Government Center	13,876,261	6,378,053	0	2,977,000	8,400,000	100%
<b>Total Facilities Funds</b>	<b>\$ 15,956,835</b>	<b>\$ 7,809,159</b>	<b>\$ 0</b>	<b>\$ 2,977,000</b>	<b>\$ 12,150,000</b>	<b>100%</b>
<b>Other City Related Funds</b>						
256 Environmental Programs Grant Fund	\$ - 20,393	\$ 44,717	\$ 71,564	\$ 60,564	\$ 67,267	-6%
259 Reimbursable Grants Fund	0	775,100	0	0	0	0%
260 Disaster Preparedness Fund	5,946	24,867	28,381	28,104	15,545	-45%
302 Fire Development Impact Fee	414,588	0	122,650	97,033	550,000	348%
304 Public Services Dev. Impact Fee	31,225	0	0	0	0	0%
401 City Debt Service Fund	401,457	665,674	839,012	771,938	795,600	-5%
501 CFD 91-3 Belgate	0	0	0	0	0	0%
<b>Total Other City Related Funds</b>	<b>\$ 873,609</b>	<b>\$ 1,510,358</b>	<b>\$ 1,061,607</b>	<b>\$ 957,639</b>	<b>\$ 1,428,412</b>	<b>35%</b>
<b>Total Streets CIP, Other Transportation, City Facilities, &amp; Other City Related Funds</b>	<b>\$ 20,687,721</b>	<b>\$ 13,209,624</b>	<b>\$ 33,369,938</b>	<b>\$ 33,246,367</b>	<b>\$ 37,161,566</b>	<b>11%</b>
<b>Total City Expenditures by Department and Program</b>	<b>\$154,304,909</b>	<b>\$143,533,626</b>	<b>\$117,527,889</b>	<b>\$118,139,636</b>	<b>\$121,183,912</b>	<b>3%</b>

**EXPENDITURE SUMMARIES**

**TOTAL EXPENDITURES BY ACCOUNT**

ACCOUNT EXPENDITURES SUMMARY	2009-10		2010-11		2011-12		2011-12		2012-13		% Change From 2011-12 Budget
	Actual		Actual		Budget		Revised		Budget	Budget	
<b>Salaries</b>											
7000 - Salaries & Wages	\$	12,300,364	\$	10,816,182	\$	10,742,396	\$	10,413,422	\$	10,574,939	-2%
7010 - Council/Commissioner Wage		52,483		42,759		51,500		51,500		51,500	0%
7030 - Part Time Wages		147,727		268,302		136,684		151,663		118,713	-13%
7050 - Overtime Wages		178,207		149,099		144,288		127,635		136,406	-5%
7070 - Standby Pay		47,535		46,464		46,800		44,859		46,800	0%
<b>Total Salaries</b>	<b>\$</b>	<b>12,726,316</b>	<b>\$</b>	<b>11,322,806</b>	<b>\$</b>	<b>11,121,668</b>	<b>\$</b>	<b>10,789,079</b>	<b>\$</b>	<b>10,928,358</b>	<b>-2%</b>
<b>Benefits</b>											
7100 - 401a Pension Plan	\$	151,279	\$	125,258	\$	116,456	\$	122,390	\$	109,548	-6%
7110 - PERS		2,324,542		1,805,379		2,108,768		2,051,670		1,807,976	-14%
7120 - Health Insurance		1,739,847		1,660,370		1,679,460		1,643,504		1,630,620	-3%
7140 - Worker's Compensation		530,572		274,258		329,733		295,984		369,858	12%
7150 - Medicare		181,655		162,928		158,546		163,634		155,816	-2%
7160 - Social Security/FICA		14,728		22,359		11,669		15,851		10,557	-10%
7170 - Life Insurance		25,646		21,806		17,259		21,524		17,435	1%
7180 - Auto Allowance		67,201		58,524		57,600		56,856		57,600	0%
7181 - Bilingual Pay		12,600		13,538		13,500		12,675		11,700	-13%
7190 - Unemployment Insurance		71,412		72,828		80,000		50,439		72,000	-10%
7195 - Post Employment Benefits		96,674		126,711		22,440		22,440		23,154	3%
7199 - Other Benefit Expense		7,980		3,022		0		0		0	0
<b>Total Benefits</b>	<b>\$</b>	<b>5,224,136</b>	<b>\$</b>	<b>4,346,981</b>	<b>\$</b>	<b>4,595,431</b>	<b>\$</b>	<b>4,456,967</b>	<b>\$</b>	<b>4,266,264</b>	<b>-7%</b>
<b>Material and Operations</b>											
7200 - Div/Program Expenditures	\$	10,570	\$	32,247	\$	33,541	\$	31,864	\$	19,365	-42%
7250 - Office Expense		137,616		126,460		144,875		109,945		143,875	-1%
7255 - Computer Supplies		22,813		20,876		24,000		15,000		20,000	-17%
7260 - Printing		48,103		38,919		44,667		27,620		46,650	4%
7270 - Postage/Shipping Costs		164,007		151,713		132,696		123,130		127,405	-4%
7280 - Publications		15,923		8,152		9,391		6,803		15,660	67%
7290 - Advertising		269,563		256,648		232,400		196,536		142,700	-39%
7300 - Employee Expense		46,555		42,592		45,000		38,000		41,300	-8%
7310 - Council Reimbursement		1,445		1,837		5,000		1,400		2,000	-60%
7320 - Uniform Expense		43,317		47,578		52,988		45,520		47,230	-11%
7350 - Police Booking Costs		0		0		200,000		0		0	-100%
7370 - Reserve Costs		4,315		5,250		5,600		4,400		7,010	25%
7400 - Materials & Operations		1,639,707		1,944,013		1,515,820		1,559,150		1,718,000	13%
7410 - Safety Supplies		46,805		22,783		32,225		24,160		27,900	-13%
7420 - Kennel Supplies		81,540		86,238		90,500		95,000		104,400	15%
7430 - Field Expenses		15,409		16,661		18,050		16,400		17,500	-3%
7440 - Fuel		288,656		350,691		421,360		401,400		452,250	7%
7450 - Maintenance/Repairs		12		0		0		0		0	0%
7455 - Small Tools		29,502		27,360		29,550		27,286		29,000	-2%
7460 - Equipment Under Capital		74,531		119,854		98,750		82,172		90,350	-9%
7470 - Utilities-Electric		2,379,486		2,399,506		2,362,250		2,294,357		2,353,850	0%
7473 - Utilities-Gas		35,867		55,381		50,765		56,073		57,290	13%
7476 - Utilities-Water		3,064,999		3,708,570		2,685,987		2,645,686		2,483,270	-8%
7478 - Utilities-Wastewater		1,379,743		1,672,671		1,647,000		1,671,000		1,647,000	0%
7479 - Utilities-Sewer		0		0		0		0		0	0%
7482 - Utilities-Telephone		305,632		294,050		303,343		268,825		244,134	-20%
7483 - Utilities-Telecomm Services		122		771		1,000		900		900	-10%
7484 - Property Tax/Assessments		73,784		73,876		108,600		500		100,500	-7%
7485 - Lease Maintenance		2,943		2,648		5,680		2,504		27,354	382%
<b>Total Material and Operations</b>	<b>\$</b>	<b>10,182,965</b>	<b>\$</b>	<b>11,507,345</b>	<b>\$</b>	<b>10,301,038</b>	<b>\$</b>	<b>9,745,631</b>	<b>\$</b>	<b>9,966,893</b>	<b>-3%</b>

**EXPENDITURE SUMMARIES**

**TOTAL EXPENDITURES BY ACCOUNT**

ACCOUNT EXPENDITURES SUMMARY	2009-10	2010-11	2011-12	2011-12	2012-13	% Change From 2011-12
	Actual	Actual	Budget	Revised	Budget	Budget
<b>Contractual Services</b>						
7500 - Contract Services	\$ 45,675,497	\$ 32,360,944	\$ 17,102,668	\$ 25,737,663	\$ 44,579,829	161%
7520 - Plan Check	0	0	0	1,973	7,500	100%
7525 - Inspection	8,245	0	0	0	0	0%
7560 - Legal Services	414,104	590,073	488,500	619,044	529,000	8%
7563 - Litigation Services	123,880	33,064	50,000	50,000	50,000	0%
7565 - Claims/Lawsuits/Settlement	14,626	46,487	50,000	262,000	50,000	0%
7570 - Insurance Services	647,091	500,061	552,000	542,000	590,000	7%
7580 - Computer Services	149,428	125,983	150,310	135,309	60,347	-60%
7585 - Software License	215,306	232,781	257,800	226,640	292,800	14%
7590 - Service Charges & Fees	0	90,467	61,327	82,174	84,041	37%
7605 - Traffic Signal Maintenance	75,573	79,841	81,000	83,000	65,000	-20%
7610 - Striping Contract	78,888	77,129	94,000	94,000	94,000	0%
7615 - Street Sweeping Contract	105,207	127,404	115,000	110,000	123,000	7%
7620 - Facilities Maintenance	4,227	6,824	8,507	0	0	-100%
7650 - Equipment Rental	3,731	2,692	5,650	2,075	5,650	0%
7700 - County Contract	20,336,018	21,006,326	20,547,901	19,858,611	20,368,669	-1%
7705 - County Contract Overtime	85,102	(407,246)	200,000	200,000	0	-100%
7710 - Cal Id	91,623	92,593	92,903	92,903	95,263	3%
7720 - Franchise Fee	250,000	250,000	250,000	250,000	250,000	0%
7740 - Pass Thru Agreements	11,141,960	8,893,177	7,852,237	5,033,794	0	-100%
7741 - ERAF Payments	8,161,869	1,680,385	0	0	0	0%
7775 - Economic Development	943,928	550,843	1,123,000	59,130	575,000	-49%
7780 - Econ Dev Revolving Loan	0	2,852	250,000	0	100,000	-60%
7785 - Home Repair Loan Program	0	0	0	0	0	0%
<b>Total Contractual Services</b>	<b>\$ 88,526,303</b>	<b>\$ 66,342,680</b>	<b>\$ 49,332,803</b>	<b>\$ 53,440,316</b>	<b>\$ 67,920,099</b>	<b>38%</b>
<b>Other Operating</b>						
7800 - Other Operating	\$ 0	\$ 0	\$ 0	\$ 7,541	\$ 0	0%
7805 - Dues/Memberships	117,439	84,442	113,186	99,002	82,332	-27%
7820 - Travel & Meetings	13,853	8,861	16,950	9,084	21,910	29%
7825 - Mileage	772	1,407	750	1,500	750	0%
7840 - Conferences & Seminars	22,187	31,051	34,660	36,460	42,200	22%
7845 - Training & Education	101,023	87,610	113,275	93,289	125,520	11%
7860 - Education Reimbursement	31,974	15,085	12,370	8,930	12,600	2%
7880 - Community Relations	26,707	23,536	18,700	17,100	72,000	285%
7890 - General & Admin Expense	1,870,792	1,903,314	1,880,966	1,880,966	1,867,057	-1%
7900 - Bad Debt Expense	92,444	232,756	10,000	105,000	30,000	200%
7920 - Inventory Loss	46,118	0	0	0	0	0%
7950 - Rent Expense	58,375	58,375	52,537	52,537	65,037	24%
7960 - Depreciation Expense	0	0	0	0	0	0%
8000 - Grant Expense	236,166	1,212,390	1,585,869	2,236,620	351,529	-78%
8001 - Homeland Security Grant	0	0	0	29,858	0	0%
8002 - Seat Belt Enforcement Grant	0	3,939	0	4,246	5,500	100%
8003 - OTS DUI Enforcement Grant	0	10,856	0	27,240	19,500	100%
8025 - CA Law Enf Equip (CLEEP)	0	0	0	14,591	0	0%
8040 - Beverage Container Recycle	3,318	28,493	22,803	11,803	37,816	66%
8070 - Facilities Maintenance	141,970	117,903	117,000	95,304	130,800	12%
8071 - Vehicle/Equip	320,365	383,517	323,895	337,300	352,600	9%
8072 - Maintenance/Repairs	9,229	22,049	3,500	1,389	1,500	-57%
8080 - W/C Trustee Audit Adjustment	(155,958)	0	0	0	0	0%
8090 - Misc Expense	9,020	5,722	9,000	9,000	125,000	1289%
<b>Total Other Operating</b>	<b>\$ 2,945,794</b>	<b>\$ 4,231,306</b>	<b>\$ 4,315,461</b>	<b>\$ 5,078,760</b>	<b>\$ 3,343,651</b>	<b>-23%</b>

**EXPENDITURE SUMMARIES**

**TOTAL EXPENDITURES BY ACCOUNT**

<b>ACCOUNT EXPENDITURES SUMMARY</b>	<b>2009-10 Actual</b>	<b>2010-11 Actual</b>	<b>2011-12 Budget</b>	<b>2011-12 Revised</b>	<b>2012-13 Budget</b>	<b>% Change From 2011-12 Budget</b>
<b>Capital Outlay</b>						
8400 - Land & Buildings	\$ 9,208,713	\$ 1,044,373	\$ 17,628,146	\$ 9,261,090	\$ 300,000	-98%
8401 - Residential Property	4,551,100	52,801	1,556,400	0	979,316	-37%
8402 - Rehabilitation/Acquisition	131	40,718	1,186,384	380,065	990,171	-17%
8403 - Cost of Sales/Commission	0	0	20,000	0	35,925	80%
8404 - Appraisal Services	10,450	4,485	15,000	0	4,200	-72%
8420 - Vehicles Capital Expend	29,223	0	0	0	0	0%
8440 - Equipment Capital Expend	20,037	48,899	0	6,501	102,000	100%
8460 - Computer Capital Expend	46,829	49,266	0	0	15,000	100%
8480 - Water Rights Capital Exp	2,645,233	0	0	261,275	0	0%
8500 - Infrastructure-Streets	28,502	0	0	0	0	0%
<b>Total Capital Outlay</b>	<b>\$ 16,540,218</b>	<b>\$ 1,240,542</b>	<b>\$ 20,405,930</b>	<b>\$ 9,908,931</b>	<b>\$ 2,426,612</b>	<b>-88%</b>
<b>Debt Service</b>						
8600 - Principal	\$ 3,076,595	\$ 4,574,872	\$ 3,405,160	\$ 10,780,217	\$ 8,304,242	144%
8620 - Principal-Series A	1,280,000	26,435,001	1,365,000	1,365,000	1,410,000	3%
8640 - Principal- Series B	2,375,000	2,490,000	2,615,000	2,615,000	2,750,000	5%
8700 - Interest Expense	1,047,624	1,016,795	948,235	939,417	924,017	-3%
8720 - Interest Expense-Series A	8,579,335	7,935,657	7,307,576	7,269,276	7,253,165	-1%
8740 - Interest Expense-Series B	1,328,440	1,209,356	1,083,412	1,083,412	949,297	-12%
8800 - Bond Administration Exp	472,165	880,286	731,175	667,630	741,314	1%
<b>Total Debt Service</b>	<b>\$ 18,159,159</b>	<b>\$ 44,541,967</b>	<b>\$ 17,455,558</b>	<b>\$ 24,719,952</b>	<b>\$ 22,332,035</b>	<b>28%</b>
<b>Total City Expenditures by Account Number</b>	<b>\$ 154,304,891</b>	<b>\$ 143,533,627</b>	<b>\$ 117,527,889</b>	<b>\$ 118,139,636</b>	<b>\$ 121,183,912</b>	<b>3%</b>

# CITY POSITION SUMMARIES AND SALARY RANGE TABLES

- *Overview and Summary*
- *2012-13 Budget Full-Time and Part-Time Positions by Department*
- *2012-13 Budget Full-Time Positions by Department*
- *2012-13 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 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 January 1, 2012.

#### Summary of Position Changes included in the 2012-13 Budget

The 2012-13 Budget reduces full-time City staffing by 3.8%, which is 12.00 FTE, from 316.40 to 304.40 full-time positions, and part-time positions are decreased by 0.24 FTE, for a total reduction of 12.24 FTE. The FTE reduction is comprised of the elimination of fifteen full-time positions, the elimination of one part-time position, restructuring of the Economic Development Department due to ABx1 26, which caused the dissolution of the Hesperia Community Redevelopment Agency, and the addition of three Sheriff Deputy positions. Total staffing for the City is proposed to decrease 3.8%, from 319.44 FTE to 307.20 FTE.

#### Position Changes During Fiscal Year 2011-12

##### Position Reductions to Fire District:

The FY 2011-12 Budget was adopted by Council without the elimination of nine Firefighter/Paramedic (9.00 FTE) positions, contingent upon the approval by the voters of the Fire ballot measure. The Fire ballot measure did not pass, and the following positions were eliminated: 3 Captains, 3 Engineers, and 3 Firefighter/Paramedic, for a total reduction of 9.00 FTE.

##### Position Reallocations for the Economic Development Department

On February 1, 2012, State law mandated the dissolution of the Hesperia Community Redevelopment Agency (RDA). The following staff were previously attributed to the RDA

- Deputy Economic Development Director – Reallocate 1.00 FTE total, with a distribution of 0.60 FTE in the RDA and 0.40 FTE in the Community Development Block Grant (CDBG) funds, to 0.05 FTE in the RDA Administration Fund, 0.55 FTE in the Hesperia Housing Authority, and 0.40 in the CDBG funds.
- Administrative Secretary – Reallocate 1.00 FTE total, with a distribution of 0.65 FTE in the RDA and 0.35 FTE in the CDBG funds, to 0.05 FTE in the RDA Administration Fund, 0.60 FTE in the Hesperia Housing Authority, and 0.35 in the CDBG funds.
- Senior Management Analyst – Reallocate 2.00 FTE total, with a distribution of 0.70 FTE in the RDA and 1.30 FTE in the CDBG funds, to 0.70 FTE in the Hesperia Housing Authority, and 1.30 in the CDBG funds.
- Administrative Analyst – Reallocate 3.00 FTE total, with a distribution of 0.75 FTE in the RDA and 2.25 FTE in the CDBG funds, to 0.40 FTE in the RDA Administration Fund, 0.35 FTE in the Hesperia Housing Authority, and 2.25 in the CDBG funds.
- Administrative Aide – Reallocate 1.00 FTE total, with a distribution of 0.40 FTE in the RDA and 0.60 FTE in the CDBG funds, to 0.60 FTE in the RDA Administration Fund and 0.40 in the CDBG funds.

## CITY POSITION SUMMARIES AND SALARY RANGE TABLES

### Positions Changes for Fiscal Year 2012-13

#### Net Two (2.00 FTE) Full-Time Positions Added in the Police Department:

The FY 2012-13 Budget proposes to restore three Sheriff Deputy positions (3.00 FTE) of the five Sheriff Deputy positions (5.00 FTE) eliminated in the FY 2011-12 Budget and eliminate one vacant Sergeant position (1.00 FTE) in the Police Department for a net gain of 2.00 FTE.

#### Five (5.00 FTE) Full-Time and 0.24 Part-Time Positions Eliminations for the short-term:

- One vacant Deputy Human Resources/Risk Management Director position (1.00 FTE) in the Management Services Department – Human Resources/Risk Management Division due to retirement.
- One vacant Senior Management Analyst position (1.00 FTE) in the Economic Development Department.
- One vacant Administrative Analyst position (1.00 FTE) in the Economic Development Department.
- One vacant Office Assistant position (1.00 FTE) in D.S. Public Works – Street Maintenance and D.S. Water Operating – Administration due to retirement.
- One vacant Senior Engineer position (1.00 FTE) in D.S. Public Works – Engineering and D.S. Water Operating – Engineering.
- One vacant Part-Time Senior Plans Examiner (0.24 FTE) in D.S. Community Development – Building & Safety.

#### Three New Positions Added and Three Positions Eliminated (No Change in FTE):

- One Accountant is added and one vacant Administrative Analyst is eliminated in the Finance Division.
- One Animal Control Officer is added and one vacant Senior Animal Control Officer is eliminated in D.S. Code Compliance – Animal Control.
- One Senior Custodian is added and one Custodian is eliminated in D.S. Public Works – Building Maintenance and D.S. Water Operating – Property Management.

### Position Reallocations:

The following positions are being reallocated to more accurately reflect the workload of the positions or for financial considerations in the FY 2012-13 Budget year, however, this represents no overall change in the total City staff:

- Management Analyst Position – Reallocate 1.00 FTE from D.S. Community Development – Planning to City Manager Department – Information Technology.

#### Eight Position Reallocations for the Economic Development Department:

- Deputy Economic Development Director – Reallocate 1.00 FTE, with a distribution of 0.30 FTE in Hesperia Housing Authority, 0.30 FTE in the Hesperia Community Development Commission, 0.15 FTE in the Neighborhood Stabilization Program (NSP), 0.15 in Community Development Block Grant (CDBG) Administration, and 0.10 FTE in CDBG - Housing.
- Administrative Secretary – Reallocate 1.00 FTE total, with a distribution of 0.15 FTE in Hesperia Housing Authority, 0.30 FTE in the Hesperia Community Development Commission, 0.20 FTE in the NSP, 0.25 in CDBG Administration, and 0.10 FTE in CDBG - Housing.
- Senior Management Analyst – Reallocate 1.00 FTE total, with a distribution of 0.35 FTE in Hesperia Housing Authority and 0.65 FTE in the NSP.
- Management Analyst – Reallocate 2.00 FTE total, with a distribution of 0.30 FTE in the Hesperia Community Development Commission, 0.25 FTE in CDBG – Administration, 0.90 FTE in CDBG – Economic Development, and 0.55 in the CDBG – Revolving Loan.
- Administrative Analyst (Pos. #7085) – 2.00 FTE total, with a distribution of 1.00 FTE to CDBG – Housing, 0.15 FTE in the Hesperia Housing Authority, 0.20 FTE in NSP, 0.30 FTE in CDBG – Housing, and 0.35 in the CDBG – Revolving Loan.
- Administrative Aide – Reallocate 1.00 FTE total, with a distribution of 0.25 FTE in the Hesperia Community Development Commission, 0.30 FTE in Hesperia Housing Authority, and 0.45 in the CDBG – Economic Development.

**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

**Position Reallocations (Continued):**

One Other Change proposed as follows:

- Retitled/Reclassified one Assistant to the City Manager-Community Relations position in the City Manager Department to a Deputy City Manager position.

**Summary of Salary and Benefits Provisions included in the Fiscal Year 2012-13 Budget**

The FY 2012-13 Budget reflects a two percent (2%) salary increase, which is a partial restoration of the five percent (5%) salary reduction that was implemented in the FY 2010-11 Budget. The increase will be effective July 1, 2012 (for the first full pay period in FY 2012-13), for the San Bernardino Public Employees Association (SBPEA) represented employees and for non-represented employees. The FY 2012-13 Budget reflects a continued freeze of merit step increases that was implemented during FY 2010-11 and continued during FY 2011-12.

With the exception of the following two employee benefits, all benefits are calculated at the rates approved in City Resolutions effective January 1, 2012.

Workers' Compensation

Workers' Compensation rates have increased overall by 11.44%:

<u>Rating Groups</u>	<u>2011-12 Budget</u>	<u>2012-13 Budget</u>	<u>Change Amount</u>	<u>Percent Change</u>
City of Hesperia	\$189,280	\$218,907	\$29,627	15.65%
Water District	<u>139,653</u>	<u>147,656</u>	<u>8,003</u>	<u>5.73%</u>
Total	\$328,933	\$366,563	\$37,630	11.44%

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.

California Public Employees Retirement System (CalPERS)

Recent historical CalPERS retirement rates and the FY 2012-13 Budget rates are indicated below. The City FY 2012-13 Budget rates reduced by 14.0% from Fiscal Year 2011-12 to Fiscal Year 2012-13. The Water District FY 2012-13 rates reduced by 15.8%.

Effective July 1, 2012 (for the first full pay period in FY 2012-13), the City and Water District will no longer fund any portion of the eight (8%) employee rate for CalPERS. The employee will be responsible for the full eight percent (8%) employee rate. Prior to FY 2012-13, the City and the Water District funded three percent (3%) of the eight percent (8%) CalPERS employee rate.

<u>City CalPERS Plans</u>	<u>2009-10 Budget</u>	<u>2010-11 Budget</u>	<u>2011-12 Budget</u>	<u>2012-13 Budget</u>
City Miscellaneous Plan	20.989	17.876	20.628	18.129
Percent Change		-2.2%	13.1%	-14.0%
Water District Miscellaneous Plan	14.971	12.846	15.903	13.391
Percent Change		5.3%	23.8%	-15.8%

**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

**Comments:**

The FY 2012-13 Budget reduces City staffing by 12.24 full-time equivalents (FTE) or 3.8% from the FY 2011-12 Budget. By comparing the proposed budget to FY 2007-08, which was the high point in terms of FTE, the City has reduced staffing by 13% or 44.22 FTE.

- Due to the Fire ballot measure not passing, the Fire protection contract was amended to reduce 3 Captains, 3 Engineers, and 3 Firefighter/Paramedic positions, for a total reduction of 9.00 FTE.
- The FY 2012-13 Budget proposes to increase the Police Department by 2.00 FTE, which is the elimination of one vacant Sergeant position (1.00 FTE) and the addition of three Sheriff Deputy positions (3.00 FTE).
- As a whole, public safety represents 39.4% of the overall City FTE count. Police totals 48% of the General Fund FTE count and 24% of the overall City FTE count, while Fire totals 16% of the overall City FTE count.

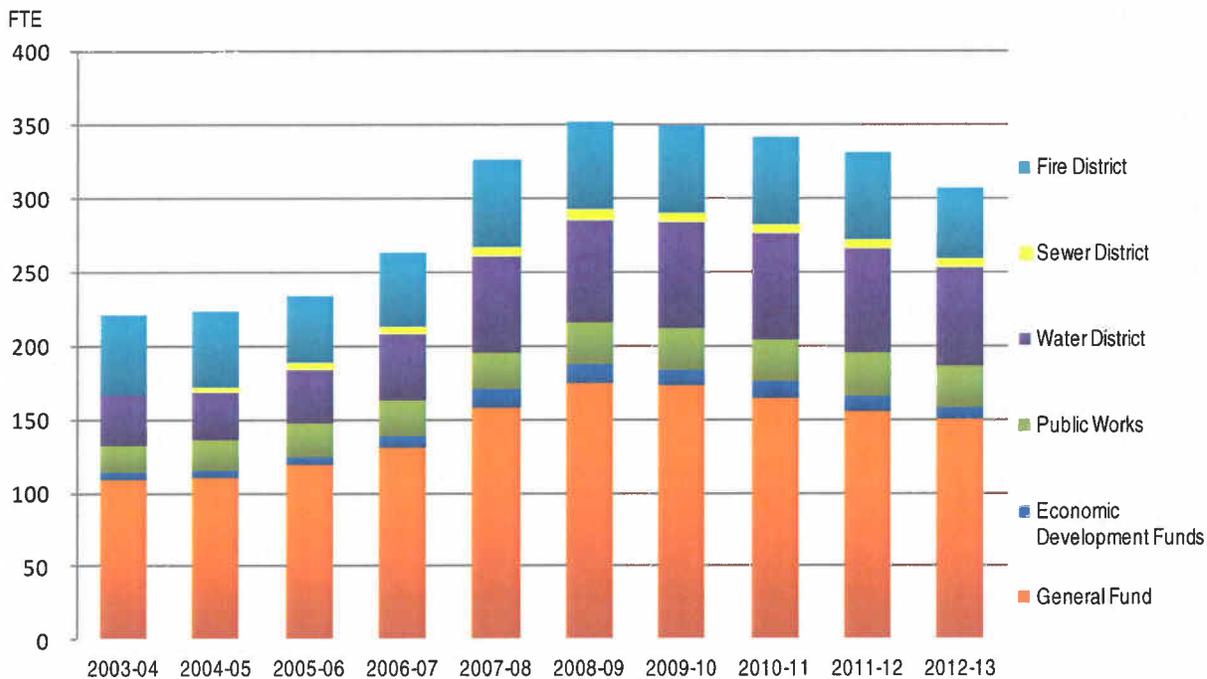
**10-YEAR HISTORY OF FULL-TIME AND PART-TIME STAFF BY FUND**

<b>Major Funds</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>
General Fund					
City Manager	6.50	9.09	8.00	8.76	9.84
Management Services	19.00	18.50	21.98	25.00	27.00
Police	49.50	51.50	55.50	64.50	73.50
Development Services:					
Community Development	32.76	35.47	39.47	24.90	23.95
Code Compliance	0.00	0.00	0.00	25.23	30.64
Public Works	3.10	4.33	6.35	9.23	9.98
<b>General Fund Total</b>	<b>110.86</b>	<b>118.89</b>	<b>131.30</b>	<b>157.62</b>	<b>174.91</b>
Economic Development Funds	4.70	6.16	7.68	12.81	12.33
Public Works Fund	20.33	22.58	23.98	24.68	27.93
Water District Fund	33.31	37.54	45.91	67.10	71.56
Sewer District Fund	2.44	3.44	3.69	4.69	5.69
Fire District Fund	52.26	45.00	51.00	59.00	59.00
<b>Total Full &amp; Part-Time By Fund</b>	<b>223.90</b>	<b>233.61</b>	<b>263.56</b>	<b>325.90</b>	<b>351.42</b>

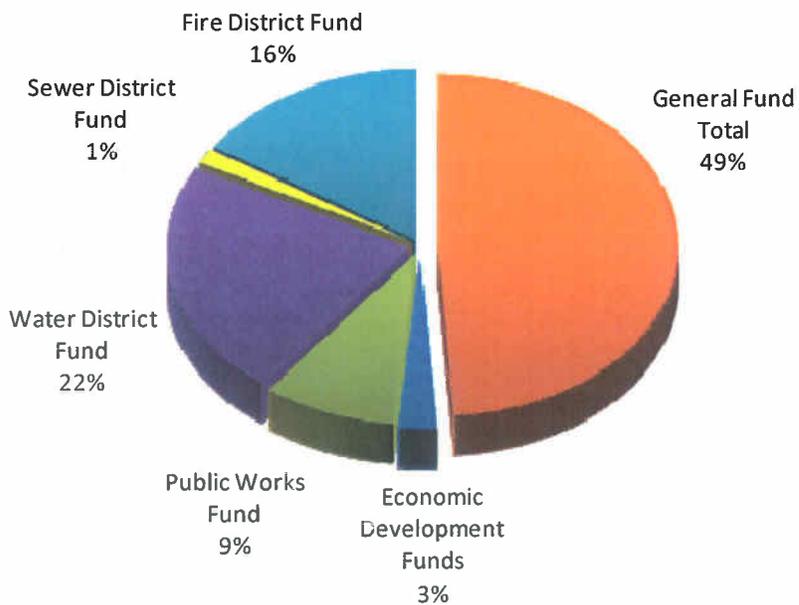
<b>Major Funds</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
General Fund					
City Manager	9.84	9.03	8.34	12.60	13.60
Management Services	27.00	24.75	23.46	18.26	17.26
Police	75.50	75.50	75.50	70.50	72.50
Development Services:					
Community Development	22.95	21.49	17.73	17.27	16.03
Code Compliance	28.78	26.78	23.78	23.78	23.78
Public Works	9.75	7.05	6.85	7.11	7.11
<b>General Fund Total</b>	<b>173.82</b>	<b>164.60</b>	<b>155.66</b>	<b>149.52</b>	<b>150.28</b>
Economic Development Funds	10.33	10.73	10.33	10.00	8.00
Public Works Fund	27.93	28.85	28.55	28.25	27.25
Water District Fund	72.33	73.06	72.54	69.77	68.77
Sewer District Fund	5.69	5.50	5.50	4.50	4.50
Fire District Fund	59.00	59.33	59.00	57.40	48.40
<b>Total Full &amp; Part-Time By Fund</b>	<b>349.10</b>	<b>342.07</b>	<b>331.58</b>	<b>319.44</b>	<b>307.20</b>

**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

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

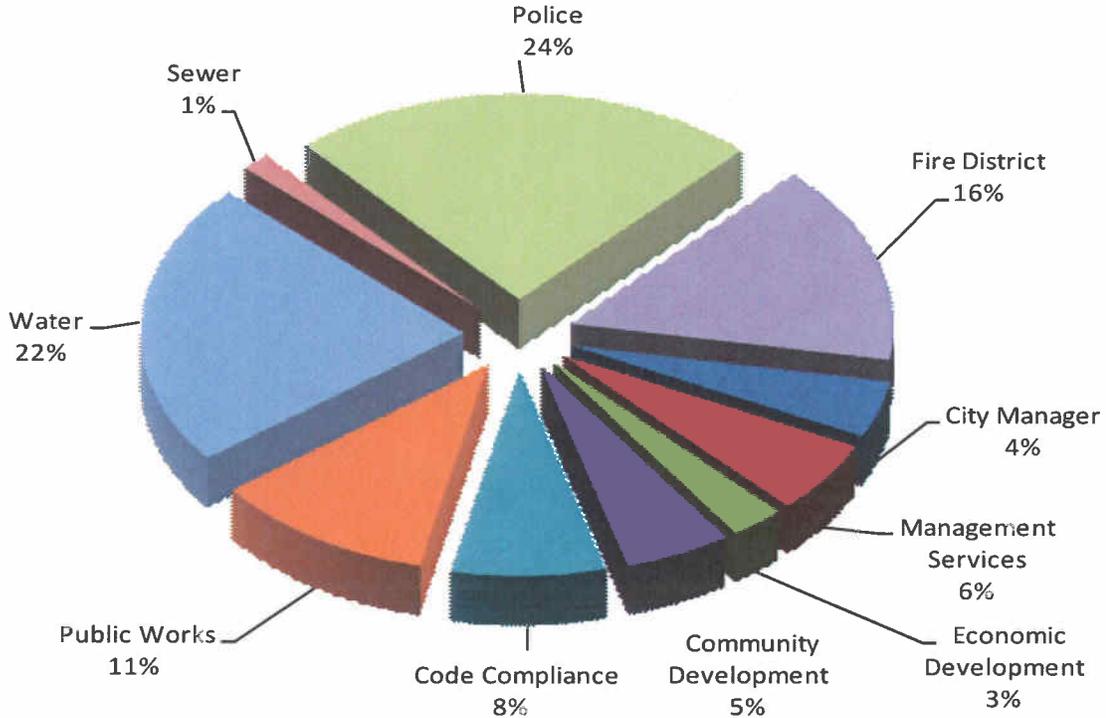


**2012-13 FULL-TIME AND PART-TIME STAFF BY FUND**



**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

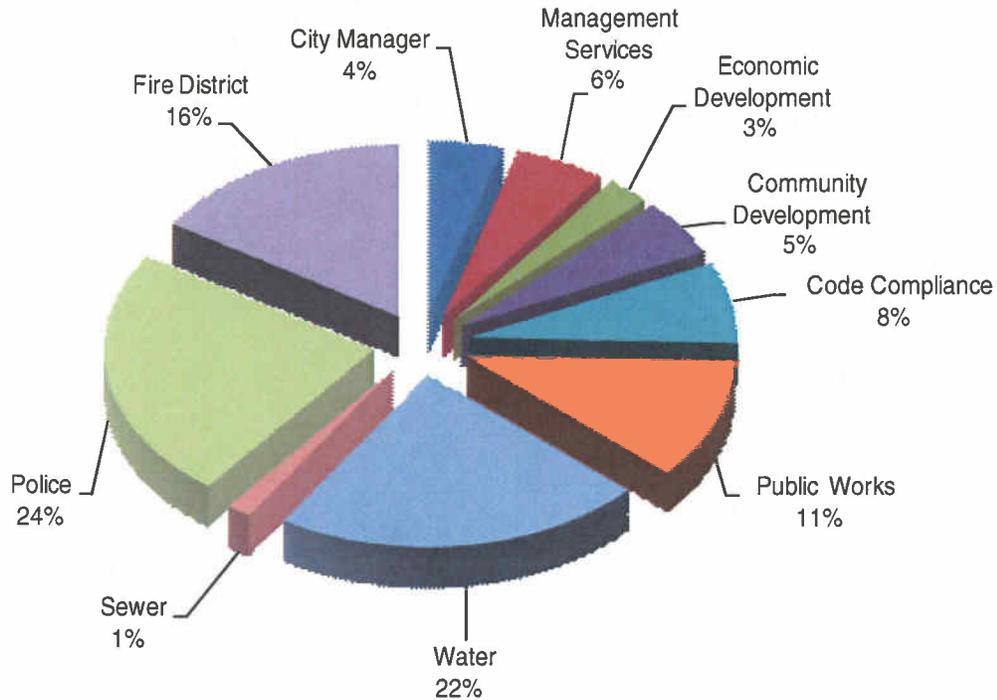
**2012-13 FULL-TIME AND PART-TIME STAFF BY DEPARTMENT**



<b>Departments</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>% Change From 2011-12 Budget</b>
City Manager	9.03	8.34	12.60	13.60	8%
Management Services	24.75	23.46	18.26	17.26	-5%
Economic Development	10.73	10.33	10.00	8.00	-20%
Development Services:					
Community Development	21.49	17.73	17.27	16.03	-7%
Code Compliance	26.78	23.78	23.78	23.78	0%
Public Works	35.90	35.40	35.36	34.36	-3%
Water	73.06	72.54	69.77	68.77	-1%
Sewer	5.50	5.50	4.50	4.50	0%
<b>Development Services Total</b>	<b>162.73</b>	<b>154.95</b>	<b>150.68</b>	<b>147.44</b>	<b>-2%</b>
<b>Sub-Total Non-Police &amp; Fire District</b>	<b>207.24</b>	<b>197.08</b>	<b>191.54</b>	<b>186.30</b>	<b>-3%</b>
Police	75.50	75.50	70.50	72.50	3%
Fire District	59.33	59.00	57.40	48.40	-16%
<b>Sub-Total Police &amp; Fire District</b>	<b>134.83</b>	<b>134.50</b>	<b>127.90</b>	<b>120.90</b>	<b>-5%</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>342.07</b>	<b>331.58</b>	<b>319.44</b>	<b>307.20</b>	<b>-4%</b>
Change Amount	na	-10.49	-12.14	-12.24	
Percentage	na	-3.1%	-3.7%	-3.8%	

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

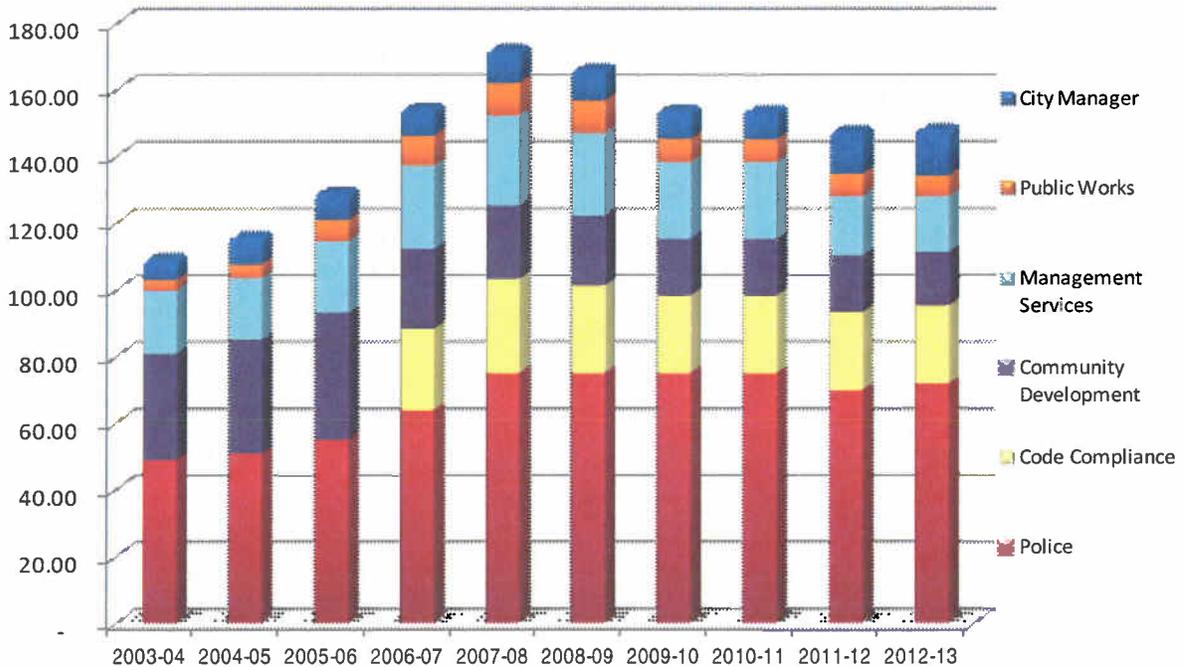
**2012-13 BUDGET FULL-TIME STAFF BY DEPARTMENT**



<u>Departments</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>% Change From 2011-12 Budget</u>
City Manager	9.03	8.34	12.60	13.60	8%
Management Services	24.75	23.00	17.80	16.80	-6%
Economic Development	10.73	10.33	10.00	8.00	-20%
Development Services:					
Community Development	21.03	17.03	17.03	16.03	-6%
Code Compliance	26.32	23.32	23.32	23.32	0%
Public Works	35.90	35.40	34.90	33.90	-3%
Water	72.41	72.08	68.85	67.85	-1%
Sewer	5.50	5.50	4.50	4.50	0%
Development Services Total	161.16	153.33	148.60	145.60	-2%
<b>Sub-Total Non-Police &amp; Fire District</b>	<b>205.67</b>	<b>195.00</b>	<b>189.00</b>	<b>184.00</b>	<b>-3%</b>
Police	75.00	75.00	70.00	72.00	3%
Fire District	59.33	59.00	57.40	48.40	-16%
<b>Sub-Total Police &amp; Fire District</b>	<b>134.33</b>	<b>134.00</b>	<b>127.40</b>	<b>120.40</b>	<b>-5%</b>
<b>Total Full-Time Staff</b>	<b>340.00</b>	<b>329.00</b>	<b>316.40</b>	<b>304.40</b>	<b>-4%</b>
Change Amount	na	-11.00	-12.60	-12.00	
Percentage	na	-3.2%	-3.8%	-3.8%	

**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

**2012-13 BUDGET GENERAL FUND FULL-TIME POSITIONS**



<b>General Fund</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>
City Manager	6.00	8.00	8.00	7.84	9.84
Management Services	19.00	18.50	21.50	25.00	27.00
Police	49.00	51.00	55.00	64.00	73.00
Development Services:					
Community Development	31.90	34.15	38.15	23.98	23.03
Code Compliance	0.00	0.00	0.00	24.37	29.32
Public Works	3.10	4.10	6.35	9.00	9.75
<b>General Fund Total</b>	<b>109.00</b>	<b>115.75</b>	<b>129.00</b>	<b>154.19</b>	<b>171.94</b>

<b>General Fund</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
City Manager	9.84	9.03	8.34	12.60	13.60
Management Services	27.00	24.75	23.00	17.80	16.80
Police	75.00	75.00	75.00	70.00	72.00
Development Services:					
Community Development	22.03	21.03	17.03	17.03	16.03
Code Compliance	28.32	26.32	23.32	23.32	23.32
Public Works	9.75	7.05	6.85	6.65	6.15
<b>General Fund Total</b>	<b>171.94</b>	<b>163.18</b>	<b>153.54</b>	<b>147.40</b>	<b>147.90</b>

**Comments:**

The General Fund is increasing by a net 0.50 FTE. The General Fund reflects the following eliminations: one (1) vacant Deputy Human Resources/Risk Management Director in the Management Services Department, one (1) vacant Senior Engineer, which was 50% funded by the General Fund and 50% funded by the Water District, and one (1) vacant Sergeant position in the Police Department. Offsetting the eliminations is the adding of the three (3) Sheriff Deputy positions in the Police Department.

**Note:**

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

For FY 2011-12, Information Technology (IT) Division, formerly Management Information Services (MIS) Division, has been moved to the City Manager Department from the Management Services Department.

**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

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

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b><u>City Manager Department</u></b>				
<b>Total City Manager Staff</b>	<b>9.03</b>	<b>8.34</b>	<b>12.60</b>	<b>13.60</b>
<b><u>Management Services Department</u></b>				
Total Full-Time Staff	24.75	23.00	17.80	16.80
Total Part-Time Staff	0.00	0.46	0.46	0.46
<b>Total Management Services Staff</b>	<b>24.75</b>	<b>23.46</b>	<b>18.26</b>	<b>17.26</b>
<b><u>Economic Development Department</u></b>				
<b>Total Economic Development Staff</b>	<b>10.73</b>	<b>10.33</b>	<b>10.00</b>	<b>8.00</b>
<b><u>D.S.-Community Development</u></b>				
Total Full-Time Staff	21.03	17.03	17.03	16.03
Total Part-Time Staff	0.46	0.70	0.24	0.00
<b>Total D.S.-Community Development Staff</b>	<b>21.49</b>	<b>17.73</b>	<b>17.27</b>	<b>16.03</b>
<b><u>D.S.-Code Compliance</u></b>				
Total Full-Time Staff	26.32	23.32	23.32	23.32
Total Part-Time Staff	0.46	0.46	0.46	0.46
<b>Total D.S.-Code Compliance Staff</b>	<b>26.78</b>	<b>23.78</b>	<b>23.78</b>	<b>23.78</b>
<b><u>D.S.-Public Works Department</u></b>				
Total Full-Time Staff	35.90	35.40	34.90	33.90
Total Part-Time Staff	0.00	0.00	0.46	0.46
<b>Total D.S.-Public Works Staff</b>	<b>35.90</b>	<b>35.40</b>	<b>35.36</b>	<b>34.36</b>
<b><u>D.S.-Water</u></b>				
Total Full-Time Staff	72.41	72.08	68.85	67.85
Total Part-Time Staff	0.65	0.46	0.92	0.92
<b>Total D.S.-Water Staff</b>	<b>73.06</b>	<b>72.54</b>	<b>69.77</b>	<b>68.77</b>
<b><u>D.S.-Sewer</u></b>				
Total Full-Time Staff	5.50	5.50	4.50	4.50
Total Part-Time Staff	0.00	0.00	0.00	0.00
<b>Total D.S.-Sewer Staff</b>	<b>5.50</b>	<b>5.50</b>	<b>4.50</b>	<b>4.50</b>
<b>Total Development Services</b>	<b>162.73</b>	<b>154.95</b>	<b>150.68</b>	<b>147.44</b>
<b><u>Police Department</u></b>				
Total Full-Time Staff	75.00	75.00	70.00	72.00
Total Part-Time Staff	0.50	0.50	0.50	0.50
<b>Total Police Staff</b>	<b>75.50</b>	<b>75.50</b>	<b>70.50</b>	<b>72.50</b>
<b><u>Fire District</u></b>				
Total Full-Time Staff (Contract)	59.00	59.00	57.40	48.40
Total Full-Time Staff (Non-Contract)	0.33	0.00	0.00	0.00
<b>Total Fire District Staff</b>	<b>59.33</b>	<b>59.00</b>	<b>57.40</b>	<b>48.40</b>
TOTAL FULL-TIME CITY STAFF	340.00	329.46	316.40	304.40
TOTAL PART-TIME CITY STAFF	2.07	2.12	3.04	2.80
<b>TOTAL CITY STAFF</b>	<b>342.07</b>	<b>331.58</b>	<b>319.44</b>	<b>307.20</b>

**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

**Full-Time Position Listing by Department**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b><u>City Manager Department</u></b>				
Administrative Analyst	0.34	0.00	0.00	0.00
Assistant City Clerk	2.00	2.00	1.00	1.00
Assistant to the City Manager-Community Relations	1.00	1.00	1.00	1.00
City Clerk	1.00	1.00	0.00	0.00
City Manager	0.85	1.00	1.00	1.00
Community Relations and Media Coordinator	0.00	0.34	0.60	0.60
Deputy City Clerk	0.00	0.00	1.00	1.00
Emergency Services Coordinator	0.34	0.50	0.50	0.50
Environmental Programs Coordinator	0.50	0.50	0.50	0.50
Information Systems Specialist	0.00	0.00	4.00	4.00
Information Systems Technician	0.00	0.00	1.00	1.00
Management Analyst	1.00	1.00	1.00	2.00
Secretary to the City Manager	1.00	0.00	0.00	0.00
Senior Office Assistant	1.00	1.00	1.00	1.00
<b>Total City Manager Full-Time Staff</b>	<b>9.03</b>	<b>8.34</b>	<b>12.60</b>	<b>13.60</b>
 <b><u>Management Services Department</u></b>				
Accountant	2.00	2.00	2.00	3.00
Administrative Analyst	1.00	1.00	1.00	0.00
Assistant City Manager/Management Services	0.90	1.00	0.90	0.90
Deputy Finance Director	0.95	1.00	0.90	0.90
Deputy Human Resources/Risk Management Director	1.00	1.00	1.00	0.00
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	0.00	0.00	0.00
Information Systems Specialist	3.00	3.00	0.00	0.00
Information Systems Technician	2.00	2.00	0.00	0.00
Payroll Analyst	1.00	0.00	0.00	0.00
Personnel Technician	2.00	2.00	2.00	2.00
Purchasing Analyst	1.00	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	1.95	2.00	2.00	2.00
Senior Management Analyst	0.95	1.00	1.00	1.00
Senior Office Assistant	1.00	1.00	1.00	1.00
<b>Total Management Services Full-Time Staff</b>	<b>24.75</b>	<b>23.00</b>	<b>17.80</b>	<b>16.80</b>

**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

**Full-Time Position Listing by Department (Continued)**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b><u>Economic Development Department</u></b>				
Administrative Aide	1.00	1.00	1.00	1.00
Administrative Analyst	3.33	3.00	3.00	2.00
Administrative Secretary	1.00	1.00	1.00	1.00
Assistant City Manager-Management Services	0.10	0.00	0.00	0.00
City Manager	0.15	0.00	0.00	0.00
Community Relations and Media Coordinator	0.00	0.33	0.00	0.00
Deputy Economic Development Director	1.00	1.00	1.00	1.00
Deputy Finance Director	0.05	0.00	0.00	0.00
Management Analyst	2.00	2.00	2.00	2.00
Senior Accountant	0.05	0.00	0.00	0.00
Senior Management Analyst	2.05	2.00	2.00	1.00
<b>Total Economic Development Full-Time Staff</b>	<b>10.73</b>	<b>10.33</b>	<b>10.00</b>	<b>8.00</b>
<b><u>D.S.-Community Development</u></b>				
Assistant Planner	1.00	1.00	1.00	1.00
Building Inspector	2.00	1.00	1.00	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	1.75	1.75	1.75	1.75
Deputy Director Development Services-Community Development	1.00	0.00	0.00	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	0.00
Plans Examiner	2.00	2.00	2.00	2.00
Principal Planner	1.00	1.00	1.00	1.00
Receptionist	1.00	0.00	0.00	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	0.00	0.00	0.00
<b>Total D.S.-Community Development Full-Time Staff</b>	<b>21.03</b>	<b>17.03</b>	<b>17.03</b>	<b>16.03</b>

**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

**Full-Time Position Listing by Department (Continued)**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b><u>D.S.-Code Compliance</u></b>				
Animal Control Officer	3.00	2.00	2.00	3.00
Animal Control Supervisor	1.00	1.00	1.00	1.00
Animal Control Technician	4.00	4.00	4.00	4.00
Code Enforcement Officer	6.00	5.00	5.00	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	5.00	4.00	4.00	4.00
Senior Animal Control Officer	2.00	2.00	2.00	1.00
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
<b>Total D.S.-Code Compliance Full-Time Staff</b>	<b>26.32</b>	<b>23.32</b>	<b>23.32</b>	<b>23.32</b>
<b><u>D.S.-Public Works</u></b>				
Administrative Analyst	0.50	0.50	0.50	0.50
Administrative Secretary	0.50	0.50	0.50	0.50
Assistant Engineer	0.35	0.35	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	0.35	0.35	0.35	0.35
Construction Inspector	1.45	1.45	1.45	1.45
Custodian	1.50	1.50	1.50	1.00
Director of Development Services	0.30	0.30	0.30	0.30
Engineering Aide	0.50	0.00	0.00	0.00
Engineering Technician	0.40	0.40	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	0.30	0.30	0.30	0.30
Geographical Information Systems Technician	0.30	0.30	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	2.00	2.00	1.50	1.00
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 Custodian	0.00	0.00	0.00	0.50
Senior Engineer	0.50	0.50	0.50	0.00
Senior Engineering Technician	0.40	0.40	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
<b>Total D.S.-Public Works Full-Time Staff</b>	<b>35.90</b>	<b>35.40</b>	<b>34.90</b>	<b>33.90</b>

**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

**Full-Time Position Listing by Department (Continued)**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b>Total D.S.-Water Full</b>				
Administrative Secretary	0.50	0.50	0.50	0.50
Administrative Analyst	0.83	0.50	0.50	0.50
Assistant City Manager-Management Services	0.00	0.00	0.05	0.05
Assistant Engineer	0.65	0.65	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	0.33	0.40	0.40
Construction Inspection Supervisor	0.65	0.65	0.65	0.65
Construction Inspector	1.55	1.55	1.55	1.55
Custodian	2.50	2.50	2.50	2.00
Customer Service Representative	5.00	5.00	5.00	5.00
Customer Service Supervisor	1.00	1.00	1.00	1.00
Deputy Finance Director	0.00	0.00	0.10	0.10
Director of Development Services	0.40	0.40	0.40	0.40
Emergency Services Coordinator	0.33	0.50	0.50	0.50
Engineering Aide	0.50	0.00	0.00	0.00
Engineering Technician	0.60	0.60	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	0.70	0.70	0.70	0.70
Geographical Information Systems Technician	0.70	0.70	0.70	0.70
Maintenance Crew Supervisor	4.00	4.00	4.00	4.00
Maintenance Worker	15.00	15.00	13.00	13.00
Management Analyst	1.00	1.00	1.00	1.00
Meter Reader	4.00	4.00	4.00	4.00
Office Assistant	2.00	2.00	1.50	1.00
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 Custodian	0.00	0.00	0.00	0.50
Senior Customer Service Representative	2.00	2.00	2.00	2.00
Senior Engineer	0.50	0.50	0.50	0.00
Senior Engineering Technician	0.60	0.60	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	0.00	0.00
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
<b>Total D.S.-Water Full-Time Staff</b>	<b>72.41</b>	<b>72.08</b>	<b>68.85</b>	<b>67.85</b>

**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

**Full-Time Position Listing by Department (Continued)**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b><u>D.S.-Sewer</u></b>				
Assistant City Manager-Management Services	0.00	0.00	0.05	0.05
Maintenance Crew Supervisor	0.70	0.70	0.70	0.70
Maintenance Worker	3.90	3.90	2.90	2.90
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	0.00	0.00
Senior Pump Operator	0.05	0.05	0.05	0.05
<b>Total D.S.-Sewer Full-Time Staff</b>	<b>5.50</b>	<b>5.50</b>	<b>4.50</b>	<b>4.50</b>
<b><u>Police Department</u></b>				
<b>Sworn Officers (Contract)</b>				
Captain	1.00	1.00	1.00	1.00
Lieutenant	1.00	1.00	1.00	1.00
Sergeant	8.00	8.00	8.00	7.00
Detective/Corporal	5.00	5.00	5.00	5.00
Sheriff Deputy	42.00	42.00	37.00	40.00
<b>Total Sworn Officers</b>	<b>57.00</b>	<b>57.00</b>	<b>52.00</b>	<b>54.00</b>
<b>Non-Sworn Staff (Contract)</b>				
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
<b>Total Non-Sworn Staff</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</b>
<b>Total Police Sworn &amp; Non-Sworn Full-Time Staff</b>	<b>75.00</b>	<b>75.00</b>	<b>70.00</b>	<b>72.00</b>
<b><u>Fire District</u></b>				
<b><u>Fire Administration (Non-Contract)</u></b>				
Emergency Services Coordinator	0.33	0.00	0.00	0.00
<b>Total Full-Time Staff</b>	<b>0.33</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b><u>County Safety Detail (Contract)</u></b>				
Battalion Chief	2.00	2.00	1.50	1.50
Captain	9.00	9.00	9.00	6.00
Division Chief	0.00	0.00	0.40	0.40
Engineer	9.00	9.00	9.00	6.00
Firefighter/Paramedic	21.00	21.00	21.00	18.00
Firefighter - Limited Term	12.00	12.00	12.00	12.00
<b>Total County Full-Time Safety Staff</b>	<b>53.00</b>	<b>53.00</b>	<b>52.90</b>	<b>43.90</b>
<b><u>County Non-Safety Staff (Contract)</u></b>				
Account Representative	2.00	2.00	2.00	2.00
Office Assistant III	1.00	0.00	0.50	0.50
Fire Prevention Officer	1.00	1.00	0.00	0.00
Fire Prevention Officer/Arson	1.00	0.00	0.50	0.50
Fire Prevention Specialist	0.00	1.00	0.50	0.50
Fire Prevention Supervisor	0.00	1.00	0.50	0.50
Front Counter Technician (Account Clerk I)	0.00	0.00	0.50	0.50
Senior Plans Examiner - Arson (Fire Prevention Specialist)	1.00	1.00	0.00	0.00
<b>Total County Full-Time Non-Safety Staff</b>	<b>6.00</b>	<b>6.00</b>	<b>4.50</b>	<b>4.50</b>
<b>Total Safety &amp; Non-Safety Staff</b>	<b>59.33</b>	<b>59.00</b>	<b>57.40</b>	<b>48.40</b>
<b>TOTAL FULL-TIME CITY STAFF</b>	<b>332.10</b>	<b>328.17</b>	<b>316.40</b>	<b>304.40</b>

**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

**Part-Time Position Listing by Department**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b><u>Management Services Department</u></b>				
Payroll Analyst	0.00	0.46	0.46	0.46
<b>Total Management Services Department</b>	<b>0.00</b>	<b>0.46</b>	<b>0.46</b>	<b>0.46</b>
<b><u>D.S.-Community Development</u></b>				
Receptionist	0.46	0.46	0.00	0.00
Senior Plans Examiner	0.00	0.24	0.24	0.00
<b>Total D.S.-Community Development Part-Time Staff</b>	<b>0.46</b>	<b>0.70</b>	<b>0.24</b>	<b>0.00</b>
<b><u>D.S.-Code Compliance</u></b>				
Animal Control Technician	0.46	0.46	0.46	0.46
Code Enforcement Officer	0.00	0.00	0.00	0.00
Office Assistant	0.00	0.00	0.00	0.00
<b>Total D.S.-Code Compliance Part-Time Staff</b>	<b>0.46</b>	<b>0.46</b>	<b>0.46</b>	<b>0.46</b>
<b><u>D.S.-Public Works</u></b>				
Custodian	0.00	0.00	0.46	0.46
Office Assistant	0.00	0.00	0.00	0.00
<b>Total D.S.-Public Works Part-Time Staff</b>	<b>0.00</b>	<b>0.00</b>	<b>0.46</b>	<b>0.46</b>
<b><u>D.S.-Water</u></b>				
Custodian	0.00	0.00	0.46	0.46
Customer Service Representative	0.46	0.46	0.46	0.46
Maintenance Worker	0.19	0.00	0.00	0.00
Meter Reader	0.00	0.00	0.00	0.00
Office Assistant	0.00	0.00	0.00	0.00
<b>Total D.S.-Water Part-Time Staff</b>	<b>0.65</b>	<b>0.46</b>	<b>0.92</b>	<b>0.92</b>
<b><u>D.S.-Sewer</u></b>				
Maintenance Worker	0.00	0.00	0.00	0.00
<b>Total D.S.-Sewer Part-Time Staff</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b><u>Police Department</u></b>				
Administrative Aide	0.50	0.50	0.50	0.50
<b>Total Police Department Part-Time Staff</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>
<b>Total Part-Time City Staff</b>	<b>2.07</b>	<b>2.58</b>	<b>3.04</b>	<b>2.80</b>

**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 of the 2012-13 Budget Salaries.

**REPRESENTED FULL-TIME**

**SAN BERNARDINO PUBLIC EMPLOYEES ASSOCIATION (SBPEA)**

**2012-13 Fiscal Year (Salaries Effective July 1, 2012)**

<b><u>CLASSIFICATION TITLE</u></b>	<b><u>RANGE #</u></b>	<b><u>A</u></b>	<b><u>B</u></b>	<b><u>C</u></b>	<b><u>D</u></b>	<b><u>E</u></b>
Account Clerk	9	2910	3056	3209	3370	3539
Animal Control Officer	12	3370	3539	3716	3902	4097
Animal Control Technician	7	2639	2771	2910	3056	3209
Building Inspector	17	4302	4517	4743	4980	5229
Code Enforcement Officer	16	4097	4302	4517	4743	4980
Community Development Technician	12	3370	3539	3716	3902	4097
Custodian	8	2771	2910	3056	3209	3370
Customer Service Representative	10	3056	3209	3370	3539	3716
Engineering Aide	11	3209	3370	3539	3716	3902
Engineering Technician	12	3370	3539	3716	3902	4097
Equipment Operator	12	3370	3539	3716	3902	4097
Equipment Operator/Water*	12.5	3454	3627	3808	3998	4198
Maintenance Worker	10	3056	3209	3370	3539	3716
Maintenance Worker/Water*	10.5	3132	3289	3454	3627	3808
Meter Reader	10	3056	3209	3370	3539	3716
Pump Maintenance Worker	12	3370	3539	3716	3902	4097
Pump Operator	12	3370	3539	3716	3902	4097
Receptionist	6	2513	2639	2771	2910	3056
Registered Veterinary Technician	10	3056	3209	3370	3539	3716
Senior Account Clerk	12	3370	3539	3716	3902	4097
Senior Animal Control Officer	14	3716	3902	4097	4302	4517
Senior Custodian	10	3056	3209	3370	3539	3716
Senior Customer Service Representative	12	3370	3539	3716	3902	4097
Senior Maintenance Worker	13	3539	3716	3902	4097	4302
Senior Maintenance Worker/Water*	13.5	3628	3809	4000	4200	4410
Senior Pump Maintenance Worker	14	3716	3902	4097	4302	4517
Senior Pump Operator	14	3716	3902	4097	4302	4517
Senior Warehouse Technician	12	3370	3539	3716	3902	4097
Utility Line Locator	10	3056	3209	3370	3539	3716
Warehouse Technician	10	3056	3209	3370	3539	3716
Water Conservation Specialist	14	3716	3902	4097	4302	4517
Water Quality Technician	12	3370	3539	3716	3902	4097
Water Resource Specialist	19	4743	4980	5229	5491	5766

\*Plus 2.5% - 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**

**2012-13 Fiscal Year (Salaries Effective July 1, 2012)**

<b><u>CLASSIFICATION TITLE</u></b>	<b><u>RANGE#</u></b>	<b><u>1</u></b>	<b><u>2</u></b>	<b><u>3</u></b>	<b><u>4</u></b>	<b><u>5</u></b>	<b><u>6</u></b>	<b><u>7</u></b>	<b><u>8</u></b>	<b><u>9</u></b>	<b><u>10</u></b>	<b><u>11</u></b>
<b>GENERAL</b>												
Accountant	33	4149	4232	4317	4403	4491	4581	4673	4767	4862	4959	5058
Administrative Aide	27	3095	3157	3220	3284	3350	3417	3485	3555	3626	3699	3773
Administrative Secretary	30	3584	3656	3729	3804	3880	3958	4037	4118	4200	4284	4370
Construction Inspector	34	4357	4444	4533	4624	4717	4811	4907	5005	5105	5207	5311
Deputy City Clerk	28	3250	3315	3381	3449	3518	3588	3660	3733	3808	3884	3962
Executive Secretary	33	4149	4232	4317	4403	4491	4581	4673	4767	4862	4959	5058
Geographical Information Systems Technician	31	3763	3838	3915	3993	4073	4155	4238	4323	4410	4498	4588
Information Systems Technician	31	3763	3838	3915	3993	4073	4155	4238	4323	4410	4498	4588
Maintenance Crew Supervisor	36	4804	4900	4998	5098	5200	5304	5410	5518	5628	5741	5856
Office Assistant	24	2674	2728	2783	2839	2896	2954	3013	3073	3135	3198	3262
Payroll Analyst	32	3951	4030	4111	4193	4277	4363	4450	4539	4630	4723	4818
Personnel Technician	32	3951	4030	4111	4193	4277	4363	4450	4539	4630	4723	4818
Purchasing Analyst	33	4149	4232	4317	4403	4491	4581	4673	4767	4862	4959	5058
Senior Code Enforcement Officer	34	4357	4444	4533	4624	4717	4811	4907	5005	5105	5207	5311
Senior Community Development Technician	32	3951	4030	4111	4193	4277	4363	4450	4539	4630	4723	4818
Senior Engineering Technician	34	4357	4444	4533	4624	4717	4811	4907	5005	5105	5207	5311
Senior Office Assistant	28	3250	3315	3381	3449	3518	3588	3660	3733	3808	3884	3962
Senior Office Specialist	28	3250	3315	3381	3449	3518	3588	3660	3733	3808	3884	3962
<b>PROFESSIONAL/SUPERVISORY</b>												
Administrative Analyst	34	4357	4444	4533	4624	4717	4811	4907	5005	5105	5207	5311
Animal Control Supervisor	35	4575	4667	4760	4855	4952	5051	5152	5255	5360	5467	5576
Assistant City Clerk	35	4575	4667	4760	4855	4952	5051	5152	5255	5360	5467	5576
Assistant Engineer	38	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329	6456
Assistant Planner	35	4575	4667	4760	4855	4952	5051	5152	5255	5360	5467	5576
Associate Planner	38	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329	6456
Building Inspection Supervisor	40	5839	5956	6075	6197	6321	6447	6576	6708	6842	6979	7119
Code Enforcement Supervisor	36	4804	4900	4998	5098	5200	5304	5410	5518	5628	5741	5856
Community Development Coordinator	34	4357	4444	4533	4624	4717	4811	4907	5005	5105	5207	5311
Community Development Supervisor	38	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329	6456
Community Relations and Media Coordinator	34	4357	4444	4533	4624	4717	4811	4907	5005	5105	5207	5311
Construction Inspection Supervisor	39	5561	5672	5785	5901	6019	6139	6262	6387	6515	6645	6778
Customer Service Supervisor	36	4804	4900	4998	5098	5200	5304	5410	5518	5628	5741	5856
Emergency Services Coordinator	38	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329	6456
Environmental Programs Coordinator	34	4357	4444	4533	4624	4717	4811	4907	5005	5105	5207	5311
Facilities Supervisor	36	4804	4900	4998	5098	5200	5304	5410	5518	5628	5741	5856
Human Resource Analyst	37	5044	5145	5248	5353	5460	5569	5680	5794	5910	6028	6149
Management Analyst	37	5044	5145	5248	5353	5460	5569	5680	5794	5910	6028	6149
Plans Examiner	37	5044	5145	5248	5353	5460	5569	5680	5794	5910	6028	6149
Public Works Supervisor	38	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329	6456
Secretary to the City Manager	34	4357	4444	4533	4624	4717	4811	4907	5005	5105	5207	5311
Shelter Supervisor	35	4575	4667	4760	4855	4952	5051	5152	5255	5360	5467	5576

**CITY POSITION SUMMARIES AND SALARY RANGE TABLES**

**NON-REPRESENTED FULL-TIME**

**2012-13 Fiscal Year (Salaries Effective July 1, 2012)**

<b><u>CLASSIFICATION TITLE</u></b>	<b><u>RANGE#</u></b>	<b><u>1</u></b>	<b><u>2</u></b>	<b><u>3</u></b>	<b><u>4</u></b>	<b><u>5</u></b>	<b><u>6</u></b>	<b><u>7</u></b>	<b><u>8</u></b>	<b><u>9</u></b>	<b><u>10</u></b>	<b><u>11</u></b>
<b>MANAGEMENT</b>												
Code Compliance Manager	41	6131	6254	6379	6507	6637	6770	6905	7043	7184	7328	7475
Geographical Information Systems Manager	41	6131	6254	6379	6507	6637	6770	6905	7043	7184	7328	7475
Information Systems Manager	43	6760	6895	7033	7174	7318	7464	7613	7765	7920	8078	8240
Information Systems Specialist	37	5044	5145	5248	5353	5460	5569	5680	5794	5910	6028	6149
Principal Planner	44	7098	7240	7385	7533	7684	7838	7995	8155	8318	8484	8654
Project Construction Manager	43	6760	6895	7033	7174	7318	7464	7613	7765	7920	8078	8240
Public Works Manager	44	7098	7240	7385	7533	7684	7838	7995	8155	8318	8484	8654
Purchasing Supervisor	38	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329	6456
Senior Accountant	38	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329	6456
Senior Development Specialist	38	5296	5402	5510	5620	5732	5847	5964	6083	6205	6329	6456
Senior Engineer	43	6760	6895	7033	7174	7318	7464	7613	7765	7920	8078	8240
Senior Management Analyst	40	5839	5956	6075	6197	6321	6447	6576	6708	6842	6979	7119
Senior Planner	41	6131	6254	6379	6507	6637	6770	6905	7043	7184	7328	7475
Senior Plans Examiner	40	5839	5956	6075	6197	6321	6447	6576	6708	6842	6979	7119
<b>SENIOR MANAGEMENT</b>												
City Engineer	48	8628	8801	8977	9157	9340	9527	9718	9912	10110	10312	10518
Deputy Director of Development Services/Community Development	48	8628	8801	8977	9157	9340	9527	9718	9912	10110	10312	10518
Deputy Director of Economic Development	48	8628	8801	8977	9157	9340	9527	9718	9912	10110	10312	10518
Deputy Finance Director	46	7826	7983	8143	8306	8472	8641	8814	8990	9170	9353	9540
Deputy Human Resources/Risk Management Director	46	7826	7983	8143	8306	8472	8641	8814	8990	9170	9353	9540
<b>AT WILL SENIOR MANAGEMENT</b>												
Assistant City Manager/Management Services (Unclassified/At Will)	52	10487	10697	10911	11129	11352	11579	11811	12047	12288	12534	12785
City Clerk (Unclassified/At Will)	45	7453	7602	7754	7909	8067	8228	8393	8561	8732	8907	9085
Deputy City Manager (Unclassified/At Will)	45	7453	7602	7754	7909	8067	8228	8393	8561	8732	8907	9085
Director of Development Services (Unclassified/At Will)	51	9988	10188	10392	10600	10812	11028	11249	11474	11704	11938	12177

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 2011-12 Budget
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	
Salaries	\$ 45,439	\$ 36,403	\$ 45,000	\$ 45,000	\$ 45,000	0%
Benefits	86,110	75,188	69,855	73,133	70,325	1%
Materials	3,431	4,557	7,700	4,450	5,450	-29%
Contractual	485,266	507,745	431,300	506,350	473,100	10%
Other Operating	32,142	40,112	45,240	46,840	51,740	14%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 652,388</b>	<b>\$ 664,005</b>	<b>\$ 599,095</b>	<b>\$ 675,773</b>	<b>\$ 645,615</b>	<b>8%</b>

DIVISION EXPENDITURE SUMMARY						% Change From 2011-12 Budget
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	
100 City Council	\$ 422,502	\$ 321,517	\$ 299,095	\$ 300,773	\$ 295,615	-1%
102 City Attorney	229,886	342,488	300,000	375,000	350,000	17%
<b>TOTAL</b>	<b>\$ 652,388</b>	<b>\$ 664,005</b>	<b>\$ 599,095</b>	<b>\$ 675,773</b>	<b>\$ 645,615</b>	<b>8%</b>

#### DEPARTMENT GOALS FOR 2012-13

- Continue to support policies that provide for a healthy, productive, fiscally conservative organization committed to transparency and customer service.
- Maintain the highest level of public safety services possible within the funding constraints being placed on all funds due to falling property values and the elimination of various revenue sources.
- 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 citizens' monies.
- Continue funding of the City's annual Street Paving Program in an effort to maintain the condition of newly constructed streets and to repair or replace as many deteriorating streets as possible.
- Continue to seek alternative funding sources via Federal, State and County grants, as well as the current stimulus funds.
- Continue to represent the City on outside agency appointments focused on the priorities of the citizens of Hesperia but also with a global view for the benefit of the entire Victor Valley.

#### SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- The City Attorney's Division experienced an unexpected increase in expenditures in FY 2011-12 primarily due to enforcement of the City's ban of illegal marijuana dispensaries and related litigation filed by the business and property owners. The increase in expenditures of \$50,000 above the 2011-12 Budget is anticipated to continue until further guidance is received from the California Supreme Court in 2013 and due to the wind-down of the Redevelopment Agency.

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

DIVISION EXPENDITURE SUMMARY						% Change From 2011-12 Budget
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	
Salaries	\$ 45,439	\$ 36,403	\$ 45,000	\$ 45,000	\$ 45,000	0%
Benefits	86,110	75,188	69,855	73,133	70,325	1%
Materials	3,431	4,557	7,700	4,450	5,450	-29%
Contractual	255,380	165,257	131,300	131,350	123,100	-6%
Other Operating	32,142	40,112	45,240	46,840	51,740	14%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 422,502</b>	<b>\$ 321,517</b>	<b>\$ 299,095</b>	<b>\$ 300,773</b>	<b>\$ 295,615</b>	<b>-1%</b>

#### 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 of the Hesperia Fire Protection District, Hesperia Water District, Hesperia Housing Authority, Successor Agency for the former Hesperia Redevelopment Agency, Hesperia Community Development Commission 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

#### 2011-12 DIVISION ACCOMPLISHMENTS

- Continued to work with State and Federal delegates on behalf of Hesperia citizens to obtain funding on a variety of large projects.
- Through strong policy leadership, continued efforts to strengthen infrastructure, provide vital services, ensure the City's financial health, provide good working conditions for employees, and increase citizen satisfaction.
- Continued to be available to meet with constituents in order to provide enhanced levels of service to Hesperia residents.
- Oversaw the groundbreaking and construction of the Rancho Underpass.
- Worked with the San Bernardino Associated Governments, to enter into a Cooperative Agreement for the construction of the Rancho Interchange Project.
- Oversaw the completion of the Industrial Lead Track.
- Provided policy direction with regards to the dissolution of the Hesperia Redevelopment Agency.

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

### **2012-13 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 citizens' monies.
- Demand transparency in government at all levels.
- Oversee the completion of the Rancho Road Undercrossing Project.
- Oversee the start of construction on the Rancho Road/I-15 Interchange.
- Oversee the opening of the Cinema West Theatre, Wal-Mart, and a variety of new businesses.
- Oversee construction of Fire Station 301 with construction restricted funds.
- Continue funding of the City's annual Street Paving Program in an effort to maintain the condition of newly constructed streets and to repair or replace as many deteriorating streets as possible.
- Maintain the highest level of public safety services possible within the funding constraints being placed on all funds due to falling property values and the elimination of various revenue sources.
- Continue to see alternative funding sources via Federal, State, and County grants.
- Continue to support the Citizen Academy and Youth in Government Day to encourage involvement between citizens and local government.

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

DIVISION EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	229,886	342,488	300,000	375,000	350,000	17%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 229,886</b>	<b>\$ 342,488</b>	<b>\$ 300,000</b>	<b>\$ 375,000</b>	<b>\$ 350,000</b>	<b>17%</b>

#### DIVISION DESCRIPTION

The City Attorney is appointed by the City Council and serves as legal counsel to the City, Water and Fire Districts, and the Hesperia Housing Authority, Successor Agency for the former Hesperia Redevelopment Agency, Hesperia Community Development Commission as well as various commissions and committees. The City Attorney advises elected officials and staff on legal issues relating to policy decisions, represents the City in litigation and administrative matters, and provides necessary legal review of ordinances, resolutions, agreements, contracts, and other documents.

#### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The City Attorney's Division experienced an unexpected increase in expenditures in FY 2011-12 primarily due to enforcement of the City's ban of illegal marijuana dispensaries and related litigation filed by the business and property owners. The increase in expenditures of \$50,000 above the 2011-12 Budget is anticipated to continue until further guidance is received from the California Supreme Court in 2013 and due to the wind down of the Redevelopment Agency.

#### 2011-12 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.
- Assisted in implementation of Assembly Bill AB 1X 26 eliminating redevelopment agencies.
- Assisted in the City's successful enforcement of a ban on illegal marijuana dispensaries.

#### 2012-13 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.
- Oversee actions related to the dissolution of the Hesperia Community Redevelopment Agency to ensure compliance with the state mandated "wind down" activities.
- Keep the City Council and City Manager informed on new legal developments affecting the City.
- Continue to control costs for legal services where possible.

FUND: GENERAL FUND 100  
DEPARTMENT: CITY MANAGER 07

DEPARTMENT EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 869,937	\$ 661,578	\$ 966,013	\$ 946,599	\$ 1,074,313	11%
Benefits	326,319	239,514	380,572	380,721	389,326	2%
Materials	51,062	39,909	356,293	296,141	286,310	-20%
Contractual	16,196	38,266	320,500	299,500	619,000	93%
Other Operating	74,733	60,005	65,330	62,870	121,590	86%
Capital Outlay	0	0	0	0	15,000	100%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 1,338,247</b>	<b>\$ 1,039,272</b>	<b>\$ 2,088,708</b>	<b>\$ 1,985,831</b>	<b>\$ 2,505,539</b>	<b>20%</b>

DIVISION EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
200 City Manager	\$ 957,778	\$ 846,281	\$ 988,638	\$ 999,450	\$ 1,079,200	9%
210 City Clerk	380,469	192,991	0	0	0	0%
215 Information Technology	0	0	1,100,070	986,381	1,426,339	30%
<b>TOTAL</b>	<b>\$ 1,338,247</b>	<b>\$ 1,039,272</b>	<b>\$ 2,088,708</b>	<b>\$ 1,985,831</b>	<b>\$ 2,505,539</b>	<b>20%</b>

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b>DEPARTMENT STAFFING</b>				
Total Full-Time Staff		9.03	8.34	12.60
<b>Total City Manager Staff</b>		<b>9.03</b>	<b>8.34</b>	<b>12.60</b>

**DEPARTMENT GOALS FOR 2012-13**

- Continue to create an organization focused on transparency, efficiency, economy and customer service.
- Provide a positive work environment for employees in coordination with the Employee Activity Committee (EAC) that fosters teamwork and encourages professional growth.
- 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.
- Pursue Federal and State grants and other funding sources for a variety of programs in concert with the City's legislative programs.
- Ensure the highest level of solid waste and recycling services to citizens and maintain the highest level of diversion possible to exceed State mandates in accordance with the newly adopted Solid Waste Franchise Agreement.
- Continue to expand the City's environmental programs relating to water conservation, storm water awareness, graffiti abatement, and maintain a solid waste diversion rate above 50% via education and public outreach.

**FUND: GENERAL FUND 100**  
**DEPARTMENT: CITY MANAGER 07**

**DEPARTMENT GOALS FOR 2012-13 (Continued)**

- Continue to expand the City's environmental programs relating to water conservation, storm water awareness, graffiti abatement, and maintain a solid waste diversion rate above 50% via education and public outreach.
- 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 Downtown Center.
- Conduct all activities related to the 2012 City Council Election including a City Council Candidate Orientation.
- Assist City departments in the annual purging of documents for indexing, archiving, and/or shredding (on-going program).
- Continuation of the Citizen Academy by teaching citizens how the City operates to help them gain a better understanding of how and why decisions are made, in hope of increasing civic engagement and creating a City Ambassador Program.
- Continue providing Citizen Emergency Response Team (CERT) Training to citizens to prepare them to respond in support of first responders in a major disaster.
- Alter the Citywide Mentoring Program to feature high-level leadership training to participants interested in promoting into management positions in the coming years.
- Facilitate global strategic planning of Citywide technology needs and opportunities.
- Continuation of the Information Technology Committee to highlight, prioritize and implement Citywide technology goals.

**SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES**

- Funding of \$20,000 is included for consolidation with the San Bernardino County Registrar of Voters Office for the November 2012 General Election.
- The Assistant to the City Manager-Community Relations position is being retitled to the Deputy City Manager and being reallocated from 1.00 FTE in the City Manager Division to 0.75 FTE, with the remaining 0.25 FTE being transferred to the Information Technology Division to reflect the position's additional management responsibilities.
- One Management Analyst (1.00 FTE) is being transferred to the Information Technology (IT) Division from the Building and Safety program to provide staff assistance for the automated Land Management System and other IT related projects.
- Licensing and configuration of the CRW TRAKiT Land Management System which began in FY 2011-12 will be completed in FY 2012-13. Implementation of the Code Enforcement "CodeTRAK" module is scheduled for completion in FY 2012-13. All costs associated with Land Management System are being transferred from Development Services Department to City Manager Department.
- Funding of \$50,000 is included for 25<sup>th</sup> Anniversary events which include a Gala, community celebration with entertainment, staging and lighting, rentals, City bus tours and a time capsule. Costs will be off-set by community sponsorships of an undetermined amount.

**FUND: GENERAL FUND 100**  
**DEPARTMENT: CITY MANAGER 07**

<b><u>PROGRAM STAFFING</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>
<u>Full-Time Staff</u>				
Administrative Analyst	0.34	0.00	0.00	0.00
Assistant City Clerk	2.00	2.00	1.00	1.00
Assistant to the City Manager-Community Relations	1.00	1.00	1.00	0.00
City Clerk	1.00	1.00	0.00	0.00
City Manager	0.85	1.00	1.00	1.00
Community Relations and Media Coordinator	0.00	0.34	0.60	0.60
Deputy City Clerk	0.00	0.00	1.00	1.00
Deputy City Manager	0.00	0.00	0.00	1.00
Emergency Services Coordinator	0.34	0.50	0.50	0.50
Environmental Programs Coordinator	0.50	0.50	0.50	0.50
Information Systems Specialist	0.00	0.00	4.00	4.00
Information Systems Technician	0.00	0.00	1.00	1.00
Management Analyst	1.00	1.00	1.00	2.00
Secretary to the City Manager	1.00	0.00	0.00	0.00
Senior Office Assistant	1.00	1.00	1.00	1.00
<b>Total Full-Time Staff</b>	<b>9.03</b>	<b>8.34</b>	<b>12.60</b>	<b>13.60</b>

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

DIVISION EXPENDITURE SUMMARY						% Change From 2011-12
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 607,726	\$ 553,314	\$ 636,409	\$ 646,491	\$ 637,066	0%
Benefits	225,434	195,038	253,756	261,548	234,415	-8%
Materials	40,586	28,033	36,143	29,441	35,160	-3%
Contractual	15,000	13,333	9,500	9,500	30,500	221%
Other Operating	69,032	56,563	52,830	52,470	104,650	98%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 957,778</b>	<b>\$ 846,281</b>	<b>\$ 988,638</b>	<b>\$ 999,450</b>	<b>\$ 1,041,791</b>	<b>5%</b>

### 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 Housing Authority, Successor Agency for the former Hesperia Redevelopment Agency, and Hesperia Community Development Commission. The City Manager ensures that City Council policies and directions are implemented and provides executive level staff support to the City Council and staff through a variety of functions, including public administration, intergovernmental relations, financial oversight of all City funds, handling of 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 including oversight of the City Clerk, Community Relations and Information Technology divisions.

**City Clerk** – As the election official, administers Federal, State and local procedures and legal requirements to ensure a fair and impartial election, assists City Council candidates in meeting their legal responsibilities before, during and after an election (Fair Political Practices Commission and campaign filings); oversight of Conflict of Interest 700 Statements for City Council and required staff; 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; all duties related to City Council Meetings including preparation of the agenda and legal postings; coordination of Agenda Manager program; ensuring that municipal records (contracts, recorded documents, claims, etc.) are readily accessible to the public and office support for the City Council.

**Community Relations** – Public Information: media relations; website; Horizon newsletter; public outreach; and advertising. Legislative Advocacy: grant application and management; legislative outreach at the state and federal level; annual Legislative Priorities. Environmental Programs: compliance with state and federal requirements related to solid waste; student programs and outreach for litter abatement, graffiti prevention, water conservation, stormwater protection, and illegal dumping. Emergency Management: sponsor Citizen Emergency Response Team (CERT) training to citizens, coordination of the City's Emergency Operation Center during an emergency, coordination of the City's Emergency Operation Plan and training of staff. Other Community Relations responsibilities include management of the Volunteer Network, Citywide Mentoring Program, response to citizen concerns and special projects.

### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Funding of \$20,000 is included for consolidation with the San Bernardino County Registrar of Voters Office for the November 2012 General Election.
- The Assistant to the City Manager-Community Relations position is being retitled to the Deputy City Manager and being reallocated from 1.00 FTE in the City Manager Division to 0.75 FTE, with the remaining 0.25 FTE being transferred to the Information Technology Division to reflect the position's additional management responsibilities.

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

**SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES (Continued)**

- Funding of \$50,000 is included for 25<sup>th</sup> Anniversary events which include a Gala, community celebration with entertainment, staging and lighting, rentals, City bus tours and a time capsule. Costs will be off-set by community sponsorships of an undetermined amount.

<b>PROGRAM STAFFING</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
<u>Full-Time Staff</u>				
Administrative Analyst	0.34	0.00	0.00	0.00
Assistant City Clerk	0.00	0.00	1.00	1.00
Assistant to the City Manager-Community Relations	1.00	1.00	1.00	0.00
City Manager	0.85	1.00	1.00	1.00
Community Relations and Media Coordinator	0.00	0.34	0.60	0.60
Deputy City Clerk	0.00	0.00	1.00	1.00
Deputy City Manager	0.00	0.00	0.00	0.75
Emergency Services Coordinator	0.34	0.50	0.50	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	0.00	0.00	0.00
Senior Office Assistant	1.00	1.00	1.00	1.00
<b>Total Full-Time Staff</b>	<b>6.03</b>	<b>5.34</b>	<b>7.60</b>	<b>7.35</b>

**2011-12 DIVISION ACCOMPLISHMENTS**

- Continued to work with neighboring cities and numerous agencies such as the California League of Cities, Tri-Agency, San Bernardino Associated Governments, 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.
- Continued to evaluate and 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.
- Oversaw activities to dissolve the Hesperia Redevelopment Agency upon it's abolishment by the State of California, and worked to protect the assets of the City and Agency through the creation of a Housing Authority, Community Development Commission and non-profit agency.
- Worked closely with the San Bernardino Association of Governments (SANBAG), acquiring necessary funding to move forward with the Interstate 15/Ranchero Road Interchange.
- Completed the third year of the Citywide Mentoring Program focusing on the advancement of field staff to supervisory positions, including Public Works and Animal Control participants.
- Prepared a 20 year extension to the City's Franchise Agreement with Advance Disposal, introducing a variable rate and eliminating unlimited trash collection. In addition, worked to approve a \$14.5 million expansion to the Material Recovery Facility, which will improve customer service and increase the City's diversion from the land fill.
- Adopted forty-one streets in the Citywide Adopt-a-Street Program, completed two Citywide Clean-up Days, and held four Tire Amnesty events. Applied for CalRecycle City/County Payment Program Waste Tire Cleanup and Amnesty Event Grant and CDBG grant funds.
- Conducted two electronic waste events, held in partnership with the Hesperia Chamber of Commerce.

<b>FUND:</b>	<b>GENERAL FUND</b>	<b>100</b>
<b>DEPARTMENT:</b>	<b>CITY MANAGER</b>	<b>07</b>
<b>DIVISION:</b>	<b>CITY MANAGER</b>	<b>200</b>

**2011-12 DIVISION ACCOMPLISHMENTS (Continued)**

- Continued to expand the City's Citizen Emergency Response Team training (CERT). CERT members met regularly to coordinate efforts toward a united emergency response, as well as staffing the City's Point of Distribution (POD) deployment where 124 free flu vaccines were provided.
- Conducted an extensive Golf Course Outreach Program, which included five community meetings, a survey of current use levels, and possible alternative options for the property via the City website; and additional community outreach efforts.
- Oversaw groundbreaking ceremonies and construction for the Rancho Underpass Project, Wal-Mart, and Cinema West Theatre.
- The City website reached over one million views per month.
- Expanded the volunteer network to allow non-profit agencies increased access to the volunteer database, thus increasing both the number of active agencies and volunteers.
- Hosted a Volunteer Recognition Dinner for the City's CERT members, Volunteer Network participants, and Committee Members. Attendees received Certificates of Appreciation and a Volunteer of the Year Award was presented.
- Introduced Social Media Program to include an official City of Hesperia Facebook page, in addition to increased presence on Twitter and RSS feeds.
- Implemented a paperless agenda process Citywide and distributed electronic tablets to the City Council and some executive staff members for City Council Meetings to cut costs and improve.
- Conducted a Special Election including all pre and post election filing and posting requirements.
- Transitioned Bus Shelter sign and Directory Sign Programs to City staff to reduce costs and increase communication between the City and local businesses.
- Submitted five applications for State and Federal grant funds. Awarded a total of \$1.5 million in funds from the following programs: \$184,346 in Mobile Source Emission Reduction funds from MDAQMD for Park and Ride Facility Expansion; \$834,900 in Federal Safe Routes to School funds for Willow Street Bikeway Project; \$21,600 in Assistance to Firefighter's Grant (AFG) from FEMA for Three Thermal Imaging Cameras for Fire Department; \$441,945 in TDA Article 3 funds from SANBAG for Bear Valley Road Bicycle Bypass Project; and \$25,000 in Healthy Communities funds from S.B. County for Healthy Hesperia activities.

**2012-13 DIVISION GOALS AND OBJECTIVES**

- Continue to work with neighboring cities and numerous agencies such as the California League of Cities, Tri-Agency, San Bernardino Associated Governments, 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.
- Pursue all sources of Federal and State funding for a variety of programs in concert with the City's legislative program.
- Continue legislative advocacy efforts to monitor and review State and Federal legislation, write letters, and contact legislators to protect and advance the City's interests.
- Plan, develop, and implement a structurally balanced, fiscally conservative City Budget.
- Continue working with the City Council, staff, and citizens on strategic planning efforts.
- Oversee final construction and ribbon cutting ceremonies for the Rancho Undercrossing, new Wal-Mart Supercenter, and the Cinema West Theatre.
- Oversee groundbreaking and construction of the Rancho Interchange Project.
- Oversee the construction of Fire Station 301 using funds dedicated solely for the construction of fire facilities.

<b>FUND:</b>	<b>GENERAL FUND</b>	<b>100</b>
<b>DEPARTMENT:</b>	<b>CITY MANAGER</b>	<b>07</b>
<b>DIVISION:</b>	<b>CITY MANAGER</b>	<b>200</b>

### **2012-13 DIVISION GOALS AND OBJECTIVES (Continued)**

- Implement the programs outlined in the City's newly extended franchise agreement with Advance Disposal to further improve solid waste services in the City, including the updating of the City Municipal Code related to solid waste services and CalGreen requirements, as well as formulation of a comprehensive Construction and Demolition (C&D) Program.
- Develop a community based social marketing campaign for new solid waste 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.
- Expand the Adopt-a-Street Program to increase participation rate and include regular email updates.
- Continue to work with the Hesperia Recreation and Parks District to develop and conduct activities at Civic Plaza Park, including a farmer's market, art festival, auto shows, and other special events at the Downtown Center.
- Continue to increase transparency in government and communication with citizens via the City website, and social media such as Facebook and Twitter.
- Support the volunteer network to increase the number of volunteers and volunteer opportunities.
- Further develop the City's emergency preparedness plans and procedures to be suitably prepared in case of a disaster.
- Continue the Citizen Emergency Response Team (CERT) Training to include quarterly courses for citizens and bi-annual updates for City staff members. Utilize CERT members to hold at least one free flu vaccine immunizations annually.
- Oversee all efforts related to the 2012 City Council Election to include a City Council Candidate Orientation informational session for individuals interested in running for City Council.
- Expand the City's Record Management Program to include the creation and implementation of a Legal Hold and Electronic Records Policy for City records.
- Expand the availability of documents electronically and maintain efficient management of records.
- Expand, enhance and promote the Healthy Hesperia Program through participation in community workshops, events and updated information on the City's website.
- Continue to aggressively pursue State and Federal grants for City projects.
- Continue to manage citizen requests and complaints.
- Continue to explore alternative energy options for City facilities.

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

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b><u>City Manager</u></b>				
Number of community events	27	20	18	12
Number of Twitter followers	n/a	n/a	591	700
Number of Facebook Likes	n/a	n/a	144	500
Number of valid website hits	4,494,749	9,426,069	11,948,603	13,000,000
Number of grants submitted	n/a	n/a	9	9
Number of legislative letters	20	20	25	15
Number of environmental school programs presented	15	7	21	25
Number of recycling/clean-up events held	36	49	56	63
Number of Streets adopted	32	36	41	45
Number of Mentoring participants	24	15	17	6
Number of Volunteers referred	110	166	85	95
Number of CERT trainings held	6	11	10	14
<b><u>City Clerk</u></b>				
Average Number of Council/Board Meetings	45	45	45	45
Annual Number of Ordinances Processed	17	18	22	25
Annual Number of Resolutions Processed	141	150	145	150
Annual Contracts Approved and Processed	151	180	142	150
Annual Claims/Lawsuits Processed	88	91	82	85
Recorded Documents Processed	105	66	65	65
Public Hearing Notices/Postings	30	40	30	35
Records Requests/Pages Provided	381/13,938	396/12,021	390/12,400	400/13,000
Maps Processed	3	9	10	10
Records Requested from Storage	219	180	140	150
Bonds Processed	30	11	8	10
Archived Boxed in Records Storage	1,642	1,700	1,780	1,820
Library Community Room Bookings	231	296	408	410
Conflict of Interest Form 700 Processed	106	106	106	106

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

<b>DIVISION EXPENDITURE SUMMARY</b>	<b>2009-10 Actual</b>	<b>2010-11 Actual</b>	<b>2011-12 Budget</b>	<b>2011-12 Revised</b>	<b>2012-13 Budget</b>	<b>% Change</b>
						<b>From 2011-12 Budget</b>
Salaries	\$ 262,211	\$ 108,264	\$ 0	\$ 0	\$ 0	0%
Benefits	100,885	44,476	0	0	0	0%
Materials	10,476	11,876	0	0	0	0%
Contractual	1,196	24,933	0	0	0	0%
Other Operating	5,701	3,442	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 380,469</b>	<b>\$ 192,991</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0%</b>

\*Fiscal Year 2011-12 City Clerk Budget will be moved to be included with the City Manager's Budget.

#### **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**

- In Fiscal Year 2011-12 the City Clerk's Division was merged into the City Manager's Division. The information shown in this division is for historical purposes.

<b><u>PROGRAM STAFFING</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>
<u>Full-Time Staff</u>				
Assistant City Clerk	2.00	2.00	0.00	0
City Clerk	1.00	1.00	0.00	0
<b>Total Full-Time Staff</b>	<b>3.00</b>	<b>3.00</b>	<b>0.00</b>	<b>0.00</b>

<b>FUND:</b>	<b>GENERAL FUND</b>	<b>100</b>
<b>DEPARTMENT:</b>	<b>CITY MANAGER</b>	<b>07</b>
<b>DIVISION:</b>	<b>CITY CLERK</b>	<b>210</b>

**PERFORMANCE AND**

**WORKLOAD INDICATORS**

	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>
Average Number of Council/Board Meetings	45	45	n/a	n/a
Annual Number of Ordinances Processed	17	18	n/a	n/a
Annual Number of Resolutions Processed	141	150	n/a	n/a
Annual Contracts Approved and Processed	151	180	n/a	n/a
Annual Claims/Lawsuits Processed	88	91	n/a	n/a
Recorded Documents Processed	105	66	n/a	n/a
Public Hearing Notices/Postings	30	40	n/a	n/a
Records Requests/Pages Provided	381/13,938	396/12,021	n/a	n/a
Maps Processed	3	9	n/a	n/a
Records Requested from Storage	219	180	n/a	n/a
Bonds Processed	30	11	n/a	n/a
Archived Boxed in Records Storage	1,642	1,700	n/a	n/a
Library Community Room Bookings	231	296	n/a	n/a
Conflict of Interest Form 700 Processed	106	106	n/a	n/a

**FUND:** GENERAL FUND 100  
**DEPARTMENT:** CITY MANAGER 07  
**DIVISION:** INFORMATION TECHNOLOGY 215

DIVISION EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 329,604	\$300,108	\$ 437,247	33%
Benefits	0	0	126,816	119,173	154,911	22%
Materials	0	0	320,150	266,700	251,150	-22%
Contractual	0	0	311,000	290,000	588,500	89%
Other Operating	0	0	12,500	10,400	16,940	36%
Capital Outlay	0	0	0	0	15,000	100%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,100,070</b>	<b>\$986,381</b>	<b>\$ 1,463,748</b>	<b>33%</b>

### DIVISION DESCRIPTION

The Information Technology (IT) 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 utilized effectively to advance the overall mission of the City. In doing this, the IT 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 IT Division supports both computing and telecommunications for a Wide Area Network comprised of 4 distinct locations and 5 Local Area Networks. The computing environment consists of 241 desktops, 131 remote devices, 57 printers/copiers, 169 separate software applications, 6 operating systems, 77 servers, and 24 databases.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Deputy City Manager	0.00	0.00	0.00	0.25
Information Systems Specialist	0.00	0.00	4.00	4.00
Information Systems Technician	0.00	0.00	1.00	1.00
Management Analyst	0.00	0.00	0.00	1.00
<b>Total Full-Time Staff</b>	<b>0.00</b>	<b>0.00</b>	<b>5.00</b>	<b>6.25</b>

### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- One Management Analyst (1.00 FTE) is being transferred to the Information Technology (IT) Division from the Building and Safety program to provide staff assistance for the automated Land Management System and other IT related projects.
- The retitled Deputy City Manager position is being reallocated with 0.25 FTE to the Information Technology Division to reflect the position's IT management responsibilities.
- Licensing and configuration of the CRW TRAKiT Land Management System which began in FY 2011-12 will be completed in FY 2012-13. Implementation of the Code Enforcement "CodeTRAK" module is scheduled for completion in FY 2012-13. New Land Management Application replacing Accela is now being charged to IT from Community Development.

**FUND: GENERAL FUND 100**  
**DEPARTMENT: CITY MANAGER 07**  
**DIVISION: INFORMATION TECHNOLOGY 215**

## **2011-12 DIVISION ACCOMPLISHMENTS**

- Reconfigured the City's Verizon alarm, fax and other analog lines and renegotiated our Verizon long distance rates resulting in approximately \$40,000 in savings from the previous year.
- Oversaw the review and evaluation of the City's existing Land Management System in comparison to new software on the market. The Committee selected a new system, CRW TRAKiT which will manage the City's permit, inspection and planning processes to increase functionality, integration between departments and transparency to the development community and City residents. Scheduled for completion in 2013, the new system will allow for better communication between City departments, developers, contractors and residents, as well as allowing electronic plan review and a customer/builder portal available on the internet.
- A data storage infrastructure is in place allowing for separate Tier 1 and Tier 2 storage that is designed to replicate data in two separate locations to facilitate a disaster recovery scenario. Veeam data replication software is in place and replicating critical servers, and a 33TB Tape Backup storage device stores archived data as a secondary failsafe and for data archival should it be needed.
- Wireless connectivity is implemented between City Hall and the Animal Control buildings. Testing devices are in place, and by the end of FY 2011-12, results will be complete.
- Computers are upgraded to Windows 7 as computers are rolled out per our four year replacement cycle. By the end of FY 2011-12 there will be over 50 Windows 7 computers in production.
- As computers are replaced, an assessment is done to determine whether a computer is a candidate for replacement with a thin client (virtual desktop running on a VMWare infrastructure). By the end of FY 2011-12 virtual infrastructure will contain 40 desktop computers.
- Began an electronics tablet deployment program in which approximately 16 tablets have been deployed, along with a cloud based management system to allow for secure system configurations, and program downloads.
- An upgrade to the Exchange and Unity Voicemail System was performed providing capabilities of syncing email to any Android or iPad device, a much cleaner web based client, and other more advanced system management capabilities.
- A test server with the newest Asset Management System CityWorks has been installed and is in testing. All software on client computers will be upgraded and deployed by the end of FY 2011-12.
- Implemented several Webex products intended to give City staff the capability of streaming meetings to residents and conducting meetings with screen sharing between staff or with other agencies or companies.

## **2012-13 DIVISION GOALS AND OBJECTIVES**

- Continue to provide the highest level of customer service to all City employees and conduct a technology satisfaction assessment among staff to determine areas of focus.
- Continue to implement the City's IT Strategic Plan using a holistic approach to providing a secure, robust, and efficient system for the City technology and telecommunication needs.
- Conduct monthly Technology Steering Committee meetings in order to better plan strategic initiatives and implement technology initiatives that improve City staff efficiency and public communications.
- Install wireless point-to-point links between City Hall and Public Works. All wireless links will have redundant connectivity scheduled to be implemented in FY 2012-13.
- Conduct quarterly Citywide technology training classes with the goal of introducing and training staff on little-used or newly implemented technologies.
- Complete upgrade of data circuits between sites for increased speed and capacity to include integrated failover and a reduction in monthly data circuit expenses.

**FUND: GENERAL FUND 100**  
**DEPARTMENT: CITY MANAGER 07**  
**DIVISION: INFORMATION TECHNOLOGY 215**

**2012-13 DIVISION GOALS AND OBJECTIVES (Continued)**

- Complete the conversion of the City Land Management System to CRW TRAKiT, moving it onto City servers and enabling GIS integration and a citizen and developer portal.
- Upgrade the security system to integrate the three current IP based cameras, and purchase three additional cameras designed to cover areas currently missing from camera coverage around City Hall.
- Implementation of Plan Review Workstations for Engineering and Planning to allow for the ability to use electronic plan sets in the review process, decreasing costs to developers and the City, and increasing communication and the speed of the review process.
- Continue deployment of electronic tablet computers to field staff in Animal Control, Code Enforcement, and Building and Safety Inspectors to enhance communication and efficiency by enabling easy access to their web based systems in the field.

**FUND: GENERAL FUND 100**  
**DEPARTMENT: CITY MANAGER 07**  
**DIVISION: INFORMATION TECHNOLOGY 215**

**PERFORMANCE AND**

**WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
City Sites Serviced	5	5	5	4
Databases Managed	21	22	24	24
Local Area Networks Managed	6	6	6	6
Operating Systems Managed	6	7	6	6
Software Applications Supported	166	167	169	170
Computer Devices Managed	371	380	408	421
▪ Physical Servers	94	38	33	35
▪ Virtual Servers	n/a	41	44	48
▪ Workstations	201	185	156	125
▪ Virtual Clients	n/a	8	29	60
▪ Laptops	76	76	74	70
▪ Electronic Tablets	n/a	n/a	16	28
Other Devices Managed				
▪ Routers and Switches Managed	35	38	43	43
▪ Printers, Plotters, and Copiers Supported	52	55	57	57
▪ Blackberries and Android Telephones	38	39	41	42
Data Storage Devices	n/a	3	5	5
▪ Data storage capacity	n/a	15TB	21TB	25TB
▪ Tape storage	n/a	6TB	33TB	33TB
Data Processing				
Data Backed Up Nightly (Gigabytes)	2,400	2,650	6,200 <sup>1</sup>	6,200
E-mails Processed (Outgoing)	141,605	131,090	156,329	160,000
E-mails Processed (Incoming)	2,642,332	2,142,694	1,449,347 <sup>2</sup>	1,500,000
▪ Valid Emails (Incoming)	357,552	364,159	527,071	550,000
▪ Spam Emails (Incoming)	2,284,780	1,778,535	922,276	900,000
Help Desk Statistics				
▪ Trouble Calls Processed	4,664	4,416	4,500	4,500
▪ Average Time Per Trouble Call	40 min	41 min	40 min	40 min
User Accounts Managed	731	964	1,260	1,292
▪ Network Accounts	223	256	260	260
▪ Telephone and wireless accounts	251	493	522 <sup>3</sup>	540
▪ Wireless Network Clients	125	130	146	160
▪ New World .Net Accounts	111	116	121	121
▪ Accela (TRAKiT) Accounts	n/a	n/a	80	80
▪ CityWorks Accounts	n/a	n/a	131	131

<sup>1</sup>Increase due to the addition of a Storage Area Network, centralized document storage and a remote failover site.

<sup>2</sup>Decrease due to different technology employed on the City website for storing email addresses.

<sup>3</sup>Increase due to T assuming management of some non Public Works cell phones from Public Works.

FUND: GENERAL FUND 100  
DEPARTMENT: MANAGEMENT SERVICES 19

DEPARTMENT EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 1,909,513	\$ 1,688,562	\$ 1,285,156	\$ 1,234,173	\$ 1,180,929	-8%
Benefits	716,836	622,039	524,780	497,902	461,035	-12%
Materials	468,123	485,470	151,730	135,435	151,000	0%
Contractual	1,198,385	1,066,356	806,379	1,138,300	861,528	7%
Other Operating	154,426	66,662	53,753	55,949	48,853	-9%
Capital Outlay	2,654,260	49,266	0	261,275	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 7,101,543</b>	<b>\$ 3,978,355</b>	<b>\$ 2,821,798</b>	<b>\$ 3,323,034</b>	<b>\$ 2,703,345</b>	<b>-4%</b>

DIVISION EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
220 Finance	\$ 4,304,431	\$ 1,484,844	\$ 1,465,052	\$ 1,693,557	\$ 1,482,607	1%
225 Human Resources/ Risk Management	1,555,400	1,323,943	1,356,746	1,629,477	1,220,738	-10%
228 Management Information Services	1,241,712	1,169,568	0	0	0	0%
<b>TOTAL</b>	<b>\$ 7,101,543</b>	<b>\$ 3,978,355</b>	<b>\$ 2,821,798</b>	<b>\$ 3,323,034</b>	<b>\$ 2,703,345</b>	<b>-4%</b>

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b>DEPARTMENT STAFFING</b>				
Total Full-Time Staff	24.75	23.00	17.80	16.80
Total Part-Time Staff	0.00	0.46	0.46	0.46
<b>Total Management Services Staff</b>	<b>24.75</b>	<b>23.46</b>	<b>18.26</b>	<b>17.26</b>

**DEPARTMENT GOALS FOR 2012-13**

- Develop a successor Memorandum of Understanding (MOU) with the San Bernardino Public Employees' Association (SBPEA) before December 31, 2012.
- Perform Letter of Credit Renewal Process for variable rate debt issuances including the 2004 Streets Revenue Bonds, the 2005 City Hall Certificates of Participation, and the 1998 A&B Water Bonds. The current letters of credit are set to expire June 30, 2013.
- Continue to manage the City's resources in a fiscally prudent manner during the current prolonged economic downturn.
- Continue the administration of the Redevelopment Agency's wind-down and Successor Agency's role in managing the retirement of debt obligations.

FUND: GENERAL FUND 100  
DEPARTMENT: MANAGEMENT SERVICES 19

**SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES**

- The retirement of the Deputy Human Resources/Risk Management Director (1.00 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, with staffing assistance from other divisions to help with the workload.
- One additional Accountant (1.00 FTE) is being added and one vacant Administrative Analyst (1.00 FTE) position is being eliminated to reduce expenditures during the continuing economic downturn.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Accountant	2.00	2.00	2.00	3.00
Administrative Analyst	1.00	1.00	1.00	0.00
Assistant City Manager/Management Services	0.90	1.00	0.90	0.90
Deputy Finance Director	0.95	1.00	0.90	0.90
Deputy Human Resources/Risk Management	1.00	1.00	1.00	0.00
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	0.00	0.00	0.00
Information Systems Specialist	3.00	3.00	0.00	0.00
Information Systems Technician	2.00	2.00	0.00	0.00
Payroll Analyst	1.00	0.00	0.00	0.00
Personnel Technician	2.00	2.00	2.00	2.00
Purchasing Analyst	1.00	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	1.95	2.00	2.00	2.00
Senior Management Analyst	0.95	1.00	1.00	1.00
Senior Office Assistant	1.00	1.00	1.00	1.00
<b>Total Full-Time Staff</b>	<b>24.75</b>	<b>23.00</b>	<b>17.80</b>	<b>16.80</b>
<u>Part-Time Staff</u>				
Payroll Analyst	0.00	0.46	0.46	0.46
<b>Total Part-Time Staff</b>	<b>0.00</b>	<b>0.46</b>	<b>0.46</b>	<b>0.46</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>24.75</b>	<b>23.46</b>	<b>18.26</b>	<b>17.26</b>

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

DIVISION EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 998,353	\$ 913,587	\$ 913,035	\$ 871,123	\$ 919,465	1%
Benefits	348,934	310,232	334,755	324,025	315,261	-6%
Materials	123,680	113,876	98,230	91,335	101,900	4%
Contractual	61,343	101,142	79,379	99,300	106,528	34%
Other Operating	126,888	46,007	39,653	46,499	39,453	-1%
Capital Outlay	2,645,233	0	0	261,275	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 4,304,431</b>	<b>\$ 1,484,844</b>	<b>\$ 1,465,052</b>	<b>\$ 1,693,557</b>	<b>\$ 1,482,607</b>	<b>1%</b>

#### 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; 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>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	Current Level <u>2012-13</u>
<u>Full-Time Staff</u>				
Accountant	2.00	2.00	2.00	3.00
Administrative Analyst	1.00	1.00	1.00	0.00
Assistant City Manager/Management Services	0.50	0.50	0.60	0.60
Deputy Finance Director	0.95	1.00	0.90	0.90
Executive Secretary	0.50	0.50	0.65	0.65
Payroll Analyst	1.00	0.00	0.00	0.00
Purchasing Analyst	1.00	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	1.95	2.00	2.00	2.00
Senior Management Analyst	0.95	1.00	1.00	1.00
Senior Office Assistant	0.50	0.50	0.65	0.65
<b>Total Full-Time Staff</b>	<b>13.35</b>	<b>12.50</b>	<b>12.80</b>	<b>12.80</b>

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

<u>PROGRAM STAFFING (Continued)</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Part-Time Staff</u>				
Payroll Analyst	0.00	0.46	0.46	0.46
<b>Total Part-Time Staff</b>	<b>0.00</b>	<b>0.46</b>	<b>0.46</b>	<b>0.46</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>13.35</b>	<b>12.96</b>	<b>13.26</b>	<b>13.26</b>

**SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES**

- One additional Accountant (1.00 FTE) is being added and one vacant Administrative Analyst (1.00 FTE) position is being eliminated to reduce expenditures during the continuing economic downturn.

**2011-12 DIVISION ACCOMPLISHMENTS**

- Completed the City's Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2011-12. The City received notification from the Governmental Finance Officers' Association (GFOA) that the Fiscal Year 2009-10 CAFR earned the award for Excellence in Financial Reporting. This is the ninth consecutive year that City has earned this recognition.
- Coordinated the Fiscal Year 2012-13 Budget Process.
- Updated the City and Subsidiary District's Statement of Investment Policy for Fiscal Year 2011-12 and provided monthly Treasurer's Reports verifying the City's cash and investment position.
- Conducted the Fiscal Year 2011-12 First Quarter, Mid-Year, and Fourth Quarter Budget Reviews.
- Provided Budget-to-Actual, Outstanding Invoice and Payroll Leave Reports to departments to assist them in the management of their sections.
- Implemented Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" for the June 30, 2011 CAFR.
- Participated in and provided financial information for labor negotiations with the San Bernardino Public Employees' Association (SBPEA).
- 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 Street Report.
- Performed actuarial update to GASB 45 Other Post Employment Benefit (OPEB) valuation.
- Performed initial phases of Redevelopment Agency wind-down activities.
- Began process to update the City's Purchasing Ordinance.
- Prepared annual financial compliance calculations, along with budget and insurance certifications for debt issues, as required by the applicable bond indentures.
- Implemented a Payroll direct deposit policy.
- Purchasing hosted its annual "How To Conduct Business with Hesperia" seminar and distributed the corresponding guidebook to aid local businesses in their effort to respond to City bids.
- Implemented the procedures for the wind-down of the Redevelopment Agency as upheld by the State Supreme Court's ruling on ABX 26. Also, set up all new funds to administer the Successor Agency as well as the retirement obligation funds.

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

## 2012-13 DIVISION GOALS AND OBJECTIVES

- Continue to manage the City's resources in a fiscally prudent manner during the current prolonged economic downturn.
- Complete the Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2011-12 and submit the CAFR to the Governmental Finance Officers' Association (GFOA) for evaluation and award consideration.
- Coordinate the Fiscal Year 2013-14 Budget Process and submit the Fiscal Year 2012-13 Budget to the GFOA for evaluation and award consideration.
- Perform Letter of Credit Renewal Process for variable rate debt issuances including the 2004 Streets Revenue Bonds, the 2005 City Hall Certificates of Participation, and the 1998 A&B Water Bonds. The current letters of credit are set to expire June 30, 2013.
- 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.
- Conduct the Fiscal Year 2012-13 First Quarter, Mid-Year, and Fourth Quarter Budget Reviews.
- Complete the update to the City's Purchasing Ordinance.
- 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 debt issues, as required by the applicable bond indentures.
- Submit State Controller's Reports for the City, Fire, and Water, as well as the City's State Street Report.
- Work with the City Manager's Office and complete an Emergency Vendor Program that will aid in procurement of essential materials, supplies, and contract services in the event of an emergency.
- Work with Information Technology (IT) and Utility Billing staff to examine the feasibility of expanding the E-Pay Program to include other City fees such as business license renewals.
- 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.
- Participate in and provide financial information for labor negotiations with the San Bernardino Public Employees' Association (SBPEA).
- Continue the administration of the Redevelopment Agency's wind-down and Successor Agency's role in managing the retirement of debt obligations.

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

<u>PERFORMANCE AND WORKLOAD INDICATORS</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Invoices Processed	11,708	11,008	11,000	11,000
Accounts Payable Checks Issued	6,575	6,074	6,200	6,100
Number of Payroll Checks/Direct Deposits Processed	6,646	6,615	6,611	6,612
Average Annual Yield	0.65%	0.50%	0.39%	0.39%
Number of Monthly Financial Reports Issued	149	176	182	194
Number of Requests for Proposal/Qualification	28	37	15	5
Number of Informal Bids Produced	67	118	65	90
Number of Contracts Issued	97	104	70	65
Number of Amendments to Contracts	45	42	70	85
Number of Purchase Orders Issued	787	832	810	800
Number of Contracts Administered	529	598	600	600

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

DIVISION EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From
						2011-12 Budget
Salaries	\$ 420,029	\$ 392,263	\$ 372,121	\$ 363,050	\$ 261,464	-30%
Benefits	192,265	183,054	190,025	173,877	145,774	-23%
Materials	56,824	48,147	53,500	44,100	49,100	-8%
Contractual	873,394	691,528	727,000	1,039,000	755,000	4%
Other Operating	12,888	8,951	14,100	9,450	9,400	-33%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 1,555,400</b>	<b>\$ 1,323,943</b>	<b>\$ 1,356,746</b>	<b>\$ 1,629,477</b>	<b>\$ 1,220,738</b>	<b>-10%</b>

#### DIVISION DESCRIPTION

The Human Resources Division provides the City Council, City Manager, City executive staff, City employees, its subsidiary districts, and the general public with a fair employment recruitment and selection system, maintains centralized 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 Amendment Act (ADAAA) compliance, and workers' compensation claims management.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Assistant City Manager/Management Services	0.30	0.35	0.30	0.30
Deputy Human Resources/Risk Management Director	1.00	1.00	1.00	0.00
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
Senior Office Assistant	0.35	0.35	0.35	0.35
<b>Total Full-Time Staff</b>	<b>5.00</b>	<b>5.05</b>	<b>5.00</b>	<b>4.00</b>

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

## SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The retirement of the Deputy Human Resources/Risk Management Director (1.00 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, with staffing assistance from other divisions to help with the workload.

## 2011-12 DIVISION ACCOMPLISHMENTS

### Human Resources

- Conducted Meet and Confer meetings with the San Bernardino Public Employees' Association (SBPEA) representatives in the areas of labor negotiations and employee relations matters, and negotiated a one-year successor Memorandum of Understanding (MOU).
- Met with health insurance brokerage representatives to ensure the continuance of employee comprehensive insurance coverage. Coordinated annual open enrollment for health, dental and optical insurance coverage, and successfully implemented all changes with the assistance of payroll staff. Managed the administration of the City sponsored, pre-tax IRS 125 Cafeteria Plan, 457(b) deferred compensation plans, and the 401(a) retirement plan.
- Assisted and coordinated with the County of San Bernardino with the California Work Opportunity and Responsibility to Kids (CalWORKs), along with the City's Volunteer Programs; coordinated and managed all pre-employment background checks, including 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 2009-10 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), Family Medical Leave Act (FMLA), and actively participated with employment interactive process practices in compliance with the Americans with Disabilities Act Amendment Act (ADAAA), Fair Employment Housing Act (FEHA), and the Health Insurance Portability and Accountability Act (HIPPA).
- Processed employee labor-related documents in accordance with adopted City Resolutions, Memorandum of Understanding (MOU), and Personnel Rules and Regulations.
- Coordinated various employee recognition programs; managed 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 labor matters, such as administrative investigations, disciplinary actions, mediations, arbitrations, and other miscellaneous employee-related issues, and served as the point of contact between the City and the union representative. Assisted employees with (CalPERS) retirement requests and processing. Coordinated and assisted with the implementation of recently adopted employee programs, such as the Employee Injury and Illness Prevention Program.
- Participated and assisted neighboring public agency with human resources related matters and programs.

### Risk Management

- Administered the City's General Liability Joint Powers Authority (JPA) insurance pool programs. Coordinated and assisted with the administration of insurance coverage/policies for all City-owned property and fixed assets. Conducted field inspections for damage assessment of general liability claims and lawsuits.
- 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, and prepared workers' compensation reporting and settlement authority.
- Coordinated and implemented 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

## 2011-12 DIVISION ACCOMPLISHMENTS (Continued)

### Risk Management

- Prepared policy and coordinated implementation and staff training in accordance with the State of California reporting requirements for the Reporting of Suspected Elder and Dependent Adult Abuse and/or Neglect and The Reporting of Suspected Child Abuse and/or Neglect.
- Coordinated, administered and managed the City's comprehensive employee safety training program in compliance with City, State, and Federal mandates and requirements.

## 2012-13 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 the City's sponsored 457(b) and 401(a) deferred compensation plans' administration; coordinate implementation and process of payroll adjustments as necessary.
- Update and implement employee benefits and process employee benefit worksheets for active and retired staff. Assist with the reconciliation of related budget accounts, and process monthly insurance premium invoices.
- Coordinate with Hesperia High School staff and manage the Work Investment Act (WIA), along with the City's Volunteer Programs; coordinate and manage all pre-employment background checks, including physicals and employee orientations; conduct compensation and classification analysis as necessary.
- Comply with the administration and monitoring of the Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985 and the 2009-10 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), Family Medical Leave Act (FMLA), and actively participate with employment interactive process practices in compliance with the Americans with Disabilities Act Amendment Act (ADAAA), Fair Employment Housing Act (FEHA), and the Health Insurance Portability and Accountability Act (HIPPA).
- Coordinate and conduct a comprehensive feasibility study for the provision of Live Scan services for pre-employment background investigations and as a community service to the general public, who may need fingerprinting services through the State of California Department of Justice.
- Monitor and update Citywide, departmental and divisional policies, procedures, and programs in compliance with City rules and regulations, and State and Federal laws. Respond and assist with employee labor matters, such as discipline, administrative investigative efforts, mediation, arbitration, and serve as point of contact between City and union; 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, salary schedules, job recruitment and selection, and general employee and applicant information.

### Risk Management

- Continue to manage the administration of the City's General Liability in accordance with the Joint Powers Authority (JPA) insurance pool programs. Coordinate and assist with the administration of insurance coverage/policies for all City-owned property and fixed assets. Conduct field inspections for damage assessment of general liability claims and lawsuits.
- 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 Employee incident, injury, illness and vehicle accident reporting system.

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

**2012-13 DIVISION GOALS AND OBJECTIVES**

Risk Management (Continued)

- Promote and manage employee safety awareness and training in the workplace in support of the City's Employee Injury Illness Prevention Program (EIPP) and the State of California OSHA, including Heat Illness Prevention Program, and mutually work with other City staff towards the activation of the City's Safety Committee. Coordinate with the City's Workers' Compensation Third Party Administrator the establishment and implementation of the Employee Return to Work 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.
- 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.
- Coordinate and implement automation of the City's Pull Notice Program through the State of California Department of Motor Vehicles, in compliance with City Vehicle Policy and the State of California Department of Transportation.

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Human Resources</u>				
Advertising/Marketing	6	6	3	3
Background Checks (includes rescinds and hires)	43	62	50	50
Benefit Worksheets Processed	1,082	500	600	600
Employee Evaluations Processed	166	98	180	180
Employee Promotions Processed	5	2	0	0
Employment Separations/Retirements Processed	15	19	5	5
Employment Applications Reviewed/Processed	882	756	400	400
Employment Interviews Coordinated and Monitored	23	17	15	15
Employment Testing and Assessments Proctored	3	1	1	1
New Employee (hires) Processed	11	15	5	5
Personnel Action Forms Processed	635	53	50	50
Records Retention Program Processed	0	2	5	5
Recruitments and Selection	7	7	5	5
Staff Professional Development Attended	36	30	30	30
Volunteers Processed	16	15	15	15

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

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b><u>Risk Management</u></b>				
Court Appearances	3	13	4	4
Damaged City Property Claims Recovery	30	23	30	40
Field Inspections	2	5	5	5
Insurance Certificates Received/Processed	908	1,133	1,300	900
Lawsuits Filed and Monitored	4	6	10	5
Lawsuits Settled	3	5	3	3
Liability Claims	63	80	50	50
Liability Claims Settled	4	-4	5	5
Liability Investigations Handled	13	5	10	10
Liability Subrogation Notices Sent	25	29	15	15
Subpoenas Processed	24	22	15	15
Training and Drills Coordinated	14	10	10	10
Workers' Compensation Claims Processed/Monitored	18	20	15	15
Workers' Compensation Claims Settled	17	13	13	13

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

DIVISION EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 491,131	\$ 382,712	\$ 0	\$ 0	\$ 0	0%
Benefits	175,637	128,753	0	0	0	0%
Materials	287,619	323,447	0	0	0	0%
Contractual	263,648	273,686	0	0	0	0%
Other Operating	14,650	11,704	0	0	0	0%
Capital Outlay	9,027	49,266	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 1,241,712</b>	<b>\$ 1,169,568</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0%</b>

#### 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

PROGRAM STAFFING	2009-10	2010-11	2011-12	Current Level
				2012-13
<u>Full-Time Staff</u>				
Assistant City Manager/Management Services	0.10	0.15	0.00	0.00
Executive Secretary	0.15	0.15	0.00	0.00
Information Systems Manager	1.00	0.00	0.00	0.00
Information Systems Specialist	3.00	3.00	0.00	0.00
Information Systems Technician	2.00	2.00	0.00	0.00
Senior Office Assistant	0.15	0.15	0.00	0.00
<b>Total Full-Time Staff</b>	<b>6.40</b>	<b>5.45</b>	<b>0.00</b>	<b>0.00</b>

#### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- In Fiscal Year 2011-12 the Management Information Services Division was transferred to the City Manager's Department. The information shown in this division is for historical purposes.

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

<u>PERFORMANCE AND WORKLOAD INDICATORS</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
City Sites Serviced	5	5	n/a	n/a
Data Backed Up Nightly (Gigabytes)	2,400	2,500	n/a	n/a
Databases Managed	21	21	n/a	n/a
Local Area Networks Managed	6	6	n/a	n/a
Operating Systems Managed	6	7	n/a	n/a
Blackberries/Personal Data Assistants (PDAs)	38	38	n/a	n/a
Printers, Plotters, and Copiers Supported	52	55	n/a	n/a
Routers and Switches Managed	35	38	n/a	n/a
Software Applications Supported	166	167	n/a	n/a
E-mails Processed (Outgoing)	141,605	131,090	n/a	n/a
E-mails Processed (Incoming)	2,642,332	2,142,694	n/a	n/a
▪ Valid Emails (Incoming)	357,552	364,159	n/a	n/a
▪ Spam Emails (Incoming)	2,284,780	1,778,535	n/a	n/a
Help Desk Statistics				
▪ Trouble Calls Processed	4,664	4,969	n/a	n/a
▪ Average Time Per Trouble Call	40 min	43 min	n/a	n/a
Computer Systems Managed	371	352	n/a	n/a
▪ Physical Servers	94	42	n/a	n/a
▪ Virtual Servers	n/a	37	n/a	n/a
▪ Workstations	201	185	n/a	n/a
▪ Virtual Clients	n/a	8	n/a	n/a
▪ Laptops	76	80	n/a	n/a
User Accounts Managed	731	964	n/a	n/a
▪ Network Accounts	223 <sup>(7)</sup>	225	n/a	n/a
▪ AS/400 Accounts	21	0	n/a	n/a
▪ New World .Net Accounts	111	116	n/a	n/a
▪ Telephone Accounts	251	493	n/a	n/a
▪ Wireless Network Clients	125	130	n/a	n/a

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

FUND EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 877,226	\$ 721,642	\$ 688,727	\$ 591,542	\$ 579,959	-16%
Benefits	311,830	253,679	262,253	240,411	201,825	-23%
Materials	368,369	464,564	471,250	231,303	338,105	-28%
Contractual	41,601,408	31,295,508	11,557,786	7,297,990	7,674,731	-34%
Other Operating	318,430	721,343	340,533	247,641	485,388	43%
Capital Outlay	13,424,661	841,452	3,377,784	1,937,505	2,309,612	-32%
Debt Service	15,270,588	40,143,621	12,774,625	20,238,830	17,687,551	38%
<b>TOTAL</b>	<b>\$ 72,172,512</b>	<b>\$ 74,441,809</b>	<b>\$ 29,472,958</b>	<b>\$ 30,785,222</b>	<b>\$ 29,277,171</b>	<b>-1%</b>

ECONOMIC DEVELOPMENT DEPARTMENT EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<u>Redevelopment Agency</u>						
385 RDA Low/Moderate Income	\$ 6,333,400	\$ 33,332,438	\$ 5,271,672	\$ 4,642,553	\$ 0	-100%
388 WEDA Low/Moderate Income	0	0	410,970	57,565	0	-100%
389 RDA Administration (150) (See note)	1,455,839	1,287,758	740,679	5,466	0	-100%
486 RDA Project Area #1 D/S	27,866,983	24,617,452	15,672,121	11,268,723	0	-100%
487 RDA Project Area #2 D/S	2,494,422	1,596,772	1,330,976	1,334,547	0	-100%
586 RDA Project Area #1-CIP	28,392,737	8,535,863	778,235	69,604	0	-100%
587 RDA Project Area #2-CIP	941,770	2,258,581	0	0	0	0%
588 RDA WEDA	45,108	1,676,926	0	0	0	0%
Sub-T total Redevelopment Agency	<b>\$ 67,530,259</b>	<b>\$ 73,305,790</b>	<b>\$ 24,204,653</b>	<b>\$ 17,378,458</b>	<b>\$ 0</b>	<b>-100%</b>
<u>Successor Agency Funds</u>						
160 Redevelopment Obligation Retirement Fund - Area 1	0	0	0	9,699,916	16,768,688	100%
161 Redevelopment Obligation Retirement Fund - Area 2	0	0	0	328,137	2,145,181	100%
162 Redevelopment Obligation Retirement Fund - Housing	0	0	0	1,412,796	3,626,356	100%
173 Successor Agency Administration	0	0	0	0	202,500	100%
Subtotal Successor Agency Funds	0	0	0	11,440,849	22,742,725	100%
<u>Other City Related Funds</u>						
150 Redevelopment Agency Administration (See note)	0	0	0	485,070	0	0%
Sub-T total Other City Related Funds	0	0	0	485,070	0	0%
<u>Community Development Commission Funds</u>						
170 Community Development Commission	0	0	0	0	617,168	100%
Sub-T total Community Development Commission	0	0	0	0	617,168	100%
<u>Hesperia Housing Authority Funds</u>						
370 Hesperia Housing Authority	0	0	0	72,999	1,328,974	100%
371 WEDA Housing Authority	0	0	0	0	425,000	100%
Subtotal Hesperia Housing Authority	0	0	0	72,999	1,753,974	100%
<u>Community Development Block Grant</u>						
251 CDBG Administration	517,283	809,845	2,010,414	719,136	1,975,105	-2%
252 CDBG HOME Grant	0	0	0	0	0	0%
253 CDBG Revolving Loans	0	235,608	660,011	91,185	462,043	-30%
257 CDBG Neighborhood Stabilization Program	4,124,970	90,566	2,597,880	597,525	1,726,156	-34%
Sub-T total CDBG	4,642,253	1,136,019	5,268,305	1,407,846	4,163,304	-21%
<b>Total Economic Development</b>	<b>\$ 72,172,512</b>	<b>\$ 74,441,809</b>	<b>\$ 29,472,958</b>	<b>\$ 30,785,222</b>	<b>\$ 29,277,171</b>	<b>-1%</b>

Note: Fund 150 was reimbursed from redevelopment agency funds through January 31, 2012. From February 1, 2012 through June 30, 2012 an alternate funding source will need to be utilized. For Budget Presentation, the FY 2010-11 Actual expenditures for Fund 150, which is a City Related Fund, are shown in Fund 389.

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b><u>DEPARTMENT STAFFING</u></b>				
Total Full-Time Staff	10.73	10.33	10.00	8.00
<b>Total Economic Development Staff</b>	<b>10.73</b>	<b>10.33</b>	<b>10.00</b>	<b>8.00</b>

**DEPARTMENT GOALS FOR 2012-13**

- Continue implementation of Hesperia Enterprise Zone (EZ) Memorandum of Understanding (MOU) and Recycling Market Development Zone (RMDZ) Program.
- Issue a Notice of Funding Availability (NOFA) for Agency affordable multi-family housing projects.
- Pursue a Master Plan concept for G Avenue Industrial Rail Park.
- Obtain Accredited Economic Development Organization (AEDO) status from International Economic Development Council (IEDC).
- Prepare Strategic Plan for Hesperia Housing Authority.
- Prepare and submit Section 108 Loan Application to support CDBG-eligible Economic Development projects.
- Complete rehabilitation of all NSP properties.

**SIGNIFICANT DEPARTMENT EXPENDITURES AND STAFFING CHANGES**

- Redevelopment Agency Dissolution Wind-down – As of February 1, 2012, redevelopment agencies were abolished by the State of California. Per ABX 26, future funding for the agency's outstanding obligations will be provided by the County of San Bernardino in the form of property taxes.

As part of the dissolution process, the City Council adopted Resolution No. 2011-027, which designated the City as the Successor Agency to perform the duties and functions necessary to wind-down the agency. The following funds have been created as part of the Successor Agency wind-down: Fund 173 - Successor Agency Administration, Fund 160 – Redevelopment Obligation Retirement Fund P/A #1, Fund 161 – Redevelopment Obligation Retirement Fund P/A #2, and Fund 162, - Redevelopment Obligation Retirement Fund Housing.

With respect to housing activities, the City Council adopted Resolution No. 2011-021 and 2011-027, designating the City of Hesperia as the Successor Housing Agency, The Hesperia Housing Authority, Funds 370 and 371, were established to transact business pursuant to California Housing Authority Law along with the assumption the Hesperia Community Redevelopment Agency and Victor Valley Economic Development Authority functions, assets and obligations.

The City Council also approved the establishment of the Hesperia Community Development Commission, Fund 170, to transact certain economic and community development functions.

- Eliminate one vacant Administrative Analyst (1.0 FTE) position due to lack of funding because the State of California eliminating Redevelopment Agencies state wide to use tax increment to fund state responsibilities instead sponsoring economic development in cities and counties.
- Eliminate one vacant Senior Management Analyst (1.0 FTE) position due to lack of funding because the State of California eliminating Redevelopment Agencies state wide to use tax increment to fund state responsibilities instead sponsoring economic development in cities and counties.
- All other staff were reallocated to the Hesperia Community Development Commission (Fund 170), the Hesperia Housing Authority (Fund 370), or the Community Development Block Grant programs.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Aide	1.00	1.00	1.00	1.00
Administrative Analyst	3.33	3.00	3.00	2.00
Administrative Secretary	1.00	1.00	1.00	1.00
Assistant City Manager/Management Services	0.10	0.00	0.00	0.00
City Manager	0.15	0.00	0.00	0.00
Community Relations and Media Coordinator	0.00	0.33	0.00	0.00
Deputy Economic Development Director	1.00	1.00	1.00	1.00
Deputy Finance Director	0.05	0.00	0.00	0.00
Management Analyst	2.00	2.00	2.00	2.00
Senior Accountant	0.05	0.00	0.00	0.00
Senior Management Analyst	2.05	2.00	2.00	1.00
<b>Total Full-Time Staff</b>	<b>10.73</b>	<b>10.33</b>	<b>10.00</b>	<b>8.00</b>

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

FUND EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 845,768	\$ 695,627	\$ 222,098	\$ 96,595	\$ 0	-100%
Benefits	301,275	244,818	84,832	39,273	0	-100%
Materials	361,061	450,136	437,350	3,678	0	-100%
Contractual	41,459,910	31,211,865	9,657,773	5,812,253	0	-100%
Other Operating	108,203	77,691	108,375	2,232	0	-100%
Capital Outlay	9,339,868	786,927	1,080,000	1,557,505	0	-100%
Debt Service	15,114,174	39,838,726	12,614,225	9,866,922	0	-100%
<b>TOTAL</b>	<b>\$ 67,530,259</b>	<b>\$ 73,305,790</b>	<b>\$24,204,653</b>	<b>\$17,378,458</b>	<b>\$ 0</b>	<b>-100%</b>

DEPARTMENT EXPENDITURE SUMMARY						From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Redevelopment Agency						
385 RDA Low/Moderate Income	\$ 6,333,400	\$ 33,332,438	\$ 5,271,672	\$ 4,642,553	\$ 0	-100%
388 WEDA Low/Moderate Income	0	0	410,970	57,565	0	-100%
389 RDA Administration (150)	1,455,839	1,287,758	740,679	5,466	0	-100%
486 RDA Project Area #1 D/S	27,866,983	24,617,452	15,672,121	11,268,723	0	-100%
487 RDA Project Area #2 D/S	2,494,422	1,596,772	1,330,976	1,334,547	0	-100%
586 RDA Project Area #1-CIP	28,392,737	8,535,863	778,235	69,604	0	-100%
587 RDA Project Area #2-CIP	941,770	2,258,581	0	0	0	0%
588 RDA WEDA	45,108	1,676,926	0	0	0	0%
<b>TOTAL</b>	<b>\$ 67,530,259</b>	<b>\$ 73,305,790</b>	<b>\$24,204,653</b>	<b>\$17,378,458</b>	<b>\$ 0</b>	<b>-100%</b>

<u>REDEVELOPMENT STAFFING SUMMARY</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Total Full-Time Staff	7.13	6.73	0.90	0.00
Total Part-Time Staff	0.00	0.00	0.00	0.00
<b>Total Full &amp; Part-Time Staff</b>	<b>7.13</b>	<b>6.73</b>	<b>0.90</b>	<b>0.00</b>

**SIGNIFICANT DEPARTMENT EXPENDITURES AND STAFFING CHANGES**

- Redevelopment Agency Dissolution Wind-down – As of February 1, 2012, redevelopment agencies were abolished by the State of California. Per ABX 26, future funding for the agency's outstanding obligations will be provided by the County of San Bernardino in the form of property taxes.

As part of the dissolution process, the City Council adopted Resolution No. 2011-027, which designated the City as the Successor Agency to perform the duties and functions necessary to wind-down the agency. The following funds have been created as part of the Successor Agency wind-down: Fund 173 - Successor Agency Administration, Fund 160 – Redevelopment Obligation Retirement Fund P/A #1, Fund 161 – Redevelopment Obligation Retirement Fund P/A #2, and Fund 162, - Redevelopment Obligation Retirement Fund Housing.

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

**SIGNIFICANT DEPARTMENT EXPENDITURES AND STAFFING CHANGES (Continued)**

With respect to housing activities, the City Council adopted Resolution No. 2011-021 and 2011-027, designating the City of Hesperia as the Successor Housing Agency, The Hesperia Housing Authority, Funds 370 and 371, were established to transact business pursuant to California Housing Authority Law along with the assumption the Hesperia Community Redevelopment Agency and Victor Valley Economic Development Authority functions, assets and obligations.

The City Council also approved the establishment of the Hesperia Community Development Commission, Fund 170, to transact certain economic and community development functions.

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

DIVISION EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 262,658	\$ 237,656	\$ 99,921	\$ 51,669	\$ 0	-100%
Benefits	93,640	82,321	37,236	21,023	0	-100%
Materials	9,132	13,579	12,100	3,678	0	-100%
Contractual	124,120	8,750,993	1,165,050	758,203	0	-100%
Other Operating	6,798	6,944	14,000	2,377	0	-100%
Capital Outlay	1,681,812	42,880	480,000	1,508,157	0	-100%
Debt Service	4,155,240	24,198,065	3,463,365	2,297,446	0	-100%
<b>TOTAL</b>	<b>\$ 6,333,400</b>	<b>\$ 33,332,438</b>	<b>\$ 5,271,672</b>	<b>\$ 4,642,553</b>	<b>\$ 0</b>	<b>-100%</b>

#### DIVISION DESCRIPTION

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 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 promotes rental housing new construction projects. The (DAP) offers to eligible first-time home buyer families zero percent interest loans of up to \$125,000 or 45% of the purchase price for use towards down payment and closing costs. The 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.

In March of 2011, all housing real property and security interests of the Agency were transferred to the City which, as a condition precedent to said conveyance, were to be subsequently transferred to successor entities upon their formation or establishment. On April 5, 2011, in response to the pending dissolution of the Hesperia Community Redevelopment Agency (HCRA), the City Council adopted a resolution thereby designating the City of Hesperia to be the Successor Housing Agency of the HCRA, thereby assuming all housing functions and assets. On that same day, the City Council established by Resolution No. 2011-022 the Hesperia Housing Authority (HHA) to be charged with all housing obligations once discharged by the HCRA. As a condition precedent to the HCRA's transfer of housing assets and functions to the City (Resolution No. HCRA 2011-012), the City committed to subsequently transferring those assets and functions to the HHA. The HHA, although a separate public body, is administered by Economic Development Department Staff under the direction of the City Council as Commissioners of the newly-formed HHA.

The Low/Moderate Income (Fund 385) fund was eliminated in FY 2011-12 with the dissolution of the HCRA, however; to properly reflect activities that occurred between July 1, 2011 and January 31, 2012, including financial transactions, it is being reconciled in the context of the City's FY 2012-13 Budget. Because ABx1 26 was chaptered into law at the end of FY 2010-11 and the City's decision to participate in the Voluntary Alternative Redevelopment Program (ABx1 27), activities and programs were budgeted in FY 2011-12. The California Supreme Court's ruling was the ultimate demise of Fund 385 and set forth successor actions described earlier. Accomplishments will be reported in either Hesperia Housing Authority (Fund 370) fund or Fund 385, depending upon the timing and no goals and objectives for Fund 385 will be programmed in FY 2012-13.

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

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Aide	0.50	0.50	0.00	0.00
Administrative Analyst	0.50	0.50	0.15	0.00
Administrative Secretary	0.40	0.40	0.30	0.00
Deputy Economic Development Director	0.40	0.40	0.35	0.00
Management Analyst	1.00	1.00	0.00	0.00
Senior Management Analyst	0.50	0.50	0.40	0.00
<b>Total Full-Time Staff</b>	<b>3.30</b>	<b>3.30</b>	<b>1.20</b>	<b>0.00</b>

### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The abolishment of redevelopment in California pursuant to ABx1 26, which became effective February 1, 2012, terminated collection of 20% of tax increment revenue generated in HCRA Project Areas for the production and preservation of affordable housing. The new law only allows for collection of property tax revenue to the extent there are Enforceable Obligations including bond indebtedness and other contractual commitments that must be retired. Notwithstanding the foregoing, H&SC §34173(b) states that excepting those provisions of California Redevelopment Law that are repealed, restricted, or revised, all authority, powers, duties, and obligations previously vested with the former redevelopment agencies, under California Redevelopment Law (CRL), are vested in successor agencies (cities, counties, housing authorities, etc).
- For the balance of FY 2011-12 and until all Enforceable Obligations of the HCRA's Low and Moderate Income Housing Fund (LMIHF) are retired, the San Bernardino County Auditor Controller will only disburse funds to the extent they are available to satisfy those affordable housing debts (including tax allocation bonds) listed on the former HCRA's Recognized Obligation Payment Schedule (ROPS) as approved by the Department of Finance.
- Funding for continued affordable housing programs and projects will originate from housing assets transferred by the former HCRA LMIHF to the HHA pursuant to H&SC §34176, which was approved by the HCRA, City, Successor Agency, and Oversight Board (H&SC §34177 & 34181).
- With the close-out of Fund 385, all Successor Housing Agency staffing and assets will be reported in Fund 370 (HHA).

### 2011-12 DIVISION ACCOMPLISHMENTS

- Continued HCRA's 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.
- 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 HCRA's consultant, U.S. Communities.
- Assisted in completion of the Housing Element Annual Report.
- Evaluated inclusionary housing production requirements for Hesperia's and VVEDA's project areas.
- Implemented affordable housing monitoring guidelines for affordable units restricted by HOME regulations.
- Completed annual on-site monitoring of affordable HOME units and RDA units.
- Complete bi-annual review and monitoring of HOME and HCRA unit reports through U.S. Communities Housing Compliance Services software.

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

**2011-12 DIVISION ACCOMPLISHMENTS (Continued)**

- Contracted with GRC and Associates to facilitate construction management for the housing rehabilitation loan programs.
- Assisted in the completion of the State Controller’s Report.
- Negotiated and completed “work-out” for Sunrise Terrace I and II.
- Completed the Assignment and Assumption of Documents for the Amended and Restated Limited Partnership Agreement for the Village at Hesperia Phase I.
- Prepared the HHA’s first Annual Report for the Department of Housing and Community Development.
- Underwrote DAP and HRLP applications.

**2012-13 DIVISION GOALS AND OBJECTIVES**

- For Fiscal Year 2012-13, Department Goals and Objectives will be reported in Hesperia Housing Authority (Fund 370) fund.

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
DAP Loans Approved	14	1	0	n/a
DAP Loans Submitted	40	3	2	n/a
Deed Restricted Units Funded	0	9	0	n/a
Housing Developer Proposal Reviews	8	0	1	n/a
HRLP & Sewer Loans Submitted	16	4	1	n/a
HRLP Loans & Sewer Approved	3	4	2	n/a
Inclusionary Housing Production Requirement	105	13	0	n/a
Inclusionary Units Constructed	89	133	0	n/a
Low-Mod Funds Committed via Owner Participation Agreements to support affordable housing	\$0	\$2M	\$0	n/a
Real Property Purchase Contracts Negotiated	0	1	0	n/a
Real Property Escrows Opened	0	1	1	n/a
Real Property Escrows Closed	1	1	1	n/a

FUND: VVEDA-LOW/MOD HOUSING 388  
DEPARTMENT: ECONOMIC DEVELOPMENT 25  
DIVISION: RDA-LOW/MODERATE INCOME 263

DEPARTMENT EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 75,546	\$ 40,882	\$ 0	-100%
Benefits	0	0	28,424	16,683	0	-100%
Materials	0	0	7,000	0	0	-100%
Contractual	0	0	200,000	0	0	-100%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	100,000	0	0	-100%
Debt Service	0	0	0	0	0	0%
<b>SUBTOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 410,970</b>	<b>\$ 57,565</b>	<b>\$ 0</b>	<b>-100%</b>

#### DIVISION DESCRIPTION

California Redevelopment Law (section 33334.2) requires a redevelopment agency to set aside at least 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 the affordable housing program on behalf of the Victor Valley Economic Development Authority (VVEDA).

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 VVEDA supported affordable housing programs, including the Housing Rehabilitation Loan Program with Integrated Sewer Connection Program, (HRLP-SCP) First-Time Home Buyer 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).

On April 5, 2011 the Hesperia City Council adopted a Resolution No. 2011-027 thereby designating the City of Hesperia to be a the Successor Housing Agency for all redevelopment-based affordable housing functions of VVEDA. At the same meeting, the City Council established by Resolution No. 2011-022 the Hesperia Housing Authority (HHA) to assume all housing obligations once discharged by the Hesperia Community Redevelopment Agency (HCRA) and VVEDA. The HHA, although a separate public body, will be administered by Economic Development Department Staff under the direction of the City Council as Commissioners of the newly-formed HHA. In March of 2011, all VVEDA housing assets were transferred to the City which, as a condition precedent to said conveyance, were to be subsequently transferred to successor entities upon their formation or establishment. The transfer of VVEDA's housing assets were subsequently approved by VVEDA's Housing Successor Agency (City of Hesperia) pursuant to H&SC §34176. The HHA, although a separate public body, will be administered by Economic Development Department staff under the direction of the City Council as Commissioners of the newly-formed HHA.

Fund 388 was eliminated in FY 2011-12 with the dissolution of VVEDA; however, to properly reflect activities that occurred between July 1, 2011 and January 31, 2012, including financial transactions, it is being reconciled in the context of the City's FY 2012-13 Budget. Because ABx1 26 was chaptered into law at the end of FY 2010-11 and the City's decision to participate in the Voluntary Alternative Redevelopment Program (ABx1 27), activities and programs were budgeted in FY 2011-12. The California Supreme Court's ruling was the ultimate demise of Fund 388 and set forth successor actions described earlier. Accomplishments and Performance Measures will be reported in either Fund 371 or 388, depending upon the timing, and no Goals and Objectives for Fund 388 will be programmed in FY 2012-13.

FUND: VVEDA-LOW/MOD HOUSING 388  
DEPARTMENT: ECONOMIC DEVELOPMENT 25  
DIVISION: RDA-LOW/MODERATE INCOME 263

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.00	0.00	0.20	0.00
Administrative Secretary	0.00	0.00	0.30	0.00
Deputy Economic Development Director	0.00	0.00	0.20	0.00
Senior Management Analyst	0.00	0.00	0.30	0.00
<b>Total Full-Time Staff</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>	<b>0.00</b>

**SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES**

- The abolishment of redevelopment in California pursuant to ABx1 26, which became effective February 1, 2012, terminated collection of 20% of tax increment revenue generated in the VVEDA Project Area for the production and preservation of affordable housing. The new law only allows for collection of property tax revenue to the extent there are Enforceable Obligations including bond indebtedness and other contractual commitments that must be retired. Notwithstanding the foregoing, H&SC §34173(b) states that excepting those provisions of California Redevelopment Law that are repealed, restricted, or revised, all authority, powers, duties, and obligations previously vested with the former redevelopment agencies, under California Redevelopment Law (CRL), are vested in successor agencies.
- For the balance of FY 2011-12 and until all Enforceable Obligations of the VVEDA LMIHF are retired, the San Bernardino County Auditor Controller will only disburse funds to the extent they are available to satisfy those affordable housing debts (including tax allocation bonds) listed on the former VVEDA's Recognized Obligation Payment Schedule (ROPS) as approved by the Department of Finance.
- Funding for continued affordable housing programs and projects will originate from housing assets transferred by the former VVEDA LMIHF to the HHA pursuant to H&SC §34176, which was approved by the City and VVEDA.
- With the close-out of Fund 388, all Successor Housing Agency staffing and assets will be reported in Fund 370 (HHA).

**2011-12 DIVISION ACCOMPLISHMENTS**

- Continued 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.
- Managed and maintained the affordable housing database in compliance with AB 987 with assistance from HCRA's consultant, U.S. Communities.
- Assisted in completion of the Housing Element Annual Report.
- Evaluated inclusionary housing production requirements in VVEDA Project Area.
- Assisted in the completion of the State Controller's Report.
- Ceded affordable housing assets and functions to HHA.

**2012-13 DIVISION GOALS AND OBJECTIVES**

- For Fiscal Year 2012-13 Department Goals and Objectives will be reported in Fund 371.

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

DEPARTMENT EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 583,110	\$ 457,971	\$ 46,631	\$ 4,044	\$ 0	-100%
Benefits	207,635	\$ 162,497	19,172	1,567	0	-100%
Materials	278,075	\$ 362,681	368,250	0	0	-100%
Contractual	287,307	\$ 217,561	212,251	0	0	-100%
Other Operating	94,330	\$ 70,747	94,375	(145)	0	-100%
Capital Outlay	5,382	\$ 16,301	0	0	0	0%
Debt Service	0	\$ 0	0	0	0	0%
<b>SUBTOTAL</b>	<b>\$ 1,455,839</b>	<b>\$ 1,287,758</b>	<b>\$ 740,679</b>	<b>\$ 5,466</b>	<b>\$ 0</b>	<b>-100%</b>

Note: For Budget Presentation, the FY 2010-11 Actual expenditures for Fund 150, which is a City Related Fund are shown in Fund 389.

#### 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 programs including redevelopment, economic development, affordable housing, real estate, Community Development Block Grant (CDBG), Neighborhood Stabilization Program (NSP), and the Economic Development Revolving Loan Fund (EDRLF).

Fund 389 was eliminated in FY 2011-12 with the dissolution of the HCRA; however, to properly reflect activities that occurred between July 1, 2011 and January 31, 2012, including financial transactions, it is being reconciled in the context of the City's FY 2012-13 Budget. Because ABx1 26 was chaptered into law at the end of FY 2010-11 and the City's adoption of Urgency Ordinance No. 2011-11 to participate in the Voluntary Alternative Redevelopment Program (ABx1 27), activities and programs, although scaled back, were budgeted in FY 2011-12. The California Supreme Court's ruling was the ultimate demise of Fund 389 and set forth successor actions described earlier. Accomplishments will be reported in Fund 389, depending upon the timing, and no goals and objectives for Fund 389 will be programmed in FY 2012-13.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Aide	0.50	0.50	0.40	0.00
Administrative Analyst	2.83	2.50	0.40	0.00
Administrative Secretary	0.50	0.50	0.05	0.00
Assistant City Manager/Management	0.10	0.00	0.00	0.00
City Manager	0.15	0.00	0.00	0.00
Community Relations and Media Coordinator	0.00	0.33	0.00	0.00
Deputy Economic Development Director	0.50	0.50	0.05	0.00
Deputy Finance Director	0.05	0.00	0.00	0.00
Management Analyst	1.00	1.00	0.00	0.00
Senior Accountant	0.05	0.00	0.00	0.00
Senior Management Analyst	1.45	1.40	0.00	0.00
<b>Total Full-Time Staff</b>	<b>7.13</b>	<b>6.73</b>	<b>0.90</b>	<b>0.00</b>

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

**SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES**

- Fund 389 was eliminated due to the abolishment of redevelopment pursuant to ABx1 26. Staffing was re-allocated to the Hesperia Housing Authority (HHA), and Hesperia Community Development Commission (HCDC).

**2011-12 DEPARTMENT ACCOMPLISHMENTS**

- Adopted (i) Urgency Ordinance No. 2011-11; and (ii) Ordinance No. 2011-12 to participate in Voluntary Alternative Redevelopment Program (VARP) – ABx1 27.
- Established Successor Agency of the former HCRA and pursued “wind down” efforts of HCRA and City’s pro-rata share of VVEDA.
- Developed and implemented aggressive strategy to transition former HCRA operations into successor entities including the HHA, and HCDC, in an effort to continue economic development programs of City.
- Co-prepared, with Finance Division, the HCRA’s Enforceable Obligation Payment Schedule (EOPS) and amendments thereto; and Recognized Obligation Payment Schedule (ROPS), and amendments thereto, and submitted to San Bernardino County Auditor-Controller, Department of Finance, and State Controller.
- Facilitated siting of Love’s Travel Center.
- Facilitated, drafted, and processed three Broker Incentives relative to J&R, Sultan Financial (Aaron’s) and Love’s Travel Center.
- Approved \$250,000 Operating Covenant with Cinema West for necessary “Gap” financing.
- Assisted Starbuck’s in their decision to locate a new store at Main Street and Seventh Avenue.
- Advanced entitlement and construction efforts for Ross, Marshalls, and Jo-Ann’s.
- Developed and presented Annual Report to the Legislative Body.
- Assisted in the completion of the State Controller’s Report and Statement of Indebtedness and made timely submissions.
- Hosted and facilitated two workshops as precursor to new Economic Development Strategic Plan.

**2012-13 DEPARTMENT GOALS AND OBJECTIVES**

- For Fiscal Year 2012-13 Department Goals and Objectives will be reported in Fund 170.

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2010-11</u>	<u>2012-13</u>
Active Development Leads	61	68	60	n/a
Formal Proposals Prepared and Submitted	31	39	30	n/a
Quarterly Newsletters	4	8	10	n/a
Focused Event Sponsorships	10	12	10	n/a
Groundbreakings	6	3	1	n/a
Ribbon Cuttings	3	6	0	n/a
Advertising Placements	45	60	26	n/a
Trade Shows/Exhibitions Attended and Booth Displayed	9	25	10	n/a
Feet on the Street Business Surveys/Visits	0	252	300	n/a
Recycling Market Development Zone Commitments Satisfied	n/a	90%	90%	n/a
Enterprise Zone MOU Commitments Satisfied (%)	n/a	90%	95%	n/a

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

DIVISION EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	19,402,471	10,573,563	7,852,237	5,033,794	0	-100%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	10,958,934	15,640,661	9,150,860	7,569,476	0	-100%
<b>TOTAL</b>	<b>\$ 30,361,405</b>	<b>\$ 26,214,224</b>	<b>\$ 17,003,097</b>	<b>\$ 12,603,270</b>	<b>\$ 0</b>	<b>-100%</b>

#### 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-Through 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 (HCRA) 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

- With the abolishment of redevelopment in California pursuant to ABx1 26, which became effective February 1, 2012, other than property taxes disbursed by the San Bernardino County Auditor-Controller for recognized Enforceable Obligations, no other funding will be available for new capital projects in the project areas of the former HCRA.
- The former activities, goals, objectives, accomplishments, and performance measures reported in Funds 385, 486 and 487 have been re-allocated to Funds 160, 161, and 162 for Fiscal Year 2012-13 and beyond. All residual monies, investments, assets, etc., in Funds 385, 486 and 487 were transferred to the appropriate successor fund in the fourth quarter of Fiscal Year 2011-12.

#### 2011-12 DIVISION ACCOMPLISHMENTS

- Allocated appropriate tax increment revenue (20%) to the Low-Mod Housing Set-Aside (Fund 385) through January 31, 2011 when redevelopment was abolished by ABx1 26.
- Continued timely debt service payments on 2005 and 2007 Tax Allocation Bonds (TABs) and other financial obligations of the HCRA.
- Tendered payment of Enforceable Obligations of the former HCRA post February 1, 2012 from tax increment reserves.
- 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.

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

**2011-12 DIVISION ACCOMPLISHMENTS (Continued)**

- Calculated and disbursed timely pass-through payments to various taxing entities in compliance with H&SC Section 33684.
- Made timely debt service payments on outstanding land acquisition notes including the Hesperia Golf and Country Club, Competitive Edge Motocross Park, and lead track properties.

**2012-13 DIVISION GOALS AND OBJECTIVES**

- Goals and Objectives will be reported in Funds 160, 161 and 162.

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

DIVISION EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	73,854	73,876	50,000	0	0	-100%
Contractual	21,646,012	11,669,748	228,235	20,256	0	-100%
Other Operating	7,075	0	0	0	0	0%
Capital Outlay	7,652,674	727,746	500,000	49,348	0	-100%
Debt Service	0	0	0	0	0	0%
<b>SUBTOTAL</b>	<b>\$ 29,379,615</b>	<b>\$ 12,471,370</b>	<b>\$ 778,235</b>	<b>\$ 69,604</b>	<b>\$ 0</b>	<b>-100%</b>

#### 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. Prior to the passage of ABx1 26 Funds 586, 587, and 588 underwrote 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 expenses for infrastructure are delineated in the City's Capital Improvement Program (CIP) and reported by fund number (586, 587, or 588). Land acquisition, disposition, and leasing functions are prior, or subsequent to ABx1 26 are reported herein.

#### DIVISION STAFFING

- None

#### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- These funds were closed out during FY 2011-12 due to the abolishment of redevelopment. With the passage of ABx1 26, only obligations and contracts executed prior to June 29, 2011 are recognized by the State of California. No additional or new capital projects are contemplated and, therefore, no successor funds have been established other than Funds 160, 161 and 162, which are intended only for retirement of existing debt of the former HCRA. No staffing is allocated to these funds.

#### 2011-12 DIVISION ACCOMPLISHMENTS

- Managed former HCRA real estate portfolio including operating leases of Competitive Edge Motocross Park and Hesperia Golf and Country Club.
- Negotiated and executed an Exclusive Negotiation Agreement (ENA) with Carl E. Ross to support prospective economic development project.
- Implemented appropriate measures to comply with provisions of ABx1 26 as it applied to capital and economic development projects.
- Negotiated, managed, and extended short-term lease for San Bernardino High Desert Government Center (HDGC).
- Amended Economic Development Administration (EDA) grant to compliment rail lead track construction process.
- Hosted ribbon cutting for G Avenue Industrial Rail Lead Track project.

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

**2011-12 DIVISION ACCOMPLISHMENTS (Continued)**

- Participated and funded 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).
- Negotiated and executed a DDA with Sultan Financial Hesperia, LLC for the purpose of constructing a 15,000 square foot retail building, which will house an Aaron's retail store and Family Dollar.
- Managed Eagle Plaza for Hesperia Water District.
- Successfully authored \$35,650 2011 State of California Off Highway Vehicle Grant (OHV) to support continued operations of HCDC-owned Competitive Edge Motocross Park (CEMX).
- Submitted \$374,006 2012 State of California Off Highway Vehicle Grant (OHV) to support continued operations of HCDC-owned Competitive Edge Motocross Park (CEMX).
- Negotiated and executed lease with CEMX, LLC to operate CEMX for a three-year term.
- Negotiated agreements to monetize City cell tower licenses/leases.
- Through the Public Improvement Grant and Cooperative Agreement Contributed provided funding to City's 2011-12 Capital Improvement Program for projects supporting Redevelopment Plans including Rancho Road Underpass, G Avenue Rail Lead Track, etc.
- Acted as the City's Real Estate Division undertaking all acquisitions, leasing, sales, etc., of City-owned real estate assets. Provided real estate expertise to support City's capital projects.

**2012-13 DIVISION GOALS AND OBJECTIVES**

- As appropriate, activities, programs, and projects will be transferred to Funds 170, 171 and 370.

**PERFORMANCE AND**

<u>WORKLOAD INDICATORS</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Real Property Purchase Negotiated	10	6	2	n/a
Real Property Escrows Opened	10	6	0	n/a
Real Property Escrows Closed	10	6	0	n/a
Owner Participation Agreements (OPAs) Negotiated – Redevelopment Project Areas	8	0	1	n/a
OPAs Negotiated for Enterprise Zone	0	9	4	n/a
Job Creation via OPAs	253	280	60	n/a
Exclusive Negotiation Agreements (ENA) Approved	n/a	n/a	2	n/a

FUND: ECONOMIC DEVELOPMENT 150  
DEPARTMENT: ECONOMIC DEVELOPMENT 25  
DIVISION: ECONOMIC DEVELOPMENT PROJECTS 261  
PROGRAM: GENERAL 2700

DEPARTMENT EXPENDITURE SUMMARY	% Change From					
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 37,284	\$ 0	0%
Benefits	0	0	0	17,635	0	0%
Materials	0	0	0	206,150	0	0%
Contractual	0	0	0	160,251	0	0%
Other Operating	0	0	0	63,750	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>SUBTOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$485,070</b>	<b>\$ 0</b>	<b>0%</b>

Note: Fund 150 was reimbursed from redevelopment agency funds through January 31, 2012. From February 1, 2012 through June 30, 2012 an alternate funding source will need to be utilized. For Budget Presentation, the FY 2010-11 Actual expenditures for Fund 150, which is a City Related Fund, are shown in Fund 389.

## DIVISION 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 programs including economic development, affordable housing, real estate, Community Development Block Grant (CDBG), Neighborhood Stabilization Program (NSP), and the Economic Development Revolving Loan Fund (EDRLF).

The Economic Development Department provides staffing and resources to support administration and implementation of programs and activities of the Hesperia Community Development Commission (HCDC) and the Hesperia Housing Authority (HHA). The primary objective of these two agencies is to serve as successor entities to the Hesperia Community Redevelopment Agency (HCRA) and the City's pro-rata share of the Victor Valley Economic Development Authority (VVEDA) that were dissolved on February 1, 2012 with the passage of ABx1 26. The HCDC is primarily charged with advancing non-housing programs, projects, and initiatives of the former HCRA and VVEDA, while the HHA focuses its efforts on the development, preservation, and financing of affordable housing for the dissolved redevelopment agencies. The Department also serves as the Successor Agency and Successor Housing Agency of the former HCRA and its pro-rata share of VVEDA. The Department also provides the administrative duties for the Oversight Board that governs the "winding down" process of the former HCRA. Although redevelopment was dissolved statewide, the Successor Agencies are required to discharge and complete certain former HCRA projects and programs and ensure timely retirement of Enforceable Obligations (debts of the former HCRA and VVEDA). The Department, in concert with the City's Finance Department, prepares various schedules including the Recognized Obligation Payment Schedule (ROPS) as set forth in California Health & Safety Code, for the purpose of collecting property taxes to discharge indebtedness.

The Department in concert with the HCDC administers and implements two state programs that provide significant and lucrative incentives to eligible businesses. Effective April 1, 2010 Hesperia received its final designation as a 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. The ten-year RMDZ designation promotes initiatives that reduce the overall tonnage deposited by the City into local landfills.

FUND:	ECONOMIC DEVELOPMENT	150
DEPARTMENT:	ECONOMIC DEVELOPMENT	25
DIVISION:	ECONOMIC DEVELOPMENT PROJECTS	261
PROGRAM:	GENERAL	2700

## SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

None

## 2011-12 DIVISION ACCOMPLISHMENTS

- Commenced formal operations of the Hesperia Community Development Commission (HCDC) and Hesperia Housing Authority (HHA).
- Managed “wind down” of HCRA, and provided administrative support to the Oversight Board of the former HCRA.
- Developed draft Strategic Plan for City’s RMDZ.
- Negotiated an OPA and advanced entitlements for J&R’s 105,094 square foot truck repair facility.
- Promoted business attraction efforts that successfully located Sally Beauty Supply, Five Guys Burgers, Del Taco, Sleep Number, Beef ‘O’ Brady’s, and Chase Bank as shop space tenants, pad users, and restaurants to local shopping centers.
- Assisted in securing lease with Pier 1 Imports as a junior anchor at High Desert Gateway.
- Coordinated ICSC events. The City conducted thirty-six meetings between the Las Vegas and San Diego shows in which four deals were ultimately consummated.
- Acted as liaison for the ultimate purchase and future restoration and redevelopment of the shopping center at Main Street and Ninth Avenue.
- Assisted in the relocation and construction of an 8,748 square foot O’Reilly Auto Parts store on the NWC of Main Street and ‘F’ Avenue.
- Re-adopted former HCRA’s incentive programs (Restaurant Rewards, Brokers Incentive, and Franchise Founders).
- Partnered with the San Bernardino County Department of Workforce Development in a business retention task force.
- Implemented the Hesperia RMDZ Memorandum of Understanding.
  - Attended six trade and industry shows;
  - Attended two speaking engagements;
  - Placed 15 Hesperia RMDZ ads, surpassing the annual goal of 7/yr;
  - Completed seven “Feet on the Street” visitations with local businesses to educate them about RMDZ benefits;
  - Referred two potential businesses to CalRecycle for RMDZ assistance.
- Submitted timely quarterly performance reports and semi-annual finance reports for Economic Development Administration grant.
- Enhanced operational capacity of economic development/housing non-profit organization.

FUND:	ECONOMIC DEVELOPMENT	150
DEPARTMENT:	ECONOMIC DEVELOPMENT	25
DIVISION:	ECONOMIC DEVELOPMENT PROJECTS	261
PROGRAM:	GENERAL	2700

**2011-12 DIVISION ACCOMPLISHMENTS (Continued)**

- Implemented the Hesperia Enterprise Zone Memorandum of Understanding (MOU), with FY 2011-12 representing the second year of its 15-year designation period. Following are representative accomplishments:
  - Caused one business expansion, with a net of five new jobs;
  - Attracted two retail establishments, creating 37 new jobs;
  - Attracted two national chain brand restaurants, with a net of 16 jobs;
  - Attracted a new entertainment venue, creating 40 jobs;
  - Attended four trade and industry shows, resulting in over 200 prospects;
  - Hosted and sponsored the second annual Hesperia Franchise Fair via webinar, with over 30 attendees;
  - Three Hesperia Enterprise Zone familiarization workshops were hosted;
  - Initiated approximately 80 personal consultations to local businesses regarding Enterprise Zone benefits;
  - Hosted and co-sponsored three Hesperia WORKS job fair events, with a combined attendance of approximately 1300 residents;
  - Produced a monthly Enterprise Zone Newsletters, providing easy-to-read explanations of available benefits, as well as Hesperia Enterprise Zone updates and informative articles for business owners;
  - Implemented a website-based interactive address look-up feature for businesses to determine if they are located in the EZ and if their employees live in the Targeted Employment Area (TEA);
  - Completed over 300 "Feet On The Street" visitations with local businesses to educate them about the City's programs and capture statistical information on the business base;
  - Processed 230 hiring credit vouchers, of which 186 were approved and issued. Agency funded the \$15 State Voucher Fee.

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Active Development Leads	n/a	n/a	32	n/a
Formal Proposals Prepared and Submitted	n/a	n/a	10	n/a
Newsletter Issues	n/a	n/a	9	n/a
Focused Event Sponsorships	n/a	n/a	10	n/a
Groundbreakings	n/a	n/a	1	n/a
Ribbon Cuttings	n/a	n/a	2	n/a
Advertising Placements	n/a	n/a	28	n/a
Trade Shows/Exhibitions Attended and Booth Displayed	n/a	n/a	10	n/a
Feet on the Street Business Surveys/Visits	n/a	n/a	300	n/a
Recycling Market Development Zone Commitments Satisfied	n/a	n/a	90%	n/a
Enterprise Zone MOU Commitments Satisfied (%)	n/a	n/a	95%	n/a

FUND: REDEVELOPMENT OBLIGATION RETIREMENT FUND 160, 161, & 162  
DEPARTMENT: ECONOMIC DEVELOPMENT 25  
DIVISION: DEBT SERVICE 261

FUND EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	0	0	0	1,222,241	5,005,674	100%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	10,218,608	17,534,551	100%
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 11,440,849</b>	<b>\$ 22,540,225</b>	<b>100%</b>

SUCCESSOR AGENCY EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
<u>Successor Agency Funds</u>						
160 Redevelopment Obligation Retirement Fund - Area 1						
	0	0	0	9,699,916	16,768,688	100%
161 Redevelopment Obligation Retirement Fund - Area 2						
	0	0	0	328,137	2,145,181	100%
162 Redevelopment Obligation Retirement Fund - Housing						
	0	0	0	1,412,796	3,626,356	100%
<b>Subtotal Successor Agency Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 11,440,849</b>	<b>\$ 22,540,225</b>	<b>100%</b>

#### DIVISION DESCRIPTION

To comply with the provisions of ABx1 26 and appropriately account for the receipt and disbursements of property taxes (formerly tax increment) for the retirement of Enforceable Obligations of the dissolved HCRA, successor funds were established for Project Area No. 1 (Fund 160), Project Area No. 2 (Fund 161), Low-Mod Income Housing Fund (Fund 162) and became operative on February 1, 2012. The former activities, goals, objectives, accomplishments, and performance measures reported in the former Redevelopment Funds 385, 486 and 487 have been re-allocated to Successor Funds 160, 161, and 162 for Fiscal Year 2012-13 and possibly beyond.

With the abolishment of redevelopment in California pursuant to ABx1 26, other than property taxes disbursed by the San Bernardino County Auditor-Controller for recognized Enforceable Obligations, no other funding will be available for new capital projects in the project areas of the former HCRA or for affordable housing.

#### DIVISION STAFFING

- None

#### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- ABx1 26 requires that the Successor Agency prepare a Recognized Obligation Payment Schedule (ROPS) semi-annually. The Successor Agency must estimate the available revenues and projected expenditures for the upcoming fiscal year in advance of the City's annual budget process. The approved ROPS for the period of July through December 2012 was created in April 2012 for approval in early May 2012. At that time, FY 2012-13 enforceable obligations on the ROPS were estimated to \$32,137,556. Upon further review and analysis of available revenues to pay the enforceable obligations, the FY 2012-13 budget is \$22,540,225, which consists of \$17,534,551 of long-term debt and \$5,005,674 of other approved obligations. Based on further analysis, actual revenue received by San Bernardino County, and other factors, any obligation payments made in excess of the FY 2012-13 Budget of \$22,540,225 will require a budget amendment for additional appropriation authority.

FUND:	REDEVELOPMENT OBLIGATION RETIREMENT FUND	160, 161, & 162
DEPARTMENT:	ECONOMIC DEVELOPMENT	25
DIVISION:	DEBT SERVICE	261

**2011-12 DIVISION ACCOMPLISHMENTS**

- Made timely debt service payments on 2005 and 2007 Tax Allocation Bonds (TABs) and other financial obligations of the former HCRA.

**2012-13 DIVISION GOALS AND OBJECTIVES**

- Make debt service payments for the 2005 Series A&B Tax Allocation Bonds (TABs), 2007 Series A&B TABs, and other approved notes payable. Refer to the following Successor Agency Debt Service Schedule for a listing of outstanding long term debt.
- Pay all other enforceable obligations that are approved by the State of California – Department of Finance, which are listed on the Recognized Obligation Payment Schedule (ROPS), to the extent funds are available within the Redevelopment Obligation Retirement Fund and provided the San Bernardino County Auditor/Controll/Treasurer.

**SUCCESSOR AGENCY TO THE FORMER HESPERIA COMMUNITY REDEVELOPMENT AGENCY**

Estimated Principal Outstanding July 1, 2012

<u>Successor Agency Debt Service Principal Obligations</u>	<u>Original Principal Amount</u>	<u>Estimated Principal Outstanding July 1, 2012</u>	<u>Maturity Date</u>
2005 Tax Allocation Bonds – Series A	\$ 40,500,000	\$ 34,985,000	September 1, 2035
2005 Tax Allocation Bonds – Series B	8,785,000	3,200,000	September 1, 2015
2007 Series A (Tax Exempt) Revenue Bonds	132,150,000	107,040,000	September 1, 2037
2007 Series B (Taxable) Revenue Bonds	22,170,000	15,480,000	September 1, 2021
2008 Capps Note	603,000	262,450	December 28, 2013
2008 Steward Note	650,000	285,697	December 28, 2013
2010 Supplemental Educational Revenue Augmentation Fund (SERAF) Promissory Note	9,842,254	8,852,859	June 30, 2016
2010 Golf Course Note – Mega Factors	1,556,000	502,898	May 20, 2013
2011 Public Improvements Promissory Note	<u>14,486,524</u>	<u>8,158,106</u>	March 31, 2016
Total Successor Agency Principal Debt	\$230,742,778	\$178,767,010	

NOTE: As of February 1, 2012, redevelopment agencies in California have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

FUND: REDEVELOPMENT OBLIGATION RETIREMENT FUND 160, 161, & 162  
DEPARTMENT: ECONOMIC DEVELOPMENT 25  
DIVISION: DEBT SERVICE 261

**ANNUAL DEBT SERVICE PAYMENTS BY OBLIGATION**  
In Chronological Order

	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Actual</u>	<u>2011-12</u> <u>Budget</u>	<u>2011-12</u> <u>Revised</u>	<u>2012-13</u> <u>Budget</u>
<u>Hesperia Successor Agency</u>					
<u>2005 Tax Allocation Bonds-Series A</u>					
Principal	n/a	n/a	n/a	\$0	\$810,000
Interest	n/a	n/a	n/a	839,155	1,664,945
Admin/Other Costs	n/a	n/a	n/a	2,300	2,300
Total	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>\$841,455</u>	<u>\$2,477,245</u>
<u>2005 Tax Allocation Bonds-Series B</u>					
Principal	n/a	n/a	n/a	\$0	\$890,000
Interest	n/a	n/a	n/a	55,385	96,085
Admin/Other Costs	n/a	n/a	n/a	2,300	2,300
Total	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>\$57,685</u>	<u>\$988,385</u>
<u>2007 Series A (Tax Exempt) Revenue Bonds</u>					
Principal	n/a	n/a	n/a	\$0	\$0
Interest	n/a	n/a	n/a	2,782,100	5,564,200
Admin/Other Costs	n/a	n/a	n/a	0	6,800
Total	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>\$2,782,100</u>	<u>\$5,571,000</u>
<u>2007 Series B (Taxable) Revenue Bonds</u>					
Principal	n/a	n/a	n/a	\$0	\$1,860,000
Interest	n/a	n/a	n/a	453,874	853,212
Admin/Other Costs	n/a	n/a	n/a	0	3,500
Total	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>\$453,874</u>	<u>\$2,716,712</u>
<u>2008 Capps Note</u>					
Principal	n/a	n/a	n/a	\$28	\$127,403
Interest	n/a	n/a	n/a	8	15,747
Admin/Other Costs	n/a	n/a	n/a	0	0
Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$36</u>	<u>\$143,150</u>
<u>2008 Steward Note</u>					
Principal	n/a	n/a	n/a	\$0	\$138,185
Interest	n/a	n/a	n/a	0	19,285
Admin/Other Costs	n/a	n/a	n/a	0	0
Total	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>\$0</u>	<u>\$157,470</u>
<u>2010 Supplemental Education Revenue</u>					
<u>Augmentation Fund (SERAF) Promissory Note</u>					
Principal	n/a	n/a	n/a	\$423,330	\$1,968,451
Interest	n/a	n/a	n/a	17,153	40,000
Admin/Other Costs	n/a	n/a	n/a	0	0
Total	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>\$440,483</u>	<u>\$2,008,451</u>

FUND: REDEVELOPMENT OBLIGATION RETIREMENT FUND 160, 161, & 162  
DEPARTMENT: ECONOMIC DEVELOPMENT 25  
DIVISION: DEBT SERVICE 261

ANNUAL DEBT SERVICE PAYMENTS BY OBLIGATION (Continued)  
In Chronological Order

	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
<u>Hesperia Successor Agency (Continued)</u>					
<u>2010 Golf Course Note - Mega Factors</u>					
Principal	n/a	n/a	n/a	\$220,360	\$502,898
Interest	n/a	n/a	n/a	14,564	13,935
Admin/Other Costs	n/a	n/a	n/a	0	0
Total	n/a	n/a	n/a	\$234,924	\$516,833
<u>2011 Public Improvements Promissory Note</u>					
Principal	n/a	n/a	n/a	\$5,393,951	\$2,897,305
Interest	n/a	n/a	n/a	14,100	58,000
Admin/Other Costs	n/a	n/a	n/a	0	0
Total	n/a	n/a	n/a	\$5,408,051	\$2,955,305
<u>Total Successor Agency</u>					
Principal	n/a	n/a	n/a	\$6,037,669	\$9,194,242
Interest	n/a	n/a	n/a	4,176,339	8,325,409
Admin/Other Costs	n/a	n/a	n/a	4,600	14,900
Total	n/a	n/a	n/a	\$10,218,608	\$17,534,551

FUND:	SUCCESSOR AGENCY ADMINISTRATION	173
DEPARTMENT:	ECONOMIC DEVELOPMENT	25
DIVISION:	PROJECTS	261

PROGRAM EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	23,500	100%
Contractual	0	0	0	0	44,500	100%
Other Operating	0	0	0	0	134,500	100%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$202,500</b>	<b>100%</b>

#### DIVISION DESCRIPTION

In response to the anticipated abolishment of the Hesperia Community Redevelopment Agency (HCRA), the City Council adopted Resolution No. 2011-027, thereby designating the City of Hesperia as the Successor Agency to perform the duties and functions necessary to "wind down" the HCRA should ABx1 26 be approved by the State Legislature. On June 29, 2011 ABx1 26 was chaptered into law thereby initiating the process of dissolving redevelopment agencies statewide. Despite legal challenges to the constitutionality of ABx1 26, the Supreme Court upheld the legislation and effective February 1, 2012 all redevelopment agencies were dissolved.

ABx1 26 sets forth certain duties and obligations of successor agencies which are found in H&SC Section 34177. Additionally, oversight boards, comprised of seven members (H&SC §34179), were created by the new law and were empowered with the authority to approve actions of the successor agency of the dissolved redevelopment agency. Oversight boards can direct staff to perform work in furtherance of its duties and responsibilities. The Economic Development Department (Department) assumed the administrative role of the Successor Agency and provides the staffing and necessary resources to comply with ABx1 26 and wind down the former HCRA. The City's Finance Department is also integrally involved in preparing certain financial reports. The Department also develops agendas, prepares reports, and facilitates the Oversight Board meetings which are held quarterly or as needed. Successor Agency funding is legislated to originate from an "Administrative Cost Allowance" calculated by applying a percentage to property taxes disbursed to the Successor Agency for retirement of "Enforceable Obligations." Funding for administrative expenses is subordinate to pass through payments and bonded indebtedness and based upon current projections unlikely to be available in FY 2012-13.

#### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- It is likely that property tax revenues will not be received by the Successor Agency for its administrative expenses. The administrative expenditures of \$202,500 were approved by the Oversight Board by Resolution on April 5 and May 3, 2012.

#### 2011-12 DIVISION ACCOMPLISHMENTS

- Prepared and submitted Draft and Final Recognized Obligation Payment Schedule (ROPS) for January-June 2012, and July-December 2012.
- Developed agendas, staff reports, and facilitated Oversight Board meetings
- Transferred housing assets to the Successor Housing Agency (Hesperia Housing Authority).
- Developed and obtained approval of Oversight Board for Administrative Budget for Successor Agency.

FUND:	SUCCESSOR AGENCY ADMINISTRATION	173
DEPARTMENT:	ECONOMIC DEVELOPMENT	25
DIVISION:	PROJECTS	261

**2011-12 DIVISION ACCOMPLISHMENTS (Continued)**

- Obtained Oversight Board approval to continue certain former HCRA grants and to transfer certain real property in support of associated capital projects.
- Developed record keeping systems for Successor Agency and Oversight Board for reporting and audit purposes.

**2012-13 DIVISION GOALS AND OBJECTIVES**

- Prepare and submit Draft and Final ROPS for January – June 2013.
- Prepare and submit Draft and Final ROPS for July – December 2013.
- Facilitate “Agreed Upon Procedures” audit by San Bernardino County Auditor Controller.
- Continue making timely payments of Enforceable Obligations to the extent funds are available.
- Continue “winding down” former HCRA pursuant to H&SC §34177.

FUND: HESPERIA COMMUNITY DEVELOPMENT COMMISSION 170  
DEPARTMENT: ECONOMIC DEVELOPMENT 25  
DIVISION: PROJECTS 261

PROGRAM EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 88,804	100%
Benefits	0	0	0	0	31,064	100%
Materials	0	0	0	0	269,750	100%
Contractual	0	0	0	0	128,500	100%
Other Operating	0	0	0	0	49,050	100%
Capital Outlay	0	0	0	0	50,000	100%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$617,168</b>	<b>100%</b>

### DIVISION DESCRIPTION

On April 5, 2011, the City Council of the City of Hesperia approved and adopted Ordinance No. 2011-005, thereby establishing the Hesperia Community Development Commission (HCDC), to discharge certain economic and community development functions including affordable housing as set forth in California Health and Safety Code (H&SC). The HCDC is primarily charged with advancing non-housing programs, projects, and initiatives of the former HCRA and VVEDA, which were abolished with the passage of ABx1 26. Although redevelopment was dissolved statewide, the designated Successor Agencies are required to discharge and complete certain HCRA projects and programs and ensure retirement of Enforceable Obligations (debts of the former HCRA and VVEDA). The HCRA adopted Resolution No. 2011-012 on April 5, thereby ceding governance and operational oversight of certain economic development and redevelopment initiatives of the former HCRA to the HCDC.

In cooperation with the City's Economic Development Department and the Successor Agency to the former HCRA, the HCDC will partner, as a successor to many of the former HCRA's economic development initiatives, including implementing two State programs that provide significant and lucrative incentives to eligible businesses. Effective April 1, 2010, Hesperia received its final designation as a 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. The ten-year RMDZ designation promotes initiatives that reduce the overall tonnage deposited by the City into local landfills.

The HCDC, as the recipient of former HCRA assets will manage, either directly or through third-party contracts, certain real property including the Hesperia Golf and Country Club (HG&CC) and Competitive Edge Motocross Park (CEMX) plus act as the City's real estate division with respect to property acquisition, disposition, and leasing. Additionally, the City Council, as the Commissioners of the HCDC may, from time to time, broaden the scope of activities of this Division as the H&SC provides substantial breadth in the context of authorities to a Community Development Commission.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Aide	0.00	0.00	0.00	0.25
Administrative Secretary	0.00	0.00	0.00	0.30
Deputy Economic Development Director	0.00	0.00	0.00	0.30
Management Analyst	0.00	0.00	0.00	0.30
<b>Total Full-Time Staff</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.15</b>

<b>FUND:</b>	<b>HESPERIA COMMUNITY DEVELOPMENT COMMISSION</b>	<b>170</b>
<b>DEPARTMENT:</b>	<b>ECONOMIC DEVELOPMENT</b>	<b>25</b>
<b>DIVISION:</b>	<b>PROJECTS</b>	<b>261</b>

**SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES**

- The reallocation of Economic Development Department staffing has resulted in 1.15 FTE allocated to the Hesperia Community Development Commission for FY 2012-13.

**2011-12 DIVISION ACCOMPLISHMENTS**

- Formally commenced operations of HCDC.
- Managed former HCRA's real property assets including the HG&CC and CEMX.
- Submitted \$374,006 2012 State of California Off Highway Vehicle Grant (OHV) to support continued operations of HCDC-owned Competitive Edge Motocross Park (CEMX).
- Accepted real property portfolio from former HCRA.
- Performed real estate and property management services for City.
- Implemented the EZ MOU and RMDZ Program in conjunction with City and Successor Agency.

**2012-13 DIVISION GOALS AND OBJECTIVES**

- Implement the EZ MOU and RMDZ Program.
- Promote submission of and issue 315 Enterprise Zone Hiring Credit Vouchers.
- Pursue grant funding to support HCDC and its programs.
- Administer OHV grants.
- Discharge former HCRA programs and activities, which were conditions precedent to HCDC's assumption of HCRA assets and obligations.
- Monetize City assets, including cell tower licenses/leases.
- Establish real property database of former HCRA, and obtain valuations for the purpose of disposing of assets in the context of ABx1 26, as appropriate, or tendering deeds in lieu of payments to HHA.
- Continue property acquisition in commercial and industrial areas.
- Pursue a Master Plan concept for G Avenue Industrial Rail Park.
- Negotiate and execute a Disposition and Development Agreement (DDA) and Development Agreement (DA) with major commercial project within Freeway Corridor Specific Plan boundaries.
- Conduct 350 "Feet on the Street" business outreach visitations.
- Attract three new national chain brand restaurants, creating 20 jobs.
- Attract two new retail establishments, creating 40 jobs.
- Attract two new entertainment venues.
- Contemplate expansion of Hesperia Enterprise Zone boundaries and amendment to MOU.
- Obtain Accredited Economic Development Organization (AEDO) status from International Economic Development Council (IEDC).
- Market 'G' Avenue Rail Industrial Lead Track to identify rail users and secure at least one major tenant.
- Market the 3.5 million square foot Hesperia Commerce Center to attract at least one major distribution center user.
- Continue aggressive retail marketing to secure at least one anchor tenant for either the (i) High Desert Gateway Phase II; (ii) Mountain Vista; and/or (iii) The Marketplace at Main shopping centers.

FUND: HESPERIA COMMUNITY DEVELOPMENT COMMISSION 170  
DEPARTMENT: ECONOMIC DEVELOPMENT 25  
DIVISION: PROJECTS 261

**2012-13 DIVISION GOALS AND OBJECTIVES (Continued)**

- Host Ribbon Cutting ceremony for Hesperia Cinema West 12 Theater and Wal-Mart Supercenter.
- Close escrow with Sultan Financial to allow development of Aaron's and Family Dollar.
- Facilitate entitlements for Love's Travel Center, J&R Truck Repair, and Aaron's/Family Dollar.
- Finalize OPA and act as a liaison between the City and developer during the construction process for the development of a 105,094 square foot J&R Truck Repair facility.
- Create RFQ and select a developer to master plan the redevelopment/repositioning of Eagle Plaza and the remaining vacant property in the Civic Center.
- Prepare ROPS (Jan – June 2013 and July – Dec 2013) and submit to Department of Finance (DOF) and obtain approval.
- Administer the Oversight Board efforts and manage the Successor Agency.

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Properties Managed	n/a	n/a	59	68
Grant Applications Submitted	n/a	n/a	1	2
Grants Approved	n/a	n/a	0	1
EZ Hiring Credit Vouchers Processed	n/a	n/a	230	400
Exclusive Negotiation Agreements (ENA) Approved	n/a	n/a	2	3
Active Development Leads	n/a	n/a	n/a	75
Formal Proposals Prepared and Submitted	n/a	n/a	n/a	30
Newsletter Issues	n/a	n/a	n/a	20
Focused Event Sponsorships	n/a	n/a	n/a	10
Groundbreakings	n/a	n/a	n/a	3
Ribbon Cuttings	n/a	n/a	n/a	3
Advertising Placements	n/a	n/a	n/a	50
Trade Shows/Exhibitions Attended and Booth Displayed	n/a	n/a	n/a	10
Feet on the Street Business Surveys/Visits	n/a	n/a	n/a	350
Recycling Market Development Zone Commitments Satisfied	n/a	n/a	n/a	100%
Enterprise Zone MOU Commitments Satisfied (%)	n/a	n/a	n/a	100%

FUND: HESPERIA HOUSING AUTHORITY 370  
DEPARTMENT: ECONOMIC DEVELOPMENT 25  
DIVISION: RDA-LOW/MODERATE INCOME 263

PROGRAM EXPENDITURE SUMMARY	% Change From					
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 19,595	\$ 100,876	100%
Benefits	0	0	0	7,204	34,643	100%
Materials	0	0	0	3,200	11,380	100%
Contractual	0	0	0	41,000	709,675	100%
Other Operating	0	0	0	2,000	9,500	100%
Capital Outlay	0	0	0	0	462,900	100%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 72,999</b>	<b>\$1,328,974</b>	<b>100%</b>

#### DIVISION DESCRIPTION

In response to the anticipated abolishment of the Hesperia Community Redevelopment Agency (HCRA), the City Council adopted Resolution No. 2011-021 and 2011-027, thereby designating the City of Hesperia as the Successor Housing Agency, thereby electing to retain the housing assets and functions of the HCRA and the City's pro-rata share of the Victor Valley Economic Development Authority (VVEDA) upon their dissolution. Additionally, on April 5, 2011, the City Council established by Resolution No. 2011-022, the Hesperia Housing Authority (HHA) to transact business and exercise powers in the City of Hesperia pursuant to California Housing Authority Law, with the specific intent of assuming the housing functions, assets, obligations, etc., of the HCRA and VVEDA. Despite being a separate public body, corporate and politic, the HHA, is administered by Economic Development Department staff under the direction of the City Council as its Commissioners. On April 3, 2012, the City Council and HHA, by Joint Resolution No. 2012-020 and HHA No. 2012-002 commenced formal operations of the HHA and ratified all previous actions pertaining to the transfer of affordable housing functions of the dissolved HCRA and VVEDA to the HHA. Consequently, all goals, objectives, and performance measures of the former Funds 385 has been rolled up into this fund (370) and those no longer applicable eliminated.

The Economic Development Department, through the HHA develops, manages, and promotes programs and projects that preserve and improve the supply of affordable housing in the City of Hesperia for low and moderate income persons. Staff coordinates several 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. The (DAP) offers to eligible first-time home buyer families, zero percent 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, and roof), 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 HHA, as the designated Successor Housing Agency to the HCRA will continue those applicable affordable housing programs subject to the availability of funding. The HHA is not, at this time, designated a Public Housing Authority by HUD, rather will focus its efforts on the development, preservation, and maintenance of quality affordable housing stock within the City by leveraging its limited capital resources. The HHA intends to partner with experienced affordable housing developers to develop and/or rehabilitate existing housing units to satisfy unmet housing production requirements of the HCRA and address its Regional Housing Needs Assessment (RHNA) obligations. The HHA will support the utilization of Low Income Housing Tax Credits (LIHTCs), Home Investment Partnership Programs (HOME), and bond financing to fund these initiatives. In addition, linkages with San Bernardino County provide Hesperia residents with access to a Mortgage Assistance Program (MAP) and the Housing Authority of San Bernardino County serves as the designed HUD Public Housing Authority.

FUND:	HESPERIA HOUSING AUTHORITY	370
DEPARTMENT:	ECONOMIC DEVELOPMENT	25
DIVISION:	RDA-LOW/MODERATE INCOME	263

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Aide	0.00	0.00	0.00	0.30
Administrative Analyst	0.00	0.00	0.00	0.15
Administrative Secretary	0.00	0.00	0.00	0.15
Deputy Economic Development Director	0.00	0.00	0.00	0.30
Senior Management Analyst	0.00	0.00	0.00	0.35
<b>Total Full-Time Staff</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.25</b>

### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The abolishment of redevelopment in California pursuant to ABx1 26, which became effective February 1, 2012, terminated collection of 20% of tax increment revenue generated in HCRA Project Areas for the production and preservation of affordable housing. The new law only allows for collection of property tax revenue to the extent there are Enforceable Obligations, including bond indebtedness and other contractual commitments that must be retired. Notwithstanding the foregoing, H&SC §34173(b) states that excepting those provisions of California Redevelopment Law that are repealed, restricted, or revised, all authority, powers, duties, and obligations previously vested with the former redevelopment agencies, under California Redevelopment Law (CRL) are vested in successor agencies. Therefore, the HHA, on behalf of the former HCRA, is deemed obligated to perform and adhere to CRL as it pertains to affordable housing.
- For the balance of FY 2011-12 and until all Enforceable Obligations of the LMIHF are retired, the San Bernardino County Auditor Controller will only disburse funds, to the extent they are available, to satisfy those debts (including tax allocation bonds) listed on the former HCRA's Recognized Obligation Payment Schedule (ROPS).
- Funding for continued affordable housing programs and projects will originate from housing assets transferred by the former HCRA LMIHF pursuant to H&SC §34176, which was approved by the HCRA, City, Successor Agency, and Oversight Board (H&SC §34177 & 34181).

### 2011-12 DIVISION ACCOMPLISHMENTS

- Established formal operations of the HHA including the transfer of all housing assets and functions of the former HCRA.
- Continued 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.
- Assumed all HCRA LMIHF/affordable housing assets and functions in compliance with ABx1 26.
- Prepared the Enforceable Obligation Payment Schedule (EOPS) and Recognized Obligation Payment Schedules (ROPS) to "wind down" the housing affairs of the dissolved HCRA and VVEDA.
- Managed and maintained the affordable housing database in compliance with AB 987 with assistance from consultant, U.S. Communities.
- Continued efforts to identify and provide financial support to affordable housing developments within the former HCRA project areas.
- Implemented affordable housing monitoring guidelines for affordable units restricted by HOME regulations.
- Promoted the Agency's Downpayment Assistance Program (DAP), Housing Rehabilitation Loan Program, with integrated Sewer Connection Program (HRLP-SCP) in the Township Area.
- Rehabilitated owned properties for the purpose of sale or lease.

FUND:	HESPERIA HOUSING AUTHORITY	370
DEPARTMENT:	ECONOMIC DEVELOPMENT	25
DIVISION:	RDA-LOW/MODERATE INCOME	263

**2012-13 DIVISION GOALS AND OBJECTIVES**

- Develop Strategic Plan for new HHA.
- Issue a Notice of Funding Availability (NOFA) for HHA affordable housing projects.
- Manage former HCRA properties and assets.
- Comply with AB 987 requirements, which requires disclosure of affordable units counted.
- Identify candidate properties wherein HHA could purchase long-term affordability covenants.
- Complete annual on-site monitoring of affordable HOME units and HHA units.
- Complete bi-annual review and monitoring of HOME and HHA unit reports through U.S. Communities Housing Compliance Services software.
- Prepare the HHA Annual Report and Audit.
- Research funding opportunities for affordable housing.
- Continue the HHA's 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.
- Rehabilitate HHA-owned properties for the purpose of sale or lease.

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
DAP Loans Submitted	n/a	n/a	n/a	8
DAP Loans Approved	n/a	n/a	n/a	4
Deed Restricted Units Funded	n/a	n/a	n/a	3
Housing Developer Proposal Reviews	n/a	n/a	1	3
HRLP and Sewer Loans Submitted	n/a	n/a	n/a	10
HRLP Loans and Sewer Approved	n/a	n/a	n/a	7
Affordability Covenants Purchased	n/a	n/a	0	15
HHA Affordable Units Monitored	n/a	n/a	619	625
HHA Affordable Units Approved (OPA)	n/a	n/a	0	0
Real Property Purchase Contracts Negotiated	n/a	n/a	0	2

FUND: VVEDA-LOW/MOD HOUSING 371  
DEPARTMENT: ECONOMIC DEVELOPMENT 25  
DIVISION: RDA-LOW/MODERATE INCOME 263

DEPARTMENT EXPENDITURE SUMMARY						% Change	
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget	
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%	
Benefits	0	0	0	0	0	0%	
Materials	0	0	0	0	0	0%	
Contractual	0	0	0	0	425,000	100%	
Other Operating	0	0	0	0	0	0%	
Capital Outlay	0	0	0	0	0	0%	
Debt Service	0	0	0	0	0	0%	
<b>SUBTOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 425,000</b>	<b>100%</b>	

#### DIVISION DESCRIPTION

Fund 371 is the successor to the former Fund 388, which was closed-out with the dissolution of the Victor Valley Economic Development Authority (VVEDA) pursuant to ABx1 26. This Division shall assume the affordable housing functions and assets of the former VVEDA that fell under the auspices of the City of Hesperia. This successor role was approved by Resolution No. 2011-027 on April 5, 2011, wherein the City assumed all affordable VVEDA housing functions and assets and resolved to transfer those functions and assets to the Hesperia Housing Authority (HHA). For economies of scale and due to the inability to collect future tax increment the former VVEDA, affordable housing functions will be performed by HHA staff (Fund 370). Resources from this Fund 371 will be allocated to accomplish the required obligations of the Successor Housing Agency (City of Hesperia and HHA).

#### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The abolishment of redevelopment in California pursuant to ABx1 26, which became effective February 1, 2012, terminated collection of 20% of tax increment revenue generated in the VVEDA Project Area for the production and preservation of affordable housing. The new law only allows for collection of property tax revenue to the extent there are Enforceable Obligations including bond indebtedness and other contractual commitments that must be retired. Notwithstanding the foregoing, H&SC §34173(b) states that excepting those provisions of California Redevelopment Law that are repealed, restricted, or revised, all authority, powers, duties, and obligations previously vested with the former redevelopment agencies, under the CRA, are vested in the successor agencies. Therefore, the HHA, on behalf of the former VVEDA, is deemed obligated to perform and adhere to CRL as it pertains to affordable housing. As such, it is the City's position that all housing assets shall be used to support the production and maintenance of affordable housing. Inasmuch as the affordable housing functions of the City's pro-rata share of VVEDA have been assumed by the City, and transferred to the HHA by Resolution No. 2011-027, it is appropriate to expend these funds pursuant to CRL.
- For the balance of FY 2011-12 and until all Enforceable Obligations of the LMIHF are retired, the San Bernardino County Auditor Controller will only disburse funds, to the extent they are available, to satisfy those debts listed on the former VVEDA's Recognized Obligation Payment Schedule (ROPS).
- Funding for continued affordable housing programs and projects will originate from housing assets transferred by the former VVEDA pursuant to H&SC §34176, which was approved by the HCRA, City, Successor Agency, and Oversight Board (H&SC §34177 & 34181).

FUND:	VVEDA-LOW/MOD HOUSING	371
DEPARTMENT:	ECONOMIC DEVELOPMENT	25
DIVISION:	RDA-LOW/MODERATE INCOME	263

**2011-12 DIVISION ACCOMPLISHMENTS**

- Promoted the City’s Downpayment Assistance Program (DAP) and Housing Rehabilitation Loan Program (HRLP).
- Because this is a new fund pursuant to the enactment of ABx1 26, and replacing Fund 388, the majority of the Division accomplishments were reported in Fund 388 (pre-February 1, 2012), and no Goals or Objectives were contemplated for Fiscal Year 2011-12.

**2012-13 DIVISION GOALS AND OBJECTIVES**

- Continue efforts to identify and provide financial support to affordable housing developments within the former VVEDA Project Area.
- Facilitate production of affordable housing units by providing subsidized financing to qualified developers through the NOFA process.
- Support and participate in programs, projects, and initiatives of the Hesperia Housing Authority (HHA) including the provision of funding.
- Endeavor to satisfy Inclusionary Housing Obligations of dissolved VVEDA allocated to the City of Hesperia.
- Support and fund the HHA’s Downpayment Assistance Program (DAP) and Housing Rehabilitation Loan Program (HRLP).

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
HRLP Loans Submitted	n/a	n/a	n/a	6
HRLP Loans Approved	n/a	n/a	n/a	4
Affordability Covenants Purchased	n/a	n/a	n/a	8

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 From 2011-12
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	Budget
Salaries	\$ 31,458	\$ 26,015	\$ 466,629	\$ 438,068	\$ 390,279	-16%
Benefits	10,555	8,861	177,421	176,299	136,118	-23%
Materials	7,308	14,428	33,900	18,275	33,475	-1%
Contractual	141,498	83,643	1,900,013	62,245	1,361,382	-28%
Other Operating	210,227	643,652	232,158	179,659	292,338	26%
Capital Outlay	4,084,793	54,525	2,297,784	380,000	1,796,712	-22%
Debt Service	156,414	304,895	160,400	153,300	153,000	-5%
<b>TOTAL</b>	<b>\$ 4,642,253</b>	<b>\$ 1,136,019</b>	<b>\$ 5,268,305</b>	<b>\$ 1,407,846</b>	<b>\$ 4,163,304</b>	<b>-21%</b>

DIVISION EXPENDITURE SUMMARY						% Change From 2011-12
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	Budget
<b>Community Development Block Grant</b>						
251 CDBG Administration	\$ 517,283	\$ 809,845	\$ 2,010,414	\$ 719,136	\$ 1,975,105	-2%
252 CDBG HOME Grant	0	0	0	0	0	0%
253 CDBG Revolving Loans	0	235,608	660,011	91,185	462,043	-30%
257 CDBG Neighborhood Stabilization	4,124,970	90,566	2,597,880	597,525	1,726,156	-34%
<b>Total CDBG</b>	<b>\$ 4,642,253</b>	<b>\$ 1,136,019</b>	<b>\$ 5,268,305</b>	<b>\$ 1,407,846</b>	<b>\$ 4,163,304</b>	<b>-21%</b>

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Aide	0.00	0.00	0.60	0.45
Administrative Analyst	0.00	0.00	2.25	1.85
Administrative Secretary	0.10	0.10	0.35	0.55
Deputy Economic Development Director	0.10	0.10	0.40	0.40
Management Analyst	0.00	0.00	2.00	1.70
Senior Management Analyst	0.10	0.10	1.30	0.65
<b>Total Full-Time Staff</b>	<b>0.30</b>	<b>0.30</b>	<b>6.90</b>	<b>5.60</b>

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

DIVISION EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 31,458	\$ 26,015	\$ 243,239	\$228,245	\$ 229,696	-6%
Benefits	10,555	8,861	94,893	93,618	81,968	-14%
Materials	4,530	4,244	5,300	3,700	4,350	-18%
Contractual	104,320	55,792	1,276,174	61,014	974,882	-24%
Other Operating	210,006	410,038	230,408	179,259	291,038	26%
Capital Outlay	0	0	0	0	240,171	100%
Debt Service	156,414	304,895	160,400	153,300	153,000	-5%
<b>TOTAL</b>	<b>\$ 517,283</b>	<b>\$ 809,845</b>	<b>\$ 2,010,414</b>	<b>\$719,136</b>	<b>\$ 1,975,105</b>	<b>-2%</b>

#### 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) 2012-13, the City expects its CDBG entitlement to be \$819,934, an 8% increase from PY 2011-12 due to changing demographics within the City's CDBG target areas and the community at-large. Annually, the City adopts an action plan allocating funds to the following: (i) administration and planning (20%); (ii) Public Services activities and programs (15%); (iii) Section 108 debt service (varies); and (iv) other eligible CDBG uses (remainder) that are guided by the City's CDBG Consolidated Plan. The Department annually evaluates its CDBG Program in the context of the required Five-Year Consolidated Plan (Con Plan) and reprograms funds, if necessary, to projects, programs, or activities to meet its goals and objectives and meet CDBG timeliness requirements. Substantial amendments to the Con Plan are also pursued when appropriate and in compliance with the City's Citizen Participation Plan (CPP).

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. Beginning in Fiscal Year 2010-11, the City has allocated greater funds to economic opportunity initiatives to support the Enterprise Zone Program and locally-based Microenterprises. This Division also implements housing services and discharges programs including the Housing Rehabilitation Loan Program (HRLP).

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.

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

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Aide	0.00	0.00	0.40	0.45
Administrative Analyst	0.00	0.00	1.35	1.30
Administrative Secretary	0.10	0.10	0.20	0.35
Deputy Economic Development Director	0.10	0.10	0.20	0.25
Management Analyst	0.00	0.00	1.40	1.15
Senior Management Analyst	0.10	0.10	0.25	0.00
<b>Total Full-Time Staff</b>	<b>0.30</b>	<b>0.30</b>	<b>3.80</b>	<b>3.50</b>

### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The reallocation of Economic Development Department staffing has resulted in a decrease of 0.3 FTE for FY 2012-13 bringing the total staffing for Fund 251 to 3.50 FTE.
- Funding for PY 2012-13 is programmed at an 8% increase compared to PY 2011-12 due to demographic characteristics of the City as determined by the 2010 Census.
- Significant reprogramming of prior years' unspent funds (\$1,140,171) was accomplished by a Substantial Amendment to the Con Plan as follows: (i) \$200,000 - Housing Programs; (ii) \$200,000 - Housing Services; (iii) \$500,000 - Microenterprise Assistance; and (iv) \$240,171 - Commercial Acquisition.

### 2011-12 DIVISION ACCOMPLISHMENTS

- Issued Notice of Funding Available (NOFA) for Public Service providers, and managed funding recommendation process through the City's City Council Advisory Committee (CCAC).
- Developed and submitted Program Year (PY) 2012-13 Action Plan to the U.S. Department of Housing and Urban Development (HUD) consistent with CDBG regulations.
- Continued implementation of the CDBG Housing Rehabilitation Loan Program (HRLP).
- Supported development of affordable, safe, and decent housing within the CDBG Target Areas including the rehabilitation of Neighborhood Stabilization Program (NSP) properties.
- Identified unspent prior years' CDBG entitlements, and completed appropriate reprogramming in PY 2012-13 Action Plan.
- Prepared and submitted required financial and performance reports to HUD, including the Section 3 Report.
- Monitored public service provider programs and contracts.
- Submitted PY 2010-11 Consolidated Annual Performance and Evaluation Report (CAPER).
- Continued staffing support for the City's HOME Grant Program (Fund 252) and Economic Development Revolving Loan Fund (Fund 253).
- Satisfied goals and objectives pertaining to housing and special economic development set forth in the City's 5 Year Consolidated Plan.
- Met with 300 small businesses categorized as Microenterprises consistent with PY 2011-12 Action Plan.

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

**2011-12 DIVISION ACCOMPLISHMENTS (Continued)**

- Negotiated and executed a \$250,000 Operating Covenant by and between the City and Cinema West for the purpose of ensuring continued operation a 37,000 square foot, 12 screen state-of-the-art theater providing 40 jobs for members of the Targeted Income Group.
- Developed Limited English Plan (LEP) pursuant to and in accordance with Executive Order 13166 as required by the United States Department of Housing & Urban Development (HUD) to ensure meaningful access to federally conducted and assisted programs and activities who have limited English proficiency.

**2012-13 DIVISION GOALS AND OBJECTIVES**

- Continue funding and support of CDBG Housing Rehabilitation Loan Program (HRLP).
- Develop and submit PY 2013-14 CDBG Action Plan to U.S. Department of Housing and Urban Development (HUD).
- Disburse funds in support of Cinema West Operating Covenant.
- Intensify economic development efforts in CDBG Target Areas, including special and microenterprise.
- Undertake on-site monitoring of all programs/projects funded through the public service allocation (15%), including contracts to ensure compliance with CDBG regulations and City's Action Plan.
- Meet HUD timeliness test for Program Year (PY) 2012-13.
- Submit 2011-12 Consolidated Annual Performance and Evaluation Report (CAPER).
- Implement programs and projects consistent with the City's CDBG Five-Year Consolidated Plan.
- Provide staffing support to the City's HOME Programs (Fund 252) and Housing Rehabilitation Loan Program (HRLP).
- Adopt Limited English Plan (LEP) Plan.

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
HRLP Loans Funded	2	2	2	6
HRLP Loans Submitted	3	3	0	10
Annual IDIS Draw-downs	5	3	4	4
Public Service Agencies Funded	9	9	12	11
Timeliness Test	Passed	Passed	*Requested Waiver	Pass
Microenterprises Visited (small businesses)	n/a	n/a	300	350

\* Due to dissolution of HCRA funding of Cinema West was shifted to Fund 586 resulting in reduced spending of CDBG dollars. If approved, City's CDBG program would not be subject to HUD finding. Many California jurisdictions were in same predicament and HUD expressed willingness to consider.

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 2011-12
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	0	0	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%
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0%</b>

#### 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

**2011-12 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 State of California, Department of Housing and Community Development (HCD).
- Prepared and submitted required Semi-Annual Labor Standards Enforcement Report and HOME Annual Performance Report to HCD.
- Proactively administered the HOME Program including processing subordination and demand requests.
- Negotiated work-out scenario of KDF Housing, LLC’s Sunrise Terrace I and II projects funded by HOME to avert foreclosure and recapture of HOME funds.

**2012-13 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 HCD.
- Prepare and submit required Semi-Annual Labor Standards Enforcement Report and HOME Annual Performance Report to HCD.
- 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.
- Apply for HOME funds to facilitate a new senior affordable project in conjunction with the affordable housing NOFA.

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
HOME Program Funds Remaining	0%	0%	0%*	0%
HOME Asset Portfolio	\$14 Mil	\$14 Mil	\$14 Mil	\$14 Mil
Cumulative Units Constructed	247	247	247	247
Projects Monitored	3	3	3	3

\*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
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 69,832	\$ 64,211	\$ 62,889	-10%
Benefits	0	0	26,340	25,743	21,654	-18%
Materials	0	0	0	0	12,500	100%
Contractual	0	2,852	563,839	1,231	365,000	-35%
Other Operating	0	232,756	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 235,608</b>	<b>\$ 660,011</b>	<b>\$ 91,185</b>	<b>\$ 462,043</b>	<b>-30%</b>

#### 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.

In recent years the EDRLF has funded several economic development projects, most of which were classified as forgivable loans. Therefore, available funds in the EDRLF are shrinking and potentially will be fully disbursed by the close of Fiscal Year 2012-13.

<u>DIVISION STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.00	0.00	0.45	0.35
Management Analyst	0.00	0.00	0.60	0.55
<b>Total Full-Time Staff</b>	<b>0.00</b>	<b>0.00</b>	<b>1.05</b>	<b>0.90</b>

#### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- With the dissolution of the HCRA, and re-allocation of Department staffing to correspond with available funding in the Fund 253, for Fiscal Year 2012-13; 0.9 FTE will be allocated down from 1.05 FTE in FY 2011-12.

#### 2011-12 DIVISION ACCOMPLISHMENTS

- Make timely payments of principal and interest on outstanding balance of Section 108 loan.
- Marketed availability of EDRLF pursuant to CDBG regulations and City underwriting guidelines.
- Contemplated use of EDRLF to fund various City/Agency inducements.

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

**2012-13 DIVISION GOALS AND OBJECTIVES**

- Encumber balance of Economic Development Revolving Loan Fund (EDRLF).
- Incorporate EDRLF in City/Agency Owner Participation Agreements (OPAs) and Disposition and Development Agreements (DDAs).
- Make timely payments of principal and interest on outstanding balance of Section 108 loan.
- Contemplate application to HUD for additional Section 108 loan funds.

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Percentage of Section 108 Loan Encumbered	0%	55%	65%	100%
Inducement Offers Made	1	2	0	3
Job Creation	n/a	n/a	40	50

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
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 153,558	\$145,612	\$ 97,694	-36%
Benefits	0	0	56,188	56,938	32,496	-42%
Materials	2,778	10,184	28,600	14,575	16,625	-42%
Contractual	37,178	24,999	60,000	0	21,500	-64%
Other Operating	221	858	1,750	400	1,300	-26%
Capital Outlay	4,084,793	54,525	2,297,784	380,000	1,556,541	-32%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 4,124,970</b>	<b>\$ 90,566</b>	<b>\$ 2,597,880</b>	<b>\$597,525</b>	<b>\$ 1,726,156</b>	<b>-34%</b>

#### 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 was required to obligate all of the grant funds by September 10, 2010. The City was successful in meeting its NSP obligation threshold in advance of the termination date.

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 for 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; Acquisition/Rehabilitation and Rental \$1,147,680; Financing Mechanisms \$0.00; Redevelop Demolished or Vacant Properties \$0.00; Establish Land Banks \$1,555,000 and Administration \$459,072.

On July 19, 2011, the City Council amended the original NSP Substantial Amendment and Amendment No. 1 as follows: 1) transfer \$1.503M program income from Activity No. 5 (Establish Land Bank), shifting \$652,623.00 to Activity No. 1 (Acquisition/Rehabilitation and Resale), \$700,000 to Activity No. 2 (Acquisition/Rehabilitation and Rental) and providing for 10% percent of program income earned to be used for general administration and planning activities as defined in 24 CFR 570.205 and 206.

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 one (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.

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

The City has acquired 23 single family residences and one bank property. In FY 2012-13 the City will continue to rehabilitate the residences prior to making them available for sale or lease. Program income generated from the sale or lease of Neighborhood Stabilization Project (NSP) properties will be re-invested in other approved activities/programs.

<u>DIVISION STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Aide	0.00	0.00	0.20	0.00
Administrative Analyst	0.00	0.00	0.45	0.20
Administrative Secretary	0.00	0.00	0.15	0.20
Deputy Economic Development Director	0.00	0.00	0.20	0.15
Senior Management Analyst	0.00	0.00	1.05	0.65
<b>Total Full-Time Staff</b>	<b>0.00</b>	<b>0.00</b>	<b>2.05</b>	<b>1.20</b>

**SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES**

- With the dissolution of the HCRA and re-allocation of Department staffing to correspond with available funding in the Fund 257, for Fiscal Year 2012-13, 1.20 FTE will be allocated down from 2.05 FTE in FY 2011-12.

**2011-12 DIVISION ACCOMPLISHMENTS**

- Performed all NSP real estate acquisition efforts in-house with Department staff.
- Submitted timely quarterly reports on the Disaster Recovery Grant Reporting (DRGR) reporting system.
- Completed additional draws on the DRGR System as necessary.
- Managed NSP Rehabilitation RFB solicitation and contract management.
- Issued RFB for rehabilitation of NSP properties.
- Issued RFB for landscape maintenance, pest control, security services, alarm contractor, and emergency repair services.
- Sold Land Bank and budgeted Program Income for Administration and Rehabilitation.
- Finalized Disposition Guidelines for NSP properties.
- Completed rehabilitation on the first five NSP properties.
- Completed Amendment No. 2 to the Substantial Amendment, allocating program income from the sale of the Land Bank to rehabilitation activities.

**2012-13 DIVISION GOALS AND OBJECTIVES**

- Market and sell or lease the newly rehabilitated properties.
- Issue RFB for rehabilitation of next two groups of NSP properties.
- Rehabilitate 18 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.

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

**2012-13 DIVISION GOALS AND OBJECTIVES**

- Market, with in-house staff, NSP properties for sale or lease.
- Dispose of NSP properties consistent with program regulations including affordability and maintenance covenants.
- Receive and report on Program Income from the sale and lease of NSP properties.
- Acquire additional foreclosed properties with Program Income.
- Complete Amendment No. 3 to the Substantial Amendment to allow properties designated for lease to be sold at the discretion of staff.

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Real Property Purchase Contracts Negotiated	22	1	0	4
Real Property Escrows Opened	22	1	0	4
Real Property Escrows Closed	22	1	0	4
Real Property Rehabilitation	0	0	5	10
Real Property Sale	0	0	0	4
Real Property Lease	0	0	0	6

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

DIVISION EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 1,572,025	\$ 1,227,182	\$ 1,152,689	\$ 1,170,071	\$ 1,081,468	-6%
Benefits	585,507	400,250	434,558	433,212	382,915	-12%
Materials	36,242	32,890	26,755	21,383	33,590	26%
Contractual	433,893	140,963	104,346	92,598	37,600	-64%
Other Operating	34,048	27,161	24,593	29,993	34,280	39%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 2,661,715</b>	<b>\$ 1,828,446</b>	<b>\$ 1,742,941</b>	<b>\$ 1,747,257</b>	<b>\$ 1,569,853</b>	<b>-10%</b>

DIVISION EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Planning	\$ 1,526,834	\$ 1,027,905	\$ 983,146	\$ 976,489	\$ 891,224	-9%
Building & Safety	1,134,881	800,541	759,795	770,768	678,629	-11%
<b>TOTAL</b>	<b>\$ 2,661,715</b>	<b>\$ 1,828,446</b>	<b>\$ 1,742,941</b>	<b>\$ 1,747,257</b>	<b>\$ 1,569,853</b>	<b>-10%</b>

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b><u>DEPARTMENT STAFFING</u></b>				
Total Full-Time Staff	21.03	17.03	17.03	16.03
Total Part-Time Staff	0.46	0.70	0.24	0.00
<b>Total D.S. Community Development Staff</b>	<b>21.49</b>	<b>17.73</b>	<b>17.27</b>	<b>16.03</b>

#### DIVISION GOALS FOR 2012-13

- Staff will continue updating the Development Code while processing projects and continuing to provide excellent customer service. During Fiscal Year 2012-13, several portions of the Development Code will be revised, including: the transfer of development rights, additional uses, bingo regulations, hot food trucks, mobile home park standards, freeway pylon signs, development review procedures, and others as issues present more opportunities.
- Amend the sign regulations allowing construction of a City freeway pylon sign. This sign will include a digital display which will promote civic events, amber alerts, highway conditions and other emergency and public service announcements.
- Collaborate with Information Technology staff in the implementation of the new automated land management system.
- Prepare for the 2013 triennial Building Code adoption. This will include the building, electrical, plumbing, mechanical, fire, residential, and green building codes.

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

**DIVISION GOALS FOR 2012-13 (Continued)**

- Incorporate the findings of the “On-Site and Facilities” portion of the Self-Evaluation Survey into the City’s Americans with Disabilities Act (ADA) Transition Plan. Also, collaborate with other City departments to determine the overall level of compliance with ADA’s requirement to remove all barriers to access, whether physical, programmatic or through policy for all City programs and services.
- Complete phase-two of the Mobile Home Park Inspection Program. This three-year program has been established to inspect the 995 mobile home lots along with their associated swimming pools, community rooms, laundry facilities, and other common use buildings located in the City’s 11 mobile home parks. The inspection process, mandated by State law, includes posting legal notices and other advance notifications, as well as conducting on-site information meetings to instruct tenants how to best prepare for upcoming inspections.

**SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES**

- One Management Analyst (1.00 FTE) position is being transferred from the Planning program to the Information Technology (IT) Division to provide staff assistance for the automated Land Management System and other IT related projects as needed.
- Eliminate one vacant part time Senior Plans Examiner (0.24 FTE) position and use some consulting assistance for certain development projects.
- Land Management Operating expense transferred to Information Technology Division.
- General Plan Housing Element update as required by State law with consultant assistance of \$15,000.

<b><u>DIVISION STAFFING</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>
<b><u>Full-Time Staff</u></b>				
Assistant Planner	1.00	1.00	1.00	1.00
Associate Planner	0.00	0.00	0.00	0.00
Building Inspector	2.00	1.00	1.00	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	1.75	1.75	1.75	1.75
Deputy Director Development Services-Community Development	1.00	0.00	0.00	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	0.00
Plans Examiner	2.00	2.00	2.00	2.00
Principal Planner	1.00	1.00	1.00	1.00
Receptionist	1.00	0.00	0.00	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	0.00	0.00	0.00
<b>Total Full-Time Staff</b>	<b>21.03</b>	<b>17.03</b>	<b>17.03</b>	<b>16.03</b>
<b><u>Part-Time Staff</u></b>				
Receptionist	0.46	0.46	0.00	0.00
Senior Plans Examiner	0.00	0.24	0.24	0.00
<b>Total Part-Time Staff</b>	<b>0.46</b>	<b>0.70</b>	<b>0.24</b>	<b>0.00</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>21.49</b>	<b>17.73</b>	<b>17.27</b>	<b>16.03</b>

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

<b>PROGRAM EXPENDITURE SUMMARY</b>						<b>% Change</b>
	<b>2009-10 Actual</b>	<b>2010-11 Actual</b>	<b>2011-12 Budget</b>	<b>2011-12 Revised</b>	<b>2012-13 Budget</b>	<b>From 2011-12 Budget</b>
Salaries	\$ 857,887	\$ 709,971	\$ 679,682	\$687,729	\$619,441	-9%
Benefits	319,687	232,072	257,135	254,452	217,543	-15%
Materials	10,032	10,366	6,900	5,783	7,150	4%
Contractual	315,739	55,893	23,336	9,822	26,500	14%
Other Operating	23,489	19,603	16,093	18,703	20,590	28%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 1,526,834</b>	<b>\$ 1,027,905</b>	<b>\$ 983,146</b>	<b>\$976,489</b>	<b>\$ 891,224</b>	<b>-9%</b>

**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 private developments and public developments such as Economic Development and Public Works projects. Planning also recommends changes to the City’s Land Use Plan to keep pace with the increase in population, commercial and industrial growth, and the changing regulatory environment to assure Hesperia’s future growth and success.

<b>PROGRAM STAFFING</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
<u>Full-Time Staff</u>				
Assistant Planner	1.00	1.00	1.00	1.00
Associate Planner	0.00	0.00	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	1.75	1.75	1.75	1.75
Deputy Director Development Services-Community Development	0.60	0.00	0.00	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	0.00
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	0.00	0.00	0.00	0.00
<b>Total Full-Time Staff</b>	<b>10.90</b>	<b>10.30</b>	<b>10.30</b>	<b>9.30</b>

<b>FUND:</b>	<b>GENERAL FUND</b>	<b>100</b>
<b>DEPARTMENT:</b>	<b>DEVELOPMENT SERVICES</b>	<b>29</b>
<b>DIVISION:</b>	<b>COMMUNITY DEVELOPMENT</b>	<b>300</b>
<b>PROGRAM:</b>	<b>PLANNING</b>	<b>3000</b>

### **SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES**

- One Management Analyst (1.00 FTE) position is being transferred from the Planning program to the Information Technology (IT) Division to provide staff assistance for the automated Land Management System and other IT related projects as needed.
- General Plan Housing Element update as required by State law with consultant assistance of \$15,000.

### **2011-12 PROGRAM ACCOMPLISHMENTS**

- In December 2010, staff filed the Water District annexation for a strip of land between Maple Avenue and Topaz Avenue so that the Water District boundary matches the City boundary. The Local Agency Formation Commission (LAFCO) reviewed the application in 2011 and requested the City provide additional information regarding parcels served by the Hesperia Water District currently within County Service Area 70, Zone J (CSA 70 J). This application is on hold to resolve issues with a loan taken out against CSA 70 J retained by the Infrastructure Bank. The City will continue to work with LAFCO and the County to resolve this issue before proceeding with the annexation.
- Completed numerous Development Code amendments including: revised landscaping requirements to align with the State requirements for a water budget, solar power review procedures, revised height limits for wind power, animal uses, approval procedures for uses allowed in any zone, and completely revised zoning classifications for all land uses to conform to the 2010 General Plan land use designations. In addition, staff completed a thorough public review process for a request to legitimize medical marijuana dispensaries within the City. The City Council ultimately denied the request.
- Completed and approved numerous development projects including: O'Reilly Auto Parts, Victor Valley Wastewater Authority sub-regional treatment plant, Advance Disposal's Material Recovery Facility, Love's Travel Center, Eagle Rock Truck Repair, a micro brewery with a tasting room, and the Public Safety Operations Center Communications Tower.
- The "walk on" service provided by the Development Review Committee (DRC) has been enhanced through the use of automation. Staff is employing a current Geoviewer database and aerial imagery as part of this service. Potential applicants are advised of the development requirements and the application review procedure.

### **2012-13 PROGRAM GOALS AND OBJECTIVES**

- Staff will continue updating the Development Code while processing projects and continuing to provide excellent customer service. During Fiscal Year 2012-13, several portions of the Development Code will be revised, including: the transfer of development rights, additional uses, bingo regulations, hot food trucks, mobile home park standards, freeway pylon signs, development review procedures, and others as issues present more opportunities.
- Regarding the Water District annexation for a strip of land between Maple Avenue and Topaz Avenue, this application is on hold to resolve issues with a loan taken out against CSA 70 J by the County with the Infrastructure Bank. The City will continue to work with LAFCO and the County to resolve this issue before proceeding with the annexation.
- Amend the sign regulations allowing construction of a City freeway pylon sign. This sign will include a digital display which will promote civic events, amber alerts, highway conditions and other emergency and public service announcements.

<b>FUND:</b>	<b>GENERAL FUND</b>	<b>100</b>
<b>DEPARTMENT:</b>	<b>DEVELOPMENT SERVICES</b>	<b>29</b>
<b>DIVISION:</b>	<b>COMMUNITY DEVELOPMENT</b>	<b>300</b>
<b>PROGRAM:</b>	<b>PLANNING</b>	<b>3000</b>

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Conditional Use Permits/Revised CUP's	16	16	11	11
Development Code Amendments	8	7	8	8
Parcel Maps	2	5	5	5
Tentative Tracts	0	0	0	0
Site Plan Reviews/Revised Site Plan Reviews	14	27	21	21
Submit New DRC Items	82	98	86	85
General Plan Amendments/Zone Changes	1	1	2	n/a*
Total Applications	163	175	160	n/a*
Apartment Units Approved	68	0	0	n/a*
Public Hearings	42	43	45	45
Business Licenses Issued	3,702	3,616	3,546	n/a*
Home Occupation Permits	181	180	146	130
Business Licenses (new and renewal)	3,521	3,436	3,400	3,400
Plan Review	395	340	325	304
Subtotal of New Non DRC Items	4,097	3,956	3,871	3,834
Grand Total of New Items	4,179	4,054	3,957	3,919

\*Items will not be reported in future budget years.

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

PROGRAM EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 714,138	\$ 517,211	\$ 473,007	\$482,342	\$462,027	-2%
Benefits	265,820	168,178	177,423	178,760	165,372	-7%
Materials	26,210	22,524	19,855	15,600	26,440	33%
Contractual	118,154	85,070	81,010	82,776	11,100	-86%
Other Operating	10,559	7,558	8,500	11,290	13,690	61%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 1,134,881</b>	<b>\$ 800,541</b>	<b>\$ 759,795</b>	<b>\$770,768</b>	<b>\$678,629</b>	<b>-11%</b>

#### 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 provides consultation for disabled access issues that businesses in the community may have, and also administers the Police Multiple Response Fee Program, which includes billing and fee collection. Annual inspections are also performed for the 11 mobile home parks that lie within the City's boundaries.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Building Inspector	2.00	1.00	1.00	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	0.00	0.00	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	2.00	2.00	2.00	2.00
Receptionist	1.00	0.00	0.00	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	1.00	0.00	0.00	0.00
<b>Total Full-Time Staff</b>	<b>10.13</b>	<b>6.73</b>	<b>6.73</b>	<b>6.73</b>
<u>Part-Time Staff</u>				
Receptionist	0.46	0.46	0.00	0.00
Senior Plans Examiner	0.00	0.24	0.24	0.00
<b>Total Part-Time Staff</b>	<b>0.46</b>	<b>0.70</b>	<b>0.24</b>	<b>0.00</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>10.59</b>	<b>7.43</b>	<b>6.97</b>	<b>6.73</b>

<b>FUND:</b>	<b>GENERAL FUND</b>	<b>100</b>
<b>DEPARTMENT:</b>	<b>DEVELOPMENT SERVICES</b>	<b>29</b>
<b>DIVISION:</b>	<b>COMMUNITY DEVELOPMENT</b>	<b>300</b>
<b>PROGRAM:</b>	<b>BUILDING &amp; SAFETY</b>	<b>3020</b>

### **SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGE**

- Eliminate one vacant part time Senior Plans Examiner (0.24 FTE) position and use some consulting assistance for certain development projects.
- Land Management Operating expense transferred to Information Technology Division.

### **2011-12 PROGRAM ACCOMPLISHMENTS**

- Completed inspections on major public projects including the Victor Valley Transit Authority (VVTA).
- Completed inspections on major private inspections, including Jo-Ann's Fabrics. Wal-Mart is currently under construction and completion is anticipated in August of 2012. Aaron's and Famous Footwear did not begin the construction process.
- Changes were made to the Police Multiple Response Program. The most significant change being the addition of a probation period, which will allow offenders to return to a warning phase if they have no responses for three years.
- A survey of City-owned facilities has been conducted and a list of architectural barriers has been compiled for inclusion in the City's Transition Plan. The Self-Evaluation process, as required by the American with Disabilities Act (ADA), is designed to identify all architectural and administrative barriers to accessing City facilities, programs and services.
- Implemented the Mobile Home Park Inspection Program. This program established a three-year cycle for inspecting the 995 mobile home lots, along with their associated swimming pools, community rooms, laundry facilities, and other common use buildings located in the City's 11 mobile home parks. This year Building Inspection staff inspected 250 mobile homes in 4 parks.

### **2012-13 PROGRAM GOALS AND OBJECTIVES**

- Collaborate with Information Technology staff in the implementation of the new automated land management system.
- Prepare for the 2013 triennial Building Code adoption. This will include the building, electrical, plumbing, mechanical, fire, residential, and green building codes.
- Complete plan reviews on private projects such as J&R Fleet Services, O'Reilly Auto Parts, and Love's Travel Center.
- Complete inspections on major private projects such as Wal-Mart and Hesperia Cinema 12 Theatre.
- Incorporate the findings of the "On-Site and Facilities" portion of the Self-Evaluation Survey into the City's Americans with Disabilities Act (ADA) Transition Plan. Also, collaborate with other City departments to determine the overall level of compliance with ADA's requirement to remove all barriers to access, whether physical, programmatic or through policy for all City programs and services.
- Complete phase-two of the Mobile Home Park Inspection Program. This three-year program has been established to inspect the 995 mobile home lots along with their associated swimming pools, community rooms, laundry facilities, and other common use buildings located in the City's 11 mobile home parks. The inspection process, mandated by State law, includes posting legal notices and other advance notifications, as well as conducting on-site information meetings to instruct tenants to how best prepare for upcoming inspections.

<b>FUND:</b>	<b>GENERAL FUND</b>	<b>100</b>
<b>DEPARTMENT:</b>	<b>DEVELOPMENT SERVICES</b>	<b>29</b>
<b>DIVISION:</b>	<b>COMMUNITY DEVELOPMENT</b>	<b>300</b>
<b>PROGRAM:</b>	<b>BUILDING &amp; SAFETY</b>	<b>3020</b>

<b><u>PERFORMANCE AND WORKLOAD INDICATORS</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>
Permits Issued	1,834	2,207	2,196	2,200
New Residential Permits	3	0	0	0
Plans Reviewed	862	1,128	1,280	1,300
Inspections	5,800	4,993	5,059	5,169
Inspections Per Day Per Inspector	12.8	13.3	13.5	11.9
Rental Housing – Inspections	1,608	1,423	1,345	1,350
Rental Housing – Certificates Issued	1,415	1,307	1,308	1,300
Fats, Oil, Grease (FOG) Program – Inspections Performed	170	146	151	150

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

DIVISION EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 1,191,536	\$ 1,128,600	\$ 1,135,112	\$ 1,130,578	\$ 1,152,912	2%
Benefits	529,344	433,561	497,601	507,341	492,748	-1%
Materials	180,085	204,335	216,138	218,725	231,360	7%
Contractual	176,195	196,210	164,085	277,578	303,183	85%
Other Operating	24,257	33,118	29,150	41,368	32,300	11%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 2,101,417</b>	<b>\$ 1,995,824</b>	<b>\$ 2,042,086</b>	<b>\$ 2,175,590</b>	<b>\$ 2,212,503</b>	<b>8%</b>

DIVISION EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Code Enforcement	\$ 858,758	\$ 795,288	\$ 815,344	\$ 846,671	\$ 858,727	5%
Animal Control	1,242,659	1,200,536	1,226,742	1,328,919	1,353,776	10%
<b>TOTAL</b>	<b>\$ 2,101,417</b>	<b>\$ 1,995,824</b>	<b>\$ 2,042,086</b>	<b>\$ 2,175,590</b>	<b>\$ 2,212,503</b>	<b>8%</b>

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b><u>DEPARTMENT STAFFING</u></b>				
Total Full-Time Staff	26.32	23.32	23.32	23.32
Total Part-Time Staff	0.46	0.46	0.46	0.46
<b>Total D.S. Code Compliance Staff</b>	<b>26.78</b>	<b>23.78</b>	<b>23.78</b>	<b>23.78</b>

**DIVISION GOALS FOR 2012-13**

- Continue the work release clean-up crew, Restoring the Environment for a Cleaner Hesperia (REACH) Program, thirty-six hours per week to remove weeds, tires, trash and debris throughout the City.
- Continue to conduct special enforcement programs, concentrating on 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 being processed through the City Council.
- Continue to work with San Bernardino County for cat care contract service, and implement the in-house vet contract.

**SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES**

- Hearing Officer contractual costs and abatement costs are expected to increase from \$40,000 to \$70,000 for an increase of 75% due to Medical Marijuana case appeals and abandoned homes.

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

**SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES (Continued)**

- Contractual expenditures increased for additional veterinary services costs due to “Buy one, get one free” the adoption program, which has depleted the spay/neuter trust fund thereby requiring more general fund veterinary expenses.
- One additional Animal Control Officer (1.00 FTE) is being added and one vacant Senior Animal Control Officer (1.00 FTE) is being eliminated.

<b><u>DIVISION STAFFING</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>
<b><u>Full-Time Staff</u></b>				
Animal Control Officer	3.00	2.00	2.00	3.00
Animal Control Supervisor	1.00	1.00	1.00	1.00
Animal Control Technician	4.00	4.00	4.00	4.00
Code Enforcement Officer	6.00	5.00	5.00	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	5.00	4.00	4.00	4.00
Senior Animal Control Officer	2.00	2.00	2.00	1.00
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
<b>Total Full-Time Staff</b>	<b>26.32</b>	<b>23.32</b>	<b>23.32</b>	<b>23.32</b>
<b><u>Part-Time Staff</u></b>				
Animal Control Technician	0.46	0.46	0.46	0.46
<b>Total Part-Time Staff</b>	<b>0.46</b>	<b>0.46</b>	<b>0.46</b>	<b>0.46</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>26.78</b>	<b>23.78</b>	<b>23.78</b>	<b>23.78</b>

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

PROGRAM EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 516,151	\$ 483,626	\$ 498,809	\$489,621	\$509,065	2%
Benefits	210,248	178,295	206,835	206,200	198,752	-4%
Materials	46,814	48,510	47,150	48,300	54,410	15%
Contractual	74,266	72,986	55,000	93,000	87,000	58%
Other Operating	11,279	11,871	7,550	9,550	9,500	26%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 858,758</b>	<b>\$ 795,288</b>	<b>\$ 815,344</b>	<b>\$846,671</b>	<b>\$858,727</b>	<b>5%</b>

#### 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 five days per week, with officers working various hours on the weekends and a clean-up crew working Monday through Thursdays.

#### SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Hearing Officer contractual costs and abatement costs are expected to increase from \$40,000 to \$70,000 for an increase of 75% due to Medical Marijuana case appeals and abandoned homes.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Code Enforcement Officer	6.00	5.00	5.00	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	1.00	1.00	1.00	1.00
Senior Code Enforcement Officer	1.00	1.00	1.00	1.00
Senior Office Assistant	1.00	1.00	1.00	1.00
<b>Total Full-Time Staff</b>	<b>10.20</b>	<b>9.20</b>	<b>9.20</b>	<b>9.20</b>

#### 2011-12 PROGRAM ACCOMPLISHMENTS

- Assisted Advance Disposal in the removal of trash and debris during the two City clean-up days held in October 2011 and April 2012.
- 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 five days per week, and various hours on the weekends, 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.

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

**2011-12 PROGRAM ACCOMPLISHMENTS (Continued)**

- Assisted in four tire amnesty days and utilized the Restoring the Environment for a Cleaner Hesperia (REACH) clean-up crew to pick-up and dispose of illegally discarded tires throughout the City, including one, large scale wash clean up.
- Participated 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.
- Enforced marijuana dispensary Ordinance, closing down 17 of the 19 illegal dispensaries within the City.
- Conducted a Citywide sweep of illegal business signs.

**2012-13 PROGRAM GOALS AND OBJECTIVES**

- Continue the work release clean-up crew, Restoring the Environment for a Cleaner Hesperia (REACH) Program, thirty-six hours per week to remove weeds, tires, trash and debris throughout the City.
- Assist in the City's tire amnesty days. Utilize the clean-up crew (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 five-day service, and various hours on the weekends, focusing on reducing street vendors, illegal subdivision signs, unpermitted yard/garage sales, and illegal dumping.

**PERFORMANCE AND**

**WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
New Enforcement Cases	1,901	2,277	2,525	2,500
Inspections (New and Recheck)	5,637	6,133	7,000	5,000
Notices Issued	1,664	1,699	2,300	1,600
Citations	400	664	600	500
Warrants	126	150	240	200
Court Hearings	64	143	160	150
Administrative Citations	399	376	1,900	600
Contracted Abatements	n/a	n/a	25	25
City Abatements	n/a	n/a	75	75

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

PROGRAM EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 675,385	\$ 644,974	\$ 636,303	\$ 640,957	\$ 643,847	1%
Benefits	319,096	255,266	290,766	301,141	293,996	1%
Materials	133,271	155,825	168,988	170,425	176,950	5%
Contractual	101,929	123,224	109,085	184,578	216,183	98%
Other Operating	12,978	21,247	21,600	31,818	22,800	6%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 1,242,659</b>	<b>\$ 1,200,536</b>	<b>\$ 1,226,742</b>	<b>\$ 1,328,919</b>	<b>\$ 1,353,776</b>	<b>10%</b>

#### 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

- Contractual expenditures increased for additional veterinary services costs due to “Buy one, get one free” the adoption program, which has depleted the spay/neuter trust fund thereby requiring more general fund veterinary expenses.
- Reduction in staffing/vehicle fuel costs from implementing on-site veterinarian to be offset by increased license canvassing, which will increase revenues.
- One additional Animal Control Officer (1.00 FTE) is being added and one vacant Senior Animal Control Officer (1.00 FTE) is being eliminated.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Animal Control Officer	3.00	2.00	2.00	3.00
Animal Control Supervisor	1.00	1.00	1.00	1.00
Animal Control Technician	4.00	4.00	4.00	4.00
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	3.00	3.00	3.00
Senior Animal Control Officer	2.00	2.00	2.00	1.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Shelter Supervisor	1.00	1.00	1.00	1.00
<b>Total Full-Time Staff</b>	<b>16.12</b>	<b>14.12</b>	<b>14.12</b>	<b>14.12</b>
<u>Part-Time Staff</u>				
Animal Control Technician	0.46	0.46	0.46	0.46
<b>Total Part-Time Staff</b>	<b>0.46</b>	<b>0.46</b>	<b>0.46</b>	<b>0.46</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>16.58</b>	<b>14.58</b>	<b>14.58</b>	<b>14.58</b>

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

**2011-12 PROGRAM ACCOMPLISHMENTS**

- Implemented new two for one adoption pilot program incentives to increase adoptions and decrease euthanasia. Currently, our adoptions are 21% higher than last year.
- Implemented animal adoption gift certificates and animal sponsorships, to allow the public to pre-pay for adoptions and give others an opportunity to adopt at no cost.
- Drafted new City Ordinance for Mandatory Spay/Neuter of animals, which was reviewed by the City Council Advisory Committee and City Council this year.
- Hired an on-site veterinarian to perform spay/neuters, treatment and care on shelter animals and provide low-cost spay/neuter services to High Desert residents to reduce animal over population, along with weekly vaccination/microchip clinics for Hesperia residents.
- Staff continues to operate successfully a cat adoption program through PetSmart Adoption Charities in Apple Valley and recently added Victorville PetSmart. Monies paid to the City through the participation in the PetSmart Charities are put back into the Shelter's adoption program.
- Staff has added pictures of adoptable animals to the City's website along with a new animal rescue site called Rescues.Org that links to other rescue sites. This will encourage rescue groups and people not living in the High Desert to view our animals for adoption and/or rescue.
- Continued community outreach education of Animal Control through the Hesperia Farmers Market, Hesperia City events, school programs, and shelter tours.
- Increase in canvassing for dog licenses to obtain compliance with state and local laws.
- Hesperia Animal Control, in cooperation with other High Desert Animal Control Departments, are working together in preparing animal disaster preparedness procedures.
- Established cross training program for officers within neighboring jurisdictions.
- Established Mutual Aid Agreement with City of Adelanto to aid in ongoing operations and disaster relief.
- Negotiated a contract for an on-site veterinary service.

**2012-13 PROGRAM GOALS AND OBJECTIVES**

- Continue the established Volunteer Program to include the County WEX volunteers to assist with shelter operations.
- Revise all fees to reflect increasing costs.
- Continue to work with San Bernardino County for the cat care contract service.
- Expand usage of Shelter software program to include dispatch calls and impounding animals.
- Take over County contracts to inspect animal businesses such as; Pet Shops, Pet Grooming, Boarding kennels, etc., to increase revenues to the City.
- Continue to increase door-to-door canvassing for unlicensed/unvaccinated pets, increasing license revenues.

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

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Officer call response	8,115	8,961	9,500	10,000
Owner Turn-in-Alive	944	1,016	859	950
Owner Turn-in-DOA	82	100	144	130
Strays Recovered-Alive	6,549	7,540	6,670	6,850
Strays Recovered-DOA	615	533	504	525
Seized/Abandoned/Agency Assist	562	99	48	100
Return to Owners	760	746	712	750
Animals Adopted	2,170	1,819	2,200	2,400
Stray Animals Euthanized	4,146	5,700	4,614	4,800
Transfer to another Agency	58	26	36	35
Animal Licenses Issued	9,650	9,536	8,309	10,300
Number of Animals Processed (Intake)	8,195	9,000	7,536	8,500
Canvassing of Dogs	n/a	n/a	2,100	10,000

**SAN BERNARDINO COUNTY CAT CONTRACT**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Strays Recovered Alive	n/a	834	875	880
Strays Recovered - DOA	n/a	115	150	155
Owner Turn-in-Alive	n/a	10	10	20
Strays Cats-Euthanized	n/a	688	690	700

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

DIVISION EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 2,032,273	\$ 1,941,190	\$ 1,924,821	\$ 1,907,335	\$ 1,897,659	-1%
Benefits	896,912	765,904	835,598	798,415	779,430	-7%
Materials	806,278	861,892	870,924	814,043	887,964	2%
Contractual	666,183	498,990	610,600	556,570	605,849	-1%
Other Operating	227,777	275,736	200,942	189,124	232,487	16%
Capital Outlay	0	12,468	0	6,501	102,000	100%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 4,629,423</b>	<b>\$ 4,356,180</b>	<b>\$ 4,442,885</b>	<b>\$ 4,271,988</b>	<b>\$ 4,505,389</b>	<b>1%</b>

DIVISION EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
<b>Street Maintenance (263)</b>						
3150 Street Maintenance	3,248,664	3,090,915	3,102,389	3,018,206	3,206,834	3%
<b>Total Fund Street Maintenance (Fund 263)</b>	<b>\$ 3,248,664</b>	<b>\$ 3,090,915</b>	<b>\$ 3,102,389</b>	<b>\$ 3,018,206</b>	<b>\$ 3,206,834</b>	<b>3%</b>
<b>General Fund (100)</b>						
3100 Engineering	\$ 555,436	\$ 506,594	\$ 540,616	\$ 484,035	\$ 484,059	-10%
3110 Building Maintenance	700,037	758,671	799,880	769,747	814,496	2%
CIP	125,286	0	0	0	0	0%
<b>Total General Fund (100)</b>	<b>\$ 1,380,759</b>	<b>\$ 1,265,265</b>	<b>\$ 1,340,496</b>	<b>\$ 1,253,782</b>	<b>\$ 1,298,555</b>	<b>-3%</b>
<b>Total Public Works</b>	<b>\$ 4,629,423</b>	<b>\$ 4,356,180</b>	<b>\$ 4,442,885</b>	<b>\$ 4,271,988</b>	<b>\$ 4,505,389</b>	<b>1%</b>

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b>DEPARTMENT STAFFING</b>				
Total Full-Time Staff		35.90	35.40	34.90
Total Part-Time Staff		0.00	0.00	0.46
<b>Total D.S. Public Works Staff</b>		<b>35.90</b>	<b>35.40</b>	<b>34.36</b>

**DIVISION GOALS FOR 2012-13**

- Continue to operate a Graffiti Removal Program to keep the City graffiti free.
- Continue to maintain storm drain facilities, retention basins, and associated dry wells consistent with State and Federal law.

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

**DIVISION GOALS FOR 2012-13 (Continued)**

- Continue to maintain existing roads to provide a safe, reliable road system by:
  - Completing pavement repairs (potholes, shoulder grading, trenches, etc.);
  - Repairing/replacing all damaged or missing regulatory signs, and maintaining legible legends striping and curb markings;
  - Sweeping major roadways on a regularly scheduled basis;
  - Keeping all traffic signals operating as efficiently as possible.

**SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES**

- The retirement of one Office Assistant (0.50 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn and related reduced maintenance call activity.
- Eliminate one vacant Senior Engineer (0.50 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.
- Eliminate one Custodian (0.50 FTE) position and create one new Senior Custodian (0.50 FTE) position to lead and oversee current custodial staff and assist with minor maintenance and repair tasks for better overall maintenance of buildings and facilities.

<b><u>DIVISION STAFFING</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>
<u>Full-Time Staff</u>				
Administrative Analyst	0.50	0.50	0.50	0.50
Administrative Secretary	0.50	0.50	0.50	0.50
Assistant Engineer	0.35	0.35	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	0.35	0.35	0.35	0.35
Construction Inspector	1.45	1.45	1.45	1.45
Custodian	1.50	1.50	1.50	1.00
Director of Development Services	0.30	0.30	0.30	0.30
Engineering Aide	0.50	0.00	0.00	0.00
Engineering Technician	0.40	0.40	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	0.30	0.30	0.30	0.30
Geographical Information Systems	0.30	0.30	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	2.00	2.00	1.50	1.00
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 Custodian	0.00	0.00	0.00	0.50
Senior Engineer	0.50	0.50	0.50	0.00

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

<u>DIVISION STAFFING (Continued)</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff (Continued)</u>				
Senior Engineering Technician	0.40	0.40	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
<b>Total Full-Time Staff</b>	<b>35.90</b>	<b>35.40</b>	<b>34.90</b>	<b>33.90</b>
<u>Part-Time Staff</u>				
Custodian	0.00	0.00	0.46	0.46
<b>Total Part-Time Staff</b>	<b>0.00</b>	<b>0.00</b>	<b>0.46</b>	<b>0.46</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>35.90</b>	<b>35.40</b>	<b>35.36</b>	<b>34.36</b>

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

PROGRAM EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 1,586,330	\$ 1,501,977	\$ 1,492,909	\$ 1,488,252	\$ 1,499,066	0%
Benefits	715,435	608,168	662,435	635,526	627,021	-5%
Materials	461,291	444,015	460,798	403,750	468,150	2%
Contractual	315,863	314,333	348,500	344,000	361,000	4%
Other Operating	169,745	209,954	137,747	140,177	149,597	9%
Capital Outlay	0	12,468	0	6,501	102,000	100%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 3,248,664</b>	<b>\$ 3,090,915</b>	<b>\$ 3,102,389</b>	<b>\$ 3,018,206</b>	<b>\$ 3,206,834</b>	<b>3%</b>

#### 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>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.25	0.25	0.25	0.25
Administrative Secretary	0.50	0.50	0.50	0.50
Assistant Engineer	0.20	0.20	0.20	0.20
City Engineer	0.25	0.25	0.25	0.25
Construction Inspection Supervisor	0.25	0.25	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	0.30	0.00	0.00	0.00
Engineering Technician	0.20	0.20	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	0.15	0.15	0.15	0.15
Geographical Information Systems Technician	0.15	0.15	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	1.60	1.60	1.30	0.80

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

<u>PROGRAM STAFFING (Continued)</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff (Continued)</u>				
Public Works Manager	0.50	0.50	0.50	0.50
Public Works Supervisor	1.00	1.00	1.00	1.00
Senior Engineering Technician	0.20	0.20	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
<b>Total Full-Time Staff</b>	<b>28.85</b>	<b>28.55</b>	<b>28.25</b>	<b>27.75</b>

### **SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES**

- The retirement of one Office Assistant (0.50 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn and related reduced maintenance call activity.

### **2011-12 PROGRAM ACCOMPLISHMENTS**

- Used 1,900 tons of asphalt to pave 170,000 square feet of roads, trench repairs, and 6,000 linear feet of berm.
- Used 110 tons of cold mix to repair 8,500 potholes.
- Completed 55,000 square feet of trench repair for Water Division.
- Hauled 40,300 yards of material in the process of debris removal, shoulder backfill, and dirt road rebuilding.
- Graded 95 miles of dirt roads.
- Crack-sealed 190,000 linear feet of cracks on 20 miles of road.
- Maintained 5,700 street signs and replaced 700 street signs due to vandalism, theft, and traffic collisions.
- Used 1,500 gallons of paint and painted 1,100 legends and crosswalks throughout the City.
- Removed graffiti from 9,000 public and private locations within the City.
- Administered and utilized court-appointed, work-sentence personnel an average of 100 additional staff hours per week to supplement department routine maintenance responsibilities.
- Administered service contracts that provide street sweeping to all housing tracts and the following arterials: Main Street, Bear Valley, "I" Avenue, "E" Avenue, Hesperia Road, and Seventh Avenue.
- 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 and improved service by adding three new shelters.
- Inventoried retention basins and associated dry wells to maintain the cleaning and maintenance program.
- Thirty percent of the storm drain system was hydro-cleaned and flushed, completing a three-year program.

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

## **2012-13 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. Minimize shoulder erosion and debris from storm by paving berms and shoulders at problem areas.
  - 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 for an improved ride every 12 to 18 weeks, or as needed.
  - 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. Repair shoulders damaged by storms.
  - 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 and 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 program is in place and maintained by current employees in place of contract services.
  - 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 for 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 monthly. Continue to meet monthly with High Desert Community Task Force and develop strategies to fight graffiti collectively.
  - 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 300,000 linear feet).
  - Evaluate the roadway network to determine where additional markings may be necessary (example: lane limit lines on arterials).
  - Maintain storm water crossings on roadways by installing concrete “cut off walls” and Rip Rap.

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

**PERFORMANCE AND**

<b><u>WORKLOAD INDICATORS</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>
Pavement Repaired (Square Feet)	202,782	161,241	170,000	150,000
Pavement Repaired/Water Patches (sq. ft.)	36,180	92,814	55,000	70,000
Berms Constructed (Feet)	4,284	10,382	6,000	7,000
Hot Mix (Tons)	2,158	2,320	2,100	2,000
Potholes Repaired	10,961	8,398	8,500	6,000
Cold Mix (Tons)	152	179	110	110
Dirt Roads Graded (Miles)	125	103	95	100
Shoulders Graded (Miles)	56	62	75	65
Debris Removed (Loads)	1,511	1,561	1,500	1,500
Fill Dirt (Loads)	1,196	1,693	1,600	1,500
Legends Painted	1,252	1,088	1,100	1,000
Signs Maintained	7,104	7,389	6,400	7,000
Graffiti Sites Addressed	6,133	7,599	9,000	8,500
Striping (Feet)	300,000	300,000	300,000	300,000
Street Sweeping (Curb Miles)	3,500	3,500	3,500	3,500
Storm Drains Cleaned (Counts)	360	316	36	250
Crack-Seal (feet)	153,587	4,306	190,000	200,000
Roads Crack-Sealed (Miles)	n/a	0	20	25

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

PROGRAM EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 351,136	\$ 338,778	\$ 324,179	\$307,066	\$287,683	-11%
Benefits	134,268	117,039	124,192	113,761	102,429	-18%
Materials	17,284	17,631	22,896	19,726	21,438	-6%
Contractual	44,936	26,827	56,900	32,570	54,065	-5%
Other Operating	7,812	6,319	12,449	10,912	18,444	48%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 555,436</b>	<b>\$ 506,594</b>	<b>\$ 540,616</b>	<b>\$484,035</b>	<b>\$484,059</b>	<b>-10%</b>

### 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, wastewater, potable water, and storm drain related construction projects. The Engineering Division has taken over the Traffic Engineering responsibilities, and works closely with the Public Works Department to respond to these issues. The Program will also be responsible for compliance with new requirements from the State of California in connection with the Federal Clean Water Act.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.25	0.25	0.25	0.25
Assistant Engineer	0.15	0.15	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	0.10	0.10	0.10	0.10
Construction Inspector	1.15	1.15	1.15	1.15
Engineering Aide	0.20	0.00	0.00	0.00
Engineering Technician	0.20	0.20	0.20	0.20
Geographical Information Systems Manager	0.15	0.15	0.15	0.15
Geographical Information Systems Technician	0.15	0.15	0.15	0.15
Office Assistant	0.40	0.40	0.20	0.20
Project Construction Manager	0.75	0.75	0.75	0.75
Senior Engineer	0.50	0.50	0.50	0.00
Senior Engineering Technician	0.20	0.20	0.20	0.20
Senior Office Assistant	0.35	0.35	0.35	0.35
<b>Total Full-Time Staff</b>	<b>5.05</b>	<b>4.85</b>	<b>4.65</b>	<b>4.15</b>

<b>FUND:</b>	<b>GENERAL FUND</b>	<b>100</b>
<b>DEPARTMENT:</b>	<b>DEVELOPMENT SERVICES</b>	<b>29</b>
<b>DIVISION:</b>	<b>PUBLIC WORKS</b>	<b>310</b>
<b>PROGRAM:</b>	<b>ENGINEERING</b>	<b>3100</b>

## **SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES**

- Eliminate one vacant Senior Engineer (0.50 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.

## **2011-12 PROGRAM ACCOMPLISHMENTS**

- Updated the City's Capital Improvement Program by adjusting the priorities of projects, based upon the anticipated funding levels that were available.
- Completed the design work and contract documents for the City's FY 2011-2012 Pavement Rehabilitation Program. This project was advertised in March and will be awarded in May, with the work being completed in FY 2012-13.
- City staff was successful in obtaining Transportation Development Act (TDA) Article 3 grant funds for improvements to several bus stops within the City's VVTA service area. The bus stop on the south side of Bear Valley Road at Industrial Blvd. will utilize the majority of the funding, as it will require a substantial amount of shoulder grading and a long path of travel. The design and construction of these improvements will occur in FY 2012-13.
- Funding for one of the key bicycle facilities in the City was secured with a TDA Article 3 grant (see above). These funds will be utilized to construct the Sequoia Street bicycle facility, which will act as a by-pass route for Bear Valley Road. The design and construction of this facility will occur in FY 2012-13.
- The Geographical Information Systems (GIS) staff completed system and software upgrades. The Geoviewer software package, which is the interface that most employees utilized, was upgraded and is now hosted by the City. This allows more efficient interface with other programs and reduces the yearly maintenance cost of the program. Other upgrades included ArcServer 10 (as a test environment for future versions), Cityworks 10, and new licenses for ArcMap and ArcEditor, which keeps the City's GIS System current in its operations. GIS staff worked with the Economic Development Department to produce an internet-based map whereby users can locate their business (or potential business) and see if they are located within the City's Enterprise Zone.
- Continued to support the various departments and divisions throughout the City through the production of maps, exhibits, standards, and other documents required.
- The realignment of Choicena Avenue and Talisman Street was designed in-house. The design survey was completed by Cubit Engineering and then provided to the Engineering staff. Staff designed the two roadways to eliminate the road crossing at the G-01 drain line, thus eliminating the maintenance associated with removal of the silt and debris which historically occurs at this location. Construction will occur in FY 2012-13.
- Completed the construction of the new traffic signal at the intersection of Rock Springs Road and Main Street. This new signal will play an instrumental role once the Ranchero Undercrossing is completed, and commuters from Apple Valley and the County utilize this corridor to by-pass Main Street on their way to Interstate 15.
- In FY 2010-11, City staff secured a State Safe Routes to School grant in the amount of \$850,000 for the construction of the Eighth Avenue Paseo from the new Police Station to Willow Avenue. Engineering Staff was able to modify plans that were designed by a consultant to cover only the improvements being performed under this project and designed the landscape plans in-house with the assistance of the Planning Division. The project was bid with the FY 2011-12 Street Improvement Project, which will be constructed in FY 2012-13.
- Engineering staff was diligent in securing \$1.3 million in Proposition 1b transportation funds. There are several conditions for the expenditure of these funds, including their use on a City Arterial Highway, and all the funds must be expended on a single project. Due to its regional nature, poor condition, and the fact that it is one of the primary bus routes for Hesperia School District, the reconstruction of Lemon Street from East Santa Fe Avenue to Choicena Avenue will utilize these funds as part of the FY 2011-12 Street Improvement Project.
- 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.

<b>FUND:</b>	<b>GENERAL FUND</b>	<b>100</b>
<b>DEPARTMENT:</b>	<b>DEVELOPMENT SERVICES</b>	<b>29</b>
<b>DIVISION:</b>	<b>PUBLIC WORKS</b>	<b>310</b>
<b>PROGRAM:</b>	<b>ENGINEERING</b>	<b>3100</b>

## **2011-12 PROGRAM ACCOMPLISHMENTS (Continued)**

- Engineering staff continued to file its Annual Report for compliance with the City's General Stormwater Construction permit based upon the requirements of its fifth year. 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 anticipated new permit and its impact to City operations.

The new General Stormwater Construction permit has several new requirements and certifications which the City implemented in order to comply with this new permit. Chief among these was the requirement for certified storm water technicians. The two categories that City staff obtained certifications in were Qualified SWPPP Developer (QSD) and Qualified SWPPP Practitioner (QSP). The City currently has three staff members with QSP certifications and one with a QSD certification.

- City Staff was able to secure a \$950,000 Federal Safe Routes to School grant for the construction of bicycle/pedestrian paseos along Willow Street from Third Avenue to Eighth Avenue. These paseos will provide children a safe path of travel from the Township area to the several schools along Willow Street and have a direct connection to the Eighth Avenue paseo. Due to the intense Federal requirements associated with these Federal funds, the survey, design, and environmental work will all be performed by contract.
- The City Engineer completed several traffic related courses that will assist him in his duties as the City's Traffic Engineer. These courses included signal timing, video detection, and a course dedicated to the new requirements imposed with the adoption of the 2012 California Manual of Traffic Control Devices (MUTCD).
- City Staff began the arduous process of obtaining environmental clearance for the mitigation repairs of the H-01 drain line at Third Avenue. This FEMA funded project will extend the double ten-foot diameter storm drain from Fourth Avenue to a culvert at Third Avenue. Tom Dodson and Associates was retained by the City to complete the environmental portion of the project, while CCL Engineering is completing the improvement plans.
- Assisted the Victor Valley Transit Agency (VVTA) in the selection process to hire a consultant to perform VVTA's next Comprehensive Operational Analysis (COA). This short and long range planning tool will assist VVTA in providing the most efficient transit services practicable, while balancing the economic solvency of its member agencies.
- Completed the fencing and landscape improvements in the Township improvement areas, thus closing out phase I of the project. The contractor will now be held liable for any workmanship defects during the one-year warranty period.
- Working closely with Southern California Edison, City staff was able to form an underground district and have all utilities relocated underground along Escondido Avenue from Main Street south to Sultana Avenue. This allowed the removal of the unsightly power poles along the sidewalk which is being constructed by Wal-Mart as part of its site development. Funding for this project was covered by the City's share of Edison's Rule 20 undergrounding account.
- Assisted the Economic Development Department in the development of standards for inspection and rehabilitation of dilapidated homes as part of its NSP Program. Engineering staff helped in developing the bid schedule required, as well as performing inspections of the homes to determine the necessary improvements required to make them habitable.
- Engineering staff designed improvements at the intersection of Escondido Avenue and Sultana Street to improve the line-of-sight for motorists utilizing the intersection. Since the construction of the new Wal-Mart at Main Street and Escondido Road eliminated Major Place as an access point for the local residents, more traffic has been directed to Sultana Street. Improvements are needed at this intersection to accommodate the increased traffic volumes.

<b>FUND:</b>	<b>GENERAL FUND</b>	<b>100</b>
<b>DEPARTMENT:</b>	<b>DEVELOPMENT SERVICES</b>	<b>29</b>
<b>DIVISION:</b>	<b>PUBLIC WORKS</b>	<b>310</b>
<b>PROGRAM:</b>	<b>ENGINEERING</b>	<b>3100</b>

## **2012-13 PROGRAM GOALS AND OBJECTIVES**

- The FY 2011-12 Paving Program will utilize Proposition 1b funding and a State Safe Routes to School grant to rehabilitate Lemon Street and construct the Eighth Avenue Paseo. In addition, the City will once again perform a crack seal and slurry seal program for the maintenance of many of the roadways that it has rehabilitated over the last 15 years.
- Staff will work with consultants to clear the environmental phase and obtain permits from Caltrans for the construction of mitigation improvements at the outlet of the H-01 storm drain facility between Fourth and Third Avenues. Construction of this facility will reduce or eliminate the erosive impact to the existing residences that are downstream of the H-01 outlet basin and protect Third Avenue from future damage. It is anticipated that the project will clear the design and environmental phases in Summer, 2012; right of way acquisition completed by the Fall and construction beginning in Spring, 2013, with all activity completed by the end of the fiscal year.
- Utilizing the Transportation Development Act (TDA) Article 3 funds received in FY 2011-12, the City will contract for the survey design and then design the Sequoia Street bicycle facility in-house. This Class II bicycle facility, otherwise known as the Bear Valley Road Bypass, will be under construction early in the fiscal year and completed well before the end of the fiscal year.
- Using the same source of money identified above (TDA Article 3), the City will complete improvements to several transit bus stops throughout the City. Locations include Bear Valley Road at Industrial, and G Avenue from Main Street to Olive Street. All construction and reimbursements will occur this fiscal year.
- 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 the City's project tracking software will provide a seamless integration between departments throughout the City.
- As the City's representative to the Technical Advisory Committee (TAC) at the Victor Valley Transit Agency (VVTA), the City Engineer will work closely with VVTA and its consultant during the development of the Comprehensive Operational Analysis (COA). It is imperative that VVTA find a way to provide the best service practicable while balancing the allocation of Local Transportation Funds (LTF) back to the City for its roadway maintenance.
- 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 most productive use of the City's GIS Map while meeting the demands of all City staff.
- 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 provide feedback during the development of the next General Stormwater Construction permit. General permits developed in other watershed areas have requirements that 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.
- Ensure that the City complies with the State's new General Stormwater Construction permit by participating in the required training necessary for its staff members to keep their certifications as Qualified SWPPP Developer (QSD) and Practitioner (QSP) current.
- The intersection improvements at Escondido Avenue and Sultana Street, which were designed in-house by Engineering staff, will be constructed as part of the FY 2011-12 Paving Program. These improvements will provide some additional capacity at the intersection and greatly enhance the sight distance for motorists travelling through the intersection.

<b>FUND:</b>	<b>GENERAL FUND</b>	<b>100</b>
<b>DEPARTMENT:</b>	<b>DEVELOPMENT SERVICES</b>	<b>29</b>
<b>DIVISION:</b>	<b>PUBLIC WORKS</b>	<b>310</b>
<b>PROGRAM:</b>	<b>ENGINEERING</b>	<b>3100</b>

#### **2012-13 PROGRAM GOALS AND OBJECTIVES (Continued)**

- Engineering staff will work with consultants to design the paseo improvements along Willow Street from Third Avenue to Eighth Avenue. This enhanced roadway is identified in the City's Urban Design Framework Map and will provide a 20' wide pedestrian/bicycle paseo along each side of Willow Street. It will finish the link from the Township area to the various schools along Willow Street and connect to the Eighth Avenue Paseo, providing a vehicle-free path of travel all the way to the City's Civic Complex. Construction is expected to be completed this fiscal year.
- The realignment of Choicena Avenue and Talisman Street will be completed this fiscal year. This roadway project will provide a clear path for storm water as it flows along the G-01 drain line into the Mojave River, thus reducing the amount of silt deposition and maintaining vehicle access during storm events for the residents of the area.
- Continue coordination with SANBAG and Caltrans to bid the Rancho Road/I-15 Freeway Interchange project and begin construction.
- Continue construction of the Rancho Road Grade Separation project, and open the road to traffic by the end of the fiscal year.

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

PROGRAM EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 94,807	\$ 100,435	\$ 107,733	\$112,017	\$110,910	3%
Benefits	47,209	40,697	48,971	49,128	49,980	2%
Materials	327,703	400,246	387,230	390,567	398,376	3%
Contractual	180,098	157,830	205,200	180,000	190,784	-7%
Other Operating	50,220	59,463	50,746	38,035	64,446	27%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 700,037</b>	<b>\$ 758,671</b>	<b>\$ 799,880</b>	<b>\$769,747</b>	<b>\$814,496</b>	<b>2%</b>

#### 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), Animal Control (11011 East Santa Fe Avenue), Police Department (15840 Smoke Tree), Fire Department facilities (various locations), and the City of Hesperia Park and Ride Facility (Joshua at Highway 395).

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Custodian	1.50	1.50	1.50	1.00
Facilities Supervisor	0.50	0.50	0.50	0.50
Senior Custodian	0.00	0.00	0.00	0.50
<b>Total Full-Time Staff</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>
<u>Part-Time Staff</u>				
Custodian - Part-Time	0.00	0.00	0.46	0.46
<b>Total Part-Time Staff</b>	<b>0.00</b>	<b>0.00</b>	<b>0.46</b>	<b>0.46</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>0.00</b>	<b>2.00</b>	<b>2.46</b>	<b>2.46</b>

#### SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Eliminate one Custodian (0.50 FTE) position and create one new Senior Custodian (0.50 FTE) position to lead and oversee current custodial staff and assist with minor maintenance and repair tasks for better overall maintenance of buildings and facilities.

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

**2011-12 PROGRAM ACCOMPLISHMENTS**

- Provided a safe, clean work environment for all employees at City Hall, the County Library, Code Compliance, Police Department, and the Park and Ride.
- Continued to provide key control for all facilities.
- Reduced the number of unforeseen trouble calls through the use of preventive/predictive maintenance.
- Increased the use of Cityworks through the addition of detailed equipment associated to each facility.
- Provided quality environment control to City Hall, County Library, Animal Control, and Police Department.
- Improved custodial cleaning schedule to eliminate disruption of daily operations at facilities.
- Continued to increase the use of green cleaning products for custodial activities.
- Provided timely maintenance and repairs to all facilities.

**2012-13 PROGRAM GOALS AND OBJECTIVES**

- Continue to provide guidance to all subcontractors under the direction of Building Maintenance.
- Provide a safe, clean work environment for all employees at City Hall, the County Library, Animal Control, Police Department, and the Park and Ride.
- Reduce the number of unforeseen trouble calls through the use of preventive/predictive maintenance.
- Increase the use of Cityworks through the addition of detailed equipment associated with each facility.
- Provide quality climate control to City Hall, County Library, Animal Control, and Police Department.
- Improve custodial cleaning schedule to eliminate disruption of daily operations at facilities.
- Continue to increase the use of green cleaning products for custodial activities.
- Reduce irrigation water usage facility-wide.
- Provide secure environment at City Hall and Hesperia Branch Library through contracted security company.

**PERFORMANCE AND**

**WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Customer Service Request Orders	255	146	157	150
Carpets Cleaned (square feet)	2,500	2,500	3,100	7,000
Painting (square feet)	5,000	0	0	500
Hard Surface Cleaning (square feet)	n/a	3,210	4,539	10,000
Invoices Processed Through Contracts	n/a	n/a	156	156

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

DIMENSION EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 3,915,993	\$ 3,666,935	\$ 3,686,554	\$ 3,546,519	\$ 3,674,967	0%
Benefits	1,615,498	1,450,084	1,474,372	1,420,179	1,377,408	-7%
Materials	6,757,608	7,594,728	6,196,637	6,206,678	6,240,179	1%
Contractual	4,027,409	1,014,693	895,982	771,793	873,756	-2%
Other Operating	1,830,755	1,911,305	1,949,945	2,015,565	1,984,155	2%
Capital Outlay	84,679	9,342	0	0	0	0%
Debt Service	1,819,292	2,962,327	3,069,421	2,986,684	3,101,364	1%
<b>TOTAL</b>	<b>\$ 20,051,234</b>	<b>\$ 18,609,414</b>	<b>\$ 17,272,911</b>	<b>\$ 16,947,418</b>	<b>\$ 17,251,829</b>	<b>0%</b>

DIMENSION EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Water Operating (700)						
4010 Source of Supply	\$ 3,226,523	\$ 3,740,660	\$ 2,744,923	\$ 2,729,089	\$ 2,581,602	-6%
4020 Production	3,195,506	3,085,363	2,926,431	2,840,021	2,974,373	2%
4030 Distribution	1,574,607	1,103,175	1,124,084	1,112,833	1,123,748	0%
4035 Pipeline Maintenance	1,298,810	1,353,563	1,136,878	1,066,767	1,261,650	11%
4040 Engineering	990,764	919,460	881,340	818,357	819,342	-7%
4050 Customer Service	1,085,066	1,253,034	1,134,023	1,129,999	1,140,523	1%
4060 Utility Billing	863,133	835,601	935,038	979,644	959,326	3%
4070 Administration	4,835,320	6,047,967	6,079,062	5,997,697	6,086,655	0%
4080 Property Management	327,639	270,591	311,132	273,011	304,610	-2%
<b>Total Water Operating</b>	<b>\$ 17,397,368</b>	<b>\$ 18,609,414</b>	<b>\$ 17,272,911</b>	<b>\$ 16,947,418</b>	<b>\$ 17,251,829</b>	<b>0%</b>

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b><u>DEPARTMENT STAFFING</u></b>				
Total Full-Time Staff	72.41	72.08	68.85	67.85
Total Part-Time Staff	0.65	0.46	0.92	0.92
<b>Total D.S. Water Staff</b>	<b>73.06</b>	<b>72.54</b>	<b>69.77</b>	<b>68.77</b>

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

#### DIVISION GOALS FOR 2012-13

- Continue to provide high quality service to water customers with water delivery, responsiveness to repair needs, and easy payment methods.
- Continue to educate the public on water conservation methods.

#### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

##### Production

- Hesperia Golf Course water supply well and four irrigation booster pumps will be integrated into the existing Water Production division's pump maintenance program.

##### Pipeline Maintenance

- The cost of materials is expected to increase due to projected price increases, and the purchase of additional material needed for CO 3404, which is a larger project.

##### Engineering

- Eliminate one vacant Senior Engineer (0.50 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.

##### Utility Billing

- Funding has been included for a new postage meter, folder-inserter, color printer, and mail room software lease agreement. This new equipment will eliminate the need for manual stuffing and folding of bills, while also reducing overall mailing costs.

##### Administration

- The retirement of one Office Assistant (0.50 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn.

##### Property Management

- Eliminate one Custodian (0.50 FTE) position and create one new Senior Custodian (0.50 FTE) position to lead and oversee current custodial staff and assist with minor maintenance and repair tasks for better overall maintenance of buildings and facilities.

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

	2009-10	2010-11	2011-12	2011-12	2012-13	%Change From 2011-12
REVENUE DETAIL	Actual	Actual	Budget	Revised	Budget	Budget
<b>Water Operating Fund (700)</b>						
<b>Taxes</b>						
Secured Property Taxes 700 29 400 4070 4000	\$ 238,805	\$ 250,482	\$ 241,600	\$ 260,000	\$ 241,600	0%
WEDA Pass Through 700 29 400 4070 4095	0	5,389	4,601	4,601	4,601	0%
Other Taxes	8,539	6,711	6,296	6,447	6,046	-4%
<b>Total Taxes</b>	<b>\$ 247,344</b>	<b>\$ 262,582</b>	<b>\$ 252,497</b>	<b>\$ 271,048</b>	<b>\$ 252,247</b>	<b>0%</b>
<b>Interest</b>						
Interest Income 700 29 400 4070 5605	\$ (14,461)	\$ 14,275	\$ 22,274	\$ 4,500	\$ 2,500	-89%
Other Interest	0	0	0	0	0	n/a
<b>Total Interest</b>	<b>\$ (14,461)</b>	<b>\$ 14,275</b>	<b>\$ 22,274</b>	<b>\$ 4,500</b>	<b>\$ 2,500</b>	<b>-89%</b>
<b>Intergovernmental</b>						
City Rent Charge 700 29 400 4070 5880	\$ 58,375	\$ 58,375	\$ 52,537	\$ 52,537	\$ 52,537	0%
<b>Total Intergovernmental</b>	<b>\$ 58,375</b>	<b>\$ 58,375</b>	<b>\$ 52,537</b>	<b>\$ 52,537</b>	<b>\$ 52,537</b>	<b>0%</b>
<b>Charges for Services</b>						
Water Sales 700 29 400 4060 5100	\$ 8,437,103	\$ 8,979,988	\$ 8,953,334	\$ 8,807,936	\$ 8,906,344	-1%
Water Availability Charge 700 29 400 4060 5110	5,757,741	6,379,295	6,344,000	6,403,252	6,486,608	2%
<b>Sub-total</b>	<b>14,194,843</b>	<b>15,359,283</b>	<b>15,297,334</b>	<b>15,211,188</b>	<b>15,392,952</b>	<b>1%</b>
Water Meter Fees 700 29 400 4070 5140	22,335	5,159	6,000	15,000	10,000	67%
Reconnection Fees 700 29 400 4070 5130	214,172	236,545	230,000	212,705	215,000	-7%
Water Inspection 700 29 400 4070 5180	8,704	688	1,000	2,100	1,000	0%
Rent Eagle Plaza 700 29 400 4070 5875	197,842	181,120	178,670	178,670	178,670	0%
Other Charges for Services	47,054	52,669	23,100	45,075	37,166	61%
<b>Total Charges for Services</b>	<b>\$ 14,684,950</b>	<b>\$ 15,835,464</b>	<b>\$ 15,736,104</b>	<b>\$ 15,664,738</b>	<b>\$ 15,834,788</b>	<b>1%</b>
<b>Grants</b>						
Grants	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	n/a
<b>Total Grants</b>	<b>\$ 0</b>	<b>n/a</b>				
<b>Other Operating</b>						
Other Operating	\$ 367,271	\$ 165,735	\$ 174,778	\$ 180,489	\$ 178,360	2%
<b>Total Other Operating</b>	<b>\$ 367,271</b>	<b>\$ 165,735</b>	<b>\$ 174,778</b>	<b>\$ 180,489</b>	<b>\$ 178,360</b>	<b>2%</b>
<b>All Other</b>						
All Other	\$ 55,029	\$ 52,113	\$ 32,000	\$ 27,365	\$ 25,000	-22%
<b>Total All Other</b>	<b>\$ 55,029</b>	<b>\$ 52,113</b>	<b>\$ 32,000</b>	<b>\$ 27,365</b>	<b>\$ 25,000</b>	<b>-22%</b>
<b>Total Water Operating Fund</b>	<b>\$ 15,398,509</b>	<b>\$ 16,388,545</b>	<b>\$ 16,270,190</b>	<b>\$ 16,200,677</b>	<b>\$ 16,345,432</b>	<b>0%</b>

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

REVENUE DETAIL	2009-10	2010-11	2011-12	2011-12	2012-13	%Change
	Actual	Actual	Budget	Revised	Budget	From 2011-12 Budget
<b>Water Capital Fund (701)</b>						
<b>Charges for Services</b>						
Capital Facility Charges 701 29 400 4070 5120	\$ 498,973	\$ 187,560	\$ 175,299	\$ 298,400	\$ 160,000	-9%
Other Charges for Services	239,168	404	0	0	0	n/a
<b>Total Water Capital Fund</b>	<b>\$ 738,141</b>	<b>\$ 187,964</b>	<b>\$ 175,299</b>	<b>\$ 298,400</b>	<b>\$ 160,000</b>	<b>-9%</b>
<b>Total Water Operating and Capital Fund Revenue</b>	<b>\$ 16,136,650</b>	<b>\$ 16,576,509</b>	<b>\$ 16,445,489</b>	<b>\$ 16,499,077</b>	<b>\$ 16,505,432</b>	<b>0%</b>

<u>DIVISION STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Secretary	0.50	0.50	0.50	0.50
Administrative Analyst	0.83	0.50	0.50	0.50
Assistant City Manager/Management	0.00	0.00	0.05	0.05
Assistant Engineer	0.65	0.65	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	0.33	0.40	0.40
Construction Inspection Supervisor	0.65	0.65	0.65	0.65
Construction Inspector	1.55	1.55	1.55	1.55
Custodian	2.50	2.50	2.50	2.00
Customer Service Representative	5.00	5.00	5.00	5.00
Customer Service Supervisor	1.00	1.00	1.00	1.00
Deputy Finance Director	0.00	0.00	0.10	0.10
Director of Development Services	0.40	0.40	0.40	0.40
Emergency Services Coordinator	0.33	0.50	0.50	0.50
Engineering Aide	0.50	0.00	0.00	0.00
Engineering Technician	0.60	0.60	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	0.70	0.70	0.70	0.70
Geographical Information Systems	0.70	0.70	0.70	0.70
Maintenance Crew Supervisor	4.00	4.00	4.00	4.00
Maintenance Worker	15.00	15.00	13.00	13.00
Management Analyst	1.00	1.00	1.00	1.00

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

<u>DIVISION STAFFING (Continued)</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff (Continued)</u>				
Meter Reader	4.00	4.00	4.00	4.00
Office Assistant	2.00	2.00	1.50	1.00
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 Custodian	0.00	0.00	0.00	0.50
Senior Customer Service Representative	2.00	2.00	2.00	2.00
Senior Engineer	0.50	0.50	0.50	0.00
Senior Engineering Technician	0.60	0.60	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	0.00	0.00
Senior Pump Operator	0.95	0.95	0.95	0.95
Senior Warehouse Technician	1.00	1.00	1.00	1.00
Subtotal Full-Time Staff	<u>68.41</u>	<u>68.08</u>	<u>64.85</u>	<u>63.85</u>
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
<b>Total Full-Time Staff</b>	<b>72.41</b>	<b>72.08</b>	<b>68.85</b>	<b>67.85</b>
<u>Part-Time Staff</u>				
Custodian	0.00	0.00	0.46	0.46
Customer Service Representative	0.46	0.46	0.46	0.46
Maintenance Worker	0.19	0.00	0.00	0.00
<b>Total Part-Time Staff</b>	<b>0.65</b>	<b>0.46</b>	<b>0.92</b>	<b>0.92</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>73.06</b>	<b>72.54</b>	<b>69.77</b>	<b>68.77</b>

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

PROGRAM EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 111,291	\$ 104,502	\$ 110,079	\$ 99,933	\$ 112,345	2%
Benefits	40,604	36,031	41,177	40,477	38,977	-5%
Materials	3,073,886	3,597,770	2,590,967	2,586,779	2,427,580	-6%
Contractual	0	0	0	0	0	0%
Other Operating	742	2,357	2,700	1,900	2,700	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 3,226,523</b>	<b>\$ 3,740,660</b>	<b>\$ 2,744,923</b>	<b>\$ 2,729,089</b>	<b>\$ 2,581,602</b>	<b>-6%</b>

#### 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.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.33	0.00	0.00	0.00
Community Relations and Media Coordinator	0.00	0.33	0.40	0.40
Environmental Programs Coordinator	0.50	0.50	0.50	0.50
Water Conservation Specialist	1.00	1.00	1.00	1.00
<b>Total Full-Time Staff</b>	<b>1.83</b>	<b>1.83</b>	<b>1.90</b>	<b>1.90</b>

#### SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- None

#### 2011-12 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 and distributed to Hesperia residents.
- The Water Awareness Coloring Contest was held again this year with the theme being "Recycling and Water Conservation, it begins with you and me".
- 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

**2011-12 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 45 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.
- Acquired 40 acre-feet of permanent water rights.

**2012-13 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 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 Mojave Water Agency (M.W.A) 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>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Water Lease Purchases (Acre-Feet)				
▪ Make-up Water (Centro)	892	980	980	980
▪ Carryover Water (Alto)	7,013	8,470	7,200	6,800
Permanent Water Purchase (Acre-Feet)(Alto)	678	0	40	0
Coloring Contest Participants	39	5	0	500
Community Event Participation	14	12	14	14
School Presentations Made	12	12	13	12
Commercial Water Audits Performed	6	3	4	4
Residential Water Audits Performed	32	30	34	23
Nuisance Water Complaints Addressed	68	145	80	78
Cash for Grass Inspections	136	36	45	50

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

PROGRAM EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 524,114	\$ 440,251	\$ 423,236	\$ 421,281	\$ 428,019	1%
Benefits	183,296	147,979	157,125	154,215	150,384	-4%
Materials	2,175,788	2,138,224	2,130,330	2,110,030	2,163,530	2%
Contractual	275,069	327,360	175,000	120,000	175,000	0%
Other Operating	29,359	31,549	40,740	34,495	57,440	41%
Capital Outlay	7,880	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 3,195,506</b>	<b>\$ 3,085,363</b>	<b>\$ 2,926,431</b>	<b>\$ 2,840,021</b>	<b>\$ 2,974,373</b>	<b>2%</b>

#### 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. Water Production is also responsible for the operation and maintenance of the sewer pumping station on "I" Avenue.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</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	0.00	0.00
Senior Pump Operator	0.95	0.95	0.95	0.95
Water Quality Technician	1.00	1.00	1.00	1.00
<b>Total Full-Time Staff</b>	<b>8.80</b>	<b>8.80</b>	<b>7.85</b>	<b>7.85</b>

#### SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Hesperia Golf Course water supply well and four irrigation booster pumps will be integrated into the existing Water Production division's pump maintenance program.

#### 2011-12 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

**2011-12 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 1,118 backflow assemblies.
- Maintained a safe working environment without incident.
- Provided 2011 Consumer Confidence Report to the citizens of Hesperia.
- Installed new 12" well-flushing at Pump Station 3-A.
- Installed new well pump motor soft starter at Pump Station 3-A.
- Installed new Motor Control Center at Pump Station 22.
- Upgraded three drinking fountains with backflow systems and security systems at Hesperia Golf Course.
- Drained and cleaned three-million gallon reservoir at Pump Station 21.

**2012-13 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.
- Maintain Hesperia Golf Course well and booster pump site.
- Complete earthquake modifications at Pump Stations 21, 18 and 14.

**PERFORMANCE AND**

**WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Water Produced (Acre-Feet)	15,097	13,374	14,500	14,680
Water Samples	1,219	1,127	1,400	1,800
Reservoirs	14	14	14	14
Wells	18	18	18	18
Water Booster Station	6	6	6	6
Test Backflow Assemblies	1,053	1,096	1,118	1,200

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

PROGRAM EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 618,235	\$ 609,928	\$ 617,119	\$ 597,596	\$ 628,030	2%
Benefits	249,205	217,743	243,965	239,822	235,288	-4%
Materials	212,321	237,265	218,100	231,315	212,850	-2%
Contractual	459,975	373	500	575	500	0%
Other Operating	25,847	37,866	44,400	43,525	47,080	6%
Capital Outlay	9,024	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 1,574,607</b>	<b>\$ 1,103,175</b>	<b>\$ 1,124,084</b>	<b>\$ 1,112,833</b>	<b>\$ 1,123,748</b>	<b>0%</b>

**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 California Department of Public Health.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</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
<b>Total Full-Time Staff</b>	<b>12.10</b>	<b>12.10</b>	<b>12.10</b>	<b>12.10</b>
<u>Part-Time Staff</u>				
Maintenance Worker	0.19	0.00	0.00	0.00
<b>Total Part-Time Staff</b>	<b>0.19</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>12.29</b>	<b>12.10</b>	<b>12.10</b>	<b>12.10</b>

**SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES**

- None

**2011-12 PROGRAM ACCOMPLISHMENTS**

- Assisted the construction inspectors on all new public and private waterline projects.
- Serviced 750 fire hydrants and 2,650 valves throughout the City.
- Repaired 292 water leaks, including mainline, water services, and meters.
- Installed 8 water meter sets throughout the City and replaced 120 old service lines.
- Flushed 300 water lines within the City.
- Completed 3,500 locates for Utility Underground Service Alerts (U.S.A.).

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

**2012-13 PROGRAM GOALS AND OBJECTIVES**

- Ensure system continues to operate efficiently.
- Repair leaks immediately upon notification.
- Flush water lines pursuant to California Department of Public Health directives.
- Exercise valves and hydrants throughout the system pursuant to California Department of Public 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.
- Repair and replace old steel water lines with Polyvinyl Chloride (PVC) C-900 pipe.

**PERFORMANCE AND**

**WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Water Leaks Repaired	156	122	87	100
Water Service Line Leaks Repaired	141	150	183	160
Water Meter Leaks Repaired	36	39	22	30
Valves Serviced	1,519	1,701	2,650	3,000
Fire Hydrants Serviced (Total of 5,445 Citywide)	587	584	750	1,000
Water Lines Flushed	600	400	300	300
New Meter Sets	23	8	8	10
Service Replacements	298	208	120	180
Utility Line Locates	2,397	2,092	3,500	3,500

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

PROGRAM EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 408,319	\$ 338,213	\$ 351,551	\$ 319,438	\$ 347,426	-1%
Benefits	165,288	134,009	141,117	141,966	132,924	-6%
Materials	606,020	761,845	514,300	548,600	681,600	33%
Contractual	20,442	52,008	61,500	4,000	41,500	-33%
Other Operating	69,518	67,488	68,410	52,763	58,200	-15%
Capital Outlay	29,223	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 1,298,810</b>	<b>\$ 1,353,563</b>	<b>\$ 1,136,878</b>	<b>\$ 1,066,767</b>	<b>\$ 1,261,650</b>	<b>11%</b>

**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>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</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	3.00	3.00
Senior Maintenance Worker	1.00	1.00	1.00	1.00
<b>Total Full-Time Staff</b>	<b>9.00</b>	<b>9.00</b>	<b>7.00</b>	<b>7.00</b>

**SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES**

- The cost of materials is expected to increase due to projected price increases, and the purchase of additional material needed for CO 3404, which is a larger project.

**2011-12 PROGRAM ACCOMPLISHMENTS**

- Completed pipeline project CO 3403 in the northwest quadrant of the City, with over 25,000 lineal feet of 8-inch, water main pipeline replacement.
- Abandoned same amount of 4, 6, and 8-inch old steel lines.
- Installed over 96 new water isolation valves.
- Installed approximately 41 new fire hydrants/flush points.
- Changed approximately 236 water services.
- All work orders for the Pipeline Division are now being managed by the Cityworks Asset Management System.
- Installed 500 feet of 12 inch PVC at Rock Springs Road (Plant 3) for Production Division (outside of replacement project).
- Installed 600 feet of 12 inch PVC on Ryeland Street (Plant 32) for Production Division (outside of replacement project).
- Assisted Street Division with paving repairs for CO-3403 in July 2011.

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

**2012-13 PROGRAM GOALS AND OBJECTIVES**

- Start pipeline replacement on CO-3404 and schedule a two-year project in southwest quadrant of the City.
- Replace five miles of old, undersized steel water mains with new 8 and 12 inch lines, including gate valves, fire hydrants, and service lines.
- Realign the existing waterline for the Rancho Interchange Project.
- Install a secondary waterline source for the Hesperia Golf Course.
- Install a boring sleeve over existing 12" transmission line at Escondido Avenue and El Centro for San Bernardino Special District's project.

**PERFORMANCE AND**

**WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Replace old pipeline with new pipeline (in miles)	7	5	4.7	5
Hydrant Replacements/Flush points installed (each)	61	38	41	50
Water services changed over (each)	425	460	236	240
Water isolation valves replaced or installed (each)	286	125	96	125

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

PROGRAM EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 607,373	\$ 590,691	\$ 559,998	\$536,113	\$528,407	-6%
Benefits	242,056	211,008	221,517	210,343	194,575	-12%
Materials	7,584	8,826	11,400	11,400	12,500	10%
Contractual	112,891	99,106	74,900	46,136	64,565	-14%
Other Operating	10,230	9,829	13,525	14,365	19,295	43%
Capital Outlay	10,630	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 990,764</b>	<b>\$ 919,460</b>	<b>\$ 881,340</b>	<b>\$818,357</b>	<b>\$819,342</b>	<b>-7%</b>

#### 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 (VVWRA) and the Mojave Water Agency (MWA). 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 together with the 2010 update to the City's Urban Water Management Plan.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.25	0.25	0.25	0.25
Assistant Engineer	0.65	0.65	0.65	0.65
Community Development Technician	2.00	2.00	2.00	2.00
Construction Inspection Supervisor	0.65	0.65	0.65	0.65
Construction Inspector	1.55	1.55	1.55	1.55
Engineering Aide	0.50	0.00	0.00	0.00
Engineering Technician	0.60	0.60	0.60	0.60
Office Assistant	1.00	1.00	0.50	0.50
Geographical Information Systems Manager	0.70	0.70	0.70	0.70
Geographical Information Systems	0.70	0.70	0.70	0.70
Project Construction Manager	0.25	0.25	0.25	0.25
Senior Engineer	0.50	0.50	0.50	0.00
Senior Engineering Technician	0.60	0.60	0.60	0.60
Senior Office Assistant	0.35	0.35	0.35	0.35
<b>Total Full-Time Staff</b>	<b>10.30</b>	<b>9.80</b>	<b>9.30</b>	<b>8.80</b>

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

## SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Eliminate one vacant Senior Engineer (0.50 FTE) position to reduce expenditures during the continuing economic downturn and related reduced development activity.

## 2011-12 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 continued to provide professional and prompt plan review services on commercial and industrial projects.
- The City's Stormwater 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, Public Works utilized the Cityworks Program to generate, track, and execute work orders within the City's GIS Map. Public Works staff is working closely with GIS staff to identify attributes of the GIS map (such as hydrants and water valves) that need to be updated to ensure that the map is as accurate as possible. In addition, there has been a large number of water meters that have been accurately located and placed in the GIS map this fiscal year.

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. Emphasis in this past fiscal year has been to verify the location of the sanitary sewer lines and manholes throughout the City.

- 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 new aerial photograph that was flown in early Spring 2011 has been uploaded into Geoviewer. In addition, the user may choose aerial photographs taken from 2001 through 2011 to make annual comparisons over the last decade.
- Engineering staff completed the design of the water and sewer improvement plans for the frontage road project of the Rancho Road Interchange. These plans will be included in the plan set for the interchange as the frontage roads will now be part of the interchange project.
- Engineering staff worked with representatives from Victor Valley Wastewater Reclamation Authority (VWVRA) to complete construction of the Santa Fe Avenue Relief Interceptor (SAFARI). The City provided construction inspection services to bring this much needed interceptor project to fruition. The City's subregional treatment plant took a large step forward by achieving its land use approval for its site on Mojave Street and the improvement plans are nearly complete. VWVRA and City staff continue to examine funding sources to bring this project to construction.
- Continued to support the various departments and divisions throughout the City through the production of maps, exhibits, standards, and other documents required.
- Worked with representatives from the Mojave Water Agency (MWA) to assist in the development of the Regional Recharge and Recovery (R3) project as it completed the development of its Phase I wells in the Mojave River and finished installing the trunk line and reservoir within the City. Work on the turn-out connection to serve the City is expected to continue into FY 2012-13. The project will provide high quality potable water to supplement the City's water supply and other water agencies throughout the Victor Valley.
- Completed the 2010 Urban Water Management Plan Update with the assistance of Kennedy/Jenks Consultants. Due to the down-turn in development activity, the City has already met its state mandated requirement of a 20% reduction in consumptive use by 2020. The City will continue to monitor water use, while it maintains the delicate balance between water quantity and quality.

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

## 2012-13 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 services utilizing only City inspectors. City construction inspectors will continue their roles as Stormwater Construction Inspectors to ensure City compliance with its National Pollutant Discharge Elimination System (NPDES) requirements as Qualified SWPPP Practitioners (QSP) 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. GIS staff will continue to work with Public Works' staff to ensure that the water system map stays updated with the new pipelines being installed and add features such as meters and valves in their actual locations.
- Working with IEC Engineering, the new water model based solely on the GIS map will be fully functional. InfoWater, which is the City's new modeling software, utilizes the water system which is maintained in the GIS.
- Through coordination with Victor Valley Wastewater Reclamation Authority (VWVRA), the City will coordinate its InfoSewer model with VWVRA's interceptor model. Engineering staff will work on this model as time allows through this fiscal year.
- The Engineering Division will once again design the Annual Pipeline Replacement Program utilizing in-house engineering staff. The survey work will be performed by a consultant, and is expected to be complete early in the fiscal year, with the design completed in Spring, 2013. This project will concentrate on replacing the 4 inch steel water lines in the old residential subdivision west of Topaz Road, just north of Main Street.
- Continue to support other City departments and divisions by providing data and mapping services through the ever-expanding GIS system.
- Continue to work with VWVRA staff to complete the planning and approval for the City's subregional waste water plant on Mojave Road. The design now eliminates the park on the property in favor of utilizing the remaining property for percolation ponds, thus making the discharge permits easier to obtain through the local Water Quality Control Board (Lahontan).
- Continue to work with the Mojave Water Agency (MWA) on the completion of Phase I of the Regional Recharge and Recovery (R3) project. Completion of this phase will include the turn out and connection to Plant 19, which will provide the City a redundant source of high quality potable water. This facility was constructed and funded completely by MWA.

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

PROGRAM EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 416,479	\$ 424,480	\$ 410,977	\$ 410,632	\$ 420,042	2%
Benefits	165,409	156,072	169,941	169,266	164,886	-3%
Materials	467,500	629,328	512,200	507,776	512,600	0%
Contractual	16,635	20,180	16,200	16,200	16,200	0%
Other Operating	19,043	22,974	24,705	26,125	26,795	8%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 1,085,066</b>	<b>\$ 1,253,034</b>	<b>\$ 1,134,023</b>	<b>\$ 1,129,999</b>	<b>\$ 1,140,523</b>	<b>1%</b>

#### PROGRAM DESCRIPTION

This Program is responsible for the reading of domestic and commercial water meters and reporting the reads to the Utility Billing Program. Replaces water meters that do not meet the American Water Works Association's (AWWA) accuracy standards, and for the meter rotation program. Completes necessary water meter, water meter assembly, and meter box maintenance. Addressing customer concerns regarding consumption, leaks, and water pressure. Installs and maintains Automated Meter Reading (AMR) units. Performs service requests, turn off/ons, transfer reads, billing and delinquent rechecks and delinquent lock offs.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</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
<b>Total Full-Time Staff</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>

#### SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- None

#### 2011-12 PROGRAM ACCOMPLISHMENTS

- Installed 2,445 Automated Meter Reading (AMR) units, including maintenance replacements, bringing the total number of meter services equipped with AMR units to 20,712, equaling 79%.
- Replaced a combination of 1,026 domestic, irrigation, and commercial water meters.
- Completed 7,886 various water meter related maintenance repairs.
- Performed 23,080 field service requests.
- Obtained 157,059 meter reads for billing purposes.

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

### 2012-13 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 2,000 installations/maintenance replacements.
- Ensure meters are recording within acceptable national standards.
- Continue Meter Rotation Program with a goal of 1,000 replacements.
- Provide customers with a properly functioning meter assembly.
- Address customer complaints/concerns in a timely and courteous manner.

### PERFORMANCE AND

### WORKLOAD INDICATORS

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Customer Service Requests	26,300	23,348	23,080	23,000
Meter Reads	157,580	157,021	157,059	157,065
Meter Repairs	5,153	9,213	7,886	8,000
Meters Rotated/Replaced	984	1,144	1,026	1,000
Automated Meter Reading Units (AMR)	4,665	4,164	2,445	2,000
New Meter Sets (Tract Homes)	1	1	0	0

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

PROGRAM EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 515,800	\$ 460,845	\$ 501,639	\$458,670	\$503,988	0%
Benefits	175,759	157,222	179,802	174,483	166,707	-7%
Materials	114,394	119,728	114,918	115,075	123,940	8%
Contractual	45,479	86,543	125,284	122,882	131,391	5%
Other Operating	11,701	1,921	13,395	108,534	33,300	149%
Capital Outlay	0	9,342	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 863,133</b>	<b>\$ 835,601</b>	<b>\$ 935,038</b>	<b>\$979,644</b>	<b>\$959,326</b>	<b>3%</b>

#### PROGRAM DESCRIPTION

The Utility Billing Section provides customer service for over 26,189 customers of the Hesperia Water District, which provides water and sewer services. Customer service consists of establishing new services, shut-offs, inbound and outbound phone calls, and posting all payments. It also manages all aspects of billing, including scheduling meter reads, calculating bills, and processing delinquent accounts, and managing the on-line customer portal. Utility Billing also serves as the central cashier for the City Hall location and processes all checks returned for insufficient funds.

<u>PROGRAM STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</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
Deputy Finance Director	0.00	0.00	0.10	0.10
Senior Account Clerk	2.00	2.00	2.00	2.00
Senior Customer Service Representative	2.00	2.00	2.00	2.00
<b>Total Full-Time Staff</b>	<b>10.00</b>	<b>10.00</b>	<b>10.10</b>	<b>10.10</b>
<u>Part-Time Staff</u>				
Customer Service Representative	0.46	0.46	0.46	0.46
<b>Total Part-Time Staff</b>	<b>0.46</b>	<b>0.46</b>	<b>0.46</b>	<b>0.46</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>10.46</b>	<b>10.46</b>	<b>10.56</b>	<b>10.56</b>

#### SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Funding has been included for a new postage meter, folder-insertor, color printer, and mail room software lease agreement. This new equipment will eliminate the need for manual stuffing and folding of bills, while also reducing overall mailing costs.

#### 2011-12 PROGRAM ACCOMPLISHMENTS

- Calculated and mailed over 210,000 water/sewer bills for customers.
- Refined procedures and strengthened staff skills in New World Logos.Net software.

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

**2011-12 PROGRAM ACCOMPLISHMENTS (Continued)**

- Calculated and mailed over 210,000 water/sewer bills for customers.
- Refined procedures and strengthened staff skills in New World Logos.Net software.Established procedures for Electronic Bill Payment and Presentment (EBPP).
- Over 20% of our customers enrolled in EBPP and over 10% requested paperless billing.
- Audited Electronic Meter Data.
- Implemented the conversion of paper checks to electronic checks and electronic deposits.
- Converted to computer-generated New Customer Application for Water Service.
- Referred backlogged bad debt to collections.
- Completed correction of the G/L Distribution Profile to corresponding account types.
- Shifted all postal responsibilities to Utility Billing Staff.
- Awarded a new three year contract for Collection Services.
- Contributed to the revision of the Water Code, resulting in adoption of the Public Utilities section of the Hesperia Municipal Code.

**2012-13 PROGRAM GOALS AND OBJECTIVES**

- Refine processes and procedures to minimize wait time for customers in City Hall.
- Calculate and mail over 200,000 water/sewer bills for customers.
- Effectively support customers using the Electronic Bill Payment and Presentment (E-Pay) portal.
- Refer closed accounts over 60 days past due to collections on a monthly basis.

**PERFORMANCE AND**

**WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Bills Processed	199,174	200,311	210,000	210,000
New Accounts Established (New Meters)	38	10	18	12
Accounts Transferred	7,075	5,867	5,900	5,900
Water Service Accounts	26,486	26,183	26,189	*26,196
Sewer Service Accounts	5,082	5,310	5,350	5,400
E-Pay Account Enrollment	n/a	1,230	7,000	10,000
E-Pay Paperless Account Enrollment	n/a	383	2,340	3,300
On-line Customer Service Requests	n/a	n/a	775	1,000
Incoming Phone Calls	77,173	76,508	75,125	75,000
Past Due Notices Mailed	54,645	55,098	56,000	57,000
Door Hangers Distributed	3,008	2,963	2,875	2,775
Automated Delinquency Reminder Calls	18,501	19,651	19,250	19,500
Accounts Shut Off for Non-Payment	3,832	3,640	3,650	3,700

\*Due to the Rancho Underpass project and other mainline replacement projects, 66 meters were removed from service. Additionally, improved software reporting and an extensive audit of meters in service resulted in a further adjustment to the number of water service accounts.

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

PROGRAM EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 583,113	\$ 573,973	\$ 569,682	\$ 568,866	\$ 562,214	-1%
Benefits	329,056	334,701	253,782	233,886	227,653	-10%
Materials	68,275	65,704	66,007	63,403	64,879	-2%
Contractual	389,368	395,366	398,000	430,000	411,600	3%
Other Operating	1,621,294	1,715,896	1,722,170	1,714,858	1,718,945	0%
Capital Outlay	24,922	0	0	0	0	0%
Debt Service	1,819,292	3,063,845	3,069,421	2,986,684	3,101,364	1%
<b>TOTAL</b>	<b>\$ 4,835,320</b>	<b>\$ 6,149,485</b>	<b>\$ 6,079,062</b>	<b>\$ 5,997,697</b>	<b>\$ 6,086,655</b>	<b>0%</b>

#### 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>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Administrative Analyst	0.25	0.25	0.25	0.25
Administrative Secretary	0.50	0.50	0.50	0.50
Assistant City Manager/Management	0.00	0.00	0.05	0.05
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	0.33	0.50	0.50	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	0.50
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
<b>Total Full-Time Staff</b>	<b>8.38</b>	<b>8.55</b>	<b>8.60</b>	<b>8.10</b>

#### SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- The retirement of one Office Assistant (0.50 FTE) position creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn.

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

**2011-12 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.

**2012-13 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 Rancho 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.
- Updated the Cityworks Asset Management Program to a new version.

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

PROGRAM EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 131,269	\$ 124,052	\$ 142,273	\$133,990	\$144,496	2%
Benefits	64,825	55,319	65,946	55,721	66,014	0%
Materials	31,840	36,038	38,415	32,300	40,700	6%
Contractual	56,684	33,757	44,598	32,000	33,000	-26%
Other Operating	43,021	21,425	19,900	19,000	20,400	3%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 327,639</b>	<b>\$ 270,591</b>	<b>\$ 311,132</b>	<b>\$273,011</b>	<b>\$304,610</b>	<b>-2%</b>

#### 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 15776 Main Street. 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>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Custodian	2.50	2.50	2.50	2.00
Facilities Supervisor	0.50	0.50	0.50	0.50
Senior Custodian	0.00	0.00	0.00	0.50
<b>Total Full-Time Staff</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>
<u>Part-Time Staff</u>				
Custodian - Part-Time	0.00	0.00	0.46	0.46
<b>Total Part-Time Staff</b>	<b>0.00</b>	<b>0.00</b>	<b>0.46</b>	<b>0.46</b>
<b>Total Full &amp; Part-Time Staff</b>	<b>3.00</b>	<b>3.00</b>	<b>3.46</b>	<b>3.46</b>

#### SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Eliminate one Custodian (0.50 FTE) position and create one new Senior Custodian (0.50 FTE) position to lead and oversee current custodial staff and assist with minor maintenance and repair tasks for better overall maintenance of buildings and facilities.

#### 2011-12 PROGRAM ACCOMPLISHMENTS

- Provided a clean, safe work environment for all employees and tenants located at 17282 Mojave Street, 9393 Santa Fe Avenue, and 15776 Main Street locations.
- Continued to develop new methods to reduce electrical consumption.

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

**2011-12 PROGRAM ACCOMPLISHMENTS (Continued)**

- Continued to build the Cityworks database to provide better cost control over facility maintenance.
- Continued to monitor and provide guidance to all sub-contractors under the direction of Public Works Property Management.
- Continue to improve cost estimating on all maintenance and repair issues to obtain the best value.

**2012-13 PROGRAM GOALS AND OBJECTIVES**

- Provide a clean, safe work environment for all employees who work at 17282 Mojave Street, 9393 Santa Fe Avenue, and 15776 Main Street locations.
- 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 Property Management.
- Continue to improve cost estimating on all maintenance and repair issues to obtain the best value.

**PERFORMANCE AND**

**WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Work Orders Processed	101	46	26	30
Service Contracts Administered (landscaping, security, sweeping, maintenance)	7	9	9	9
Soft Floor Deep Cleaning (square feet)	n/a	n/a	2,500	3,000
Hard Floor Deep Cleaning (square feet)	n/a	n/a	2,700	3,500

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

DIVISION EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Salaries	\$ 270,401	\$ 234,591	\$ 219,386	\$ 208,500	\$ 222,581	1%
Benefits	113,780	88,640	91,845	82,952	87,917	-4%
Materials	1,424,369	1,729,005	1,702,600	1,724,400	1,706,700	0%
Contractual	61,579	85,210	71,300	53,300	271,300	281%
Other Operating	178,248	227,691	206,866	225,366	209,197	1%
Capital Outlay	101,109	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 2,149,486</b>	<b>\$ 2,365,137</b>	<b>\$ 2,291,997</b>	<b>\$ 2,294,518</b>	<b>\$ 2,497,695</b>	<b>9%</b>

DIVISION EXPENDITURE SUMMARY						% Change From
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	2011-12 Budget
Sewer Operations (710)	\$ 2,048,377	\$ 2,365,137	\$ 2,291,997	\$ 2,294,518	\$ 2,297,695	0%
Sewer Capital (711)	101,109	0	0	0	200,000	100%
<b>Total Sewer</b>	<b>\$ 2,149,486</b>	<b>\$ 2,365,137</b>	<b>\$ 7,084,210</b>	<b>\$ 2,294,518</b>	<b>\$ 2,497,695</b>	<b>-65%</b>

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b>DEPARTMENT STAFFING</b>				
Total Full-Time Staff	5.50	5.50	4.50	4.50
<b>Total D.S. Sewer Staff</b>	<b>5.50</b>	<b>5.50</b>	<b>4.50</b>	<b>4.50</b>

**DIVISION GOALS FOR 2012-13**

- 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 coordination 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**

- None

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

	2009-10	2010-11	2011-12	2011-12	2012-13	%Change From 2011-12
REVENUE DETAIL	Actual	Actual	Budget	Revised	Budget	Budget
<b><u>Sewer Operating Fund (710)</u></b>						
<b>Interest</b>						
Interest Income 710 19 220 0000 5600	\$ 25,319	\$ 109,844	\$ 9,870	\$ 3,000	\$ 3,000	-70%
Total Interest	\$ 25,319	\$ 109,844	\$ 9,870	\$ 3,000	\$ 3,000	-70%
<b>Charges for Services</b>						
Sewer Billing 710 29 420 4200 5200	\$ 2,582,321	\$ 3,016,286	\$ 3,122,786	\$ 3,093,570	\$ 3,122,786	0%
Zone J Sewer Billing 710 29 420 4200 5210	0	63,282	0	67,725	50,000	n/a
Sewer Inspections 710 29 420 4200 5250	7,500	4,650	3,000	6,300	3,000	0%
Other Charges for Services	1,050	37	0	0	0	n/a
Total Charges for Service	\$ 2,590,871	\$ 3,084,255	\$ 3,125,786	\$ 3,167,595	\$ 3,175,786	2%
<b>Total Sewer Operating Fund</b>	<b>\$ 2,616,190</b>	<b>\$ 3,194,099</b>	<b>\$ 3,135,656</b>	<b>\$ 3,170,595</b>	<b>\$ 3,178,786</b>	<b>1%</b>
<b><u>Sewer Capital Fund (711)</u></b>						
<b>Charges for Services</b>						
Sewer Connections 711 29 420 4200 5220	\$ 399,829	\$ 123,350	\$ 46,779	\$ 100,000	\$ 45,000	-4%
Interest Income 711 19 220 0000 5600	11,390	6,538	10,756	2,000	1,500	-86%
<b>Total Sewer Capital Fund</b>	<b>\$ 411,219</b>	<b>\$ 129,888</b>	<b>\$ 57,535</b>	<b>\$ 102,000</b>	<b>\$ 46,500</b>	<b>-19%</b>
<b>Total Sewer Operating &amp; Capital</b>	<b>\$ 3,027,410</b>	<b>\$ 3,323,988</b>	<b>\$ 3,193,191</b>	<b>\$ 3,272,595</b>	<b>\$ 3,225,286</b>	<b>1%</b>

<b><u>PROGRAM STAFFING</u></b>	<b><u>2009-10</u></b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>
<b><u>Full-Time Staff</u></b>				
Assistant City Manager/Management Services	0.00	0.00	0.05	0.05
Maintenance Crew Supervisor	0.70	0.70	0.70	0.70
Maintenance Worker	3.90	3.90	2.90	2.90
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	0.00	0.00
Senior Pump Operator	0.05	0.05	0.05	0.05
<b>Total Full-Time Staff</b>	<b>5.50</b>	<b>5.50</b>	<b>4.50</b>	<b>4.50</b>

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

PROGRAM EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 270,401	\$ 234,591	\$ 219,386	\$ 208,500	\$ 222,581	1%
Benefits	113,780	88,640	91,845	82,952	87,917	-4%
Materials	1,424,369	1,729,005	1,702,600	1,724,400	1,706,700	0%
Contractual	61,579	85,210	71,300	53,300	71,300	0%
Other Operating	178,248	322,745	206,866	225,366	209,197	1%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 2,048,377</b>	<b>\$ 2,460,191</b>	<b>\$ 2,291,997</b>	<b>\$ 2,294,518</b>	<b>\$ 2,297,695</b>	<b>0%</b>

#### 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>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Assistant City Manager/Management Services	0.00	0.00	0.05	0.05
Maintenance Crew Supervisor	0.70	0.70	0.70	0.70
Maintenance Worker	3.90	3.90	2.90	2.90
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	0.00	0.00
Senior Pump Operator	0.05	0.05	0.05	0.05
<b>Total Full-Time Staff</b>	<b>5.50</b>	<b>5.50</b>	<b>4.50</b>	<b>4.50</b>

#### SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- None

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

**2011-12 PROGRAM ACCOMPLISHMENTS**

- Hydro-cleaned over 30% of the wastewater collection system.
- Completed the three-year proactive maintenance program to have all the wastewater collection line and cleaning in the City.
- Cleaned and inspected over 30% of the wastewater manholes.
- Completed the three-year proactive maintenance program to have all the wastewater collection lines manholes cleaned in the City.
- Maintained operations of the District’s sewer pumping lift station with no overflows.
- Videotaped the wastewater collecting system on a protective maintenance schedule.
- Completed the three-year proactive maintenance program to have all wastewater collection lines in the City inspected and recorded with close circuit television.

**2012-13 PROGRAM GOALS AND OBJECTIVES**

- Keep the wastewater collection system free and unobstructed.
- Begin the first year of a new three-year proactive maintenance program to have all wastewater collection lines and manholes cleaned in the City.
- Being the first year of a new three-year proactive maintenance program to have all the wastewater collection lines in the City inspected and documented with close circuit television recordings.
- Proactively account for wastewater laterals with video inspection, and add the information to the wastewater management system.
- Operate and maintain I Avenue sewage lift station.

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Wastewater Lines Cleaned (miles)	39	40	47	40
Manholes Maintained (Total of 2,220 Citywide)	712	821	950	900
Wastewater Lines Videotaped (miles)	55	34	42	40
Sewer Lift Stations operated/maintained	1	1	1	1

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

PROGRAM EXPENDITURE SUMMARY						% Change From 2011-12 Budget
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	0	0	0	0	200,000	100%
Other Operating	0	0	0	0	0	0%
Capital Outlay	101,109	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>Total</b>	<b>\$ 101,109</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 200,000</b>	<b>100%</b>

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
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 17,284	\$ 16,123	\$ 18,210	\$ 8,762	\$ 18,570	2%
Benefits	1,850	1,535	1,713	1,011	1,791	5%
Materials	77,684	60,675	264,730	56,924	60,930	-77%
Contractual	11,084,175	11,217,520	11,595,594	11,595,594	12,270,053	6%
Other Operating	19,552	36,664	22,545	92,480	71,394	217%
Capital Outlay	0	18,288	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 11,200,545</b>	<b>\$ 11,350,805</b>	<b>\$ 11,902,792</b>	<b>\$ 11,754,771</b>	<b>\$ 12,422,738</b>	<b>4%</b>

**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 and handles more calls for service than the majority of Sheriff's Stations in the County.

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b>DEPARTMENT STAFFING</b>				
Total Full-Time Staff	75.00	75.00	70.00	72.00
Total Part-Time Staff	0.50	0.50	0.50	0.50
<b>Total Police Staff</b>	<b>75.50</b>	<b>75.50</b>	<b>70.50</b>	<b>72.50</b>

**DEPARTMENT GOALS FOR 2012-13**

- Reconfigure the Gang Team, which handles gang-related and graffiti investigations, into a three member Gang Team and a two member M.E.T. (Major Enforcement Team) to supplement the patrol division's efforts to conduct proactive, targeted and selected enforcement activities. These Gang and MET Teams will continue to coordinate with City of Hesperia Code Enforcement and Graffiti Abatement personnel to reduce incidents of gang violence, property crimes and graffiti within the City.

**FUND: GENERAL FUND 100**  
**DEPARTMENT: POLICE 51**

**DEPARTMENT GOALS FOR 2012-13 (Continued)**

- The Off-highway Vehicle (OHV) Enforcement Grant funds OHV patrol operations on a regular basis, thereby reducing the number of nuisance and noise complaints related to OHV operation within the City. The goal of proper ownership, lawful operation and safe riding practices of OHV's by the citizens of Hesperia, through education and proactive enforcement, will improve the overall safety and quality of life for residents.
- Continue on-going efforts in the recruitment of 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.
- Continue efforts to support and expand participation in the Hesperia Police Activities League (HPAL), which aids in reducing juvenile crime by providing youth programs that develop discipline, positive self image and mutual trust and respect between law enforcement and the youth of the community.
- Partner with the San Bernardino County Probation Department and provide support for an in-house Probation Officer to work within the Investigations Division monitoring AB109 PRCS probationers.

**SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES**

- Removed Booking Fees of \$200,000 from the FY 2012-13 Budget. Currently, the State is committed to reimburse the County directly for booking fees as they have done in FY 2011-12.
- The FY 2011-12 Budget for the police services contract was budgeted at \$10,974,441, with the actual contract ultimately being \$10,904,430. To continue the current level of service in the FY 2012-13 Budget would require \$11,487,783, which is \$513,342 or 4.8% higher than last year's budget and \$583,353 or 5.3% higher than last year's actual contract amount. The primary reason for the contract cost increases are salaries and benefits, increases for sworn staff, and an increase of the County administration cost increase from 3% to 5% of salaries and benefits, or approximately \$214,000.

The FY 2012-13 Proposed Budget is \$11,831,790, which includes restoring three of the five eliminated vacant Sheriff Deputies and the elimination of one vacant Sergeant position. The proposed budget for the police services contract of \$11,831,790 is \$927,360 or 8.5% higher than the FY 2011-12 year's actual contract amount of \$10,904,430.

- Based on a multi-year analysis, it was determined that contract credits from vacancies have offset overtime charges for the last five years. Therefore, Police overtime is not being budgeted in FY 2012-13 for a savings of \$200,000.

<b>DEPARTMENT STAFFING</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
<u>Sworn Officers (Contract)</u>				
Captain	1.00	1.00	1.00	1.00
Lieutenant	1.00	1.00	1.00	1.00
Sergeant	8.00	8.00	8.00	7.00
Detective/Corporal	5.00	5.00	5.00	5.00
Sheriff Deputy	42.00	42.00	37.00	40.00
<b>Total Sworn Full Time Staff</b>	<b>57.00</b>	<b>57.00</b>	<b>52.00</b>	<b>54.00</b>
<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
<b>Total Non Sworn Full-Time Staff</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</b>
<b>Total Sworn &amp; Non-Sworn Staff</b>	<b>75.00</b>	<b>75.00</b>	<b>70.00</b>	<b>72.00</b>

**FUND: GENERAL FUND 100**  
**DEPARTMENT: POLICE 51**

<u>DEPARTMENT STAFFING (Continued)</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Part-Time Staff</u>				
Administrative Aide	0.50	0.50	0.50	0.50
<b>Total Part-Time Staff</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>
<b>Total Sworn, Non-Sworn &amp; Part-Time</b>	<b>75.50</b>	<b>75.50</b>	<b>70.50</b>	<b>72.50</b>

**2011-12 DEPARTMENT ACCOMPLISHMENTS**

- The Gang Team has successfully investigated numerous 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 success of the Gang Team’s efforts has helped thwart a potentially huge criminal gang expansion and related violent crime within the City of Hesperia.
- Currently working with Parks and Recreation to obtain grant funding for additional off highway vehicle equipment in an effort to enhance the Off Highway Vehicle Enforcement Program.
- Volunteer units continued to exceed all other High Desert volunteer units in the total number of hours volunteered to the community. In 2011, Hesperia Police volunteers donated 37,188 hours to the City. For the third year in a row, the Citizens-On-Patrol (C.O.P.) Unit led the County in volunteer hours, donating 27,776 hours, representing 11.7% of all C.O.P. hours donated by the 41 units in this category. The C.O.P., Explorers, and Equestrian Unit consistently supply the needed manpower to staff community events such as sobriety checkpoints, the Hesperia Days Parade, National Night Out, and other events requiring command post, traffic control, or crime scene security.
- The Hesperia Police Activities League (H.P.A.L.) has been a widely successful program. As it stands, the program is at full capacity with youth participants and volunteers. This program has established an excellent rapport and mutual understanding between the young people in the community and the Police Department. The program’s success also contributed to the City of Victorville establishing its own P.A.L. Program, managed by the Victorville Police Department.
- The Crime-Free Housing and Multi-Housing Program continued to be a very successful and worthwhile program. The responsibility of overseeing this program rests with our Public Information Officer, who utilizes the Patrol Division for assistance. Training has been conducted at the Hesperia Police Department to train local multi-unit property owners and increase awareness of the Crime Free Housing Program.
- The Department has successfully implemented the Sheriff’s Department PRESYNCT paperless report writing system. The Hesperia Station was chosen to test the new system, in a high volume environment, prior to being implemented throughout the High Desert and Rancho Cucamonga. The success achieved allowed other High Desert Stations to send their office staff to the Hesperia Station for training. Numerous improvements were suggested and implemented due to the Hesperia Station’s involvement in the testing process and are currently used County wide.
- A comprehensive analysis of Calls for Service was completed and the previous 4-beat patrol pattern system was reconfigured into a new 5-beat pattern system. This reconfiguration has resulted in a 25% increase to patrol staffing levels, with a minimal fiscal impact, as well as improved operational efficiencies, while lowering per deputy workloads.

**DEPARTMENT GOALS AND OBJECTIVES FOR 2012-13**

- Continue enhanced efforts in traffic control and enforcement to reduce the number of fatal and major injury traffic collisions within the City of Hesperia.
- Continue to expand the Crime Free Housing and Crime Free Multi-Housing Program in order to identify and deal appropriately with specific residential locations and/or persons who generate repeat calls for service.

**FUND: GENERAL FUND 100**  
**DEPARTMENT: POLICE 51**

**DEPARTMENT GOALS AND OBJECTIVES FOR 2012-13 (Continued)**

- Reconfigure the Gang Team, which handles gang-related and graffiti investigations, into a three member Gang Team and a two member M.E.T. (Major Enforcement Team) to supplement the patrol division's efforts to conduct proactive, targeted and selected enforcement activities. These Gang and MET Teams will continue to coordinate with City of Hesperia Code Enforcement and Graffiti Abatement personnel to reduce incidents of gang violence, property crimes and graffiti within the City.
- The Off-Highway Vehicle (OHV) Enforcement Grant funds OHV patrol operations on a regular basis, thereby reducing the number of nuisance and noise complaints related to OHV operation within the City. The goal of proper ownership, lawful operation and safe riding practices of OHV's by the citizens of Hesperia, through education and proactive enforcement, will improve the overall safety and quality of life for residents.
- Continue efforts to support and expand participation in the Hesperia Police Activities League (HPAL), which aids in reducing juvenile crime by providing youth programs that develop discipline, positive self image and mutual trust and respect between law enforcement and the youth of the community.

**PERFORMANCE AND**

**WORKLOAD INDICATORS**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<u>Part I Offenses</u>				
Homicide	4	4	2	3
Rape	23	27	25	25
Robbery	84	67	95	82
Assaults	625	707	694	675
Burglary	476	626	668	590
Theft	907	1,025	1,181	1,038
Theft Motor Vehicle	<u>290</u>	<u>268</u>	<u>400</u>	<u>319</u>
<b>Total Part I Offenses</b>	<b>2,409</b>	<b>2,724</b>	<b>3,065</b>	<b>2,732</b>
<u>Part II Offenses</u>				
	6,377	7,371	6,651	6,798
<u>Arrests</u>				
Adult	2,764	2,535	2,262	2,520
Juvenile	<u>268</u>	<u>235</u>	<u>241</u>	<u>248</u>
<b>Total Arrests</b>	<b>3,032</b>	<b>2,770</b>	<b>2,503</b>	<b>2,926</b>
<u>Total Calls for Service (CFS)</u>				
	89,247	89,475	74,967	78,000
▪ Reactive (Dispatched only)	40,423	40,622	39,215	37,400
▪ Proactive (On-views)	28,533	23,840	14,862	14,100
▪ Others (Info, cancelled, pre-empted)	20,291	25,013	20,890	26,500
<u>Reports</u>	8,719	9,933	9,634	9,429
<u>Traffic Collisions</u>				
Fatal	9	5	6	7
Injury	144	140	174	153
Non-Injury	<u>588</u>	<u>608</u>	<u>629</u>	<u>608</u>
<b>Total Collisions</b>	<b>741</b>	<b>753</b>	<b>809</b>	<b>768</b>
Citations	4,836	5,873	2,793	4,501
DUI Arrests	309	300	336	315

2012 estimates are based on figures from the 2011 Annual Report and a three-year average.

FUND: HESPERIA FIRE DISTRICT 200  
DEPARTMENT: FIRE DISTRICT 55

DEPARTMENT EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
Salaries	\$ 24,687	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	40,150	16,582	22,284	21,690	21,544	-3%
Materials	4,195	4,453	7,900	8,045	9,760	24%
Contractual	9,614,932	9,662,030	9,444,596	8,891,132	8,394,365	-11%
Other Operating	0	11,690	5,000	11,000	5,000	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 9,683,964</b>	<b>\$ 9,694,755</b>	<b>\$ 9,479,780</b>	<b>\$ 8,931,867</b>	<b>\$ 8,430,669</b>	<b>-11%</b>

DEPARTMENT EXPENDITURE SUMMARY	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	% Change From 2011-12 Budget
520 Operations and Community Safety	\$ 9,429,336	\$ 9,474,569	\$ 9,245,210	\$ 8,555,920	\$ 8,193,879	-11%
521 Administration	254,628	220,186	234,570	375,947	236,790	1%
<b>Total Fire District</b>	<b>\$ 9,683,964</b>	<b>\$ 9,694,755</b>	<b>\$ 9,479,780</b>	<b>\$ 8,931,867</b>	<b>\$ 8,430,669</b>	<b>-11%</b>

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<b>DEPARTMENT STAFFING</b>				
<b>Fire District</b>				
Total Full-Time Staff (Contract)	59.00	59.00	57.40	48.40
Total Full-Time Staff (Non-Contract)	0.33	0.00	0.00	0.00
<b>Total Fire District Staff</b>	<b>59.33</b>	<b>59.00</b>	<b>57.40</b>	<b>48.40</b>

**DEPARTMENT GOALS FOR 2012-13**

- Commence the demolition and reconstruction of Fire Station 301.
- Complete the remodel of Fire Station 302.
- Increase ambulance revenue by continuing the use of a contract ambulance billing service and continue to collect past due ambulance bills.

**SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES**

- The County Fire contract changed during 2011-12 as the Proposed 2011-12 Budget was \$8,131,496, with the Adopted 2011-12 Budget approved June 21, 2011 being \$9,245,210, along with Measure F to be placed on the November 2011 ballot. After the Measure F failed, the Fire contract was amended down to \$8,555,919.

FUND: HESPERIA FIRE DISTRICT 200  
DEPARTMENT: FIRE DISTRICT 55

**SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES (Continued)**

Therefore, the County contract for the current level of service has decreased from \$8,555,919 to \$8,193,879 for a \$362,040, or 4.2% decrease paid to the San Bernardino County Fire Protection District. This decrease reflects the 2011-12 amended contract decrease of 9.0 FTEs including 3.0 Captains; 3.0 Engineers; and 3.0 Firefighter/ Paramedics in the wake of the Measure F no vote.

These cost decreases are netted against the cost increases related to overtime costs increase from \$438,025 to \$627,489 for a \$189,464, or 43.3% increase due to changes at the County level requiring more overtime usage, and benefit cost increases from \$1,580,847 to \$1,792,375 for a \$211,528, or 13.4% increase.

<u>REVENUE DETAIL</u>	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Actual</u>	<u>2011-12</u> <u>Budget</u>	<u>2011-12</u> <u>Revised</u>	<u>2012-13</u> <u>Budget</u>	<u>%Change</u> <u>From</u> <u>2011-12</u> <u>Budget</u>
<b>200 Fire District Fund</b>						
<b>Taxes</b>						
Secured Property Taxes 200 55 521 0000 4000	\$ 3,998,550	\$ 3,820,161	\$ 3,731,175	\$ 3,750,000	\$ 3,749,418	0%
Fire Assessment 200 55 521 0000 4020	256	57	10	0	0	-100%
CFD #94-1 200 55 521 0000 4030	500,043	497,171	500,500	507,921	544,232	9%
CFD #2005-1 200 55 521 0000 4031	0	372,857	536,628	376,805	310,533	-42%
Redevelopment Agency Pass- Through 200 55 521 0000 4090	1,399,746	1,118,119	1,048,609	1,094,609	1,094,609	4%
WEDA Pass-Through 200 55 521 0000 4095	0	80,494	68,717	68,717	68,717	0%
<b>Total Taxes</b>	<b>\$ 5,898,595</b>	<b>\$ 5,888,859</b>	<b>\$ 5,885,639</b>	<b>\$ 5,798,052</b>	<b>\$ 5,767,509</b>	<b>-2%</b>
<b>Interest</b>						
Interest Income 200 19 220 0000 5600	\$ 1,932	\$ 2,317	\$ 0	\$ 600	\$ 100	1000000%
Other Interest	3,396	3,396	3,396	3,396	3,396	0%
<b>Total Interest</b>	<b>\$ 5,328</b>	<b>\$ 5,713</b>	<b>\$ 3,396</b>	<b>\$ 3,996</b>	<b>\$ 3,496</b>	<b>3%</b>
<b>Charges for Services</b>						
State Regulated Inspections 200 55 523 0000 5330	\$ 350	\$ 550	\$ 500	\$ 500	\$ 500	0%
Tenant Improvement Plans 200 55 523 0000 4963	1,670	0	1,000	0	0	-100%
Burn Permits 200 55 523 0000 4340	4,700	7,050	5,500	7,000	7,000	27%
Paramedic Ambulance Fees 200 55 525 0000 5300	1,788,956	1,700,836	1,930,000	2,100,000	2,100,000	9%
Non-Transport EMS Charge 200 55 525 0000 5315	101,830	115,136	105,000	173,000	173,000	65%
Ambulance Membership Service 200 55 525 0000 5305	19,125	19,200	18,000	15,000	15,000	-17%
Fire Hazard Inspection 200 55 523 0000 5335	124,298	129,151	156,318	107,820	107,820	-31%
City/County HazMat Contract 200 55 527 0000 5368	146,561	149,658	152,686	152,686	152,686	0%
Other Charges for Services	76,218	98,167	77,700	83,079	81,209	5%
<b>Total Charges for Services</b>	<b>\$ 2,263,708</b>	<b>\$ 2,219,748</b>	<b>\$ 2,446,704</b>	<b>\$ 2,639,085</b>	<b>\$ 2,637,215</b>	<b>8%</b>

FUND: HESPERIA FIRE DISTRICT 200  
DEPARTMENT: FIRE DISTRICT 55

REVENUE DETAIL	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	%Change From 2011-12 Budget
<b>200 Fire District Fund</b>						
<b>(Continued)</b>						
<b>Other Operating</b>						
Cell Tower Rent 200 19 220 0000 5885	\$ 39,451	\$ 51,321	\$ 50,835	\$ 50,602	\$ 53,105	4%
Insurance Reimbursements 200 19 220 0000 5803	0	0	0	0	0	n/a
State Mandated Claims Reimbursements 200 55 521 0000 4500	0	0	0	0	0	n/a
Other Operating	0	0	0	0	0	n/a
<b>Total Other Operating</b>	<b>\$ 39,451</b>	<b>\$ 51,321</b>	<b>\$ 50,835</b>	<b>\$ 50,602</b>	<b>\$ 53,105</b>	<b>4%</b>
<b>All Other</b>						
All Other	\$ 25	\$ 199	\$ 0	\$ 0	\$ 0	n/a
<b>Total All Other</b>	<b>\$ 25</b>	<b>\$ 199</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>n/a</b>
<b>Total Fire District Fund</b>	<b>\$ 8,207,107</b>	<b>\$ 8,165,840</b>	<b>\$ 8,386,574</b>	<b>\$ 8,491,735</b>	<b>\$ 8,461,325</b>	<b>1%</b>

<u>DEPARTMENT STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Fire Administration (Non-Contract)</u>				
Emergency Services Coordinator	0.33	0.00	0.00	0.00
<b>Total Full-Time Staff</b>	<b>0.33</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<u>County Full-Time Safety Staff (Contract)</u>				
Battalion Chief	2.00	2.00	1.50	1.50
Captain	9.00	9.00	9.00	6.00
Division Chief	0.00	0.00	0.40	0.40
Engineer	9.00	9.00	9.00	6.00
Firefighter/Paramedic	21.00	21.00	21.00	18.00
Firefighter - Limited Term	12.00	12.00	12.00	12.00
<b>Total County Full-Time Safety Staff</b>	<b>53.00</b>	<b>53.00</b>	<b>52.90</b>	<b>43.90</b>
<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	0.50	0.50
Fire Prevention Officer	1.00	0.00	0.00	0.00
Fire Prevention Officer/Arson	0.00	1.00	0.50	0.50
Fire Prevention Specialist	0.00	1.00	0.50	0.50
Fire Prevention Supervisor	0.00	0.00	0.50	0.50
Front Counter Technician (Account Clerk I)	1.00	1.00	0.50	0.50
Senior Plans Examiner - Arson (Fire Prevention)	1.00	0.00	0.00	0.00
<b>Total County Full-Time Non-Safety Staff</b>	<b>6.00</b>	<b>6.00</b>	<b>4.50</b>	<b>4.50</b>
<b>Total County Full-Time Safety and Non-Safety Staff (Contract)</b>	<b>59.33</b>	<b>59.00</b>	<b>57.40</b>	<b>48.40</b>

FUND: HESPERIA FIRE DISTRICT 200  
DEPARTMENT: FIRE DISTRICT 55  
DIVISION: OPERATIONS AND COMMUNITY SAFETY 520

DIVISION EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	9,429,336	9,474,569	9,245,210	8,555,920	8,193,879	-11%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 9,429,336</b>	<b>\$ 9,474,569</b>	<b>\$ 9,245,210</b>	<b>\$ 8,555,920</b>	<b>\$ 8,193,879</b>	<b>-11%</b>

**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>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>County Full-Time Safety Staff (Contract)</u>				
Battalion Chief	2.00	2.00	1.50	1.50
Captain	9.00	9.00	9.00	6.00
Division Chief	0.00	0.00	0.40	0.40
Engineer	9.00	9.00	9.00	6.00
Firefighter/Paramedic	21.00	21.00	21.00	18.00
Firefighter - Limited Term	12.00	12.00	12.00	12.00
<b>Total County Full-Time Safety Staff</b>	<b>53.00</b>	<b>53.00</b>	<b>52.90</b>	<b>43.90</b>
<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	0.50	0.50
Fire Prevention Officer	1.00	0.00	0.00	0.00
Fire Prevention Officer/Arson	0.00	1.00	0.50	0.50
Fire Prevention Specialist	0.00	1.00	0.50	0.50
Fire Prevention Supervisor	0.00	0.00	0.50	0.50
Front Counter Technician (Account Clerk I)	1.00	1.00	0.50	0.50
Senior Plans Examiner - Arson (Fire Prevention Specialist)	1.00	0.00	0.00	0.00
<b>Total County Full-Time Non-Safety Staff</b>	<b>6.00</b>	<b>6.00</b>	<b>4.50</b>	<b>4.50</b>
<b>Total County Full-Time Safety and Non-Safety Staff (Contract)</b>	<b>59.00</b>	<b>59.00</b>	<b>57.40</b>	<b>48.40</b>

FUND: HESPERIA FIRE DISTRICT 200  
DEPARTMENT: FIRE DISTRICT 55  
DIVISION: OPERATIONS AND COMMUNITY SAFETY 520

### SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The County Fire contract changed during 2011-12 as the Proposed 2011-12 Budget was \$8,131,496, with the Adopted 2011-12 Budget approved June 21, 2011 being \$9,245,210, along with Measure F to be placed on the November 2011 ballot. After the Measure F failed, the Fire contract was amended down to \$8,555,919.

Therefore, the County contract for the current level of service has decreased from \$8,555,919 to \$8,193,879 for a \$362,040, or 4.2% decrease paid to the San Bernardino County Fire Protection District. This decrease reflects the 2011-12 amended contract decrease of 9.0 FTEs including 3.0 Captains; 3.0 Engineers; and 3.0 Firefighter/ Paramedics in the wake of the Measure F no vote.

These cost decreases are netted against the cost increases related to overtime costs increase from \$438,025 to \$627,489 for a \$189,464, or 43.3% increase due to changes at the County level requiring more overtime usage, and benefit cost increases from \$1,580,847 to \$1,792,375 for a \$211,528, or 13.4% increase.

### 2011-12 DIVISION ACCOMPLISHMENTS

- Continued to provide prompt service with the reduced staffing levels through the prolonged economic downturn.
- Completed the Insurance Services Office (ISO) review for the City which provided information for establishing the City's insurance rating (a 5/9).
- One of the new Hazmat rigs is staged at the High Desert Government Center providing more direct North Desert incident response.

### 2012-13 DIVISION GOALS AND OBJECTIVES

- Commence the demolition and reconstruction of Fire Station 301.
- Complete the remodel of Fire Station 302.
- Increase ambulance revenue by continuing the use of a contract ambulance billing service and continue to collect past due ambulance bills.

FUND: HESPERIA FIRE DISTRICT 200  
DEPARTMENT: FIRE DISTRICT 55  
DIVISION: OPERATIONS AND COMMUNITY SAFETY 520

**PERFORMANCE AND  
WORKLOAD INDICATORS**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b><u>Fire Prevention</u></b>				
Classes and Talks	0	0	0	0
Juvenile Fire Setters Counseled	22	30	23	20
Inspections Outside Normal Hours	0	0	1	0
New Business Inspections	113	106	31	21
Model Rocket Launching Site Inspection	0	0	0	0
Day Care and Adult Care Facility Inspections	9	5	13	16
State Regulated Inspections-Apartments Under 100 Units	75	51	26	20
State Regulated Inspections-Apartments Over 100 Units	n/a	n/a	n/a	n/a
School Site Inspections	n/a	n/a	2	2
School Programs Attendance	n/a	n/a	n/a	n/a
<b><u>Inspections</u></b>				
Assembly (Churches, Assembly Inspections)	79	80	70	50
Auto Wrecking Yards	7	9	2	3
Christmas Tree Lot Inspections/Permits	5	4	6	4
Dust-Producing Inspections/Permits	7	10	4	4
Haunted House Inspections/Permits	0	0	0	0
High-Piles Combustible Storage Inspections	26	23	12	12
Lumber Yard Inspections/Permits	5	0	2	2
Motor Vehicle Fuel Dispensing Station Inspections	28	15	18	16
Tents, Canopies/Temporary Membrane	3	3	1	1
Special Event	19	15	9	8
<b><u>Permits</u></b>				
Assembly (Churches, Assembly Inspections)	55	53	53	53
Auto Wrecking Yards	9	9	8	8
Christmas Tree Lot Inspections/Permits	5	4	6	6
Dust-Producing Inspections/Permits	15	15	12	12
Haunted House Inspections/Permits	0	0	0	0
High-Piles Combustible Storage Inspections	23	23	21	21
Lumber Yard Inspections/Permits	0	0	0	0
Motor Vehicle Fuel Dispensing Station Inspections	4	4	8	8
Tents, Canopies/Temporary Membrane	3	3	1	1
Special Event	19	15	20	20
Battery Systems	2	2	2	2
Compressed Gases	9	9	10	10
Dry Cleaning Plants	1	2	1	1
Flammable/Combustible Liquids	36	36	29	29
Hot Works Operations	81	81	71	71
Ovens, Baking, Drying	4	4	4	4
Pallet Yards	5	5	5	5
Repair Garages	111	111	101	101
Spraying/Dipping	27	27	23	23
Tire Storage	13	13	12	12
ESS Spray Booth/Hood & Duct Systems	71	71	69	67
Refrigeration Equipment	2	2	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>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b><u>Fire Plan Review</u></b>				
Modification of Sprinklers	15	17	15	19
Parcel Map	29	10	3	4
Plan Review Alarm System	24	18	15	15
Plan Review Spray Booth	15	15	2	1
Plan Review Sprinkler System	14	9	9	3
Site Plan Review	72	16	49	35
Structural Plans Review/Inspection	27	7	16	15
Tenant Improvement Plans Inspection	52	38	58	40
<b><u>Vegetation Management</u></b>				
Burn Permits	361	652	709	709
Public Service Station Tours/Public Education	<u>94</u>	<u>94</u>	<u>94</u>	<u>94</u>
<b>Total</b>	<b>455</b>	<b>746</b>	<b>803</b>	<b>803</b>
<b><u>Emergency Responses:</u></b>				
Advanced Life Support (ALS)	6,068	7,248	7,359	7,758
Basic Life Support (BLS)	n/a	n/a	n/a	n/a
Bomb Threats	2	1	0	0
Fire Alarm Systems	109	277	277	258
Fires-Grass	65	73	59	87
Fires-Miscellaneous	12	60	72	30
Fires-Refuse	13	26	32	36
Fires-Structure	54	45	99	120
Fires-Truck	13	25	25	12
Fires-Vehicle	<u>43</u>	<u>43</u>	<u>79</u>	<u>72</u>
Sub-total Fires	309	549	643	615
Hazardous Conditions	20	53	146	147
Hazardous Materials	19	12	10	12
Investigations	530	468	357	285
Mass Casualty Incidents	2	2	7	0
Mutual Aids	1,929	1,945	2,585	93
Public Service	546	237	146	615
Rescues	2	24	15	15
Strike Team	n/a	n/a	n/a	n/a
Traffic Collisions	754	825	830	834
Traffic Extrications	<u>57</u>	<u>52</u>	<u>47</u>	<u>3</u>
<b>Total</b>	<b>10,238</b>	<b>11,416</b>	<b>12,145</b>	<b>10,377</b>
<b><u>Household Collection Center</u></b>				
Number of Participants	2,355	3,966	3,468	3,689
Used Oil Collection	32,499	68,637	66,492	11,880
E-waste Only (Pounds-includes CRTs + Misc. Elec.)	59,180	88,045	71,031	110,277
Waste Materials Collected (Pounds-includes oil and E-wastes)	176,625	293,484	267,032	353,065
<b><u>Hazardous Materials</u></b>				
Underground Tank Operation Inspections	45	45	45	45
Hazardous Materials Inspections	110	107	107	107
Certified Unified Program Agency (CUPA) Inspections	147	155	155	155

\*Calendar year, not fiscal year

FUND: HESPERIA FIRE DISTRICT 200  
DEPARTMENT: FIRE DISTRICT 55  
DIVISION: ADMINISTRATION 521

DIVISION EXPENDITURE SUMMARY						% Change
	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget	From 2011-12 Budget
Salaries	\$ 24,687	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	40,150	16,582	22,284	21,690	21,544	-3%
Materials	4,195	4,453	7,900	8,045	9,760	24%
Contractual	185,596	187,461	199,386	335,212	200,486	1%
Other Operating	0	11,690	5,000	11,000	5,000	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
<b>TOTAL</b>	<b>\$ 254,628</b>	<b>\$ 220,186</b>	<b>\$ 234,570</b>	<b>\$ 375,947</b>	<b>\$ 236,790</b>	<b>1%</b>

**DIVISION DESCRIPTION**

Starting in the 2004-05 Budget, this program will reflect Fire District initiatives and expenditures that are non-County contract expenditures.

<u>DIVISION STAFFING</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Full-Time Staff</u>				
Emergency Services Coordinator	0.33	0.00	0.00	0.00
<b>Total Full-Time Staff</b>	<b>0.33</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES**

- None

**2011-12 DIVISION ACCOMPLISHMENTS**

- Managed the County of San Bernardino Fire services contract issues and expenditures.
- Monitored Fire District revenues including the improvements to paramedic related revenues through the ambulance billing contractor.
- Managed the Fire District expenditures for non-contract costs and issues related to old workers' compensation claims and CalPERS.
- Renewed for 5-year term the Household Hazardous Waste contract with County Fire.

**2012-13 DIVISION GOALS AND OBJECTIVES**

- Manage County of San Bernardino Fire services contract issues and expenditures.
- Monitor the Fire District revenues.
- Manage the Fire District expenditures and non-contract costs and issues related to old workers' compensation claims and CalPERS.

# CAPITAL IMPROVEMENT PROGRAM (C I P)

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- *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) 2012-13 Budget. Information on capital projects completed in FY 2011-12 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 2009-10 and Fiscal Year 2010-11 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 2011-12*</u>	<u>Projects Continued in 2012-13 Budget</u>	<u>New Projects Included in 2012-13 Budget</u>	<u>New &amp; Continued Projects Included in 2012-13 Budget</u>
Streets C I P Projects	\$6,435,738	\$19,627,374	\$2,714,345	\$22,341,719
Storm Drainage	0	1,211,404	0	1,211,404
Facilities	0	13,648,528	0	13,648,528
Water	0	0	0	0
Sewer	0	0	0	0
Total C I P Projects	<u>\$6,435,738</u>	<u>\$34,487,306</u>	<u>\$2,714,345</u>	<u>\$37,201,651</u>

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

#### **Streets C I P Projects - \$22,341,719 (2012-13 Budget)**

- 2012-13 Street Improvement Project – \$1,200,000 has been included in the FY 2012-13 Budget. 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
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	\$ 9,193,091	28.0	0
2009-10 Street Improvement Project	\$ 5,754,652	13.9	0
2010-11 Street Improvement Project	\$ 0	0	0
<u>2011-12 Street Improvement Project</u>	<u>\$ 2,015,101</u>	<u>5.0</u>	<u>10.0</u>
Eleven Year Total	\$64,904,047	281.8	51.6
<b><u>2012-13 Street Improvement Project</u></b>	<b><u>\$ 1,200,000</u></b>	<b><u>5.0</u></b>	<b><u>12.0</u></b>
Twelve Year Total	\$66,104,047	286.8	63.6

## CAPITAL IMPROVEMENT PROGRAM (CIP)

- Two Other New Street Project – 2 Projects \$1,514,345 – Funding in the amount of \$1,514,345 has been included in the FY 2012-13 Budget for the Sequoia Street bike routes and Willow Street paseo projects.

- Ranchero Road Related Projects – 3 Projects \$15,911,256 – Included in the FY 2012-13 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	\$12,000,000
• Ranchero Road I-15 Interchange Design and Right-of-Way Acquisition	3,550,000
• Ranchero Road Improvement – Seventh Avenue to Mariposa Road	<u>361,256</u>
	\$15,911,256

- Four Other Streets Projects – 4 Projects \$3,716,118 – Included in the FY 2012-13 Budget are four other continuing street projects. These projects include a carryover of a Street Improvement Project, parking lot site improvements, a realignment project, and circulation study.

• 2011-12 Street Improvement Project	\$2,015,101
• Cinema West Site Parking Improvements	1,546,017
• Choicena/Talisman Realignment	147,500
• Santa Fe Circulation Study	<u>7,500</u>
	\$3,716,118

**Storm Drainage C I P Project - 1 Project \$1,211,404** – Included in the 2012-13 Budget is the continuation of one drainage project as shown below:

• H-01 Drainage Facility – (Section 3A) Third Avenue to Fourth Avenue	<u>\$1,211,404</u>
	\$1,211,404

**Facilities C I P Projects - 3 Projects \$13,648,528** – The following three projects totaling \$13,648,528 will be continued in Fiscal Year 2012-13 as follows:

• High Desert County Government Center	\$ 8,400,000
• Fire Station 301 Construction	4,500,000
• Park and Ride Facility	<u>748,528</u>
	\$13,648,528

**Water C I P Projects** – There are no water projects budgeted for FY 2012-13.

**Sewer C I P Projects** – There are no sewer projects budgeted for FY 2012-13.

**C I P EXPENDITURES BY PROJECT**

Project		2009-10	2010-11	2011-12	2011-12	2012-13
Number	Project Title	Actual	Actual	Budget	Revised	Budget
<b><u>New Streets Projects in FY 2012-13</u></b>						
7123	Willow Street Paseo	\$ 0	\$ 0	\$ 0	\$ 0	\$ 918,088
7124	Sequoia Bike Routes	0	0	0	0	596,257
7125	2012-13 Street Improvement Project	0	0	0	0	1,200,000
<b>Sub-Total New 2011-12 Streets C I P Projects</b>		<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,714,345</b>
<b><u>Streets CIP Projects Continued in FY 2012-13</u></b>						
7046	Ranchero Road Undercrossing -Design, Right-of-Way, Construction	\$ 1,220,832	\$ 2,876,535	\$ 13,500,000	\$ 13,114,519	\$ 12,000,000
7086	Ranchero Road I-15 Interchange Project Approval and Environmental Document - Design, Right-of-Way, Construction	1,890,861	912,616	6,890,598	8,372,473	3,550,000
7094	Ranchero Road Improvements – 7 <sup>th</sup> Avenue to Mariposa Road, Phase 1 – Engineering & Right-of-Way Identification	352,124	141,382	585,156	287,813	361,256
7119	Santa Fe Circulation Study	0	0	7,500	0	7,500
7121	2011-12 Street Improvement Project	0	0	2,000,000	219,964	2,015,101
7122	Choiceana/Talisman Realignment	0	0	150,000	2,500	147,500
7126	Cinema West Site	0	0	0	7,500	1,546,017
<b>Sub-Total New 2011-12 Streets C I P Projects</b>		<b>\$ 3,463,817</b>	<b>\$ 3,930,533</b>	<b>\$ 23,133,254</b>	<b>\$ 22,004,769</b>	<b>\$ 19,627,374</b>
<b><u>Streets CIP Projects Completed in FY 2011-12 and Temporarily Suspended Projects that may Resume in Future Years</u></b>						
7065	Eucalyptus Interchange	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
7095	7th Avenue Roadway Improvements – Willow to Bear Valley Road – Design & Right-of-Way Identification	0	0	0	0	0
7096	Aqueduct Crossing Improvements – Widen Bridge at Main Street – Design and Right-of-Way Acquisition	67,360	0	0	0	0
7097	New Aqueduct Crossing – Bridge at Escondido Avenue – Design	0	0	0	0	0
7098	Muscatel Street Overpass, Phase 1 – Project Study Report/Project Development Study (PSR/PDS)	117,545	0	0	0	0
7100	New Traffic Signal – Main Street & Rock Springs Road - Construction, Design	22,480	69,276	823,400	922,738	0
7102	Township Improvements and Redevelopment - Construction (Spruce/Smoketree)	3,769,947	540,663	400,000	400,000	0
7104	Railroad Crossing Feasibility Study	0	0	0	0	0
7105	Main Street Corridor Design (395 to 11th Avenue)	218,367	743	0	0	0
7108	Industrial Park Lead Track Project -Design, ROW Acquisition, Construction	875,167	1,415,175	5,113,000	5,113,000	0
<b>Sub-Total Streets CIP Projects Completed in FY 2011-12 and Temporarily Suspended Projects that may Resume in Future Years</b>		<b>\$ 5,070,866</b>	<b>\$ 2,025,857</b>	<b>\$ 6,336,400</b>	<b>\$ 6,435,738</b>	<b>\$ 0</b>

## C I P EXPENDITURES BY PROJECT

Project Number	Project Title	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Streets CIP Projects Completed in FY 2010-11</b>						
7110	Bear Valley Road Widening - Mariposa Road to 600 feet east	\$ 159,313	\$ 20,000	\$ 0	\$ 0	\$ 0
7111	Rock Springs Road Reconstruction Project	9,199	154,862	0	0	0
7116	Traffic Signal at Smoke Tree and Seventh Avenue	611	241,798	0	0	0
7117	2009-10 Street Improvement Project	995,752	4,731,116	0	0	0
7118	Traffic Signal Upgrade - Main Street and C Avenue	1,040	237,125	0	0	0
<b>Sub-Total Streets CIP Projects Completed in FY 2010-11</b>		<b>\$ 1,165,915</b>	<b>\$ 5,384,901</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Streets CIP Projects Completed in FY 2009-10</b>						
7114	2008-09 Street Improvement Project	\$ 2,057,694	\$ 0	\$ 0	\$ 0	\$ 0
<b>Sub-Total Streets CIP Projects Completed in FY 2009-10</b>		<b>\$ 2,057,694</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total Summary Streets CIP Projects</b>		<b>\$ 11,758,292</b>	<b>\$ 11,341,291</b>	<b>\$ 29,469,654</b>	<b>\$ 28,440,507</b>	<b>\$ 22,341,719</b>
<b>Storm Drainage CIP Projects</b>						
7087	H-01 Drainage Facility – (Section 2) Main Street to Smoke Tree Street	\$ 34,948	\$ 833	\$ 0	\$ 0	\$ 0
7090	H-01 Drainage Facility – Section 1 (Maple Avenue to Main Street) – Design and Right-of-Way Acquisition	0	0	0	0	0
7091	H-01 Drainage Facility - Section 3A (Third Avenue to Fourth Avenue)	0	7,622	1,500,000	87,808	1,211,404
7092	A-04 Drainage Facility – Mojave Street to Mesa Avenue - Construction	0	0	0	0	0
<b>Total Storm Drainage CIP Projects</b>		<b>\$ 34,948</b>	<b>\$ 8,455</b>	<b>\$ 1,500,000</b>	<b>\$ 87,808</b>	<b>\$ 1,211,404</b>
<b>Facilities Projects</b>						
6514	Fire Station Site Study and Design	\$ 121,834	\$ 0	\$ 0	\$ 0	\$ 0
6515	Downtown Park - Northwest Corner of Juniper Street and 8th Avenue - Design and Construction	5,232	0	0	0	0
6516	New Police Station - Property Identification, Acquisition, Design and Construction+C6	12,715,837	5,177,974	0	0	0
6517	Fire Station 301 Construction/Property	0	0	57,000	57,000	4,500,000
6518	Fire Station 305 Construction	3,378,083	20,952	0	0	0
6520	High Desert County Government Center	13,876,261	6,378,053	0	2,977,000	8,400,000
6521	Fire Station 304 Expansion Project	3,015	28,250	65,650	40,033	0
6523	Park and Ride Facility	0	0	533,000	2,158	748,528
<b>Total Facilities Projects</b>		<b>\$ 30,100,262</b>	<b>\$ 11,605,229</b>	<b>\$ 655,650</b>	<b>\$ 3,076,191</b>	<b>\$ 13,648,528</b>
<b>Water CIP Projects Completed in FY 2010-11 and Temporarily Suspended Projects that will Resume in Future Years</b>						
8077	Interstate 15 Corridor – New Water System Design	\$ 20,025	\$ 0	\$ 0	\$ 0	\$ 0
8078	Property Acquisition for Reservoir Expansion @ Sites 19A & 21, New Reservoir to Serve Freeway Corridor	3,000	0	0	0	0
8084	New Well Site	0	0	0	0	0
<b>Sub -Total Water CIP Projects Completed in FY 2010-11 and Temporarily Suspended Projects that will Resume in Future Years</b>		<b>\$ 23,025</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

## C I P EXPENDITURES BY PROJECT

Project Number	Project Title	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Water C I P Projects Completed in FY 2009-10</b>						
6506	Mojave Corporation Yard Expansion	\$ 14,988	\$ 0	\$ 0	\$ 0	\$ 0
8073	Plant 19 Reservoir Improvements	1,980,606	0	0	0	0
8075	Waterline Replacement –Juniper Street & Chestnut Street, Design & Construction (between 7th Avenue & 3rd Avenue)	71,754	0	0	0	0
<b>Sub-Total Water C I P Projects Completed in FY 2009-10</b>		<b>\$ 2,067,348</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total Water C I P Projects (Note #1)</b>		<b>\$ 2,090,373</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Sewer C I P Projects</b>						
9007	Sub-regional Wastewater Reclamation Plant Design and Environmental	\$ 101,109	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Sewer C I P Projects</b>		<b>\$ 101,109</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<hr/>						
Total Summary Streets C I P Projects		\$ 11,758,292	\$ 11,341,291	\$ 29,469,654	\$ 28,440,507	\$ 22,341,719
Total Storm Drainage C I P Projects		34,948	8,455	1,500,000	87,808	1,211,404
Total Facilities Projects		30,100,262	11,605,229	655,650	3,076,191	13,648,528
Total Water C I P Projects (Note #1)		2,090,373	0	0	0	0
Total Sewer C I P Projects		101,109	0	0	0	0
<b>Grand Total</b>		<b>\$ 44,084,984</b>	<b>\$ 22,954,975</b>	<b>\$ 31,625,304</b>	<b>\$ 31,604,506</b>	<b>\$ 37,201,651</b>

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.

**C I P EXPENDITURES BY FUND AND PROJECT**

<b>Project Number</b>	<b>Project Title</b>	<b>2009-10 Actual</b>	<b>2010-11 Actual</b>	<b>2011-12 Budget</b>	<b>2011-12 Revised</b>	<b>2012-13 Budget</b>
<b>100 General Fund</b>						
7114	2008-09 Street Improvement Project	\$ 125,286	\$ 0	\$ 0	\$ 0	\$ 0
	<b>Total General Fund 100</b>	<b>\$ 125,286</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>160 Obligation Retirement Fund P/A #1</b>						
7102	Township Improvements	\$ 0	\$ 0	\$ 0	\$ 1,567	\$ 0
7126	Cinema West Site	0	0	0	7,500	1,546,017
	<b>Total Obligation Retirement Fund P/A #1</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 9,067</b>	<b>\$ 1,546,017</b>
<b>201 Measure I – Arterial Fund</b>						
7100	New Traffic Signal - Main Street and Rock Springs Road	\$ 5,000	\$ 0	\$ 0	\$ 0	\$ 0
7114	2008-09 Street Improvement Project	47,386	0	0	0	0
7117	2009-10 Street Improvement Project	0	466,573	0	0	0
7118	Traffic Signal Upgrade - Main Street and C Avenue	1,040	0	0	0	0
7121	2011-12 Street Improvement Project	0	0	0	94,772	0
	<b>Total Measure I – Arterial Fund 201</b>	<b>\$ 53,426</b>	<b>\$ 466,573</b>	<b>\$ 0</b>	<b>\$ 94,772</b>	<b>\$ 0</b>
<b>202 Measure I – Local Fund</b>						
7114	2008-09 Street Improvement Project	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	<b>Total Measure I – Local Fund 202</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>204 Measure I Renewal</b>						
6523	Park and Ride Facility	\$ 0	\$ 0	\$ 25,000	\$ 2,158	\$ 56,182
7117	2009-10 Street Improvement Project	0	279,246	0	0	0
7118	Traffic Signal Upgrade - Main Street and C Avenue	0	237,125	0	0	0
7121	2011-12 Street Improvement Project	0	0	273,338	125,192	270,000
7122	Choiceana/Talisman Realignment	0	0	150,000	2,500	147,500
7123	Willow Street Paseo	0	0	0	0	83,188
7124	Sequoia Bike Routes & Bus Stop Improvements	0	0	0	0	49,105
7125	2012-13 Street Improvement Project	0	0	0	0	1,200,000
	<b>Total Measure I Renewal Fund 204</b>	<b>\$ 0</b>	<b>\$ 516,371</b>	<b>\$ 448,338</b>	<b>\$ 129,850</b>	<b>\$ 1,805,975</b>
<b>205 Gas Tax Fund</b>						
7087	H-01 Drainage Facility - Main Street to Smoke Tree Street	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
7114	2008-09 Street Improvement Project	0	0	0	0	0
	<b>Total Gas Tax Fund 205</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>250 Traffic Congestion Relief Fund</b>						
7114	2008-09 Street Improvement Project	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	<b>Total Traffic Congestion Relief Fund 250</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>251 Community Development Block Grant Fund</b>						
7091	H-01 Drainage Facility - Section 3A (Third Avenue to Fourth Avenue)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	<b>Total Community Development Block Grant Fund 251</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>259 Reimbursable Grants Fund</b>						
6516	New Police Station - Property Identification, Acquisition, Design and Construction	\$ 0	\$ 775,100	\$ 0	\$ 0	\$ 0
	<b>Total Reimbursable Grants Fund 259</b>	<b>\$ 0</b>	<b>\$ 775,100</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

**C I P EXPENDITURES BY FUND AND PROJECT**

<b>Project Number</b>	<b>Project Title</b>	<b>2009-10 Actual</b>	<b>2010-11 Actual</b>	<b>2011-12 Budget</b>	<b>2011-12 Revised</b>	<b>2012-13 Budget</b>
<b>300 Development Impact Fee (DIF)-Streets Fund</b>						
7046	Ranchero Undercrossing	\$ 0	\$ 0	\$ 0	\$ 21,789	\$ 4,471,553
7086	Ranchero Road I-15 Interchange Project Approval and Environmental Document	1,890,861	681,362	82,052	787,115	3,550,000
7094	Ranchero Road Improvements - 7th Avenue to Mariposa Road - Phase 1	352,124	141,382	8,078	8,078	0
7095	7th Avenue Roadway Improvements - Willow to Bear Valley Road - Design and Right-of-Way Acquisition	0	0	0	0	0
7096	Aqueduct Crossing Improvements - Widen Bridge at Main Street - Design and Right-of-Way Acquisition	0	0	0	0	0
7098	Muscotel Street Overpass - Phase 1 Project Study Report/Project Development Study (PSR/PDS)	117,545	0	0	0	0
7100	New Traffic Signal - Main Street and Rock Springs Road	17,480	68,292	23,325	91,102	0
7104	Railroad Crossing Feasibility Study Eucalyptus/Lemon/Mojave	0	0	0	0	0
7105	Main Street Corridor Design (395 to 11th Avenue)	0	0	0	0	0
7110	Bear Valley Road Widening - Mariposa Road to 600 feet east	159,313	20,000	0	0	0
7111	Rock Springs Road Reconstruction Project	9,199	154,862	0	0	0
7116	Traffic Signal at Smoke Tree and Seventh Avenue	611	241,798	0	0	0
7119	Santa Fe Circulation Study	0	0	7,500	0	7,500
	<b>Total DIF Fund-Streets 300</b>	<b>\$ 2,547,133</b>	<b>\$ 1,307,696</b>	<b>\$ 120,955</b>	<b>\$ 908,084</b>	<b>\$ 8,029,053</b>
<b>301 Development Impact Fee (DIF)-Storm Drainage</b>						
7087	H-01 Drainage Facility - Main Street to Smoke Tree Street	\$ 34,948	\$ 0	\$ 0	\$ 0	\$ 0
7090	H-01 Drainage Facility - Section 1 (Maple Avenue to Main Street) Phase 1	0	0	0	0	0
7091	H-01 Drainage Facility - Section 3A (Third Avenue to Fourth Avenue)	0	7,622	0	0	0
	<b>Total DIF-Storm Drainage Fund 301</b>	<b>\$ 34,948</b>	<b>\$ 7,622</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>302 Development Impact Fee (DIF) - Fire</b>						
6514	Fire Station Site Study and Design	\$ 121,834	\$ 0	\$ 0	\$ 0	\$ 0
6517	Fire Station 301 Construction/Property	0	0	57,000	57,000	550,000
6518	Fire Station 305 Construction	292,755	0	0	0	0
6521	Fire Station 304 Expansion	0	0	65,650	40,033	0
	<b>Total DIF-Fire Fund 302</b>	<b>\$ 414,589</b>	<b>\$ 0</b>	<b>\$ 122,650</b>	<b>\$ 97,033</b>	<b>\$ 550,000</b>
<b>303 Development Impact Fee (DIF) - Police</b>						
6516	New Police Station - Property Identification, Acquisition, Design and Construction	\$ 0	\$ 1,431,106	\$ 0	\$ 0	\$ 0
	<b>Total DIF-Police Fund 303</b>	<b>\$ 0</b>	<b>\$ 1,431,106</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>502 Fire Station Building Fund</b>						
6517	Fire Station 301 Construction	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,750,000
6518	Fire Station 305 Construction	2,080,574	0	0	0	0
	<b>Total Fire Building Fund 502</b>	<b>\$ 2,080,574</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,750,000</b>

**C I P EXPENDITURES BY FUND AND PROJECT**

<b>Project Number</b>	<b>Project Title</b>	<b>2009-10 Actual</b>	<b>2010-11 Actual</b>	<b>2011-12 Budget</b>	<b>2011-12 Revised</b>	<b>2012-13 Budget</b>
<b>503 County - High Desert Government Center</b>						
6520	High Desert County Government Center	\$ 13,876,261	\$ 6,378,053	\$ 0	\$ 2,977,000	\$ 8,400,000
	<b>Total County Govt. Center Fund 503</b>	<b>\$ 13,876,261</b>	<b>\$ 6,378,053</b>	<b>\$ 0</b>	<b>\$ 2,977,000</b>	<b>\$ 8,400,000</b>
<b>504 City Wide Projects</b>						
6523	Park and Ride Facility	\$ 0	\$ 0	\$ 508,000	\$ 0	\$ 692,346
7091	H-01 Drainage Facility - Section 3A (Third Avenue to Fourth Avenue)	0	0	1,500,000	87,808	1,211,404
7094	Ranchero Road Improvements – 7th Avenue to Mariposa Road, Phase 1 – Engineering & Right-of-Way Identification	0	0	577,078	279,735	361,256
7100	New Traffic Signal - Main Street and Rock Springs Road	0	984	800,075	831,636	0
7111	Rock Springs Road Reconstruction Project	0	0	0	0	0
7117	2009-10 Street Improvement Project	0	464,178	0	0	0
7121	2011-12 Street Improvement Project	0	0	1,726,662	0	1,745,101
7123	Willow Street Paseo	0	0	0	0	834,900
7124	Sequoia Bike Routes & Bus Stop Improvements	0	0	0	0	547,152
	<b>Total City Wide Projects Fund 504</b>	<b>\$ 0</b>	<b>\$ 465,162</b>	<b>\$ 5,111,815</b>	<b>\$ 1,199,179</b>	<b>\$ 5,392,159</b>
<b>506 Industrial Park Lead Track</b>						
7108	Industrial Park Lead Track Project	\$ 0	\$ 0	\$ 5,113,000	\$ 5,113,000	\$ 0
	<b>Total Industrial Park Lead Track</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 5,113,000</b>	<b>\$ 5,113,000</b>	<b>\$ 0</b>
<b>507 Township Capital</b>						
7102	Township Improvements and Redevelopment	\$ 0	\$ 0	\$ 378,177	\$ 378,177	\$ 0
	<b>Total Township Capital Fund 507</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 378,177</b>	<b>\$ 378,177</b>	<b>\$ 0</b>
<b>508 Ranchero Undercrossing-Local</b>						
7046	Ranchero Road Undercrossing	\$ 0	\$ 0	\$ 3,280,400	\$ 8,292,730	\$ 0
	<b>Total Ranchero Undercrossing-Local</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,280,400</b>	<b>\$ 8,292,730</b>	<b>\$ 0</b>
<b>586 Redevelopment Capital - Project Area No. 1</b>						
6515	Downtown Park - Northwest Corner of Juniper Street and 8th Avenue	\$ 5,232	\$ 0	\$ 0	\$ 0	\$ 0
6516	New Police Station - Property Identification, Acquisition, Design and Construction	12,715,837	1,102,204	0	0	0
6518	Fire Station 305 Construction	1,004,754	20,952	0	0	0
6521	Fire Station 304 Expansion Project	3,015	28,250	0	0	0
7046	Ranchero Road Undercrossing	1,003,736	2,876,535	0	0	0
7087	H-01 Drainage Facility – (Section 2) Main Street to 4th Avenue	0	833	0	0	0
7092	A-04 Drainage Facility – Mojave Street to Mesa Avenue - Construction	0	0	0	0	0
7096	Aqueduct Crossing Improvements - Widen Bridge at Main Street - Design and Right-of-Way Acquisition	67,360	0	0	0	0
7097	New Aqueduct Crossing - Bridge at Escondido Avenue - Design	0	0	0	0	0
7102	Township Improvements and Redevelopment	3,499,023	540,663	21,823	20,256	0
7105	Main Street Corridor Design (395 to 11th Avenue)	218,367	743	0	0	0
7108	Industrial Park Lead Track Project - Design, ROW Acquisition, Construction	875,167	1,415,175	0	0	0
7114	2008-09 Street Improvement Project	1,592,453	0	0	0	0
7117	2009-10 Street Improvement Project	10,874	1,455,176	0	0	0
	<b>Total Redevelopment Capital - Project Area No. 1 586</b>	<b>\$ 20,995,818</b>	<b>\$ 7,440,531</b>	<b>\$ 21,823</b>	<b>\$ 20,256</b>	<b>\$ 0</b>

## C I P EXPENDITURES BY FUND AND PROJECT

Project Number	Project Title	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>587 Redevelopment Capital - Project Area No. 2</b>						
6516	New Police Station - Property Identification, Acquisition, Design and Construction	\$ 0	\$ 1,869,564	\$ 0	\$ 0	\$ 0
7065	Eucalyptus Interchange	0	0	0	0	0
7117	2009-10 Street Improvement Project	939,770	389,017	0	0	0
	<b>Total Redevelopment Capital - Project Area No. 2 587</b>	<b>\$ 939,770</b>	<b>\$ 2,258,581</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>588 Redevelopment Capital - Victor Valley Economic</b>						
7117	2009-10 Street Improvement Project	\$ 45,108	\$ 1,676,926	\$ 0	\$ 0	\$ 0
	<b>Total Redevelopment Capital - Victor Valley Economic Development Authority (VVEDA) Fund 588</b>	<b>\$ 45,108</b>	<b>\$ 1,676,926</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>600 Ranchero Road Undercrossing Fund</b>						
7046	Ranchero Road Undercrossing	\$ 217,096	\$ 0	\$ 10,219,600	\$ 4,800,000	\$ 7,528,447
	<b>Total Ranchero Road Undercrossing Fund 600</b>	<b>\$ 217,096</b>	<b>\$ 0</b>	<b>\$ 10,219,600</b>	<b>\$ 4,800,000</b>	<b>\$ 7,528,447</b>
<b>602 Ranchero/I-15 Interchange Fund</b>						
7086	Ranchero Road/I-15 Interchange	\$ 0	\$ 231,254	\$ 6,808,546	\$ 7,585,358	\$ 0
	<b>Total Ranchero/I-15 Interchange Fund 602</b>	<b>\$ 0</b>	<b>\$ 231,254</b>	<b>\$ 6,808,546</b>	<b>\$ 7,585,358</b>	<b>\$ 0</b>
<b>701 Water Capital Fund</b>						
7102	Township Improvements and Redevelopment	\$ 270,924	\$ 0	\$ 0	\$ 0	\$ 0
7114	2008-09 Street Improvement Project	292,569	0	0	0	0
	<b>Total Water Capital Fund 701</b>	<b>\$ 563,493</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
701	Water C I P Projects (See Water C I P for Project Detail)	\$ 2,090,373	\$ 0	\$ 0	\$ 0	\$ 0
	<b>Total Water Capital Fund 701*</b>	<b>\$ 2,653,866</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>711 Sewer Capital Fund</b>						
6517	Fire Station 301 Sewer C I P Projects (See Sewer CIP for Project Detail)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 200,000
	<b>Total Sewer Capital Fund 711*</b>	<b>\$ 101,109</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 200,000</b>
	<b>TOTAL ALL C I P FUNDS</b>	<b>\$ 44,084,984</b>	<b>\$ 22,954,975</b>	<b>\$ 31,625,304</b>	<b>\$ 31,604,506</b>	<b>\$ 37,201,651</b>

\*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.

\*Note: With the use of grants and other types of reimbursements, there may be instances of timing differences between the time when the expenditures were incurred and when the reimbursement is received. These instances have been notated on the applicable individual C.O. sheets.

## C I P EXPENDITURES BY FUND AND PROJECT

Project Number	Project Title	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Streets and Storm Drain Related</b>						
100	General Fund	\$ 125,286	\$ 0	\$ 0	\$ 0	\$ 0
160	Obligation Retirement Fund P/A #1	0	0	0	9,067	1,546,017
201	Measure I – Arterial Fund	53,426	466,573	0	94,772	0
202	Measure I – Local Fund	0	0	0	0	0
204	Measure I - Renewal Fund	0	516,371	423,338	127,692	1,749,793
205	Gas Tax Fund	0	0	0	0	0
250	Traffic Congestion Relief Fund	0	0	0	0	0
251	Community Development Block Grant Fund	0	0	0	0	0
300	Development Impact Fee-Streets Fund	2,547,133	1,307,696	120,955	908,084	8,029,053
301	Development Impact Fee-Storm Drainage	34,948	7,622	0	0	0
504	City-wide Projects	0	465,162	4,603,815	1,199,179	4,699,813
506	Industrial Park Lead Track	0	0	5,113,000	5,113,000	0
507	Township Capital	0	0	378,177	378,177	0
508	Ranchero Undercrossing-Local	0	0	3,280,400	8,292,730	0
586	Redevelopment Capital - P/A #1	7,266,980	6,289,125	21,823	20,256	0
587	Redevelopment Capital - P/A #2	939,770	389,017	0	0	0
588	Redevelopment Capital - VVEDA	45,108	1,676,926	0	0	0
600	Ranchero Road Undercrossing Fund	217,096	0	10,219,600	4,800,000	7,528,447
602	Ranchero/I-15 Interchange Fund	0	231,254	6,808,546	7,585,358	0
701	Water Capital Fund	563,493	0	0	0	0
	<b>Total Streets and Storm Drain Related</b>	<b>\$ 11,793,240</b>	<b>\$ 11,349,746</b>	<b>\$ 30,969,654</b>	<b>\$ 28,528,315</b>	<b>\$ 23,553,123</b>
<b>Facilities Related</b>						
204	Measure I - Renewal Fund	\$ 0	\$ 0	\$ 25,000	\$ 2,158	\$ 56,182
259	Reimbursable Grants Fund	0	775,100	0	0	0
302	Development Impact Fee - Fire	414,589	0	122,650	97,033	550,000
303	Development Impact Fee - Police	0	1,431,106	0	0	0
502	Fire Building Fund	2,080,574	0	0	0	3,750,000
503	County - High Desert Government Center	13,876,261	6,378,053	0	2,977,000	8,400,000
504	Park and Ride Facility	0	0	508,000	0	692,346
586	Redevelopment Capital Projects	13,728,838	1,151,406	0	0	0
587	Redevelopment Capital - P/A #2	0	1,869,564	0	0	0
711	Sewer Capital Fund	0	0	0	0	200,000
	<b>Total City Facilities Related</b>	<b>\$ 30,100,262</b>	<b>\$ 11,605,229</b>	<b>\$ 655,650</b>	<b>\$ 3,076,191</b>	<b>\$ 13,648,528</b>
<b>Water and Sewer Related</b>						
701	Water Capital Fund	\$ 2,090,373	\$ 0	\$ 0	\$ 0	\$ 0
711	Sewer Capital Fund	101,109	0	0	0	0
	<b>Total Water and Sewer Related</b>	<b>\$ 2,191,482</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
	<b>Total City Capital Improvement Program (C I P)</b>	<b>\$ 44,084,984</b>	<b>\$ 22,954,975</b>	<b>\$ 31,625,304</b>	<b>\$ 31,604,506</b>	<b>\$ 37,201,651</b>

# CAPITAL IMPROVEMENT PROGRAM (CIP)

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**CAPITAL IMPROVEMENT PROGRAM (CIP)**

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## CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Ranchero Road Undercrossing

Project Number: 7046 – Phase I and II

Department/Program: Development Services – Streets CIP

### Project Description and Location:

This project involves the installation of a new underpass beneath the BNSFs railway's right-of-way at Ranchero 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 affects the motoring public, but also severely restrict fire and police response times throughout the City.

### Existing Situation and Work Completed Through Fiscal Year 2011-2012:

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 with CPSI. Authorization to proceed with right-of-way acquisitions was granted by Caltrans in May 2009, and the purchase of all required right-of-way was completed in December 2010 and certified by Caltrans in January 2011. The application to the Public Utilities Commission was submitted and approved in June 2009. Regulatory permits from the Army Corps of Engineers, Regional Water Quality Control Board - Lahontan, California Department of Fish and Game, and the San Bernardino County Flood Control District were applied for and were approved. The easements and construction agreement for permission to work within the BNSF right-of-way were granted and fully executed by January 2011. The Request for Authorization to Proceed with Construction (RFA) was submitted to Caltrans for review and approval in January 2011 and Authorization to proceed with construction was subsequently approved by Caltrans in June 2011. The Project was advertised for bids in July 2011 and a contract awarded by the City Council in August 2011. Construction commenced in early September 2011 and is ongoing.

### Project Schedule for 2012-13 Budget:

Construction will continue throughout FY 2012-13 and is estimated to be complete in June 2013.

**CAPITAL IMPROVEMENT PROGRAM (CIP)**

Project Title: Ranchero Road Undercrossing (Continued)

Project Costs and Funding:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
300-700-7046 Contractual	\$ 0	\$ 0	\$ 0	\$ 21,789	\$ 4,471,553
508-700-7046 Contractual	0	0	3,206,181	8,218,511	0
508-700-7046 Project Management Transfer Out	0	0	74,219	74,219	0
586-700-7046 Right -of-Way Acquisition	724,056	179,054	0	0	0
586-700-7046 Construction	0	0	0	0	0
586-700-7046 Project Management - Transfer Out	0	75,320	0	0	0
586-700-7046 Contractual	279,680	2,622,161	0	0	0
600-700-7046 Contractual	2,038	0	0	0	0
600-700-7046 Right-of-Way Acquisition	215,058	0	0	0	0
600-700-7046 Construction	0	0	10,219,600	4,800,000	7,528,447
Total Expenditures	\$ 1,220,832	\$ 2,876,535	\$ 13,500,000	\$ 13,114,519	\$ 12,000,000
<u>Source of Funds</u>					
300 DIF Streets	\$ 0	\$ 0	\$ 0	\$ 21,789	\$ 4,471,553
508 Ranchero Undercrossing-Local	0	0	3,280,400	8,292,730	0
586 Redevelopment Capital P/A #1	1,003,736	2,876,535	0	0	0
600 NCPDP Grant	195,152	0	0	1,108,847	0
600 SAFETEA-LU	0	0	3,599,600	3,599,600	0
600 SANBAG-STP	0	0	3,650,000	91,553	3,558,447
600 FHWA-STP	0	0	2,970,000	0	2,970,000
600 California Prop. 1B-SLPP	0	0	0	0	1,000,000
600 Transfer In From Fund 586-RDA	21,944	0	0	0	0
Total Source of Funds	\$ 1,220,832	\$ 2,876,535	\$ 13,500,000	\$ 13,114,519	\$ 12,000,000

Project Funding Narrative:

The total project expenditures are estimated to be \$30.0 million and are proposed to be funded from Streets Development Impact Fees, the Redevelopment Agency, and Federal and State funds. The City has completed all design work, secured all required regulatory permits, and completed all necessary right-of-way acquisition at a cost of approximately \$3.0 million. The City utilized NCPDP Federal funds of \$391,153 towards this work. Construction related costs are estimated to be a total of \$27.0 million. The construction costs will be split between the Streets Development Impact Fee Fund and the Redevelopment Agency, which are expected to fund a combined \$14.67 million or 54% of the total construction costs and various Federal and State appropriations identified below, which are expected to fund \$12.33 million, or 46% of the total construction costs:

- Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Project No. 1558, P.L. 109-59 – Federal Grant (2005) Original Appropriation - \$4,000,000 / Due to funding Rescissions and Obligation Limitations the net available to the City is \$3,599,600..... \$3,599,600
- Federal Highway Administration – Surface Transportation Program (FHWA-STP) – Federal Grant P.L. 109-115, Conference Report 109 Original Appropriation - \$3,000,000 / due to funding Rescissions and Obligation Limitations the net available to the City is \$2,970,000..... \$2,970,000

**CAPITAL IMPROVEMENT PROGRAM (CIP)**

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Project Title:                      Rancho Road Undercrossing (Continued)

Project Funding Narrative (Continued):

▪ San Bernardino Associated Governments – Surface Transportation Program (SANBAG –STP), Allocation to City of Hesperia - \$3,400,000 plus additional \$250,000 of funding exchanged with SANBAG in 2006.....	\$3,650,000
▪ National Corridor Planning and Development Program (NCPDP) – Federal Grant 2002-03: Original Appropriation Amount of \$1,500,000 (Note: \$391,153 of these funds were utilized during engineering and right-of-way acquisition and reimbursed to the City in prior fiscal years) – the remaining \$1,108,847 was de-obligated June 2010, but was re-obligated for construction in 2011.....	\$1,108,847
▪ Propositions 1B – State-Local Partnership Program (Prop 1B – SLPP) California Transportation Commission Original Appropriation - \$1.0 million.....	\$1,000,000
Total Available Federal and State Project Funding.....	\$12,328,447

Notes:

- National Corridor Planning and Development Program (NCPDP) – Federal Grant 2003-04: \$500,000 Original Appropriation – Funding authority lapsed in 2008 and funding was de-obligated without any expenditure.

## 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 2011-2012:

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, at a cost of \$1.799 million. 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 has occurred since Fiscal Year 2007-08.

Project Schedule for 2012-13 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>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
587-700-7065 Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
587 RDA PA-2	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative

Preparation of the PA/ED phase is currently estimated to cost \$1.1 million 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: Ranchero Road / I-15 Interchange  
Phase II – Project Approval and Environmental Document (PA&ED) (Completed 2010)  
Phase III – Preliminary “At-Risk” Design (PS&E) (Completed 2012)  
Phase IV and V – Right-of-Way Acquisition/Construction

Project Number: 7086

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project is one of the three components of the Ranchero Road Corridor Project, which consists of improvements to Ranchero Road including the Ranchero Road Underpass, widening of Ranchero Road from Danbury Road to I-15, and a new interchange at I-15. In Fiscal Year 2004-05 the City, in anticipation of the time required to obtain State and Federal approvals for new interchanges, commenced the Project Development Phase of the project, which requires initial studies of the project and the preparation of a document called the Project Study Report/Project Development Support (PSR/PDS). The City's Consultant (Tetra Tech) commenced preparation of the PSR/PDS in September 2004 and received approval of the Final PSR/PDS through Caltrans in August 2006 (Project 7081).

The Preliminary Engineering Phase of the project commenced in August 2006 after execution of a Cooperative Agreement with Caltrans. This phase of work required preparation of a Project Report (PR), which further analyzed the alternative, preliminary designs identified in the PSR/PDS and ascertained the preferred design layout of the proposed interchange, and the preparation of the Project Approval and Environmental Document (PA&ED), which involved an environmental review of the alternative designs identified in the PSR/PDS, traffic modeling, geotechnical studies, various environmental technical studies, and completion of a final Environmental Document (ED) demonstrating that the preferred layout of the proposed interchange complies with all Federal and State environmental laws. The Environmental Assessment – Finding of No Significant Impact (EA-FONSI) was identified as the appropriate ED for this project. The PR and EA-FONSI were both approved by Caltrans (as the Federal delegate) in March 2010. The next two phases of the project, Right-of-Way (ROW) Acquisition Phase and the Final Design (PS&E) Phase, commenced concurrently in March 2010.

Existing Situation and Work Completed Through Fiscal Year 2011-2012:

The City Council awarded a Professional Services Agreement (PSA) to Parsons in 2006 to prepare the Project Approval and Environmental Document. This Phase of the project commenced in August 2006 and includes monthly Project Development Team (PDT) meetings with Caltrans staff, which continue today. The required Value Analysis (VA) process was concluded in April 2007 and the Traffic Study received final approval from Caltrans in March 2008. 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 design so that work on the ED and project plans could proceed concurrently, which shortened the overall project schedule approximately nine months. Work on the PA&ED continued and was completed in March 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). In March 2010, work on the final Plans, Specifications, and Engineer's Estimate (PS&E Phase) began after approval of the ED. Submittal to the California Transportation Commission for obligation of the SANBAG 2006 STIP funds occurred in May 2010 to prevent loss of funding. A Request for Authorization to Proceed with Right-Of-Way Acquisition was submitted to Caltrans in July 2010. The City received approvals from Caltrans and the FHWA to proceed with ROW acquisition in December 2010 and commenced the acquisition process. Parsons sub-contracted this work to CPSI at a cost of \$170,000 for professional services.

Preliminary “at-risk” design transformed into Final Design (PS&E Phase) upon approval of the ED in March 2010. Design work continued through FY 2010-11 and FY 2011-12 as well. Final approval of the plans and completion of the PS&E Phase was expected by November 2011, but delays by Caltrans extended this date to March 2012. Right-of-Way acquisition continued from December 2010 into FY 2011-12.

## CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Ranchero Road/I-15 Interchange (Continued)

Existing Situation and Work Completed Through Fiscal Year 2011-2012 (Continued):

Twelve (12) properties from eight (8) owners were needed and ten (10) properties were obtained through Purchase and Sale Agreements. The remaining two (2) were subject to eminent domain action in March 2012. Possession occurred in May/June.

Due to the elimination of redevelopment agencies state-wide in February 2012, as well as the recession affecting development, funding opportunities to construct the project were all but eliminated. In late January, SANBAG proposed a cooperative effort to allow the project to progress to construction in a streamlined timeline. With assistance by Caltrans, SANBAG agreed to take over the construction phase and front 100% of the needed gap funding on a worst-case scenario and apply for Corridor Mobility Improvement Account (CMIA) funds from the California Transportation Commission (CTC) to offset the funding need. In May 2012, the CTC awarded \$24.4 million to the project. The City entered into a Cooperative Funding Agreement in April 2012, paving the way for the project to be in a "Ready to List" status by June/July 2012 and construction in FY 2012-13.

Project Schedule for 2012-13 Budget:

All regulatory permits have been obtained, PS&E has been approved by Caltrans and right-of-way acquisition has concluded. SANBAG has taken over the project and will be responsible for Advertising, Award, and Administration (AAA) of the project's construction phase. Advertisement is expected in June 2012, and construction will by December 2012 and continue into FY 2013-14. Upon project completion, the City will be responsible for 57.5% of the Total Project Cost (TPC estimated at \$59,012,726). Approximately 6.5% of the City's share will be assigned to the County of San Bernardino (5.9%) and Town of Apple Valley (0.6%) through subsequent agreements.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
300-700-7086 Contractual	\$ 1,890,861	\$ 681,362	\$ 62,312	\$ 717,375	\$ 3,550,000
300-700-7086 Project Management Transfer Out	0	0	19,740	19,740	0
300-700-7086 Land Acquisition	0	0	0	50,000	0
602-700-7086 STIP/RIP Land	0	231,254	6,808,546	7,585,358	0
Total Expenditures	\$ 1,890,861	\$ 912,616	\$ 6,890,598	\$ 8,372,473	\$ 3,550,000

Source of Funds

300 DIF Streets	\$ 1,890,861	\$ 681,362	\$ 82,052	\$ 787,115	\$ 3,550,000
602 Ranchero/I-15 Interchange (SANBAG STIP)	0	231,254	6,808,546	7,585,358	0
Total Source of Funds	\$ 1,890,861	\$ 912,616	\$ 6,890,598	\$ 8,372,473	\$ 3,550,000

**CAPITAL IMPROVEMENT PROGRAM (CIP)**

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Project Title:                      Ranchero Road/I-15 Interchange (Continued)

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 and Federal/State grants. The City is responsible for 57.5% of the project's cost, which Federal funds can be used for this share. The following funds for planning, design, right-of-way, and construction have been earmarked to date:

▪ Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Interstate Maintenance Discretionary (IMD) Program P.L. 109-59, Project No. 158 – Federal Grant (Appropriated 2008).....	\$1,356,810
▪ SANBAG/State Transportation Improvement Program (STIP) Regional Improvement Program (RIP) – (Appropriated 2008).....	7,979,000
▪ Measure I (2010-2040) Victor Valley Major Local Highway Program (MLHP).....	4,549,000
▪ SAFETEA-LU IMD Program, HR1105 Omnibus Appropriation Act for 2009.....	650,750
▪ SAFETEA-LU IMD Program, Continuing Appropriation Resolution 2010, P.L. 111-68.....	1,000,000
▪ Development Impact Fee (Fund 300 – DIF) Streets Fund	3,550,000
▪ CTC –Resolution No. SLPP-P-1112-09 (SLPP Bond Funding)	4,550,000
▪ CTC – Resolution No. CMIA-PA-1112-017 & CMIA-P-1112-018B (CMIA Funding)	<u>21,135,000</u>
Total Federal/State Project Funding Commitments	\$44,820,560

Project Impact on Operating Budget:

None at this time.

## 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. Discussions with County representatives indicate that the County is moving forward with installation of a portion of their improvements in the near future. A Cooperative Agreement with the County has been executed to establish funding responsibilities.

Existing Situation and Work Completed Through Fiscal Year 2011-2012:

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. Meetings with the Department of Water Resources (DWR) occurred in order to begin the coordination required for permits. Cessation of all design work occurred until execution of a Memorandum of Understanding (MOU) with the County in June 2011, allowing design work to resume. As a result of the MOU, the focus has been the environmental work and design of the roadway. Once the roadway design is prepared, the right-of-way acquisition will begin and design coordination with DWR will resume. Design plans are at a 65% design level, and the environmental document will be completed early summer 2012.

Project Schedule for 2012-13 Budget:

Design plans, right-of-way identification and cost estimates will continue and be completed in spring 2013, with the exception of the aqueduct crossing.

Project Costs and Funding:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
300-700-7094 Contractual	\$ 352,124	\$ 141,382	\$ 8,078	\$ 8,078	\$ 0
504-700-7094 Contractual	0	0	577,078	279,735	361,256
<b>Total Expenditures</b>	<b>\$ 352,124</b>	<b>\$ 141,382</b>	<b>\$ 585,156</b>	<b>\$ 287,813</b>	<b>\$ 361,256</b>
<u>Source of Funds</u>					
300 DIF Streets	\$ 352,124	\$ 141,382	\$ 8,078	\$ 8,078	\$ 0
504 Citywide Projects (County Reimbursement)	0	308,402	288,539	151,961	180,628
<b>Total Source of Funds</b>	<b>\$ 352,124</b>	<b>\$ 449,784</b>	<b>\$ 296,617</b>	<b>\$ 160,039</b>	<b>\$ 180,628</b>

Project Funding Narrative:

The total cost of Phase 1 and Design work of Phase 2 is \$1,222,167. Funding to be reimbursed by the County of San Bernardino (\$193,961 by FY 2011-12 year-end, and \$138,628 in FY 2012-13) for work advanced by the City will be used to complete the design/environmental work. The Fund 504 FY 2012-13 Proposed Budget of \$277,256 will be funded by Fund 504 fund balance (representing the County's FY 2011-12 \$193,961 contribution) and the FY 2012-13 County contribution of \$138,628.

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 City Hall/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 2011-2012:

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 and funding limitations. No funding was provided in FY 2009-10, FY 2010-11 and FY 2011-12.

Project Schedule for 2012-13 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:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
300-700-7095 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Source of Funds</u>					
300 DIF Streets	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

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 11<sup>th</sup> 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 2011-2012:

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 (along with C.O. 7105). 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. Right-of-way identification and design was suspended in June 2010 due to changes in the economy and slowed development.

Project Schedule for Fiscal Year 2012-13 Budget:

No funding is proposed this fiscal year. Once design work is recommended and complete, right-of-way acquisition will begin, and construction will follow over a 2-3 year period.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
300-700-7096 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
586-700-7096 Contractual	67,360	0	0	0	0
Total Expenditures	\$ 67,360	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

300 DIF Streets	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
586 Redevelopment Capital P/A #1	67,360	0	0	0	0
Total Source of Funds	\$ 67,360	\$ 0	\$ 0	\$ 0	\$ 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 2012-13 or later. This project is to be funded by a combination of Streets Development Impact Fees and other funding as available.

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 2011-2012:

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 by the consultant halted in mid-2008.

Project Schedule for 2012-13 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>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
586-700-7097 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

586 Redevelopment Capital P/A #1	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project will be funded by a combination of Streets Development Impact Fees and other funding sources as available.

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) (Completed FY 2010-11)  
 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 provide 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 involved the preparation of a Project Study Report (PSR) portion of the project for submittal to Caltrans.

Existing Situation and Work Completed Through Fiscal Year 2011-2012:

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. A New Connection Report (NCR) acceptability determination was issued by FHWA in January 2011.

Project Schedule for 2012-13 Budget:

No funding is proposed during this fiscal year. 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>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
300-700-7098 Contractual	\$ 117,545	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 117,545	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
300 DIF Streets	\$ 117,545	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 117,545	\$ 0	\$ 0	\$ 0	\$ 0

## CAPITAL IMPROVEMENT PROGRAM (CIP)

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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.

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 (Completed FY 2011-12)

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 2011-2012:

An engineering consultant was engaged to design the project 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. Right-of-way was completed in December 2010, allowing the project to be bid for construction in January 2011. The project was awarded in March 2011 to Match Construction for \$794,000. Construction began in April 2011 and was completed in October 2011. The project was accepted by the Hesperia City Council in March, 2012.

Project Schedule for 2012-13 Budget:

The project is complete. SANBAG has authorized the City to utilize the balance of the grant funds for the Lemon Street paving project (C.O. 7121).

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10	2010-11	2011-12	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
201-700-7100 Contractual	\$ 5,000	\$ 0	\$ 0	\$ 0	\$ 0
300-700-7100 Contractual	17,480	0	23,325	22,810	0
300-700-7100 Land	0	68,292	0	68,292	0
504-700-7100 Contractual	0	984	800,075	831,636	0
<b>Total Expenditures</b>	<b>\$ 22,480</b>	<b>\$ 69,276</b>	<b>\$ 823,400</b>	<b>\$ 922,738</b>	<b>\$ 0</b>

Source of Funds

201 Measure I-Arterial	\$ 5,000	\$ 0	\$ 0	\$ 0	\$ 0
300 DIF Streets	17,480	68,292	23,325	91,102	0
504 CityWide Projects (SANBAG Grant)	0	984	800,075	831,636	0
<b>Total Source of Funds</b>	<b>\$ 22,480</b>	<b>\$ 69,276</b>	<b>\$ 823,400</b>	<b>\$ 922,738</b>	<b>\$ 0</b>

Project Funding Narrative:

This project was funded with Measure I Arterial Funds and Streets Development Impact Fees (DIF), and San Bernardino Associated Governments (SANBAG) Local Stimulus grant funds. Design work (\$90,000) was funded by (Measure I Arterial funds). Right-of-way acquisition (\$68,292) by DIF and construction (\$831,636) was funded by San Bernardino Associated Governments (SANBAG) Local Stimulus grant funds (\$850,075), which became available in Fall 2009, and DIF Streets (\$23,325).

## CAPITAL IMPROVEMENT PROGRAM (CIP)

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Project Title: New Traffic Signal – Main Street and Rock Springs Road (Continued)

Project Number: 7100 (Completed FY 2011-12)

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: 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 7<sup>th</sup> 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 2011-2012:

Project was completed June 2012.

Project Schedule for 2012-13 Budget:

Project was completed June 2012. Design of the next two streets is undetermined, pending funding availability.

Project Costs and Funding:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
160-700-7102 Contractual	\$ 0	\$ 0	\$ 0	\$ 1,567	\$ 0
507-700-7102 Contractual	0	0	378,177	378,177	0
586-700-7102 Contractual	3,499,023	540,663	21,823	20,256	0
701-700-7102 Contractual	270,924	0	0	0	0
Total Expenditures	<u>\$ 3,769,947</u>	<u>\$ 540,663</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 0</u>

Source of Funds

160 Obligation Retirement Fund P/A#1	\$ 0	\$ 0	\$ 0	\$ 1,567	\$ 0
507 Township Capital	0	0	378,177	378,177	0
586 Redevelopment Capital P/A #1	3,499,023	540,663	21,823	20,256	0
701 Water Capital	270,924	0	0	0	0
Total Source of Funds	<u>\$ 3,769,947</u>	<u>\$ 540,663</u>	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ 0</u>

Project Funding Narrative:

This project was 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: Railroad Crossing Feasibility Study (Eucalyptus/Lemon/Mojave)  
Project Number: 7104 (Completed FY 2008-09)  
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 Ranchero 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 2011-2012:

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:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
300-700-7104 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
300 DIF Streets	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 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 11<sup>th</sup> 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 2011-2012:

The consultant firm to carry out the design of all three phases and project management 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 was planned to be extracted for use in repair/remediation of February 2010 storm damage at Pyrite (A-04 drain line). Right-of-Way identification and design has been suspended since Fiscal Year 2010-11 due to changes in the economy and slowed development.

Project Schedule for Fiscal Year 2012-13 Budget:

No funding is proposed at this time. 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:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
300-700-7105 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
586-700-7105 Contractual	218,367	743	0	0	0
Total Expenditures	<u>\$ 218,367</u>	<u>\$ 743</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Source of Funds

300 DIF Streets	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
586 Redevelopment Capital	218,367	743	0	0	0
Total Source of Funds	<u>\$ 218,367</u>	<u>\$ 743</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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 and other funding sources as available.

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: 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 2011-2012:

Project was completed May 2012.

Project Schedule for 2012-13 Budget:

Project was completed May 2012.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10	2010-11	2011-12	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
506-700-7108 Contractual	\$ 0	\$ 0	\$ 3,783,054	\$ 3,083,054	\$ 0
506-700-7108 Project Management	0	0	29,946	29,946	0
Transfer Out					
506-700-7108 Grant Expense (EDA)	0	0	1,300,000	2,000,000	0
586-700-7108 Contractual	319,540	1,414,725	0	0	0
586-700-7108 Land	555,627	450	0	0	0
586-700-7108 Grant Expense (EDA)	\$ 0	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 875,167</b>	<b>\$ 1,415,175</b>	<b>\$ 5,113,000</b>	<b>\$ 5,113,000</b>	<b>\$ 0</b>

Source of Funds

506-Industrial Park Lead Track (RDA)	\$ 0	\$ 0	\$ 3,813,000	\$ 3,113,000	\$ 0
506 Industrial Park Lead Track (Grant)	0	0	1,300,000	2,000,000	0
586 Redevelopment Capital P/A #1	875,167	1,415,175	0	0	0
586 Redevelopment Capital P/A #1	0	0	0	0	0
<b>Total Source of Funds</b>	<b>\$ 875,167</b>	<b>\$ 1,415,175</b>	<b>\$ 5,113,000</b>	<b>\$ 5,113,000</b>	<b>\$ 0</b>

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 began in spring 2011 (\$4,150,000 million budgeted, \$867,500 estimate expenditure), and the balance (estimated at \$5.1 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 (Completed FY 2010-11)

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 2011-2012:

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 completed this project with the Annual Street Improvement Program (C.O. 7117), which began construction in June 2010 and was completed in September 2010.

Project Schedule for Fiscal Year 2012-13 Budget:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
300-700-7110 Contractual	\$ 159,313	\$ 20,000	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 159,313	\$ 20,000	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
300 DIF Streets	\$ 159,313	\$ 20,000	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 159,313	\$ 20,000	\$ 0	\$ 0	\$ 0

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 (Completed FY 2010-11)

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 2011-2012:

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. Remediation to one final private property was closed-out by December 2010.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
300-700-7111 Contractual	\$ 9,199	\$ 154,862	\$ 0	\$ 0	\$ 0
504-700-7111 Contractual	0	0	0	0	0
Total Expenditures	\$ 9,199	\$ 154,862	\$ 0	\$ 0	\$ 0

Source of Funds

300 DIF Streets	\$ 9,199	\$ 154,862	\$ 0	\$ 0	\$ 0
504 City Wide Projects	0	0	0	0	0
Total Source of Funds	\$ 9,199	\$ 154,862	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

The project was funded from Proposition 1B transportation funds (\$1,381,256.99), as well as DIF Streets (\$408,762).

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 (Completed FY 2010-11)

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 2011-2012:

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:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
100-700-7114 Contractual	\$ 125,286	\$ 0	\$ 0	\$ 0	\$ 0
201-700-7114 Contractual	47,386	0	0	0	0
202-700-7114 Contractual	0	0	0	0	0
205-700-7114 Contractual	0	0	0	0	0
250-700-7114 Contractual	0	0	0	0	0
586-700-7114 Contractual	1,592,453	0	0	0	0
701-700-7114 Contractual	292,569	0	0	0	0
Total Expenditures	\$ 2,057,694	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
100 General Fund	\$ 125,286	\$ 0	\$ 0	\$ 0	\$ 0
201 Measure I - Arterial	47,386	0	0	0	0
202 Measure I - Local	0	0	0	0	0
205 Gas Tax Fund	0	0	0	0	0
250 Traffic Congestion Relief	0	0	0	0	0
586 Redevelopment Capital P/A #1	1,592,453	0	0	0	0
701 Water Capital	292,569	0	0	0	0
Total Source of Funds	\$ 2,057,694	\$ 0	\$ 0	\$ 0	\$ 0

## CAPITAL IMPROVEMENT PROGRAM (CIP)

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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 \$9.2 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: Traffic Signal at Smoke Tree and Seventh Avenue

Project Number: 7116 (Completed FY 2010-11)

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 2011-2012:

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 were substantially complete October 2010. This project was bid as a design-build and was awarded to DBX, Inc. in June 2010. Construction was completed in March 2011.

Project Schedule Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
300-29-7116 Contractual	\$ 611	\$ 241,798	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>\$ 611</u>	<u>\$ 241,798</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 <u>Source of Funds</u>					
300 DIF Streets	\$ 611	\$ 241,798	\$ 0	\$ 0	\$ 0
Total Source of Funds	<u>\$ 611</u>	<u>\$ 241,798</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Project Funding Narrative:

This project was funded by Development Impact Fee 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 (Completed in FY 2011-12)

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 2011-2012:

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 to Match Corporation and construction commenced in June 2010. Due to damages sustained in the 2010 winter storms, the City engaged the contractor to make emergency repairs, beginning in February/March 2011.

Project Status:

The project is complete

Project Costs and Funding:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
201-700-7117 Contractual	\$ 0	\$ 466,573	\$ 0	\$ 0	\$ 0
204-700-7117 Contractual	0	279,246	0	0	0
504-700-7117 Contractual	0	464,178	0	0	0
586-700-7117 Contractual	10,874	1,455,176	0	0	0
587-700-7117 Contractual	939,770	389,017	0	0	0
588-700-7117 Contractual	45,108	1,676,926	0	0	0
Total Expenditures	<u>\$ 995,752</u>	<u>\$ 4,731,116</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Source of Funds

201 Measure I - Arterial	\$ 0	\$ 466,573	\$ 0	\$ 0	\$ 0
204 Measure I Renewal	0	279,246	0	0	0
504 City Wide Projects (SANBAG Grant)	0	400,001	0	0	0
504 City Wide Projects (FEMA Emergency Recovery)	0	64,177	0	0	0
586 Redevelopment Capital P/A #1	10,874	1,455,176	0	0	0
587 Redevelopment Capital P/A #2	939,770	389,017	0	0	0
588 Redevelopment Capital VVEDA	45,108	1,676,926	0	0	0
Total Source of Funds	<u>\$ 995,752</u>	<u>\$ 4,731,116</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Project Funding Narrative:

This project was 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, and Federal Emergency Management Agency (FEMA) reimbursements.

## CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Traffic Signal Upgrade – Main Street and C Avenue

Project Number: 7118 (Completed FY 2010-11)

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 2011-2012:

This project was added in FY 2008-09. Staff solicited bids from a consultant for the work to be carried out as a design-build (similar to 3<sup>rd</sup> Avenue) in conjunction with C.O. 7116. Bids were solicited in May 2010, and an award to DBX, Inc. occurred on June 15, 2010. Once designed, by Fall 2010, equipment was provided that included 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. The project was completed in March 2011.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
201-29-7118 Contractual	\$ 1,040	\$ 0	\$ 0	\$ 0	\$ 0
204-29-7118 Contractual	0	237,125	0	0	0
Total Expenditures	<u>\$ 1,040</u>	<u>\$ 237,125</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Source of Funds

201 Measure I Arterial Fund	\$ 1,040	\$ 0	\$ 0	\$ 0	\$ 0
204 Measure I Renewal Fund	0	237,125	0	0	0
Total Source of Funds	<u>\$ 1,040</u>	<u>\$ 237,125</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Project Funding Narrative:

This project was funded by Measure I Arterial funds.

Project Impact on Operating Budget:

Maintenance costs of the signal are reduced.

**CAPITAL IMPROVEMENT PROGRAM (CIP)**

Project Title: Santa Fe Circulation Study  
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 2011-2012:

This project was added in Fiscal Year 2009-2010. No work was conducted in FY 2010-2011 or FY 2011-12 due to other City priorities.

Project Schedule for 2012-13 Budget:

In-house staff will prepare preliminary design plans after survey work is conducted. The results of this work, (expected by Spring 2013), will help determine if further work is warranted.

Project Costs and Funding:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
300-700-7119 Contractual	\$ 0	\$ 0	\$ 7,500	\$ 0	\$ 7,500
Total Expenditures	\$ 0	\$ 0	\$ 7,500	\$ 0	\$ 7,500
 <u>Source of Funds</u>					
300 DIF Streets	\$ 0	\$ 0	\$ 7,500	\$ 0	\$ 7,500
Total Source of Funds	\$ 0	\$ 0	\$ 7,500	\$ 0	\$ 7,500

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: 2011-12 Street Improvement Project

Project Number: 7121

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 select roads in the City. The roads to be improved are Lemon Avenue between Choicena and Santa Fe Avenues, (using State grant funds), 8<sup>th</sup> Avenue paseo work between Smoke Tree, Willow Streets, and various residential streets, collector roads, and/or arterial roads which were previously reconstructed under the City's paving program. The City Council first reviewed the plan in February 2011, after which the scope of the project was reviewed by the City Council Advisory Committee in April 2011, as part of the entire Capital Improvement Program. This was recommended to the City Council subject to funding availability (no funding was available for a FY 2010-11 Street Improvement Project). The Planning Commission made a finding of conformity of the Capital Improvement Program with the General Plan in April 2011.

Existing Situation and Work Completed Through Fiscal Year 2011-2012:

This is a new project. Proposition 1B funds were received from the state in March 2011. For Lemon Avenue a Safe Routes to School Grant (SRTS) was received in October 2010 for construction along Eighth Avenue. The project was advertised for bids in March, 2012 and was awarded at the May 1, 2012 City Council meeting.

Project Schedule for 2012-13 Budget:

Construction is expected to begin by June 1, 2012 and completed by the end of September, 2012.

Project Costs and Funding:

Expenditure Phases	2009-10	2010-11	2011-12	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
201-700-7121 Contractual	\$ 0	\$ 0	\$ 0	\$ 94,772	\$ 0
204-700-7121 Contractual	0	0	273,338	125,192	270,000
504-700-7121 Contractual	0	0	1,726,662	0	1,745,101
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,000,000</u>	<u>\$ 219,964</u>	<u>\$ 2,015,101</u>

Source of Funds

201 Measure I Arterial	\$ 0	\$ 0	\$ 0	\$ 94,772	\$ 0
204 Measure I Renewal	0	0	273,338	125,192	270,000
504 SRTS Grant	0	0	450,000	0	450,000
504 Citywide Prop 1B	0	0	0	0	1,276,662
504 Citywide Projects (SANBAG Grant)	0	0	0	0	18,439
Total Source of Funds	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 723,338</u>	<u>\$ 219,964</u>	<u>\$ 2,015,101</u>

Project Funding Narrative:

This project will be funded by Proposition 1B transportation funds (\$1,277,000), Safe Routes to School (SRTA) Grant funds (\$450,000), as well as Measure I Renewal (\$273,000). In addition, the City petitioned SANBAG to utilize the remaining Local Stimulus funds (\$18,439) from C.O. 7100 and was successful. Finally, additional Measure I Renewal funds (\$125,192) and Measure I Arterial funds (\$94,772) were utilized to complete the Main Street/Cataba agreement.

Project Impact on Operating Budget:

This project will result in a decrease to operation and maintenance expenses due to preventive maintenance of the City's roadways.

**CAPITAL IMPROVEMENT PROGRAM (CIP)**

Project Title: Choiceana/Talisman Realignment

Project Number: 7122

Department - Program: Development Services – Streets CIP

Project Description and Location:

This project involves the realignment of two local streets that intersect one another in the northeast portion of the City. The “G-01” regional drainage facility designated on the City’s Master Plan of Drainage conveys storm flows, causing seasonal damage to this intersection, posing a hazard to the public, and a significant allocation of staff resources to repair/remediate the damage. This project would eliminate the street intersections by connecting the “northerly legs” of Talisman Street and Choiceana Avenue together, and connect the “southerly legs” together. The G-01 unimproved channel would be better-defined between the two street segments, reducing storm flow damage.

Existing Situation and Work Completed Through Fiscal Year 2011-2012:

This is a new project; however, property acquisitions of the necessary right-of-way was initiated in June 2009, and was completed in November 2010. The project area was surveyed in March, 2012, and the in-house design was completed in April, 2012.

Project Schedule for 2012-13 Budget:

It is anticipated that this project will be constructed in the summer of 2012.

Project Costs and Funding:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
204-700-7122 Contractual	\$ 0	\$ 0	\$150,000	\$ 2,500	\$ 147,500
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$150,000</u>	<u>\$ 2,500</u>	<u>\$ 147,500</u>

Source of Funds

204 Measure I Renewal	\$ 0	\$ 0	\$150,000	\$ 2,500	\$ 147,500
Total Source of Funds	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$150,000</u>	<u>\$ 2,500</u>	<u>\$ 147,500</u>

Project Funding Narrative:

This project will be funded by Measure I Renewal Funds.

Project Impact on Operating Budget:

Upon completion, it is anticipated that the project will result in a long-term decrease on operation and maintenance expenses due to the ability to convey storm water flows past the roadways without affecting the streets, thus eliminating the need to remove tons of storm debris after every storm event.

**CAPITAL IMPROVEMENT PROGRAM (CIP)**

Project Title: NEW Willow Street Paseo  
Project Number: 7123  
Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the construction of a bicycle/pedestrian paseo along the north and south sides of Willow Street from Third Avenue to Eighth Avenue. This “Willow Street Paseo” will provide a safe path of travel from high density housing areas of the City to several schools which are located along Willow Street. In addition, it will provide another link to the Eighth Avenue Paseo, which will be constructed as part of C.O. 7121, providing additional bicycle/pedestrian friendly routes to the Civic Center Complex. This facility follows the “complete street” concept as identified in the City’s General Plan Update and outlined in the Urban Design Framework Plan. The realization of this project is the result of City staff’s diligence in securing a Federal Safe Routes to School Grant.

Existing Situation and Work Completed Through Fiscal Year 2011-2012:

City staff was notified in October, 2011 that the City was successful in obtaining the grant. Due to the various studies and documents which are required as part of a Federal project, staff will prepare the request for proposals for consultants to prepare the necessary plans, specifications, and studies for the project.

Project Schedule for Fiscal Year 2012-13 Budget:

It is anticipated that the required plans, specifications and associate studies for the project will be completed by December 2012. Construction is anticipated to begin in early Spring 2013 and will be completed before the end of the fiscal year.

Project Costs and Funding:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
204-700-7123 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 83,188
504-700-7123 Contractual	0	0	0	0	834,900
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 918,088</u>
 <u>Source of Funds</u>					
204 Measure I Renewal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 83,188
504 SRTS Grant (Fed.)	0	0	0	0	834,900
Total Source of Funds	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 918,088</u>

Project Funding Narrative:

This project will be funded by Federal Safe Routes to School (SRTS) Grant funds (\$834,900), as well as Measure I Renewal (\$83,188) funds to make up the City’s match.

## CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Sequoia Bike Routes & Bus Stop Improvements

Project Number: 7124

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the construction of a Class II bicycle facility along Sequoia Street from Cottonwood Avenue to Hesperia Road, along with improvements to three bus stops in the City. This bicycle facility is identified on the City's Non-motorized Transportation Plan and will provide cyclists with an alternative route to cycling on the traffic-congested Bear Valley Road. The Class II facility will be constructed by widening the pavement and striping bicycle lanes along the shoulders. Appropriate signage will also be installed. The most notable bus stop improvement will consist of shoulder widening and a path of travel to the stop sign on the south side of Bear Valley Road just east of Industrial Avenue. City staff was able to obtain grant funds for these projects from the Transportation Development Act (TDA) Article 3 Bicycle and Pedestrian Fund through a competitive grant application with SANBAG. City staff was notified that they were successful in obtaining the grant in November 2011.

Existing Situation and Work Completed Through Fiscal Year 2011-2012:

No work was completed on this project this fiscal year.

Project Schedule for Fiscal Year 2012-13 Budget:

Projects utilizing TDA Article 3 funds do not have the rigorous environmental issues that other grant funds have thus reducing the need to spend precious dollars on studies. The design survey for the project will be accomplished through a contract with a local engineering firm, and City Staff will utilize this data to design the project in-house. It is anticipated that the survey, design and construction on all facilities will be completed this fiscal year.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
204-700-7124 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 49,105
504-700-7124 Contractual	0	0	0	0	547,152
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 596,257

Source of Funds

204 Measure I Renewal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 49,105
504 TDA Article 3 Grant	0	0	0	0	547,152
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 596,257

Project Funding Narrative:

This project will be funded by Transportation Development Act (TDA) Grant funds (\$547,152), as well as Measure I Renewal (\$49,105) funds to make up the City's match.

**CAPITAL IMPROVEMENT PROGRAM (CIP)**

Project Title: 2012-13 Street Improvement Project

Project Number: 7125

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 of selective roads in the City. Corrective maintenance is planned for Main Street from Cataba Road to Interstate 15. In addition, the City will expand on the newly completed improvements along Santa Fe Avenue East and extend those improvements to I Avenue. The long neglected Mesa Avenue east of Santa Fe Avenue East will also be reconstructed for approximately one half mile. Preventative maintenance will occur on streets that have had corrective maintenance done during the past 5-7 years to extend their usable life. This preventative maintenance will be performed on approximately 10 miles of roadways throughout the City.

Existing Situation and Work Completed Through Fiscal Year 2011-2012:

This is a new project.

Project Schedule for Fiscal Year 2012-13 Budget:

The project will be advertised for bid after the start of the fiscal year, and construction will begin on Main Street by August/September. The project will be complete by the end of the fiscal year.

Project Costs and Funding:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
204-700-7125 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,200,000
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,200,000</u>
 <u>Source of Funds</u>					
204 Measure I Renewal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,200,000
Total Source of Funds	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,200,000</u>

Project Funding Narrative:

This project will be funded by Measure I Renewal funds.

## CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Cinema West Site Improvements (New)

Project Number: 7126

Department/Program: Development Services – Facilities CIP

Project Description and Location:

The City's downtown plan identified development of the parcel west of Civic Plaza Park. Negotiations concluded successfully for development of a movie cinema project, which construction will be assisted by the City. This project involves construction of a 314-space parking lot that will be utilized by the theater and park goers. Project components include grading, paving and striping of the parking lot; landscaping around and within it; perimeter curb, gutter and sidewalks; lighting and a water retention system for the entire five acres utilized by the theater and parking lot.

Existing Situation and Work Completed Through Fiscal Year 2011-2012:

K&R Construction began construction of the theater building in March 2012. The City will bid the project and prepare for start of construction in this fiscal year.

Project Schedule for Fiscal Year 2012-13 Budget:

Work on this project commenced last fiscal year and will be completed by fall 2012.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
160-700-7126 Contractual	\$ 0	\$ 0	\$ 0	\$ 7,500	\$ 1,546,017
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,500</u>	<u>\$ 1,546,017</u>

Source of Funds

160 Obligation Retirement Fund P/A #1	\$ 0	\$ 0	\$ 0	\$ 7,500	\$ 1,546,017
Total Source of Funds	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,500</u>	<u>\$ 1,546,017</u>

Project Funding Narrative:

The project is funded from Obligation Retirement Fund P/A #1. Construction costs in FY 2011-12 are estimated to be \$7,500 and in FY 2012-13 are estimated to be \$1,546,017 based on a project budget.

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 (Completed FY 2009-10)

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 2011-2012:

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>	2009-10	2010-11	2011-12	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
205-700-7087 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
301-700-7087 Capital Outlay	34,948	0	0	0	0
586-700-7087 Contractual	0	833	0	0	0
586-700-7087 Capital Outlay	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 34,948</b>	<b>\$ 833</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

Source of Funds

205 Gas Tax	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
301 DIF Storm Drainage	34,948	0	0	0	0
586 Redevelopment Capital-P/A #1	0	833	0	0	0
<b>Total Source of Funds</b>	<b>\$ 34,948</b>	<b>\$ 833</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

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 2011-2012:

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 2012-13 Budget:

No work on this project is scheduled for this fiscal year; however, if right-of-way becomes available to obtain in advance of project, amendment(s) would be requested.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
301-700-7090 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
301 DIF Storm Drainage	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 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 2011-2012:

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, survey and easements/right-of-way work did not occur before December 2010, when additional damage was sustained between Fourth and Third Avenues. Coordination with the Federal Emergency Management Agency (FEMA) resulted in a commitment for reimbursement of the flood damage. With the project "federalized", additional environmental clearance was required, and a consultant (Tom Dodson & Associates) was engaged in February 2011 to obtain the necessary National Environmental Policy Act (NEPA) clearance. The preliminary environmental studies and engineering plans will be completed this fiscal year.

Project Schedule for 2012-13 Budget:

It is anticipated that the NEPA clearance will be completed and all required permits obtained for Sub-Phase 3A. Construction should begin in the late spring 2013 and carry over into FY 2013-14.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10		2010-11		2011-12		2011-12		2012-13	
	<u>Actual</u>		<u>Actual</u>		<u>Budget</u>		<u>Revised</u>		<u>Budget</u>	
251-700-7091 Contractual	\$	0	\$	0	\$	0	\$	0	\$	0
301-700-7091 Contractual		0		7,622		0		0		0
504-700-7091 Contractual		0		0		1,500,000		87,808		1,211,404
Total Expenditures	\$	0	\$	7,622	\$	1,500,000	\$	87,808	\$	1,211,404

Source of Funds

251 Community Development Block Grant Fund	\$	0	\$	0	\$	0	\$	0	\$	0
301 DIF Storm Drainage Fund		0		7,622		0		0		0
504 City Wide Projects Fund-FEMA		0		0		1,500,000		87,808		1,211,404
Total Source of Funds	\$	0	\$	7,622	\$	1,500,000	\$	87,808	\$	1,211,404

## CAPITAL IMPROVEMENT PROGRAM (CIP)

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Project Title: H-01 Drainage Facility – Section 3A (Fourth Avenue to Third Avenue)  
Design, Right-of-Way Identification, and Construction (Continued)

Project Number: 7091

Project Funding Narrative:

The project will be funded from FEMA funds. Preliminary design work was done by in-house staff for environmental work to commence. Final design is being performed by CCL Engineering and the contract is just under \$90,000. Environmental clearance documentation is estimated at \$25,000 and is being performed by Tom Dodson & Associates, with right-of-way acquisition estimated at \$100,000. Construction will spend the project balance.

Project Impact on Operating Budget:

This project has the potential to greatly reduce operations and maintenance expenses by removing the maintenance intensive outlet basin at Fourth Avenue.

**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 2011-2012:

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 has been done since then due to development slowdown/stoppage.

Project Schedule for 2012-13 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:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
586-700-7092 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
586 Redevelopment Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This drainage facility will be funded from funding sources as available.

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: Fire Station Site Study and Design (Fire Station 301 and 305)

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 2011-2012:

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. Construction commenced on Station 305 under C.O. 6518 in December 2008 and was substantially complete in May 2010. Station 301 design work was completed in February 2009. Station 301 design was complete and ready to bid for construction in March 2009 but was delayed due to grant funding pursued under C.O. 6517.

Project Schedule for 2012-13 Budget:

Revisions to the Station 301 plans had occurred in order to meet new 2010 California Building Code standards. This work is estimated at \$57,000. This component of the project, as well as construction, will occur under C.O. 6517, thus closing out this project C.O.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
302-650-6514 Contractual	\$ 121,834	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 121,834	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

302 DIF Fire (for 301)	\$ 121,834	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 121,834	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

The initial stages of this project were 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 Civic Plaza 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, bocce 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 2011-2012:

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). However, only the controllers were installed. In addition, a wind-powered generator was donated to the City, which was installed in December 2009.

Project Schedule for 2012-13 Budget:

No funding for subsequent phases is proposed at this time.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
586-650-6515 Contractual	\$ 5,232	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 5,232	\$ 0	\$ 0	\$ 0	\$ 0
 <u>Source of Funds</u>					
586 Redevelopment Capital P/A #1	\$ 5,232	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 5,232	\$ 0	\$ 0	\$ 0	\$ 0

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 has been pending since FY 2008-09, as well as establishing operational responsibilities.

## CAPITAL IMPROVEMENT PROGRAM (CIP)

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Project Title: Hesperia Civic Plaza Park (formerly Downtown Park) - Design and Construction  
(Continued)

Project Number: 6515

Project Impact on Operating Budget:

The park has been operated and maintained by the Hesperia Recreation and Park District with utility costs borne by the City. An operating agreement between the City and District is anticipated to be executed prior to the end of FY 2012-13.

## CAPITAL IMPROVEMENT PROGRAM (CIP)

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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 2011-2012:

Phase I 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 10, 2009. Construction continued through FY 2010-11 and was substantially complete in October 2010. The Police Department is now functioning from the new facility.

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 \$305,000 in rebates through the California Solar Initiative (CSI) program and administered by Southern California Edison and is paid over a five-year period (\$60,900/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 did 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. Construction of the PSE System was complete in November 2010.

Project Status:

The project is complete.

**CAPITAL IMPROVEMENT PROGRAM (CIP)**

Project Title: New Police Station (Continued)  
Property Identification, Acquisition, Design, and Construction

Project Number: 6516

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10	2010-11	2011-12	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
259-650-6516 Capital	\$ 0	\$ 775,100	\$ 0	\$ 0	\$ 0
303-650-6516 Capital	0	1,431,106	0	0	0
586-650-6516 Contractual	12,715,837	1,102,204	0	0	0
587-650-6516 Capital	0	1,869,564	0	0	0
Total Expenditures	\$ 12,715,837	\$ 5,177,974	\$ 0	\$ 0	\$ 0

Source of Funds

259 Reimbursable Grants Fund - ARRA Grant	\$ 0	\$ 775,100	\$ 0	\$ 0	\$ 0
259 Reimbursable Grants Fund - CSI (Edison) Grant	0	0	0	0	0
303 DIF - Police Fund	0	1,431,106 *	0	0	0
586 Redevelopment Capital P/A #1	12,715,837	1,102,204	0	0	0
587 Redevelopment Capital P/A#2	0	1,869,564	0	0	0
Total Source of Funds	\$ 12,715,837	\$ 5,177,974	\$ 0	\$ 0	\$ 0

\* Note - The CSI (Edison) Grant is reimbursed over 5 years. Solar expenditures were paid from Fund 303 and the Edison grant reimbursement will go to Fund 303 over the five-year reimbursement period.

Project Funding Narrative:

Total final project costs, including the addition of accessory storage structures in the rear of the new Police Station and the addition of the PSE System, was estimated at \$19.9 million and was funded from Redevelopment Capital Project funds, Police Department Impact Fee funds and Federal/State energy grants. Three-fourths of the funding (\$12.7 million) was expended in FY 2009-10, with the balance being funded in FY 2010-11. The original budget was reduced to reflect cost savings that were realized from a very competitive bidding market.

Project Impact on Operating Budget:

Relocation of Police Department staff to the larger police station will result in an increase in operation and maintenance expenses in FY 2011-12 and beyond.

## 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 C.O. 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 2011-2012:

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. The City did not receive a Notice of Award by July 2010; consequently, the project was suspended in 2010 until funding could be identified to construct the new station without grant funds. In FY 2011-12 funding was budgeted to have the plans updated to conform to the new 2010 California Building Code adopted by the City. WLC, the original architect for the project, was tasked with updating the plans and has completed this work. The plans and specifications for the project are now "shovel ready" and the project is ready for construction. All previous preliminary design work was performed under C.O. 6514, but construction of the project shall be completed under this C.O. Number (C.O. 6514 was closed out in 2011).

Project Schedule for Fiscal Year 2012-13 Budget:

With adequate local funding identified, this project is expected to be released for bids and commence construction in late 2012. Construction will continue throughout the remainder of the fiscal year and be completed in FY 2013-14.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10	2010-11	2011-12	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
302-650-6517 Contractual	\$ 0	\$ 0	\$ 57,000	\$ 57,000	\$ 550,000
502-650-6517 Contractual	0	0	0	0	3,750,000
711-650-6517 Contractual	0	0	0	0	200,000
<b>Total Expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 57,000</b>	<b>\$ 57,000</b>	<b>\$ 4,500,000</b>

Source of Funds

302 DIF Fire	\$ 0	\$ 0	\$ 57,000	\$ 57,000	\$ 550,000
502 Fire Station Building	0	0	0	0	3,750,000
711 Sewer Capital	0	0	0	0	200,000
<b>Total Source of Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 57,000</b>	<b>\$ 57,000</b>	<b>\$ 4,500,000</b>

## CAPITAL IMPROVEMENT PROGRAM (CIP)

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Project Title: Fire Station 301 Construction/Property Acquisition (Continued)

Project Funding Narrative:

The estimated cost of construction (as of 2012) is \$4.5 million, with an additional \$500,000 in support costs, which will be funded, in part, by Development Impact Fees (\$1 million), Fire Station Building fund (\$3.5 million), Sewer Capital (\$200,000), and other funding as available. A majority of the project will be completed this fiscal year (estimated at \$4.5 million). The balance (one-half million) will be funded in FY 2013-14.

Project Impact on Operating Budget:

Not applicable at this time.

## CAPITAL IMPROVEMENT PROGRAM (CIP)

Project Title: Fire Station 305 Construction

Project Number: 6518 (Completed FY 2010-11)

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 2011-2012:

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. Several warranty items were addressed in FY 2010-2011.

Project Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
302-650-6518 Contractual	\$ 292,755	\$ 0	\$ 0	\$ 0	\$ 0
502-650-6518 Contractual	2,080,574	0	0	0	0
586-650-6518 Contractual	1,004,754	20,952	0	0	0
586-650-6518 Land	0	0	0	0	0
Total Expenditures	\$ 3,378,083	\$ 20,952	\$ 0	\$ 0	\$ 0

Source of Funds

302 Fire DIF	\$ 292,755	\$ 0	\$ 0	\$ 0	\$ 0
502 Fire Station Building	2,080,574	0	0	0	0
586 Redevelopment Capital	1,004,754	20,952	0	0	0
Total Source of Funds	\$ 3,378,083	\$ 20,952	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

The cost of approximately \$7.07 million (\$4.5 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 (HDGC) – Phase I and II, and High Desert Public Safety Operations Center (PSOC) – Phase III

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 project 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 2011-12:

The City engaged a consultant to assist with project and program 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) for construction (Phase II) was developed and proposed by the Griffin Structures, Inc./McCarthy Construction team in April 2009. 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 10, 2009. Construction continued through FY 2010-11 and was substantially complete in October 2010. The County of San Bernardino is now functioning from the new facility.

Subsequent to occupation of the new building, the County approached the City of Hesperia with a request to provide additional project management services via change order, in partnership with Griffin Structures, Inc. and McCarthy Builders, to construct modifications to the interior of the building to accommodate a new, state-of-the-art communications center to serve the high desert communities. The High Desert Public Safety Operations Center (PSOC) Project will include Sheriff and Fire 911 Call and Dispatch Centers, an Emergency Operations Center (EOC), and related support amenities designed to Essential Facilities Standards. Preliminary design for the new PSOC began in August 2011 and was completed in December 2011. Final design was completed in March 2012. Construction commenced in April 2012 and will continue through the fiscal year.

Project Status:

Construction on the new PSOC has commenced and will continue through the fiscal year.

Project Costs and Funding:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
503-650-6520 Contractual	\$ 13,876,261	\$ 6,378,053	\$ 0	\$ 2,977,000	\$ 8,400,000
Total Expenditures	\$ 13,876,261	\$ 6,378,053	\$ 0	\$ 2,977,000	\$ 8,400,000

Source of Funds

503 County Government Center	\$ 16,223,725	\$ 3,680,722	\$ 0	\$ 2,977,000	\$ 8,400,000
Total Source of Funds	\$ 16,223,725	\$ 3,680,722	\$ 0	\$ 2,977,000	\$ 8,400,000

## CAPITAL IMPROVEMENT PROGRAM (CIP)

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Project Title: High Desert County Government Center (HDGC) – Phase I and II, and  
High Desert Public Safety Operations Center (PSOC) – Phase III (Continued)

Project Funding Narrative:

Funding for Phase I was originally estimated at \$1,487,500 and was 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-related costs utilizing County funds. The project is estimated at a revised amount of \$22.1 million (\$13.8 million in FY 2009-10; \$6.3 million in FY 2010-11). A reconciliation of the project will be performed to determine the amount and funding of City inducements as well as the amount to be refunded to the County.

Funding for Phase III will be provided by the County in the same way as Phase I and II, an "impound" account will be established that allows the City to pay for construction-related costs utilizing County funds. The construction portion of the project is estimated to cost \$10.65 million. After all construction is complete, the County will be installing an estimated \$7.0 million of communications equipment to operate the center.

**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 2011-2012:

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 was substantially complete by June 2010. The City did not receive a Notice of Award by July 2010; consequently, the project was suspended in 2010 until funding could be identified to construct the modifications to the existing station without grant funds. In FY 2011-12 funding was budgeted to have the plans updated to conform to the new 2010 California Building Codes adopted by the City. WLC, the original architect for the project, was tasked with updating the plans and has completed this work. The plans and specifications for the project are now “shovel ready” and the project is ready for construction once funding is identified.

Project Schedule for Fiscal Year 2012-13 Budget:

Work on this project will remain suspended until construction funding is identified.

Project Costs and Funding:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
302-650-6521 Contractual	\$ 0	\$ 0	\$ 65,650	\$ 40,033	\$ 0
586-650-6521 Contractual	3,015	28,250	0	0	0
Total Expenditures	\$ 3,015	\$ 28,250	\$ 65,650	\$ 40,033	\$ 0
 <u>Source of Funds</u>					
302 DIF Fire	\$ 0	\$ 0	\$ 65,650	\$ 40,033	\$ 0
586 Redevelopment Capital	3,015	28,250	0	0	0
Total Source of Funds	\$ 3,015	\$ 28,250	\$ 65,650	\$ 40,033	\$ 0

Project Funding Narrative:

The project is funded from Redevelopment Capital Project funds and Fire DIF, if ARRA funding is not obtained. Completion of design and update is estimated at \$65,650, and construction costs in FY 2010-11 were 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  
Project Number: 6523  
Department - Program: Development Services – Facilities CIP

Project Description and Location:

The City, in coordination with Caltrans, 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 2009-2010. 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 2011-2012:

This project was added in 2010-2011. CMAQ grant-funded projects require Caltrans oversight. Consequently, coordination first began in Spring 2011. City staff was able to get an additional grant from the Mojave Desert Air Quality Management District (MDAQMD) in August, 2011 for construction gap funding. AB2766 funds of \$184,346 were awarded to the City by the MDAQMD Board on August 22, 2011. The project was surveyed by Cubit Engineering in March and was designed in-house. City staff began the initial steps of working with Caltrans to determine the level of environmental clearance that will be required of the project.

Project Schedule for 2012-13 Budget:

An environmental consultant will be chosen to assist City staff in preparing the required applications and studies, as well as obtaining the necessary permits. Construction is expected to be completed this fiscal year. Long term (10 years) monitoring of the facility for its effect on air quality is required to meet the terms of the grant.

Project Costs and Funding:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
204-650-6523 Contractual	\$ 0	\$ 0	\$ 25,000	\$ 2,158	\$ 56,182
504-650-6523 Contractual	0	0	508,000	0	692,346
Total Expenditures	\$ 0	\$ 0	\$533,000	\$ 2,158	\$ 748,528
 <u>Source of Funds</u>					
204 Measure I Renewal	\$ 0	\$ 0	\$ 25,000	\$ 2,158	\$ 56,182
504 City Wide Projects - CMAQ Grant	0	0	508,000	0	508,000
504 City Wide Projects - MDAQMD Grant	0	0	0	0	184,346
Total Expenditures	\$ 0	\$ 0	\$533,000	\$ 2,158	\$ 748,528

Project Funding Narrative:

Design of this project will be paid by Measure I Renewal funds. The construction phase of the project will be paid by CMAQ grant (\$508,000) and MDAQMD grant (\$184,346) funding.

Project Impact on Operating Budget:

There will be a long-term increase to maintenance and operations costs associated with the maintenance of the landscaping and hardscape of the facility, along with the monitoring and reporting for grant compliances.

**CAPITAL IMPROVEMENT PROGRAM (CIP)**

Project Title: Mojave Corporation Yard Expansion

Project Number: 6506 (Completed FY 2009-10)

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 2011-2012:

The consultant architect 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. In addition, a consultant engineer was engaged for geotechnical, materials testing and inspections during construction. 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 \$7,522,404. 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>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
701-650-6506 Contractual	\$ 14,988	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 14,988	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

701 Water Capital	\$ 14,988	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 14,988	\$ 0	\$ 0	\$ 0	\$ 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: Plant 19 Reservoir Improvements  
Project Number: 8073 (Completed FY 2009-10)  
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 2011-2012:

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 Status:

The project is complete.

Project Costs and Funding:

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Expenditure Phases</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
701-800-8073 Contractual	\$ 1,980,606	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 1,980,606	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

701 Water Capital	\$ 1,980,606	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 1,980,606	\$ 0	\$ 0	\$ 0	\$ 0

Project Funding Narrative:

This project was funded from Water Capital fund revenue and fund reserves as needed. The total project cost for two tanks was \$10,273,000. A total of \$4,000,000 was budgeted in FY 2008-09 for one tank only, and the project was 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: Waterline Replacement – EPA Grant

Project Number: 8075 (Completed FY 2009-10)

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 2011-2012:

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 Status:

The project is complete.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
701-800-8075 Contractual	\$ 71,754	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>\$ 71,754</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Source of Funds

701 Water Capital	\$ 71,754	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	<u>\$ 71,754</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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 resulted 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 2011-2012:

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 due to changes in the economy and slowed development. A portion of the system design has been incorporated into the Ranchero Interchange (C.O. 7086) to allow installation with that project.

Project Schedule for 2012-13 Budget:

No funding is proposed this fiscal year. Once recommenced, property acquisition should be completed, which will allow plans to be finalized.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
701-800-8077 Contractual	\$ 20,025	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>\$ 20,025</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 <u>Source of Funds</u>					
701 Water Capital	\$ 20,025	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	<u>\$ 20,025</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 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 2011-2012:

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 2012-13 Budget:

The freeway corridor property acquisition will be evaluated in future years. 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 2012-13.

Project Costs and Funding:

<u>Expenditure Phases</u>	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Actual</u>	<u>2011-12</u> <u>Budget</u>	<u>2011-12</u> <u>Revised</u>	<u>2012-13</u> <u>Budget</u>
701-800-8078 Contract	\$ 3,000	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>\$ 3,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Source of Funds

701 Water Capital	\$ 3,000	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	<u>\$ 3,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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: 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 2011-2012:

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 2012-13 Budget:

No funding is proposed this fiscal year. Based on the MWA's R-cubed project status, the District will be able to delay drilling new wells by participating with the MWA.

Project Costs and Funding:

<u>Expenditure Phases</u>	<u>2009-10 Actual</u>	<u>2010-11 Actual</u>	<u>2011-12 Budget</u>	<u>2011-12 Revised</u>	<u>2012-13 Budget</u>
701-800-8084 Contractual	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Source of Funds

701 Water Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

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. 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 2011-2012:

Due to hydraulic/energy issues, an alternate location east of I-15 was evaluated, near Mojave/Tamarisk, and it was determined to be more cost-effective in serving reclaimed water to potential users. 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 was included in the design contract. The project-specific environmental study for the project started in FY 2009-10, is being funded by VWVRA, and a draft should be circulated before the end of this fiscal year. Due to the critical nature of this project, the City of Hesperia temporarily loaned funds to VWVRA, in order to maintain uninterrupted progress on the project. These funds were repaid in March 2011. The State Department of Public Health gave preliminary concurrence for the project's reclaimed water engineering report in January 2012.

Project Schedule for 2012-13 Budget:

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. Discussion by the VWVRA Board occurred in FY 2011-12 and bonds may be issued in FY 2012-13.

Project Costs and Funding:

<u>Expenditure Phases</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
711-900-9007 Land Capital	\$ 101,109	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	<u>\$ 101,109</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Source of Funds</u>					
711 Sewer Capital	\$ 101,109	\$ 0	\$ 0	\$ 0	\$ 0
Total Source of Funds	<u>\$ 101,109</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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.

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# DEBT SERVICE

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- *Overall Debt Obligations Summary*
- *Debt Obligations Principal Outstanding Summary*
- *Fiscal Year 2012-13 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) 2009-10 through the Fiscal Year 2012-13 Budget.

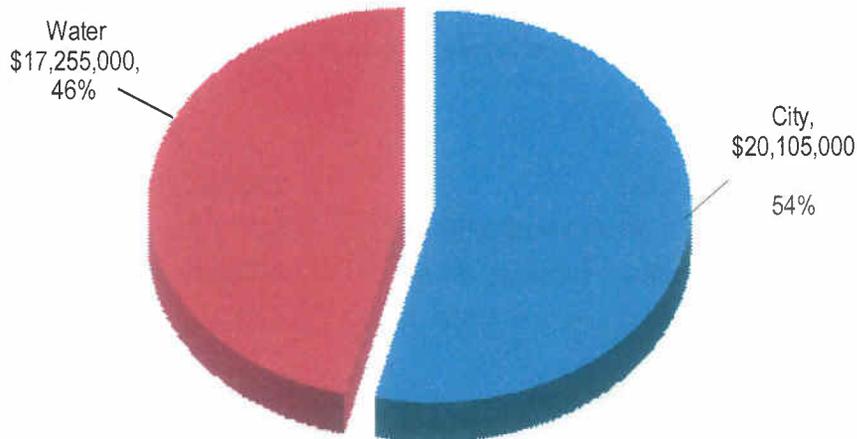
#### Summary

- As of February 1, 2012, redevelopment agencies were dissolved by the State of California and funding for the former redevelopment agency obligations will be provided by the County of San Bernardino as outlined in ABX 26. As such, former redevelopment agency obligations will no longer be projected in the Debt Service Section of the City's Budget.
- During the time period since FY 2004-05, the lower interest rate environment associated with the variable rate debt issues resulted in the opportunity to prepay principal, through interest savings, thus lowering the overall outstanding debt more quickly. Prepayment information is as follows:
  - City Series 2004 Variable Rate Revenue Bonds (Streets) – The lower variable interest rate environment has enabled the City to prepay a total of \$2.4 million through budgetary savings.
  - Water 1998 Series A Revenue Bonds – The lower variable rate interest environment has enabled the Water District to prepay a total of \$500,000 through budgetary savings.
  - City 1996 HUD Section 108 Housing Loan – A total of \$300,000 in prepayments has been made toward this loan. The variable rate obligations for the City Streets Debt, Civic Plaza and Water District will continue to be monitored closely. If necessary, these obligations can be quickly swapped into fixed rates, as has been done with \$10 million of the Water 1998A series.

### 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, 2012:

Estimated Principal Outstanding July 1, 2012



**DEBT SERVICE**

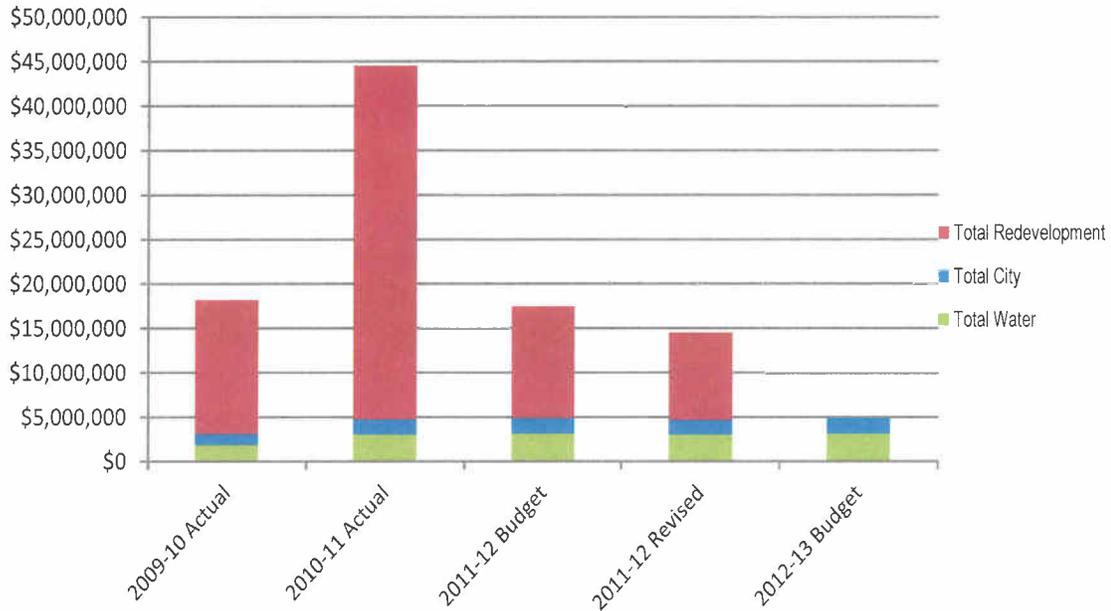
**DEBT OBLIGATION PRINCIPAL OUTSTANDING SUMMARY (CONTINUED)**

Estimated Principal Outstanding July 1, 2012

<u>Debt Service Principal Obligations</u>	<u>Original Principal Amount</u>	<u>Estimated Principal Outstanding July 1, 2012</u>	<u>Maturity Date</u>
<u>City of Hesperia</u>			
1996 HUD Section 108 Loan	\$ 3,000,000	\$ 450,000	August 1, 2014
Series 2004 Variable Rate Demand Revenue Bonds	12,525,000	6,455,000	October 1, 2021
2005 Variable Rate Demand Certificates of Participation (COPs)	<u>18,300,000</u>	<u>13,200,000</u>	October 1, 2031
Total City of Hesperia Principal Debt	\$33,825,000	\$20,105,000	
<u>Hesperia Community Redevelopment Agency</u>			
2005 Tax Allocation Bonds – Series A	\$ 40,500,000	0*	September 1, 2035
2005 Tax Allocation Bonds – Series B	8,785,000	0*	September 1, 2015
2007 Series A (Tax Exempt) Revenue Bonds	132,150,000	0*	September 1, 2037
2007 Series B (Taxable) Revenue Bonds	22,170,000	0*	September 1, 2021
2008 Capps Note	603,000	0*	December 28, 2013
2008 Steward Note	650,000	0*	December 28, 2013
2010 Supplemental Educational Revenue Augmentation Fund (SERAF) Promissory Note	9,842,254	0*	June 30, 2016
2010 Golf Course Note – Mega Factors	1,556,000	0*	May 20, 2013
2011 Public Improvements Promissory Note	<u>14,486,524</u>	<u>0*</u>	March 31, 2016
Total Hesperia Community Redevelopment Agency Principal Debt	\$230,742,778	0	
*Note: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.			
<u>Hesperia Water District</u>			
1992B Certificates of Participation	\$ 1,405,000	\$ 885,000	June 1, 2022
1998A Variable Rate Lease Revenue Refunding Bonds	18,040,000	11,675,000	June 1, 2026
1998B Variable Rate Lease Revenue Refunding Bonds	2,070,000	1,095,000	June 1, 2022
2010 Loan from Redevelopment Low and Moderate Housing Fund	<u>6,000,000</u>	<u>3,600,000</u>	June 30, 2015
Total Hesperia Water District Principal Debt	\$ 27,515,000	\$17,255,000	
Total Principal Debt Service	\$292,082,778	\$37,360,000	

**DEBT SERVICE**

**2012-13 BUDGET TOTAL PRINCIPAL AND INTEREST DEBT SERVICE PAYMENTS**



	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<u>City of Hesperia</u>					
Principal	\$890,000	\$1,060,000	\$1,230,000	\$1,230,000	\$1,250,000
Interest and Admin Fees	335,694	680,912	541,912	417,738	446,120
<b>Total City</b>	<b>\$1,225,694</b>	<b>\$1,740,912</b>	<b>\$1,771,912</b>	<b>\$1,647,738</b>	<b>\$1,696,120</b>
<u>Hesperia Community Redevelopment Agency</u>					
Principal	\$4,932,923	\$30,484,872	\$4,170,160	\$5,507,548	\$0
Interest and Admin Fees	10,181,250	9,353,855	8,444,065	4,359,374	0
<b>Total Redevelopment</b>	<b>\$15,114,173</b>	<b>\$39,838,727</b>	<b>\$12,614,225</b>	<b>\$9,866,922</b>	<b>\$0</b>
<u>Hesperia Water District</u>					
Principal	\$908,671	\$1,955,000	\$1,985,000	\$1,985,000	\$2,020,000
Interest and Admin Fees	910,621	1,007,327	1,084,421	1,001,684	1,081,364
<b>Total Water</b>	<b>\$1,819,292</b>	<b>\$2,962,327</b>	<b>\$3,069,421</b>	<b>\$2,986,684</b>	<b>\$3,101,364</b>
<u>Total All Funds</u>					
Principal	\$6,731,594	\$33,499,872	\$7,385,160	\$8,722,548	\$3,270,000
Interest and Admin Fees	11,427,565	11,042,094	10,070,398	5,778,796	1,527,484
<b>Total Debt Service Payments</b>	<b>\$18,159,159</b>	<b>\$44,541,966</b>	<b>\$17,455,558</b>	<b>\$14,501,344</b>	<b>\$4,797,484</b>

Note: Interest also includes Administrative/Other Costs

DEBT SERVICE

**ANNUAL DEBT SERVICE PAYMENTS BY OBLIGATION AND FUND**

In Chronological Order

	<u>2009-10</u> Actual	<u>2010-11</u> Actual	<u>2011-12</u> Budget	<u>2011-12</u> Revised	<u>2012-13</u> Budget
<b><u>City of Hesperia</u></b>					
<u>1996 HUD Section 108 Loan</u>					
Principal	\$150,000	\$300,000	\$150,000	\$150,000	\$150,000
Interest	6,014	4,495	10,000	2,900	2,600
Admin/Other costs	400	400	400	400	400
Total	<u>\$156,414</u>	<u>\$304,895</u>	<u>\$160,400</u>	<u>\$153,300</u>	<u>\$153,000</u>
 <u>Series 2004 Variable Rate Demand Revenue</u>					
<u>Bonds</u>					
Principal	\$540,000	\$560,000	\$580,000	\$580,000	\$600,000
Interest	22,744	29,391	52,800	14,500	24,020
Admin/Other Costs	105,079	180,952	139,700	128,000	123,500
Total	<u>\$667,823</u>	<u>\$770,343</u>	<u>\$772,500</u>	<u>\$722,500</u>	<u>\$747,520</u>
 <u>2005 Variable Rate Demand Certificates of Participation</u>					
Principal	\$200,000	\$200,000	\$500,000	\$500,000	\$500,000
Interest	28,393	40,366	86,612	25,928	51,300
Admin/Other Costs	173,064	425,308	252,400	246,010	244,300
Total	<u>\$401,457</u>	<u>\$665,674</u>	<u>\$839,012</u>	<u>\$771,938</u>	<u>\$795,600</u>
 <b><u>Total City of Hesperia Funds</u></b>					
Principal	\$890,000	\$1,060,000	\$1,230,000	\$1,230,000	\$1,250,000
Interest	57,151	74,252	149,412	43,328	77,920
Admin/Other Costs	278,543	606,660	392,500	374,410	368,200
Total	<u>\$1,225,694</u>	<u>\$1,740,912</u>	<u>\$1,771,912</u>	<u>\$1,647,738</u>	<u>\$1,696,120</u>
 <b><u>Hesperia Community Redevelopment Agency</u></b>					
<u>2005 Tax Allocation Bonds-Series A</u>					
Principal	\$740,000	\$765,000	\$785,000	\$785,000	\$0
Interest	1,736,891	1,714,316	1,690,576	851,421	0
Admin/Other Costs	2,190	2,190	2,300	2,250	0
Total	<u>\$2,479,081</u>	<u>\$2,481,506</u>	<u>\$2,477,876</u>	<u>\$1,638,671</u>	<u>\$0</u>
 <u>2005 Tax Allocation Bonds-Series B</u>					
Principal	\$810,000	\$835,000	\$860,000	\$860,000	\$0
Interest	174,845	150,170	124,208	68,823	0
Admin/Other Costs	2,190	2,190	2,300	250	0
Total	<u>\$987,035</u>	<u>\$987,360</u>	<u>\$986,508</u>	<u>\$929,073</u>	<u>\$0</u>

**DEBT SERVICE**

**ANNUAL DEBT SERVICE PAYMENTS BY OBLIGATION AND FUND (Continued)**

In Chronological Order

	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Actual</u>	<u>2011-12</u> <u>Budget</u>	<u>2011-12</u> <u>Revised</u>	<u>2012-13</u> <u>Budget</u>
<b><u>Hesperia Community Redevelopment Agency (Continued)</u></b>					
<b><u>2007 Series A (Tax Exempt) Revenue Bonds</u></b>					
Principal	\$0	\$25,110,000	\$0	\$0	\$0
Interest	6,819,700	6,191,950	5,564,200	2,782,100	0
Admin/Other Costs	0	3,165	3,500	2,953	0
Total	<u>\$6,819,700</u>	<u>\$31,305,115</u>	<u>\$5,567,700</u>	<u>\$2,785,053</u>	<u>\$0</u>
<b><u>2007 Series B (Taxable) Revenue Bonds</u></b>					
Principal	\$1,565,000	\$1,655,000	\$1,755,000	\$1,755,000	\$0
Interest	1,153,595	1,059,186	959,204	505,330	0
Admin/Other Costs	3,070	3,117	3,500	3,163	0
Total	<u>\$2,721,665</u>	<u>\$2,717,303</u>	<u>\$2,717,704</u>	<u>\$2,263,493</u>	<u>\$0</u>
<b><u>2008 G Street &amp; Mauna Loa Note</u></b>					
Principal	\$250,000	\$0	\$0	\$0	\$0
Interest	26,082	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	<u>\$276,082</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>2008 Cappas Note</u></b>					
Principal	\$106,970	\$113,388	\$120,192	\$120,164	\$0
Interest	36,180	29,762	22,958	22,950	0
Admin/Other Costs	0	0	0	0	0
Total	<u>\$143,150</u>	<u>\$143,150</u>	<u>\$143,150</u>	<u>\$143,114</u>	<u>\$0</u>
<b><u>2008 Steward Note</u></b>					
Principal	\$113,594	\$121,262	\$129,447	\$129,447	\$0
Interest	43,875	36,207	28,022	28,022	0
Admin/Other Costs	0	0	0	0	0
Total	<u>\$157,469</u>	<u>\$157,469</u>	<u>\$157,469</u>	<u>\$157,469</u>	<u>\$0</u>
<b><u>2009 Hamann Note</u></b>					
Principal	\$1,113,801	\$1,186,199	\$0	\$0	\$0
Interest	149,500	77,103	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	<u>\$1,263,301</u>	<u>\$1,263,302</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>2009 VCH Bugz Note</u></b>					
Principal	\$193,705	\$206,295	\$0	\$0	\$0
Interest	26,000	13,409	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	<u>\$219,705</u>	<u>\$219,704</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**DEBT SERVICE**

**ANNUAL DEBT SERVICE PAYMENTS BY OBLIGATION AND FUND (Continued)**

In Chronological Order

	2009-10	2010-11	2011-12	2011-12	2012-13
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
<b><u>Hesperia Community Redevelopment Agency (Continued)</u></b>					
<u>2010 Supplemental Education Revenue Augmentation Fund (SERAF) Promissory Note</u>					
Principal	\$0	\$0	\$0	\$603,734	\$0
Interest	0	0	0	21,125	0
Admin/Other Costs	0	0	0	0	0
Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$624,859</u>	<u>\$0</u>
<u>2010 Golf Course Note - Mega Factors</u>					
Principal	\$39,853	\$492,728	\$520,521	\$300,161	\$0
Interest	7,132	71,090	43,297	28,733	0
Admin/Other Costs	0	0	0	0	0
Total	<u>\$46,985</u>	<u>\$563,818</u>	<u>\$563,818</u>	<u>\$328,894</u>	<u>\$0</u>
<u>2011 Public Improvements Promissory Note</u>					
Principal	\$0	\$0	\$0	\$954,042	\$0
Interest	0	0	0	42,254	0
Admin/Other Costs	0	0	0	0	0
Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$996,296</u>	<u>\$0</u>
<b><u>Total Hesperia Community Redevelopment Agency</u></b>					
Principal	\$4,932,923	\$30,484,872	\$4,170,160	\$5,507,548	\$0
Interest	10,173,800	9,343,193	8,432,465	4,350,758	0
Admin/Other Costs	7,450	10,662	11,600	8,616	0
Total	<u>\$15,114,173</u>	<u>\$39,838,727</u>	<u>\$12,614,225</u>	<u>\$9,866,922</u>	<u>\$0</u>
<b><u>Hesperia Water District</u></b>					
<u>1987 Prop 28 Loan from State of California</u>					
Principal	\$188,671	\$0	\$0	\$0	\$0
Interest	3,920	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	<u>\$192,591</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>1992 B Certificates of Participation</u>					
Principal	\$45,000	\$50,000	\$55,000	\$55,000	\$60,000
Interest	93,150	89,100	84,600	84,600	79,650
Admin/Other Costs	3,975	3,975	3,975	3,975	3,975
Total	<u>\$142,125</u>	<u>\$143,075</u>	<u>\$143,575</u>	<u>\$143,575</u>	<u>\$143,625</u>

DEBT SERVICE

**ANNUAL DEBT SERVICE PAYMENTS BY OBLIGATION AND FUND (Continued)**

In Chronological Order

	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Actual</u>	<u>2011-12</u> <u>Budget</u>	<u>2011-12</u> <u>Revised</u>	<u>2012-13</u> <u>Budget</u>
<b><u>Hesperia Water District (Continued)</u></b>					
<b><u>1998 A Variable Rate Lease Revenue</u></b>					
<b><u>Refunding Bonds</u></b>					
Principal	\$595,000	\$620,000	\$640,000	\$640,000	\$670,000
Interest	622,266	621,677	630,725	617,905	612,750
Admin/Other Costs	165,796	235,696	294,051	251,224	322,436
Total	<u>\$1,383,062</u>	<u>\$1,477,373</u>	<u>\$1,564,776</u>	<u>\$1,509,129</u>	<u>\$1,605,186</u>
<b><u>1998 B Variable Rate Lease Revenue</u></b>					
<b><u>Refunding Bonds</u></b>					
Principal	\$80,000	\$85,000	\$90,000	\$90,000	\$90,000
Interest	5,112	6,376	13,746	2,350	10,950
Admin/Other Costs	16,402	23,293	29,049	24,805	31,803
Total	<u>\$101,514</u>	<u>\$114,669</u>	<u>\$132,795</u>	<u>\$117,155</u>	<u>\$132,753</u>
<b><u>2010 Loan from Redevelopment Low and</u></b>					
<b><u>Moderate Income Housing Fund</u></b>					
Principal	\$0	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Interest	0	27,210	28,275	16,825	19,800
Admin/Other Costs	0	0	0	0	0
Total	<u>\$0</u>	<u>\$1,227,210</u>	<u>\$1,228,275</u>	<u>\$1,216,825</u>	<u>\$1,219,800</u>
<b><u>Total Hesperia Water District</u></b>					
Principal	\$908,671	\$1,955,000	\$1,985,000	\$1,985,000	\$2,020,000
Interest	724,448	744,363	757,346	721,680	723,150
Admin/Other Costs	186,173	262,964	327,075	280,004	358,214
Total	<u>\$1,819,292</u>	<u>\$ 2,962,327</u>	<u>\$ 3,069,421</u>	<u>\$ 2,986,684</u>	<u>\$ 3,101,364</u>
<b><u>Total All Funds</u></b>					
Principal	\$6,731,594	\$33,499,872	\$7,385,160	\$8,722,548	\$3,270,000
Interest	10,955,399	10,161,808	9,339,223	5,115,766	801,070
Admin/Other Costs	472,166	880,286	731,175	663,030	726,414
Total	<u>\$18,159,159</u>	<u>\$44,541,966</u>	<u>\$17,455,558</u>	<u>\$14,501,344</u>	<u>\$4,797,484</u>

## DEBT SERVICE

### INDIVIDUAL DEBT OBLIGATION SUMMARIES

This section summarizes the individual debt service obligations of the City included in the Fiscal Year 2012-13 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 Obligation Listing

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DEBT SERVICE

INDIVIDUAL DEBT OBLIGATION SUMMARIES

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, 2009	\$1,050,000*
July 1, 2010	\$ 900,000
July 1, 2011	\$ 600,000**
Estimated July 1, 2012	\$ 450,000

\* Note: Included a \$150,000 principal prepayment made in April 2009.

\*\*Note: Includes a \$150,000 principal prepayment made in May 2011.

Interest Rate: Variable at 0.2% above LIBOR (London Interbank Offered Rates).

Maturity Date: August 1, 2016 Original Maturity Date; Revised to August 1, 2014 due to prepayments made in April 2009 and May 2011.

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>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Actual</u>	<u>2011-12</u> <u>Budget</u>	<u>2011-12</u> <u>Revised</u>	<u>2012-13</u> <u>Budget</u>
Principal Amount	\$150,000	\$300,000	\$150,000	\$150,000	\$150,000
Interest Amount	6,014	4,495	10,000	2,900	2,600
Admin/Other Costs	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>
Total	\$156,414	\$304,895	\$160,400	\$153,300	\$153,000

\* Note: Included a \$150,000 principal prepayment made in April 2009.

\*\*Note: Includes a \$150,000 principal prepayment made in May 2011.

Analysis and Recommendation

This obligation will be paid as planned, with possible early principal prepayments.

**DEBT SERVICE**

**INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)**

**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, 2009	\$ 8,135,000
July 1, 2010	\$ 7,595,000
July 1, 2011	\$ 7,035,000
Estimated July 1, 2012	\$ 6,455,000

Interest Rate: Variable

Maturity Date: October 1, 2023 (Revised October 1, 2021)

Funding Sources: Gas Tax Revenue, Gas Tax Swap Revenue, and Local Transportation (LTF) Revenue.

<u>Payment Amount</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	\$540,000	\$560,000	\$580,000	\$580,000	\$600,000
Interest Amount	22,744	29,391	52,800	14,500	24,020
Admin/Other Costs	<u>105,079</u>	<u>180,952</u>	<u>139,700</u>	<u>128,000</u>	<u>123,500</u>
Total	\$667,823	\$770,343	\$772,500	\$722,500	\$747,520

**Analysis and Recommendation**

The 2012-13 Budget assumes a 0.40% interest rate for this obligation.

## DEBT SERVICE

### INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

#### City – 2005 Variable Rate Demand Certificates of Participation

Purpose/History: At the April 20, 2005 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). 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.

Original Principal Amount: \$18,300,000

Principal Outstanding Balance as of:

July 1, 2009	\$ 14,100,000
July 1, 2010	\$ 13,900,000
July 1, 2011	\$ 13,700,000
Estimated July 1, 2012	\$ 13,200,000

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>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	\$200,000	\$200,000	\$500,000	\$500,000	\$500,000
Interest Amount	28,393	40,366	86,612	25,928	51,300
Admin/Other Costs	<u>173,064</u>	<u>425,308</u>	<u>252,400</u>	<u>246,010</u>	<u>244,300</u>
Total	\$401,457	\$665,674	\$839,012	\$771,938	\$795,600

#### Analysis and Recommendation

Due to the continued low interest rate environment, interest is budgeted at 0.40% for FY 2012-13, with the knowledge that the City Debt Service Fund (Fund 401) has a reasonable reserves which can be utilized for a budget amendment, if necessary.

## DEBT SERVICE

### INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

#### Redevelopment Agency – 2005 Tax Allocation Bonds – Series A

Purpose/History: As of February 1, 2012, funds will be provided by the County of San Bernardino for payment of this debt obligation, as outlined in ABX 26.

Pre-February 1, 2012 – 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, 2009	\$ 37,275,000
July 1, 2010	\$ 36,535,000
July 1, 2011	\$ 35,770,000
Estimated July 1, 2012	0

\*Note: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

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

	2009-10	2010-11	2011-12	2011-12	2012-13
<u>Payment Amount</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>	<u>Budget</u>
Principal Amount	\$ 740,000	\$ 765,000	\$ 785,000	\$ 785,000	0
Interest Amount	1,736,891	1,714,316	1,690,576	851,421	0
Admin/Other Costs	<u>2,190</u>	<u>2,190</u>	<u>2,300</u>	<u>2,250</u>	<u>0</u>
Total	\$2,479,081	\$2,481,506	\$2,477,876	\$1,638,671	0

#### Analysis and Recommendation

As of February 1, 2012, funds will be provided by the County of San Bernardino for payment of this debt obligation, as outlined in ABX 26.

**DEBT SERVICE**

**INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)**

**Redevelopment Agency – 2005 Tax Allocation Bonds – Series B**

Purpose/History: As of February 1, 2012, funds will be provided by the County of San Bernardino for payment of this debt obligation, as outlined in ABX 26.

Pre-February 1, 2012 – 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, 2009	\$ 5,705,000
July 1, 2010	\$ 4,895,000
July 1, 2011	\$ 4,060,000
Estimated July 1, 2012	0

\*Note: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

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>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	\$810,000	\$835,000	\$860,000	\$860,000	0
Interest Amount	174,845	150,170	124,208	68,823	0
Admin/Other Costs	<u>2,190</u>	<u>2,190</u>	<u>2,300</u>	<u>250</u>	<u>0</u>
Total	\$987,035	\$987,360	\$986,508	\$929,073	0

**Analysis and Recommendation**

As of February 1, 2012, funds will be provided by the County of San Bernardino for payment of this debt obligation, as outlined in ABX 26.

## DEBT SERVICE

### INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

#### Redevelopment Agency – 2007 Series A (Tax Exempt) Revenue Bonds

Purpose/History: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

Pre-February 1, 2012 – 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, 2009	\$ 132,150,000
July 1, 2010	\$ 132,150,000
July 1, 2011	\$ 107,040,000*
Estimated July 1, 2012	0**

\*Note: In September 2010, the Agency redeemed \$4,880,000 of Project Area #1 Tax Exempt Bonds and \$20,230,000 of Housing Tax Exempt Bonds, for a total \$25,110,000 redemption.

\*\*Note: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

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>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Actual</u>	<u>2011-12</u> <u>Budget</u>	<u>2011-12</u> <u>Revised</u>	<u>2012-13</u> <u>Budget</u>
Principal Amount	0	\$25,110,000	0	0	0
Interest Amount	\$6,819,700	6,191,950	\$5,564,200	\$2,782,100	0
Admin/Other Costs	0	3,165	3,500	2,953	0
Total	\$6,819,700	\$31,305,115	\$5,567,700	\$2,785,053	0

#### Analysis and Recommendation

As of February 1, 2012, funds will be provided by the County of San Bernardino for payment of this debt obligation, as outlined in ABX 26.

**DEBT SERVICE**

**INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)**

**Redevelopment Agency – 2007 Series B (Taxable) Revenue Bonds**

Purpose/History: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

Pre-February 1, 2012 – 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, 2009	\$ 20,455,000
July 1, 2010	\$ 18,890,000
July 1, 2011	\$ 17,235,000
Estimated July 1, 2012	0*

\*Note: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

Interest Rate: 5.864%

Maturity Date: September 1, 2021

Funding Sources: Redevelopment Agency Tax Increment Revenue and Housing Tax Revenue

<u>Payment Amount</u>	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Actual</u>	<u>2011-12</u> <u>Budget</u>	<u>2011-12</u> <u>Revised</u>	<u>2012-13</u> <u>Budget</u>
Principal Amount	\$1,565,000	\$1,655,000	\$1,755,000	\$1,755,000	0
Interest Amount	1,153,595	1,059,186	959,204	505,330	0
Admin/Other Costs	<u>3,070</u>	<u>3,117</u>	<u>3,500</u>	<u>3,163</u>	<u>0</u>
Total	\$2,721,665	\$2,717,303	\$2,717,704	\$2,263,493	0

**Analysis and Recommendation**

As of February 1, 2012, funds will be provided by the County of San Bernardino for payment of this debt obligation, as outlined in ABX 26.

DEBT SERVICE

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Redevelopment Agency – 2008 G Street and 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, 2009	\$ 250,000
July 1, 2010	0

Interest Rate: 7%

Maturity Date: June 30, 2010

Funding Sources: Redevelopment Agency Bond Proceeds

<u>Payment Amount</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	\$250,000	0	0	0	0
Interest Amount	26,082	0	0	0	0
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$276,082	0	0	0	0

Analysis and Recommendation

This note was paid in full by June 30, 2010.

## DEBT SERVICE

### INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

#### Redevelopment Agency – 2008 Capps Limited Partnership Note

Purpose/History: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

Pre-February 1, 2012 – 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, 2009	\$ 603,000
July 1, 2010	\$ 496,030
July 1, 2011	\$ 382,642
Estimated July 1, 2012	0*

\*Note: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

Interest Rate: 6%

Maturity Date: December 28, 2013

Funding Sources: Redevelopment Agency Bond Proceeds

<u>Payment Amount</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	\$106,970	\$113,388	\$120,192	\$120,164	0
Interest Amount	36,180	29,762	22,958	22,950	0
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$143,150	\$143,150	\$143,150	\$143,114	0

#### Analysis and Recommendation

As of February 1, 2012, funds will be provided by the County of San Bernardino for payment of this debt obligation, as outlined in ABX 26.

## DEBT SERVICE

### INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

#### Redevelopment Agency – 2008 Steward Revocable Trust Note

Purpose/History: As of February 1, 2012, redevelopment agencies have been dissolved and the funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

Pre-February 1, 2012 – 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, 2009	\$ 650,000
July 1, 2010	\$ 536,406
July 1, 2011	\$ 415,144
Estimated July 1, 2012	0*

\*Note: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

Interest Rate: 6.75%

Maturity Date: December 28, 2013

Funding Sources: Redevelopment Agency Bond Proceeds

<u>Payment Amount</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	\$113,594	\$121,262	\$129,447	\$129,447	0
Interest Amount	43,875	36,207	28,022	28,022	0
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$157,469	\$157,469	\$157,469	\$157,469	0

#### Analysis and Recommendation

As of February 1, 2012, funds will be provided by the County of San Bernardino for payment of this debt obligation, as outlined in ABX 26.

DEBT SERVICE

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Redevelopment Agency - 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 \$2,300,000 (\$2,400,000 less City-paid street work of \$100,000), will be financed over two years.

Original Principal Amount: \$2,300,000

Principal Outstanding Balance as of:

July 1, 2009	\$ 2,300,000
July 1, 2010	\$ 1,186,199
July 1, 2011	0

Interest Rate: 6.5%

Maturity Date: June 16, 2011

Funding Source: Redevelopment Agency

<u>Payment Amount</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	\$1,113,801	\$1,186,199	0	0	0
Interest Amount	149,500	77,103	0	0	0
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$1,263,301	\$1,263,302	0	0	0

Analysis and Recommendation

This note was paid in full by June 16, 2011.

DEBT SERVICE

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Redevelopment Agency – 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, 2009	\$ 400,000
July 1, 2010	\$ 206,295
July 1, 2011	0

Interest Rate: 6.5%

Maturity Date: June 16, 2011

Funding Sources: Redevelopment Agency

<u>Payment Amount</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	\$193,705	\$206,295	0	0	0
Interest Amount	26,000	13,409	0	0	0
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$219,705	\$219,704	0	0	0

Analysis and Recommendation

This note was paid in full by June 16, 2011.

**DEBT SERVICE**

**INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)**

**Redevelopment Agency – 2010 Supplemental Educational Revenue Augmentation Fund (SERAF) Promissory Note**

Purpose/History: As of February 1, 2012, redevelopment agencies have been dissolved and the funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

Pre-February 1, 2012 – On May 18, 2010 the Agency Board approved Resolution HCRA No. 2010-008, authorizing a loan in the amount of \$8,161,869 from the Agency's Low and Moderate Income Housing Fund to facilitate the required payment to the San Bernardino County Supplemental Education Revenue Augmentation Fund for FY 2009-10 in accordance with ABX 426. Then, on April 19, 2011 the Agency Board approved Resolution HCRA No. 2011-007 authorizing an additional loan of \$1,680,385 from the Agency's Low and Moderate Income Housing Fund to facilitate the required payment to the San Bernardino County Supplemental Education Revenue Augmentation Fund for FY 2010-11 in accordance with ABX 426.

Original Principal Amount:	\$ 8,161,869
Additional Principal Amount:	<u>1,680,385</u>
Adjusted Original Principal Amount:	\$9,842,254

Principal Outstanding Balance as of:

July 1, 2009	0
July 1, 2010	\$ 8,161,869
July 1, 2011	\$ 9,842,254*
Estimated July 1, 2012	0**

\*Note: On April 19, 2011 the Agency Board approved the second of two SERAF Loans which increased the principal by \$1,680,385 to \$9,842,254.

\*\*Note: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

Interest Rate: 0%

Maturity Date: June 30, 2015 and June 30, 2016

Funding Sources: Redevelopment Agency non-housing funds

<u>Payment Amount</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	0	0	0	\$603,734	0
Interest Amount	0	0	0	21,125	0
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	\$624,859	0

**Analysis and Recommendation**

As of February 1, 2012, funds will be provided by the County of San Bernardino for payment of this debt obligation, as outlined in ABX 26.

## DEBT SERVICE

### INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

#### Redevelopment Agency – 2010 – Golf Course Note – Mega Factors

Purpose/History: As of February 1, 2012, redevelopment agencies have been dissolved, and the funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

Pre-February 1, 2012 – On May 20, 2010, the City of Hesperia and the Hesperia Community Redevelopment Agency completed an agreement to purchase the Hesperia Golf Course and Country Club for a total purchase amount of \$4,200,000. The purchase was comprised of two parts: 211.45 acres of vacant and improved real property (APNs 0398-242-11, 0398-251-27, 28, 29 and 0398-281-09 and related furnishings, equipment, and inventory) purchased by the RDA via execution of a promissory note in the amount of \$1,556,000 and 678 acre feet of water rights purchased by the City of Hesperia for \$2,644,000, plus closing costs.

Original Principal Amount: \$1,556,000

Principal Outstanding Balance as of:

July 1, 2009	0
July 1, 2010	\$ 1,516,147
July 1, 2011	\$ 1,023,420
Estimated July 1, 2012	0*

\*Note: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

Interest Rate: 5.5%

Maturity Date: May 20, 2013

Funding Sources: Redevelopment Agency

<u>Payment Amount</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	\$39,853	\$492,728	\$520,521	\$300,161	0
Interest Amount	7,132	71,090	43,297	28,733	0
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$46,985	\$563,818	\$563,818	\$328,894	0

#### Analysis and Recommendation

As of February 1, 2012, funds will be provided by the County of San Bernardino for payment of this debt obligation, as outlined in ABX 26.

**DEBT SERVICE**

**INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)**

**Redevelopment Agency – 2011 Public Improvements Promissory Note**

Purpose/History: As of February 1, 2012, funds will be provided by the County of San Bernardino for payment of this debt obligation, as outlined in ABX 26.

Pre-February 1, 2012 – On March 9, 2011, the Agency Board approved Resolution HCRA 2011-008, authorizing a loan of up to \$31,680,000 from the Low and Moderate Income Housing fund to the Redevelopment Agency Project (Non-Housing) funds.

Original Principal Amount: Up to \$31,680,000; Amount utilized is \$14,486,524

Principal Outstanding Balance as of:

July 1, 2010	0
July 1, 2011	\$ 14,486,524
Estimated July 1, 2012	0*

\*Note: As of February 1, 2012, redevelopment agencies have been dissolved and funding for the remaining debt obligations will be provided by the County of San Bernardino, as outlined in ABX 26.

Interest Rate: Quarterly Local Agency Investment Fund (LAIF) rate

Maturity Date: March 31, 2016

Funding Sources: Redevelopment Agency non-housing funds

<u>Payment Amount</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	0	0	0	\$954,042	0
Interest Amount	0	0	0	42,254	0
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	\$996,296	0

**Analysis and Recommendation**

As of February 1, 2012, funds will be provided by the County of San Bernardino for payment of this debt obligation, as outlined in ABX 26.

DEBT SERVICE

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Water District - 1987 Proposition 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, 2009	\$ 188,671
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>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	\$188,671	0	0	0	0
Interest Amount	3,920	0	0	0	0
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$192,591	0	0	0	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

### INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

#### 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, 2009	\$1,035,000
July 1, 2010	\$ 990,000
July 1, 2011	\$ 940,000
Estimated July 1, 2012	\$ 885,000

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>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	\$ 45,000	\$ 50,000	\$ 55,000	\$ 55,000	\$ 60,000
Interest Amount	93,150	89,100	84,600	84,600	79,650
Admin/Other Costs	<u>3,975</u>	<u>3,975</u>	<u>3,975</u>	<u>3,975</u>	<u>3,975</u>
Total	\$142,125	\$143,075	\$143,575	\$143,575	\$143,625

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 no 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

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

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, 2009	\$13,530,000
July 1, 2010	\$12,935,000
July 1, 2011	\$12,315,000
Estimated July 1, 2012	\$11,675,000

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%.

Maturity Date: June 1, 2026

Funding Source: Hesperia Water District – Taxes and User Fees

<u>Payment Amount</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amount	\$ 595,000	\$ 620,000	\$ 640,000	\$ 640,000	\$ 670,000
Interest Amount	622,266	621,677	630,725	617,905	612,750
Admin/Other Costs	<u>165,796</u>	<u>235,696</u>	<u>294,051</u>	<u>251,224</u>	<u>322,436</u>
Total	\$1,383,062	\$1,477,373	\$1,564,776	\$1,509,129	\$1,605,186

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 \$1,675,000 will be budgeted at 1.0% because interest rates are expected to stay very low through 2014.

**DEBT SERVICE**

**INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)**

**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, 2009:	\$1,350,000
July 1, 2010	\$1,270,000
July 1, 2011	\$1,185,000
Estimated July 1, 2012	\$1,095,000

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>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Budget</u>	2011-12 <u>Revised</u>	2012-13 <u>Budget</u>
Principal Amounts	\$ 80,000	\$ 85,000	\$ 90,000	\$ 90,000	\$ 90,000
Interest Amount	5,112	6,376	13,746	2,350	10,950
Admin/Other Costs	<u>16,402</u>	<u>23,293</u>	<u>29,049</u>	<u>24,805</u>	<u>31,803</u>
Total	\$101,514	\$114,669	\$132,795	\$117,155	\$132,753

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**

Interest has been budgeted at 1.0%.

DEBT SERVICE

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Water – 2010 Loan from Redevelopment Low and Moderate Income Housing Fund

Purpose/History: On August 17, 2010, the RDA Board/Water District Board approved Resolutions HCRA 2010-012 and HWD 2010-12, authorizing a loan from the RDA Low and Moderate Income Housing Fund to the Water District as of June 30, 2010.

Original Principal Amount: \$6,000,000

Principal Outstanding Balance as of:

July 1, 2010:	\$6,000,000
July 1, 2011:	\$4,800,000
Estimated July 1, 2012	\$3,600,000

Interest Rate: Variable Rate (Quarterly based upon LAIF)

Maturity Date: June 30, 2015

Funding Source: Water Operating

<u>Payment Amounts</u>	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Actual</u>	<u>2011-12</u> <u>Budget</u>	<u>2011-12</u> <u>Revised</u>	<u>2012-13</u> <u>Budget</u>
Principal Amount	0	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Interest Amount	0	27,210	28,275	16,825	19,800
Admin/Other Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	\$1,227,210	\$1,228,275	\$1,216,825	\$1,219,800

Analysis and Recommendation:

Pay debt as scheduled with interest budgeted at 0.55% for Fiscal Year 2012-13.

# FUND BALANCE SUMMARIES

- *Overview and Summary*
- *List of Funds*
- *Fund Descriptions*
- *2012-13 Budget - Balancing and Fund Balance Summary - By Major Grouping*
- *2012-13 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 2012-13 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 2012-13 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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## 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; Community Development Block Grant (CDBG); Successor Agency; Community Development Commission; Hesperia Housing Authority; Street Related; Other Transportation Related; City Facilities; Other City Related; Water District; and Fire District. On December 29, 2011 the Supreme Court of the State of California ruled that the State Legislature had the authority to shut down the redevelopment agencies in the state and therefore, the Hesperia Community Redevelopment Agency was closed effective February 1, 2012 and is no longer considered a functional classification.

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.

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.

#### 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.

#### 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.

## FUND BALANCE SUMMARY

### FUND DESCRIPTIONS

#### SUCCESSOR AGENCY

**Redevelopment Obligation Retirement P.A. #1 (160)** – This Special Revenue fund accounts for the Agency's property tax monies to be used to pay down the debt of the former HCRA Project Area #1.

**Redevelopment Obligation Retirement P. A. #2 (161)** – This Special Revenue fund accounts for the Agency's property tax monies to be used to pay down the debt of the former HCRA Project Area #2.

**Redevelopment Obligation Retirement Housing (162)** – This Special Revenue fund accounts for the Agency's property tax monies to be used to pay down the debt of the former HCRA Low/Mod Housing.

**Successor Agency Administration (173)** – This Special Revenue fund accounts for the Successor Agency's administration costs.

#### COMMUNITY DEVELOPMENT COMMISSION

**Community Development Commission Administration (170)** – This Special Revenue fund accounts for the City's ongoing economic development efforts

#### HESPERIA HOUSING AUTHORITY

**Hesperia Housing Authority (370)** – This Special Revenue fund accounts for the City's housing development formerly overseen by the HCRA's Low/Mod fund and the outstanding loans to various housing projects.

**VVEDA Hosuing Authority (371)** – This Special Revenue fund accounts for the VVEDA (Victor Valley economic Development Authority) housing Low/Mod function.

#### 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. This fund is closed.

**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 accounts for the replacement revenue from the State for Proposition 42 the Traffic Congestion Relief moneys received into fund #250. This is now known as State and Highway Code §'s 2103 and has all the same conditions as the regular Gas Tax monies.

**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 accounted for a State (Proposition 42) comprehensive funding measure of almost \$5 billion to enhance traffic flow. This fund is closed and was replaced by the Gas Tax Swap fund.

**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.

**Industrial Park Lead Track (506)** - This Capital Project fund accounts for funds designated for the construction of the Industrial Park Lead Track project off of the Cushenberry spur line.

**Township (507)** - This Capital Project fund accounts for funds designated for the completion of the first phase of the Township project.

**Ranchero Road Undercrossing – Local (508)** - This Capital Project fund accounts for locally generated funds designated for the building of the railroad crossing under the Burlington Northern Santa Fe tracks at Ranchero Road.

**Ranchero Road Undercrossing (600)** - This Capital Project fund accounts for the grant related 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 accounted 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. This fund is closed.

**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.

**Measure-I Debt Service (400)** - This Debt Service fund accounts for debt service payments on the Marks-Roos Measure I Revenue bonds.

## FUND BALANCE SUMMARY

### FUND DESCRIPTIONS

#### FACILITIES

**Fire Building (502)** - This Capital Project fund accounted for development impact fees to fund capital improvements of fire facilities. This fund is closed.

**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. This fund is closed.

#### OTHER CITY RELATED FUNDS

**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.

**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. This fund is closed.

**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. This fund is closed.

#### 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.

## FUND BALANCE SUMMARY

### FUND DESCRIPTIONS

#### 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.

#### 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.

**Victor Valley Economic Development Authority (VVEDA) Low/Moderate Housing (388)** – This Special Revenue fund accounts for the Victor Valley Economic Development Authority's (VVEDA) 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 City's VVEDA project area.

**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 FUNDS (Continued)

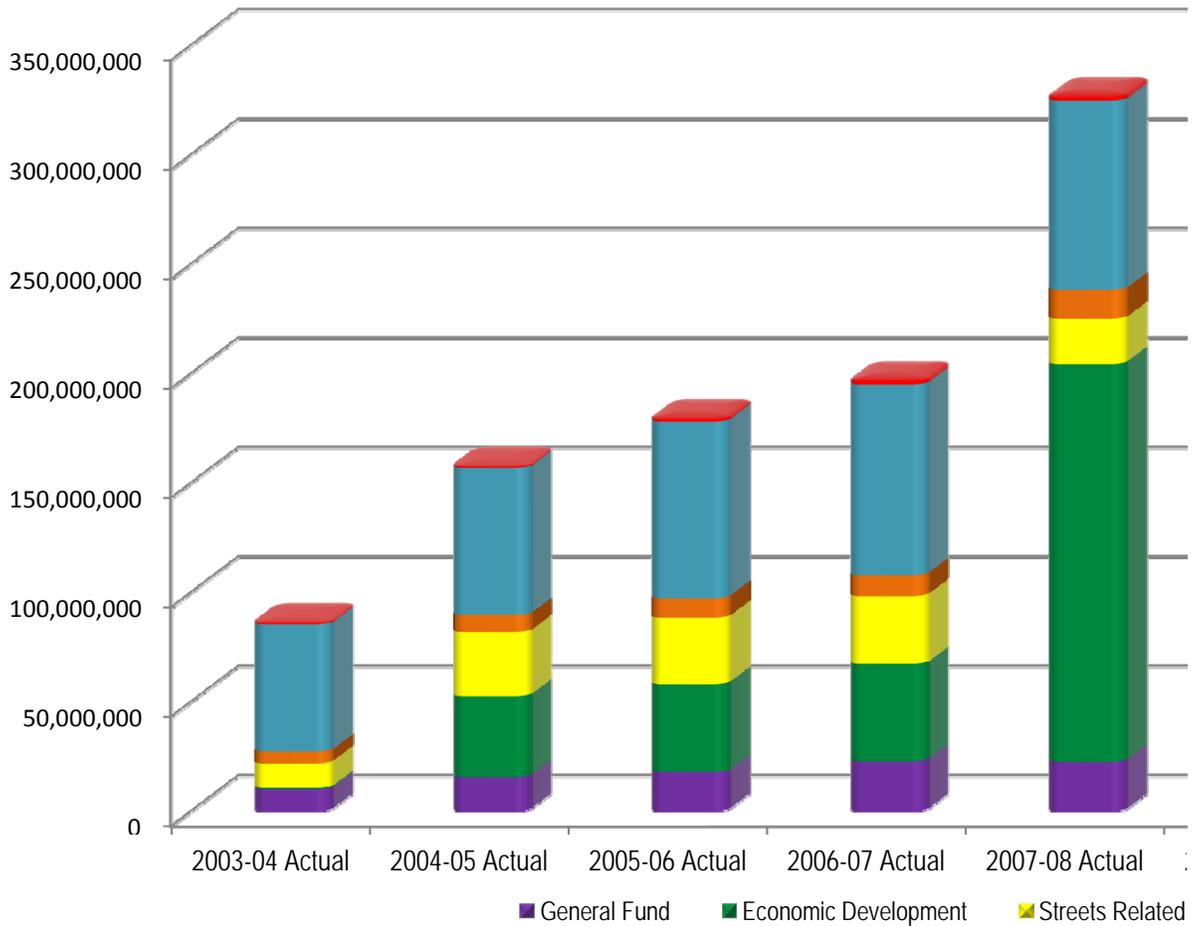
**Redevelopment Agency Debt Service Project Area #2 (487)** – This Debt Service fund accounts for the tax increment receipts and payment of the Redevelopment Agency Project Area #2's portion of the bonded indebtedness and tax increment pass-through obligations.

**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.

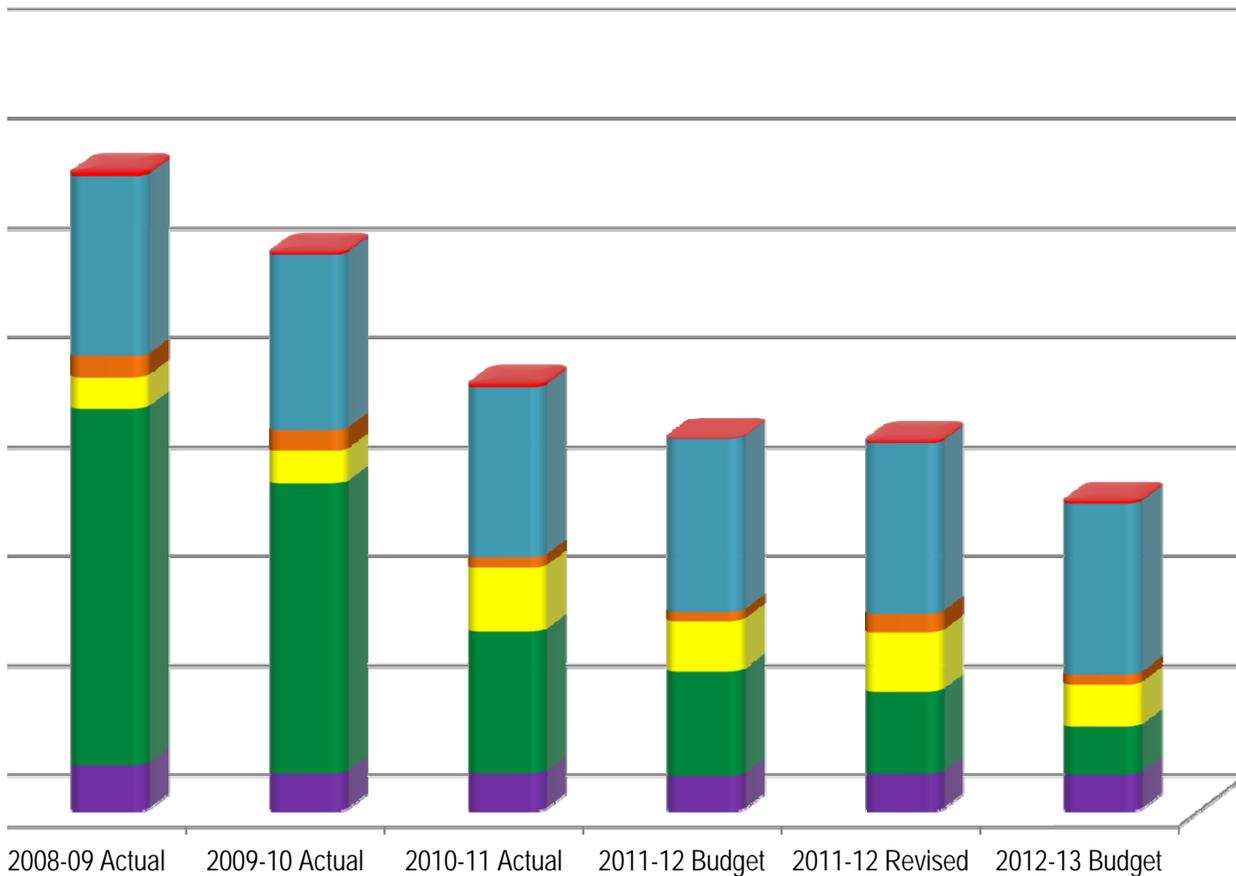
**Redevelopment Agency Capital Improvements Victor Valley Economic Development Authority (VVEDA) 588)** – This Capital Project fund accounts for the revenues and expenditures of the VVEDA project area. VVEDA pass-through funds provide the principal financing.

**City of Hesperia  
Ending Fund Balances  
10 Year Trends**



	<b>2003-04 Actual</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>
General Fund	\$ 9,821,068	\$ 15,462,445	\$ 17,694,619	\$ 22,664,366	\$ 22,478,904
Economic Development	608,019	36,817,587	40,227,092	44,463,844	181,783,506
Streets Related	11,289,748	29,313,934	30,207,276	30,946,693	20,479,531
Other City Related	5,410,663	7,808,692	9,076,412	9,697,529	13,305,141
Water District	58,038,328	67,209,187	80,505,139	87,006,728	86,353,916
Fire District	995,565	988,280	2,084,584	2,539,810	2,728,113
	<u>\$ 86,163,391</u>	<u>\$ 157,600,125</u>	<u>\$ 179,795,122</u>	<u>\$ 197,318,970</u>	<u>\$ 327,129,111</u>

The growth of the combined fund balances in 2004-05 was from the 2005 RDA bonds. The growth in 2007-08 was from the 2007 RDA bonds. The decrease, starting in 2008-09, is a combination of expending the 2007 bond proceeds and the decline of property tax related revenues. The Water District ending fund balances are presented without the balances of the capital assets and the long-term debt.



■ Other City Related   
 ■ Water District   
 ■ Fire District

	<b>2008-09 Actual</b>	<b>2009-10 Actual</b>	<b>2010-11 Actual</b>	<b>2011-12 Budget</b>	<b>2011-12 Revised</b>	<b>2012-13 Budget</b>
\$	20,566,371	\$ 16,860,093	\$ 16,923,804	\$ 15,904,115	\$ 16,780,848	\$ 16,520,340
	163,238,312	132,701,253	64,678,459	47,699,595	37,762,691	21,826,797
	14,194,102	14,915,495	29,309,051	22,871,551	26,606,793	19,445,641
	9,713,613	9,478,001	4,924,574	4,257,713	8,790,020	4,492,315
	82,243,053	80,153,082	77,665,683	79,430,273	78,195,419	78,176,613
	2,235,694	1,319,278	1,707,595	283,495	1,267,463	1,298,119
<b>\$</b>	<b>292,191,145</b>	<b>\$ 255,427,202</b>	<b>\$ 195,209,166</b>	<b>\$ 170,446,742</b>	<b>\$ 169,403,234</b>	<b>\$ 141,759,825</b>

**Funds included:**

Economic Development - 160, 161, 162, 170, 173, 370, 371, 385, 388, 389, 486, 487, 586, 587, 588  
 Streets related - 201, 202, 203, 204, 205, 206, 207, 250, 254, 263, 300, 301, 400, 504, 506, 507, 508, 600, 602  
 Other City Funds - 150, 251, 252, 253, 255, 256, 257, 260, 302, 303, 304, 401, 500, 501, 502, 503  
 Water District - 700, 701, 710, 711

## FUND BALANCE SUMMARY

### 2012-13 Budget - Balancing and Fund Balance Summary - By Major Grouping

	General Fund	C.D.B.G.	Successor Agency
<b>RESOURCES</b>			
Revenue	\$ 21,366,537	\$ 2,588,141	\$ 10,094,569
Transfers In	2,032,249	0	0
Transfers Out	(301,146)	0	0
Budgeted Reserves	321,000	1,575,181	0
<b>Total Resources</b>	<b>\$ 23,418,640</b>	<b>\$ 4,163,322</b>	<b>\$ 10,094,569</b>
<b>EXPENDITURES</b>			
City Council	\$ 645,615	\$ 0	\$ 0
City Manager	2,505,539	0	0
Management Services	2,703,345	0	0
Economic Development	0	4,163,304	22,742,725
Development Services			
Community Development	1,569,853	0	0
Code Compliance	2,212,503	0	0
Public Works	1,298,555	0	0
Water Operations	0	0	0
Sewer Operations	0	0	0
<b>Total Development Services</b>	<b>\$ 5,080,911</b>	<b>\$ 0</b>	<b>\$ 0</b>
Capital Improvement Projects			
Capital Improvements - Streets & Storm Drain	\$ 0	\$ 0	\$ 0
Capital Improvements - City Facilities	0	0	0
Capital Improvements - Water	0	0	0
Capital Improvements - Sewer	0	0	0
<b>Total Capital Improvement Projects</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
Police	12,422,738	0	0
Fire District	0	0	0
Other Transportation & City Related Funds	0	0	0
<b>Total Expenditures</b>	<b>\$ 23,358,148</b>	<b>\$ 4,163,304</b>	<b>\$ 22,742,725</b>
<b>Difference Total Resources</b>	<b>\$ 60,492</b>	<b>\$ 18</b>	<b>\$ (12,648,156)</b>
<b>FUND BALANCE</b>			
July 1, 2012 Estimated Beginning Balance	\$ 16,780,848	\$ 6,368,114	\$ (11,344,174)
Reserves Used	(321,000)	(1,575,181)	0
Difference Total Resources	60,492	18	(12,648,156)
<b>June 30, 2013 Estimating Ending Balance</b>	<b>\$ 16,520,340</b>	<b>\$ 4,792,951</b>	<b>\$ (23,992,330)</b>

**Fund Groupings:**

CDBG: 251, 252, 253, 257

Successor Agency: 160, 161, 162, 173

Community Development Commission 170

Housing Authority 370, 371

Streets CIP Funds: 201, 202, 204, 205, 206, 207, 250, 300, 301, 504, 506, 507, 508, 600, 602

## FUND BALANCE SUMMARY

### 2012-13 Budget - Balancing and Fund Balance Summary - By Major Grouping

Community Development Commission	Housing Authority	Street Maintenance	Streets CIP Funds	Other Transportation	Facilities	Other City Related
\$ 262,000	\$ 146,303	\$ 29,080	\$ 19,538,088	\$ 61,668	\$ 8,909,920	\$ 485,097
250,000	0	3,090,000	0	700,000	0	493,460
0	0	0	(3,790,000)	0	0	(607,506)
236,000	1,607,671	102,000	8,545,505	65,852	3,240,080	1,093,377
<b>\$ 748,000</b>	<b>\$ 1,753,974</b>	<b>\$ 3,221,080</b>	<b>\$ 24,293,593</b>	<b>\$ 827,520</b>	<b>\$ 12,150,000</b>	<b>\$ 1,464,428</b>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	82,812
0	0	0	0	0	0	795,600
617,168	1,753,974	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	3,206,834	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,206,834</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
\$ 0	\$ 0	\$ 0	\$ 22,755,634	\$ 0	\$ 0	\$ 0
0	0	0	0	0	12,150,000	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 22,755,634</b>	<b>\$ 0</b>	<b>\$ 12,150,000</b>	<b>\$ 0</b>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	827,520	0	550,000
<b>\$ 617,168</b>	<b>\$ 1,753,974</b>	<b>\$ 3,206,834</b>	<b>\$ 22,755,634</b>	<b>\$ 827,520</b>	<b>\$ 12,150,000</b>	<b>\$ 1,428,412</b>
\$ 130,832	\$ 0	\$ 14,246	\$ 1,537,959	\$ 0	\$ 0	\$ 36,016
\$ 236,000	\$ 42,596,178	\$ 287,803	\$ 23,940,254	\$ 2,378,736	\$ 4,036,646	\$ 4,659,947
(236,000)	(1,607,671)	(102,000)	(8,545,505)	(65,852)	(3,240,080)	(1,093,377)
130,832	0	14,246	1,537,959	0	0	36,016
<b>\$ 130,832</b>	<b>\$ 40,988,507</b>	<b>\$ 200,049</b>	<b>\$ 16,932,708</b>	<b>\$ 2,312,884</b>	<b>\$ 796,566</b>	<b>\$ 3,602,586</b>

Other Transportation Related Funds: 203, 254, 400

Facilities: 502, 503

Other City Related Funds: 255, 256, 259, 260, 302, 303, 304, 401, 500, 501

Water District: 700, 701, 710, 711

## FUND BALANCE SUMMARY

### 2012-13 Budget - Balancing and Fund Balance Summary - By Major Grouping

	Water District	Fire District	Total
<b>RESOURCES</b>			
Revenue	\$ 19,730,718	\$ 8,461,325	\$ 91,673,446
Transfers In	0	0	6,565,709
Transfers Out	0	0	(4,698,652)
Budgeted Reserves	1,059,897	0	17,846,563
<b>Total Resources</b>	<b>\$ 20,790,615</b>	<b>\$ 8,461,325</b>	<b>\$ 111,387,066</b>
<b>EXPENDITURES</b>			
City Council	\$ 0	\$ 0	\$ 645,615
City Manager	0	0	2,588,351
Management Services	0	0	3,498,945
Economic Development	0	0	29,277,171
Development Services			
Community Development	0	0	1,569,853
Code Compliance	0	0	2,212,503
Public Works	0	0	4,505,389
Water Operations	17,251,829	0	17,251,829
Sewer Operations	2,297,695	0	2,297,695
<b>Total Development Services</b>	<b>\$ 19,549,524</b>	<b>\$ 0</b>	<b>\$ 27,837,269</b>
Capital Improvement Projects			
Capital Improvements - Streets & Storm Drain	\$ 0	\$ 0	\$ 22,755,634
Capital Improvements - City Facilities	0	0	12,150,000
Capital Improvements - Water	0	0	0
Capital Improvements - Sewer	200,000	0	200,000
<b>Total Capital Improvement Projects</b>	<b>\$ 200,000</b>	<b>\$ 0</b>	<b>\$ 35,105,634</b>
Police	0	0	12,422,738
Fire District	0	8,430,669	8,430,669
Other Transportation & City Related Funds	0	0	1,377,520
<b>Total Expenditures</b>	<b>\$ 19,749,524</b>	<b>\$ 8,430,669</b>	<b>\$ 121,183,912</b>
<b>Difference Total Resources</b>	<b>\$ 1,041,091</b>	<b>\$ 30,656</b>	<b>\$ (9,796,846)</b>
<b>FUND BALANCE</b>			
July 1, 2012 Estimated Beginning Balance	\$ 78,195,419	\$ 1,267,463	\$ 169,403,234
Reserves Used	(1,059,897)	0	(17,846,563)
Difference Total Resources	1,041,091	30,656	(9,796,846)
<b>June 30, 2013 Estimating Ending Balance</b>	<b>\$ 78,176,613</b>	<b>\$ 1,298,119</b>	<b>\$ 141,759,825</b>

The Transfers In and Out are out of balance by \$1,867,057 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.

The difference in Total Resources vs. Expenditures of \$10,098,693 is shown as \$8,231,636 on page A-3 because the \$1,867,057 Water/Sewer G7A is not factored in the Total Resources number.

## 2012-13 Budget - Balancing and Fund Balance Summary - By Individual Funds

	Fund Number	Successor Agency	
		100	160
	General	Redevelopment	Obligation
	Fund	Retirement PA #1	
<b>RESOURCES</b>			
Revenue	\$ 21,366,537	\$	5,817,801
Transfers In	2,032,249		0
Transfers Out	(264,343)		0
Budgeted Reserves	321,000		0
<b>Total Resources</b>	<b>\$ 23,455,443</b>	<b>\$</b>	<b>5,817,801</b>
<b>EXPENDITURES</b>			
City Council	\$ 645,615	\$	0
City Manager	2,505,539		0
Management Services	2,703,345		0
Economic Development	0		16,768,688
Development Services			
Community Development	1,569,853		0
Code Compliance	2,212,503		0
Public Works	1,298,555		0
Water Operations	0		0
Sewer Operations	0		0
<b>Total Development Services</b>	<b>\$ 5,080,911</b>	<b>\$</b>	<b>16,768,688</b>
Capital Improvement Projects			
Capital Improvements - Streets & Storm Drainage	\$ 0	\$	0
Capital Improvements - City Facilities	0		0
Capital Improvements - Water	0		0
Capital Improvements - Sewer	0		0
<b>Total Capital Improvement Projects</b>	<b>0</b>		<b>0</b>
Police	12,422,738		0
Fire District	0		0
Other Transportation & City Related Funds	0		0
<b>Total Expenditures</b>	<b>\$ 23,358,148</b>	<b>\$</b>	<b>16,768,688</b>
Difference Total Resources	\$ 97,295	\$	(10,950,887)
<b>FUND BALANCE</b>			
July 1, 2012 Estimated Beginning Balance	\$ 16,780,848	\$	(16,592,801)
Reserves Used	(321,000)		0
Difference Total Resources	97,295		(10,950,887)
<b>June 30, 2013 Estimating Ending Balance</b>	<b>\$ 16,557,143</b>	<b>\$</b>	<b>(27,543,688)</b>

## 2012-13 Budget - Balancing and Fund Balance Summary - By Individual Funds

Fund Number	Successor Agency			C. D. C.
	161	162	173	170
	Redevelopment Obligation Retirement PA #2	Redevelopment Obligation Retirement Housing	Successor Agency Administration	Community Development Commission
<b>RESOURCES</b>				
Revenue	\$ 418,011	\$ 3,858,757	\$ 0	\$ 262,000
Transfers In	0	0	0	250,000
Transfers Out	0	0	0	0
Budgeted Reserves	0	0	0	236,000
<b>Total Resources</b>	<b>\$ 418,011</b>	<b>\$ 3,858,757</b>	<b>\$ 0</b>	<b>\$ 748,000</b>
<b>EXPENDITURES</b>				
City Council	\$ 0	\$ 0	\$ 0	\$ 0
City Manager	0	0	0	0
Management Services	0	0	0	0
Economic Development	2,145,181	3,626,356	202,500	617,168
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
<b>Total Development Services</b>	<b>\$ 2,145,181</b>	<b>\$ 3,626,356</b>	<b>\$ 202,500</b>	<b>\$ 617,168</b>
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
<b>Total Capital Improvement Projects</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Police	0	0	0	0
Fire District	0	0	0	0
Other Transportation & City Related Funds	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 2,145,181</b>	<b>\$ 3,626,356</b>	<b>\$ 202,500</b>	<b>\$ 617,168</b>
Difference Total Resources	\$ (1,727,170)	\$ 232,401	\$ (202,500)	\$ 130,832
<b>FUND BALANCE</b>				
July 1, 2012 Estimated Beginning Balance	\$ (167,833)	\$ 5,416,460	\$ 0	\$ 236,000
Reserves Used	0	0	0	(236,000)
Difference Total Resources	(1,727,170)	232,401	(202,500)	130,832
June 30, 2013 Estimating Ending Balance	\$ (1,895,003)	\$ 5,648,861	\$ (202,500)	\$ 130,832

## 2012-13 Budget - Balancing and Fund Balance Summary - By Individual Funds

Hesperia Housing Authority		CDBG Funds					
370	371	251	252	253	257	263	
Hesperia Housing Authority	VVEDA Housing Authority	Admin.	HOME	Revolving Loan	NSP	P.W. Street Maintenance	
\$ 142,000	\$ 4,303	\$ 1,975,105	\$ 18	\$ 3,870	\$ 609,148	\$ 29,080	
0	0	0	0	0	0	3,090,000	
0	0	0	0	0	0	0	
1,186,974	420,697	0	0	458,173	1,117,008	102,000	
<u>\$ 1,328,974</u>	<u>\$ 425,000</u>	<u>\$ 1,975,105</u>	<u>\$ 18</u>	<u>\$ 462,043</u>	<u>\$ 1,726,156</u>	<u>\$ 3,221,080</u>	
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
0	0	0	0	0	0	0	
0	0	0	0	0	0	0	
1,328,974	425,000	1,975,105	0	462,043	1,726,156	0	
0	0	0	0	0	0	0	
0	0	0	0	0	0	0	
0	0	0	0	0	0	3,206,834	
0	0	0	0	0	0	0	
0	0	0	0	0	0	0	
<u>\$ 1,328,974</u>	<u>\$ 425,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,206,834</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	
<u>\$ 1,328,974</u>	<u>\$ 425,000</u>	<u>\$ 1,975,105</u>	<u>\$ 0</u>	<u>\$ 462,043</u>	<u>\$ 1,726,156</u>	<u>\$ 3,206,834</u>	
\$ 0	\$ 0	\$ 0	\$ 18	\$ 0	\$ 0	\$ 14,246	
\$ 41,335,326	\$ 1,260,852	\$ 0	\$ 4,786	\$ 1,077,087	\$ 5,286,241	\$ 287,803	
(1,186,974)	(420,697)	0	0	(458,173)	(1,117,008)	(102,000)	
0	0	0	\$ 18	0	0	14,246	
<u>\$ 40,148,352</u>	<u>\$ 840,155</u>	<u>\$ 0</u>	<u>\$ 4,804</u>	<u>\$ 618,914</u>	<u>\$ 4,169,233</u>	<u>\$ 200,049</u>	

## 2012-13 Budget - Balancing and Fund Balance Summary - By Individual Funds

Fund Number	Streets Capital Improvement Projects (CIP) Funds				
	201	204	205	206	207
	Measure I Arterial	Measure I Renewal	Gas Tax	Gas Tax Swap	LTF Article 8
<b>RESOURCES</b>					
Revenue	\$ 300	\$ 2,249,095	\$ 1,339,799	\$ 960,458	\$ 1,403,766
Transfers In	0	0	0	0	0
Transfers Out	0	(1,300,000)	(1,085,000)	(950,000)	(455,000)
Budgeted Reserves	0	856,880	0	0	0
<b>Total Resources</b>	<b>\$ 300</b>	<b>\$ 1,805,975</b>	<b>\$ 254,799</b>	<b>\$ 10,458</b>	<b>\$ 948,766</b>
<b>EXPENDITURES</b>					
City Council	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
City Manager	0	0	0	0	0
Management Services	0	0	0	0	0
Economic Development	0	0	0	0	0
Development Services					
Community Development	0	0	0	0	0
Code Compliance	0	0	0	0	0
Public Works	0	0	0	0	0
Water Operations	0	0	0	0	0
Sewer Operations	0	0	0	0	0
<b>Total Development Services</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
Capital Improvement Projects					
Capital Improvements - Streets & Storm Drainage	\$ 0	\$ 1,805,975	\$ 0	\$ 0	\$ 0
Capital Improvements - City Facilities	0	0	0	0	0
Capital Improvements - Water	0	0	0	0	0
Capital Improvements - Sewer	0	0	0	0	0
<b>Total Capital Improvement Projects</b>	<b>0</b>	<b>1,805,975</b>	<b>0</b>	<b>0</b>	<b>0</b>
Police	0	0	0	0	0
Fire District	0	0	0	0	0
Other Transportation & City Related Funds	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 0</b>	<b>\$ 1,805,975</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Difference Total Resources</b>	<b>\$ 300</b>	<b>\$ 0</b>	<b>\$ 254,799</b>	<b>\$ 10,458</b>	<b>\$ 948,766</b>
<b>FUND BALANCE</b>					
July 1, 2012 Estimated Beginning Balance	\$ 141,377	\$ 2,236,818	\$ (15,481)	\$ 136,619	\$ 917,138
Reserves Used	0	(856,880)	0	0	0
Difference Total Resources	300	0	254,799	10,458	948,766
<b>June 30, 2013 Estimating Ending Balance</b>	<b>\$ 141,677</b>	<b>\$ 1,379,938</b>	<b>\$ 239,318</b>	<b>\$ 147,077</b>	<b>\$ 1,865,904</b>

## 2012-13 Budget - Balancing and Fund Balance Summary - By Individual Funds

Streets CIP Funds					
300 Development Impact - Streets	301 Development Impact - Storm Drain	504 City Streets CIP	506 Industrial Park Lead Track	507 Township	508 Ranchero Rd Undercrossing Local
\$ 837,222	\$ 114,071	\$ 4,895,365	\$ 209,565	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
7,191,831	0	496,794	0	0	0
<u>\$ 8,029,053</u>	<u>\$ 114,071</u>	<u>\$ 5,392,159</u>	<u>\$ 209,565</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	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>
\$ 8,029,053	\$ 0	\$ 5,392,159	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>8,029,053</u>	<u>0</u>	<u>5,392,159</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
<u>\$ 8,029,053</u>	<u>\$ 0</u>	<u>\$ 5,392,159</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 0	\$ 114,071	\$ 0	\$ 209,565	\$ 0	\$ 0
\$ 16,288,452	\$ 2,041,612	\$ 527,287	\$ 2,509,502	\$ 1,580	\$ (77,169)
(7,191,831)	0	(496,794)	0	0	0
0	114,071	0	209,565	0	0
<u>\$ 9,096,621</u>	<u>\$ 2,155,683</u>	<u>\$ 30,493</u>	<u>\$ 2,719,067</u>	<u>\$ 1,580</u>	<u>\$ (77,169)</u>

## 2012-13 Budget - Balancing and Fund Balance Summary - By Individual Funds

Fund Number	Streets CIP Funds		Other Transportation	
	600 Ranchero Road Undercrossing	602 Ranchero Rd / I-15 Interchange	254 AQMD	400 Measure I Debt Service
<b>RESOURCES</b>				
Revenue	\$ 7,528,447	\$ 0	\$ 58,668	\$ 3,000
Transfers In	0	0	0	700,000
Transfers Out	0	0	0	0
Budgeted Reserves	0	0	21,332	44,520
<b>Total Resources</b>	<b>\$ 7,528,447</b>	<b>\$ 0</b>	<b>\$ 80,000</b>	<b>\$ 747,520</b>
<b>EXPENDITURES</b>				
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
<b>Total Development Services</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
Capital Improvement Projects				
Capital Improvements - Streets & Storm Drainage	\$ 7,528,447	\$ 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
<b>Total Capital Improvement Projects</b>	<b>7,528,447</b>	<b>0</b>	<b>0</b>	<b>0</b>
Police	0	0	0	0
Fire District	0	0	0	0
Other Transportation & City Related Funds	0	0	80,000	747,520
<b>Total Expenditures</b>	<b>\$ 7,528,447</b>	<b>\$ 0</b>	<b>\$ 80,000</b>	<b>\$ 747,520</b>
Difference Total Resources	\$ 0	\$ 0	\$ 0	\$ 0
<b>FUND BALANCE</b>				
July 1, 2012 Estimated Beginning Balance	\$ 0	\$ (767,481)	\$ 195,650	\$ 2,183,086
Reserves Used	0	0	(21,332)	(44,520)
Difference Total Resources	0	0	0	0
June 30, 2013 Estimating Ending Balance	\$ 0	\$ (767,481)	\$ 174,318	\$ 2,138,566

## 2012-13 Budget - Balancing and Fund Balance Summary - By Individual Funds

Facilities		Other City Related Funds				
502	503	150	255	256	260	302
Fire Building	High Desert Government Center	Redevelopment Administration	AB3229	Beverage Recycling Grant	Disaster Preparedness Grant	Development Impact - Fire
\$ 509,920	\$ 8,400,000	\$ 264	\$ 172,216	\$ 28,915	\$ 30,705	\$ 122,045
0	0	0	0	0	0	0
0	0	0	(165,192)	0	0	0
3,240,080	0	0	0	16,847	0	427,955
<u>\$ 3,750,000</u>	<u>\$ 8,400,000</u>	<u>\$ 264</u>	<u>\$ 7,024</u>	<u>\$ 45,762</u>	<u>\$ 30,705</u>	<u>\$ 550,000</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	67,267	15,545	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>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
3,750,000	8,400,000	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>3,750,000</u>	<u>8,400,000</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	550,000
<u>\$ 3,750,000</u>	<u>\$ 8,400,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 67,267</u>	<u>\$ 15,545</u>	<u>\$ 550,000</u>
\$ 0	\$ 0	\$ 264	\$ 7,024	\$ (21,505)	\$ 15,160	\$ 0
\$ 3,960,821	\$ 75,825	\$ (93,427)	\$ 165,222	\$ 16,847	\$ 19,355	\$ 1,006,639
(3,240,080)	0	0	0	(16,847)	0	(427,955)
0	0	264	7,024	(21,505)	15,160	0
<u>\$ 720,741</u>	<u>\$ 75,825</u>	<u>\$ (93,163)</u>	<u>\$ 172,246</u>	<u>\$ (21,505)</u>	<u>\$ 34,515</u>	<u>\$ 578,684</u>

## 2012-13 Budget - Balancing and Fund Balance Summary - By Individual Funds

Fund Number	Other City Related Funds			Water District
	303 Development Impact - Police	304 Development Impact - Public Services	401 City Debt Service	700 Water Operations
<b>RESOURCES</b>				
Revenue	\$ 35,073	\$ 92,879	\$ 3,000	\$ 16,345,432
Transfers In	0	0	112,496	0
Transfers Out	0	(98,153)	0	0
Budgeted Reserves	0	5,274	680,104	906,397
<b>Total Resources</b>	<b>\$ 35,073</b>	<b>\$ 0</b>	<b>\$ 795,600</b>	<b>\$ 17,251,829</b>
<b>EXPENDITURES</b>				
City Council	\$ 0	\$ 0	\$ 0	\$ 0
City Manager	0	0	0	0
Management Services	0	0	795,600	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	17,251,829
Sewer Operations	0	0	0	0
<b>Total Development Services</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 17,251,829</b>
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
<b>Total Capital Improvement Projects</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Police	0	0	0	0
Fire District	0	0	0	0
Other Transportation & City Related Funds	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 795,600</b>	<b>\$ 17,251,829</b>
<b>Difference Total Resources</b>	<b>\$ 35,073</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>FUND BALANCE</b>				
July 1, 2012 Estimated Beginning Balance	\$ 230,615	\$ 349,435	\$ 2,965,261	\$ 73,466,597
Reserves Used	0	(5,274)	(680,104)	(906,397)
Difference Total Resources	35,073	0	0	0
<b>June 30, 2013 Estimating Ending Balance</b>	<b>\$ 265,688</b>	<b>\$ 344,161</b>	<b>\$ 2,285,157</b>	<b>\$ 72,560,200</b>

## 2012-13 Budget - Balancing and Fund Balance Summary - By Individual Funds

Water District			Fire District		
701	710	711	200		
Water Capital	Sewer Operations	Sewer Capital	Fire District	Totals	
\$ 160,000	\$ 3,178,786	\$ 46,500	\$ 8,461,325	\$ 91,673,446	
0	0	0	0	6,184,745	
0	0	0	0	(4,317,688)	
0	0	153,500	0	17,883,366	
<b>\$ 160,000</b>	<b>\$ 3,178,786</b>	<b>\$ 200,000</b>	<b>\$ 8,461,325</b>	<b>\$ 111,423,869</b>	
\$ 0	\$ 0	\$ 0	\$ 0	\$ 645,615	
0	0	0	0	2,588,351	
0	0	0	0	3,498,945	
0	0	0	0	29,277,171	
0	0	0	0	1,569,853	
0	0	0	0	2,212,503	
0	0	0	0	4,505,389	
0	0	0	0	17,251,829	
0	2,297,695	0	0	2,297,695	
\$ 0	\$ 2,297,695	\$ 0	\$ 0	\$ 27,837,269	
\$ 0	\$ 0	\$ 0	\$ 0	\$ 22,755,634	
0	0	0	0	12,150,000	
0	0	0	0	0	
0	0	200,000	0	200,000	
0	0	200,000	0	35,105,634	
0	0	0	0	12,422,738	
0	0	0	8,430,669	8,430,669	
0	0	0	0	1,377,520	
\$ 0	\$ 2,297,695	\$ 200,000	\$ 8,430,669	\$ 121,183,912	
\$ 160,000	\$ 881,091	\$ 0	\$ 30,656	\$ (9,760,043)	
\$ (11,771,218)	\$ 12,935,678	\$ 3,564,362	\$ 1,267,463	\$ 169,403,234	
0	0	(153,500)	0	(17,883,366)	
160,000	881,091	0	30,656	(9,760,043)	
<b>\$ (11,611,218)</b>	<b>\$ 13,816,769</b>	<b>\$ 3,410,862</b>	<b>\$ 1,298,119</b>	<b>\$ 141,759,825</b>	

The Transfers In and Out are out of balance by \$1,867,057 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

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Total Revenue</b>	\$ 19,530,612	\$ 20,197,844	\$ 20,081,224	\$ 20,705,026	\$ 21,366,537
<b>Budgeted Reserves</b>	0	0	39,706	687,712	321,000
<u>Transfers In</u>					
Fund 150 - Redevelopment Administration	\$ 0	\$ 611,451	\$ 0	\$ 0	\$ 0
Fund 150 - Redevelopment Administration	0	633,063	0	549,355	0
Fund 255 - AB 3229 Supplemental Law	100,000	107,000	28,000	28,000	165,192
Fund 257 - Neighborhood Stabilization Prog.	0	20,870	0	0	0
Fund 300 - DIF Streets	0	0	0	19,740	0
Fund 506 - Industrial Park Lead Track	0	0	0	29,946	0
Fund 508 - Rancho Rd Undercrossing	0	0	0	74,219	0
Fund 586 - RDA Capital Projects Area #1	0	75,320	123,905	0	0
Fund 389 - Indirect Cost Allocation RDA	661,119	0	549,355	0	0
Fund 700 - Indirect Cost Allocation Water	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Fund 710 - Indirect Cost Allocation Sewer	170,792	203,314	180,966	180,966	167,057
G&A Prior Year - Redevelopment	633,063	0	0	0	0
G&A Prior Year - Water	500,000	500,000	500,000	500,000	500,000
Sub Total G & A Allocation	1,133,063	500,000	500,000	500,000	500,000
<b>Total Transfers In</b>	\$ 3,264,974	\$ 3,351,018	\$ 2,582,226	\$ 2,582,226	\$ 2,032,249
<b>Total Resources (Revenue, Budgeted Reserves, and Transfers In)</b>	\$ 22,795,586	\$ 23,548,862	\$ 22,703,156	\$ 23,974,964	\$ 23,719,786
<b>Total Expenditures</b>	\$ 26,436,596	\$ 22,121,973	\$ 22,537,916	\$ 22,916,038	\$ 23,358,148
<u>Transfers Out</u>					
Fund 170 - Community Development Comm.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 250,000
Fund 200 - Fire Operations (Subsidy & VVEDA)	0	1,920,941	0	0	0
Fund 401 - City Debt Service	73,535	65,560	106,974	106,974	51,146
Fund 486 - RDA Debt Service	0	0	0	0	0
Fund 503 - High Desert Government	0	0	0	407,196	0
Fund 700 - Water Operations (VVEDA)	0	61,662	0	0	0
<b>Total Transfers Out</b>	73,535	2,048,163	106,974	514,170	301,146
<b>Total Expenditures and Transfers Out</b>	\$ 26,510,131	\$ 24,170,136	\$ 22,644,890	\$ 23,430,208	\$ 23,659,294
<b>Difference Total Resources and Expenditures and Transfers Out</b>	\$ (3,714,545)	\$ (621,274)	\$ 58,266	\$ 544,756	\$ 60,492
<b>FUND BALANCE</b>					
July 1st Beginning Balance	\$ 20,566,371	\$ 16,860,093	\$ 15,885,555	\$ 16,923,804	\$ 16,780,848
Residual Equity Transfer	8,267	0	0	0	0
Budgeted Reserves	0	0	(39,706)	(687,712)	(321,000)
Prior period adjustment	0	684,985	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(3,714,545)	(621,274)	58,266	544,756	60,492
<b>June 30th Ending Balance</b>	<b>\$16,860,093</b>	<b>\$ 16,923,804</b>	<b>\$ 15,904,115</b>	<b>\$ 16,780,848</b>	<b>\$ 16,520,340</b>

The Residual Equity Transfer of \$8,267 in 2009-10 Actual is \$4,413 from Assessment District 91-1 Fund 500 and \$3,854 from CFD 91-3 Fund 501.

## FUND BALANCE SUMMARY

### Redevelopment Agency Administrative Fund 150

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Total Revenue</b>	\$ 0	\$ 31,957	\$ 0	\$ 11,602	\$ 264
<b>Budgeted Reserves</b>	0	0	0	38,793	0
<u>Transfers In</u>					
Fund 160 - SA RORF P. A. #1	0	0	0	33,932	0
Fund 161 - SA RORF P. A. #2	0	0	0	3,758	0
Fund 486 - RDA Debt Service Area #1	0	2,271,282	0	257,961	0
Fund 487 - RDA Debt Service Area #2	0	251,524	0	28,567	0
<b>Total Transfers In</b>	0	2,522,806	0	324,218	0
<b>Total Resources (Revenue, Budgeted Reserves, and Transfers In)</b>	\$ 0	\$ 2,554,763	\$ 0	\$ 374,613	\$ 264
<b>Total Expenditures</b>	\$ 0	\$ 1,248,964	\$ 0	\$ 485,070	\$ 0
<u>Transfers Out</u>					
Fund 100 - General Fund	0	1,244,514	0	0	0
Fund 486 - RDA Debt Service Area #1	0	20,250	0	0	0
Fund 487 - RDA Debt Service Area #2	0	2,242	0	0	0
<b>Total Transfers Out</b>	\$ 0	\$ 1,267,006	\$ 0	\$ 0	\$ 0
<b>Total Expenditures and Transfers Out</b>	\$ 0	\$ 2,515,970	\$ 0	\$ 485,070	\$ 0
<b>Difference Total Resources and Expenditures and Transfers Out</b>	\$ 0	\$ 38,793	\$ 0	\$ (110,457)	\$ 264
<b>FUND BALANCE</b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 38,793	\$ (93,427)
Budgeted Reserves	0	0	0	(38,793)	0
Residual Equity Transfer	0	0	0	17,030	0
Difference Total Resources and Expenditures and Transfers Out	0	38,793	0	(110,457)	264
<b>June 30th Ending Balance</b>	\$ 0	\$ 38,793	\$ 0	\$ (93,427)	\$ (93,163)

The Residual Equity Transfer of \$17,030 is from Fund 389 - Redevelopment Administration.

**Note:** Fund 150 was created to carry out the cooperative agreement between the City and the RDA. Fund 150 was cash-flowed by the General Fund which fronted (loaned) funds for redevelopment agency administrative costs. Redevelopment agencies were dissolved as of February 1, 2012, therefore costs through January 31, 2012 were reimbursed by agency funds and costs incurred from February 1, 2012 through June 30, 2012 will be reconciled and closed out at fiscal year end.

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

## FUND BALANCE SUMMARY

### Measure I - Arterial Fund 201

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 1,502,653	\$ 1,539	\$ 0	\$ 692	\$ 300
Budgeted Reserves	0	0	0	94,080	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)	\$ 1,502,653	\$ 1,539	\$ 0	\$ 94,772	\$ 300
Total Expenditures	\$ 53,426	\$ 466,573	\$ 0	\$ 94,772	\$ 0
<u>Transfers Out</u>					
Fund 400 - Measure I Debt Service	471,588	0	0	0	0
Total Transfers Out	\$ 471,588	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures and Transfers Out	\$ 525,014	\$ 466,573	\$ 0	\$ 94,772	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 977,639	\$ (465,034)	\$ 0	\$ 0	\$ 300
<b>FUND BALANCE</b>					
July 1st Beginning Balance	\$ (277,148)	\$ 700,491	\$ 229,891	\$ 235,457	\$ 141,377
Residual Equity Transfer	0	0	0	0	0
Budgeted Reserves	0	0	0	(94,080)	0
Difference Total Resources and Expenditures and Transfers Out	977,639	(465,034)	0	0	300
June 30th Ending Balance	\$ 700,491	\$ 235,457	\$ 229,891	\$ 141,377	\$ 141,677

The Residual Equity Transfer of \$93,259 shown in 2008-09 Actual 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

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 693,368	\$ 0	\$ 0	\$ 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, Budgeted Reserves, and Transfers In)	\$ 693,368	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 400 - Measure I Debt Service	227,061	0	0	0	0
Fund 263 Public Works Street Maintenance	336,907	0	0	0	0
Total Transfers Out	\$ 563,968	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures and Transfers Out	\$ 563,968	\$ 0	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 129,400	\$ 0	\$ 0	\$ 0	\$ 0
<b>FUND BALANCE</b>					
July 1st Beginning Balance	\$ (129,400)	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	129,400	0	0	0	0
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

## FUND BALANCE SUMMARY

### Measure I - Transit Fund 203

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 115,811	\$ 44	\$ 0	\$ 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)	\$ 115,811	\$ 44	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 148,474	\$ 29,942	\$ 0	\$ 0	\$ 0
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 148,474	\$ 29,942	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (32,663)	\$ (29,898)	\$ 0	\$ 0	\$ 0
<b>FUND BALANCE</b>					
July 1st Beginning Balance	\$ 62,561	\$ 29,898	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(32,663)	(29,898)	0	0	0
June 30th Ending Balance	\$ 29,898	\$ 0	\$ 0	\$ 0	\$ 0

## FUND BALANCE SUMMARY

### Measure I - 2010 Renewal Fund 204

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 294,318	\$ 1,989,365	\$ 1,976,844	\$ 2,151,770	\$ 2,249,095
Budgeted Reserves	0	0	0	0	856,880
<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)	\$ 294,318	\$ 1,989,365	\$ 1,976,844	\$ 2,151,770	\$ 3,105,975
Total Expenditures	\$ 0	\$ 516,370	\$ 448,338	\$ 129,850	\$ 1,805,975
Transfers Out					
Fund 263 - Public Works Street Maintenance	132,415	880,000	540,000	540,000	1,300,000
Total Transfers Out	132,415	880,000	540,000	540,000	1,300,000
Total Expenditures and Transfers Out	\$ 132,415	\$ 1,396,370	\$ 988,338	\$ 669,850	\$ 3,105,975
Difference Total Resources and Expenditures and Transfers Out	\$ 161,903	\$ 592,995	\$ 988,506	\$ 1,481,920	\$ 0
<b>FUND BALANCE</b>					
July 1st Beginning Balance	\$ 0	\$ 161,903	\$ 579,593	\$ 754,898	\$ 2,236,818
Budgeted Reserves	0	0	0	0	(856,880)
Prior period adjustment	0	0		0	0
Difference Total Resources and Expenditures and Transfers Out	161,903	592,995	988,506	1,481,920	0
June 30th Ending Balance	\$ 161,903	\$ 754,898	\$ 1,568,099	\$ 2,236,818	\$ 1,379,938

## FUND BALANCE SUMMARY

### Gas Tax Fund 205

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Total Revenue</b>	\$ 1,475,928	\$ 1,429,061	\$ 1,388,410	\$ 1,347,086	\$ 1,339,799
<b>Budgeted Reserves</b>	0	0	211,590	(252,914)	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
<b>Total Transfers In</b>	0	0	0	0	0
<b>Total Resources (Revenue, Budgeted Reserves, and Transfers In)</b>	<u>\$ 1,475,928</u>	<u>\$ 1,429,061</u>	<u>\$ 1,600,000</u>	<u>\$ 1,094,172</u>	<u>\$ 1,339,799</u>
<b>Total Expenditures</b>	\$ 0	\$ 8,000	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 263 - Public Works Street Maintenance	\$ 965,000	\$ 1,168,538	\$ 1,200,000	\$ 1,200,000	\$ 635,000
Fund 400 - Measure I Debt Service	490,541	0	400,000	400,000	450,000
<b>Total Transfers Out</b>	<u>\$ 1,455,541</u>	<u>\$ 1,168,538</u>	<u>\$ 1,600,000</u>	<u>\$ 1,600,000</u>	<u>\$ 1,085,000</u>
<b>Total Expenditures and Transfers Out</b>	<u>\$ 1,455,541</u>	<u>\$ 1,176,538</u>	<u>\$ 1,600,000</u>	<u>\$ 1,600,000</u>	<u>\$ 1,085,000</u>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	\$ 20,387	\$ 252,523	\$ 0	\$ (505,828)	\$ 254,799
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ (35,477)	\$ (15,090)	\$ 371,340	\$ 237,433	\$ (15,481)
Budgeted Reserves	0	0	(211,590)	252,914	0
Prior period adjustment	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	20,387	252,523	0	(505,828)	254,799
<b>June 30th Ending Balance</b>	<u>\$ (15,090)</u>	<u>\$ 237,433</u>	<u>\$ 159,750</u>	<u>\$ (15,481)</u>	<u>\$ 239,318</u>

## FUND BALANCE SUMMARY

### Gas Tax Swap Fund 206

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 844,987	\$ 980,360	\$ 933,094	\$ 960,458
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	\$ 844,987	\$ 980,360	\$ 933,094	\$ 960,458
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 263 - Public Works Street Maintenance	\$ 0	\$ 711,462	\$ 900,000	\$ 900,000	\$ 950,000
Fund 400 - Measure I Debt Service	0	0	30,000	30,000	0
Total Transfers Out	\$ 0	\$ 711,462	\$ 930,000	\$ 930,000	\$ 950,000
Total Expenditures and Transfers Out	\$ 0	\$ 711,462	\$ 930,000	\$ 930,000	\$ 950,000
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 133,525	\$ 50,360	\$ 3,094	\$ 10,458
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 35,536	\$ 133,525	\$ 136,619
Budgeted Reserves	0	0	0	0	0
Prior period adjustment	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	133,525	50,360	3,094	10,458
June 30th Ending Balance	\$ 0	\$ 133,525	\$ 85,896	\$ 136,619	\$ 147,077

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

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 1,281,415	\$ 692,051	\$ 979,196	\$ 1,071,359	\$ 1,403,766
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)	\$ 1,281,415	\$ 692,051	\$ 979,196	\$ 1,071,359	\$ 1,403,766
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 263 - Public Works Street Maintenance	\$ 1,055,000	\$ 0	\$ 200,000	\$ 200,000	\$ 205,000
Fund 400 - Measure I Debt Service	297,298	0	250,000	250,000	250,000
Total Transfers Out	\$ 1,352,298	\$ 0	\$ 450,000	\$ 450,000	\$ 455,000
Total Expenditures and Transfers Out	\$ 1,352,298	\$ 0	\$ 450,000	\$ 450,000	\$ 455,000
Difference Total Resources and Expenditures and Transfers Out	\$ (70,883)	\$ 692,051	\$ 529,196	\$ 621,359	\$ 948,766
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ (325,389)	\$ (396,272)	\$ 295,702	\$ 295,779	\$ 917,138
Budgeted Reserves	0		0	0	0
Prior period adjustment	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(70,883)	692,051	529,196	621,359	948,766
June 30th Ending Balance	\$ (396,272)	\$ 295,779	\$ 824,898	\$ 917,138	\$ 1,865,904

## FUND BALANCE SUMMARY

### Traffic Congestion Relief Fund 250

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 798,215	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	<u>\$ 798,215</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 263 - Public Works Street Maintenance	812,678	0	0	0	0
Total Transfers Out	<u>\$ 812,678</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Expenditures and Transfers Out	<u>\$ 812,678</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Difference Total Resources and Expenditures and Transfers Out	\$ (14,463)	\$ 0	\$ 0	\$ 0	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 14,463	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	<u>(14,463)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 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

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 882,618	\$ 459,749	\$ 2,060,215	\$ 723,209	\$ 1,975,105
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)	\$ 882,618	\$ 459,749	\$ 2,060,215	\$ 723,209	\$ 1,975,105
Total Expenditures	\$ 517,284	\$ 809,846	\$ 2,010,414	\$ 719,136	\$ 1,975,105
<u>Transfers Out</u>					
Fund 200 - Fire Operations	0	0	0	0	0
Total Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures and Transfers Out	\$ 517,284	\$ 809,846	\$ 2,010,414	\$ 719,136	\$ 1,975,105
Difference Total Resources and Expenditures and Transfers Out	\$ 365,334	\$ (350,097)	\$ 49,801	\$ 4,073	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ (19,310)	\$ 346,024	\$ (31,885)	\$ (4,073)	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	365,334	(350,097)	49,801	4,073	0
June 30th Ending Balance	\$ 346,024	\$ (4,073)	\$ 17,916	\$ 0	\$ 0

Note: The ending balance for 2010-11 Revised has a temporary deficiency due to the timing of payment for a reimbursable grant.

## FUND BALANCE SUMMARY

### Community Development Block Grant (CDBG) HOME Grants Fund 252

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 411	\$ 4,361	\$ 15,000	\$ 14	\$ 18
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)	\$ 411	\$ 4,361	\$ 15,000	\$ 14	\$ 18
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 385 - RDA Low/Mod	0	0	0	0	0
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	\$ 411	\$ 4,361	\$ 15,000	\$ 14	\$ 18
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 411	\$ 7,736	\$ 4,772	\$ 4,786
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	411	4,361	15,000	14	18
June 30th Ending Balance	\$ 411	\$ 4,772	\$ 22,736	\$ 4,786	\$ 4,804

## FUND BALANCE SUMMARY

### Community Development Block Grant (CDBG) Revolving Loan Fund 253

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 53,805	\$ 28,522	\$ 77,050	\$ 2,954	\$ 3,870
Budgeted Reserves	0	0	582,961	88,231	458,173
<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)	\$ 53,805	\$ 28,522	\$ 660,011	\$ 91,185	\$ 462,043
Total Expenditures	\$ 0	\$ 235,608	\$ 660,011	\$ 91,185	\$ 462,043
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 235,608	\$ 660,011	\$ 91,185	\$ 462,043
Difference Total Resources and Expenditures and Transfers Out	\$ 53,805	\$ (207,086)	\$ 0	\$ 0	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 997,610	\$ 1,051,415	\$ 1,100,467	\$ 1,077,087	\$ 1,077,087
Budgeted Reserves	0	0	(582,961)	0	(458,173)
Adjustment For Budgetary Purposes	0	232,758	0	0	0
Difference Total Resources and Expenditures and Transfers Out	53,805	(207,086)	0	0	0
June 30th Ending Balance	\$ 1,051,415	\$ 1,077,087	\$ 517,506	\$ 1,077,087	\$ 618,914

## FUND BALANCE SUMMARY

### Air Quality Management Fund 254

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 60,053	\$ 59,661	\$ 45,518	\$ 56,508	\$ 58,668
Budgeted Reserves	0	0	0	0	21,332
<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)	\$ 60,053	\$ 59,661	\$ 45,518	\$ 56,508	\$ 80,000
Total Expenditures	\$ 35,000	\$ 50,000	\$ 25,000	\$ 50,000	\$ 80,000
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 35,000	\$ 50,000	\$ 25,000	\$ 50,000	\$ 80,000
Difference Total Resources and Expenditures and Transfers Out	\$ 25,053	\$ 9,661	\$ 20,518	\$ 6,508	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 154,428	\$ 179,481	\$ 197,501	\$ 189,142	\$ 195,650
Budgeted Reserves	0	0	0	0	(21,332)
Difference Total Resources and Expenditures and Transfers Out	25,053	9,661	20,518	6,508	0
June 30th Ending Balance	\$ 179,481	\$ 189,142	\$ 218,019	\$ 195,650	\$ 174,318

## FUND BALANCE SUMMARY

### AB 3229 Supplemental Law Fund 255

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 121,426	\$ 99,609	\$ 8	\$ 172,218	\$ 172,216
Budgeted Reserves	0	0	27,992	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)	\$ 121,426	\$ 99,609	\$ 28,000	\$ 172,218	\$ 172,216
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 100 - General Fund	100,000	107,000	28,000	28,000	165,192
Total Transfers Out	100,000	107,000	28,000	28,000	165,192
Total Expenditures and Transfers Out	\$ 100,000	\$ 107,000	\$ 28,000	\$ 28,000	\$ 165,192
Difference Total Resources and Expenditures and Transfers Out	\$ 21,426	\$ (7,391)	\$ 0	\$ 144,218	\$ 7,024
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 6,969	\$ 28,395	\$ 28,722	\$ 21,004	\$ 165,222
Budgeted Reserves	0	0	(27,992)	0	0
Difference Total Resources and Expenditures and Transfers Out	21,426	(7,391)	0	144,218	7,024
June 30th Ending Balance	\$ 28,395	\$ 21,004	\$ 730	\$ 165,222	\$ 172,246

Starting with 2011-12 Revised this is being funded by SB89 which redirected VLF revenue to fund this State grant.

## FUND BALANCE SUMMARY

### Environmental Programs Grant Fund 256

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 18,344	\$ 45,175	\$ 67,580	\$ 68,776	\$ 28,915
Budgeted Reserves	0	0	0	0	16,847
<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)	\$ 18,344	\$ 45,175	\$ 67,580	\$ 68,776	\$ 45,762
Total Expenditures	\$ 20,392	\$ 44,717	\$ 71,564	\$ 60,564	\$ 67,267
<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	\$ 20,392	\$ 44,717	\$ 71,564	\$ 60,564	\$ 67,267
Difference Total Resources and Expenditures and Transfers Out	\$ (2,048)	\$ 458	\$ (3,984)	\$ 8,212	\$ (21,505)
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 10,225	\$ 8,177	\$ (16,681)	\$ 8,635	\$ 16,847
Budgeted Reserves	0	0	0	0	(16,847)
Difference Total Resources and Expenditures and Transfers Out	(2,048)	458	(3,984)	8,212	(21,505)
June 30th Ending Balance	\$ 8,177	\$ 8,635	\$ (20,665)	\$ 16,847	\$ (21,505)

The State of California has changed how it funds the Environmental grants choosing to use a reimbursement process instead of an advance process. Due to this change the City will not receive the reimbursement for the 2011-12 expenditures until 2012-13 and the 2012-13 expenditures until 2013-14. Therefore a negative fund balance condition will exist for the 2012-13 Budget.

## FUND BALANCE SUMMARY

### Community Development Block Grant (CDBG) Neighborhood Stabilization Program (NSP) Fund 257

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 4,124,972	\$ 63,268	\$ 1,048,326	\$ 1,794,564	\$ 609,148
Budgeted Reserves	0	0	1,540,427	0	1,117,008
<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)	<u>\$ 4,124,972</u>	<u>\$ 63,268</u>	<u>\$ 2,588,753</u>	<u>\$ 1,794,564</u>	<u>\$ 1,726,156</u>
Total Expenditures	\$ 4,124,970	\$ 36,869	\$ 2,597,880	\$ 597,525	\$ 1,726,156
<u>Transfers Out</u>					
Fund 100 - General Fund	0	20,870	0	0	0
Fund 263 - Streets Maintenance	0	1,120	0	0	0
Total Transfers Out	0	21,990	0	0	0
Total Expenditures and Transfers Out	<u>\$ 4,124,970</u>	<u>\$ 58,859</u>	<u>\$ 2,597,880</u>	<u>\$ 597,525</u>	<u>\$ 1,726,156</u>
Difference Total Resources and Expenditures and Transfers Out	\$ 2	\$ 4,409	\$ (9,127)	\$ 1,197,039	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 4,084,793	\$ 5,625,218	\$ 4,089,202	\$ 5,286,241
Budgeted Reserves	0	0	(1,540,427)	0	(1,117,008)
Adjustment for Budgetary Purposes	4,084,791	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	2	4,409	(9,127)	1,197,039	0
June 30th Ending Balance	<u>\$ 4,084,793</u>	<u>\$ 4,089,202</u>	<u>\$ 4,075,664</u>	<u>\$ 5,286,241</u>	<u>\$ 4,169,233</u>
Less: Land Held For Resale	4,084,793	4,146,429	4,084,793	2,643,514	2,643,514
June 30th Ending Operating Fund Balance	<u>\$ 0</u>	<u>\$ (57,227)</u>	<u>\$ (9,129)</u>	<u>\$ 2,642,727</u>	<u>\$ 1,525,719</u>

The 2011-12 Budget negative fund balance of \$9,129 will be resolved as parcels of the Land held For Resale are sold.

## FUND BALANCE SUMMARY

### Reimbursable Grants Fund 259

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 775,100	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
<b>Total Transfers In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Resources (Revenue Reserves and Transfers In)</b>	<b>\$ 0</b>	<b>\$ 775,100</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Total Expenditures</b>	<b>\$ 0</b>	<b>\$ 775,100</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Transfers Out</u>					
Operating Transfers Out	0	0	0	0	0
<b>Total Transfers Out</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures and Transfers Out</b>	<b>\$ 0</b>	<b>\$ 775,100</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b><u>FUND BALANCE</u></b>					
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
<b>June 30th Ending Balance</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

The 2010-11 Actual, tracks the Solar Panel grants for the Police Station.

## FUND BALANCE SUMMARY

### Disaster Preparedness Grant Fund 260

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 18,133	\$ 24,765	\$ 29,411	\$ 29,381	\$ 30,705
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)	\$ 18,133	\$ 24,765	\$ 29,411	\$ 29,381	\$ 30,705
Total Expenditures	\$ 5,946	\$ 24,867	\$ 28,381	\$ 28,104	\$ 15,545
<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	\$ 5,946	\$ 24,867	\$ 28,381	\$ 28,104	\$ 15,545
Difference Total Resources and Expenditures and Transfers Out	\$ 12,187	\$ (102)	\$ 1,030	\$ 1,277	\$ 15,160
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 5,993	\$ 18,180	\$ 19,215	\$ 18,078	\$ 19,355
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	12,187	(102)	1,030	1,277	15,160
June 30th Ending Balance	\$ 18,180	\$ 18,078	\$ 20,245	\$ 19,355	\$ 34,515

## FUND BALANCE SUMMARY

### Public Works Street Maintenance Fund 263

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 29,621	\$ 540,359	\$ 28,250	\$ 28,581	\$ 29,080
Budgeted Reserves	0	0	234,139	155,925	102,000
<u>Transfers In</u>					
Fund 202 - Measure I - Local	\$ 336,907	\$ 0	\$ 0	\$ 0	\$ 0
Fund 204 - Measure I - Renewal	132,415	880,000	540,000	540,000	1,300,000
Fund 205 - Gas Tax	965,000	1,168,538	1,200,000	1,200,000	635,000
Fund 206 - Gas Tax Swap	0	711,462	900,000	900,000	950,000
Fund 207 - LTF	1,055,000	0	200,000	200,000	205,000
Fund 257 - Neighborhood Stabilization Prog.	0	1,120	0	0	0
Fund 250 - Traffic Congestion Relief	812,678	0	0	0	0
<b>Total Transfers In</b>	<b>\$ 3,302,000</b>	<b>\$ 2,761,120</b>	<b>\$ 2,840,000</b>	<b>\$ 2,840,000</b>	<b>\$ 3,090,000</b>
<b>Total Resources (Revenue, Budgeted Reserves, and Transfers In)</b>	<b>\$ 3,331,621</b>	<b>\$ 3,301,479</b>	<b>\$ 3,102,389</b>	<b>\$ 3,024,506</b>	<b>\$ 3,221,080</b>
<b>Total Expenditures</b>	<b>\$ 3,248,664</b>	<b>\$ 3,090,915</b>	<b>\$ 3,102,389</b>	<b>\$ 3,018,206</b>	<b>\$ 3,206,834</b>
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
<b>Total Expenditures and Transfers Out</b>	<b>\$ 3,248,664</b>	<b>\$ 3,090,915</b>	<b>\$ 3,102,389</b>	<b>\$ 3,018,206</b>	<b>\$ 3,206,834</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ 82,957</b>	<b>\$ 210,564</b>	<b>\$ 0</b>	<b>\$ 6,300</b>	<b>\$ 14,246</b>
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 143,907	\$ 226,864	\$ 436,413	\$ 437,428	\$ 287,803
Budgeted Reserves	0	0	(234,139)	(155,925)	(102,000)
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>82,957</b>	<b>210,564</b>	<b>0</b>	<b>6,300</b>	<b>14,246</b>
<b>June 30th Ending Balance</b>	<b>\$ 226,864</b>	<b>\$ 437,428</b>	<b>\$ 202,274</b>	<b>\$ 287,803</b>	<b>\$ 200,049</b>

## FUND BALANCE SUMMARY

### Development Impact Fees - Summary (300, 301, 302, 303, 304)

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 2,993,122	\$ 1,250,152	\$ 617,678	\$ 405,684	\$ 1,201,290
Budgeted Reserves	0	0	754,540	1,459,599	7,969,221
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
<b>Total Transfers In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Resources (Revenue Reserves and Transfers In)</b>	<b>\$ 2,993,122</b>	<b>\$ 1,250,152</b>	<b>\$ 1,372,218</b>	<b>\$ 1,865,283</b>	<b>\$ 9,170,511</b>
<b>Total Expenditures</b>	<b>\$ 2,653,846</b>	<b>\$ 3,055,987</b>	<b>\$ 273,605</b>	<b>\$ 1,043,195</b>	<b>\$ 8,579,053</b>
<u>Transfers Out</u>					
Fund 100 - General Fund	\$ 0	\$ 0	\$ 19,740	\$ 19,740	\$ 0
Fund 401 - City Debt Service	503,215	448,640	732,038	732,038	442,314
<b>Total Transfers Out</b>	<b>\$ 503,215</b>	<b>\$ 448,640</b>	<b>\$ 751,778</b>	<b>\$ 751,778</b>	<b>\$ 442,314</b>
<b>Total Expenditures and Transfers Out</b>	<b>\$ 3,157,061</b>	<b>\$ 3,504,627</b>	<b>\$ 1,025,383</b>	<b>\$ 1,794,973</b>	<b>\$ 9,021,367</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ (163,939)</b>	<b>\$ (2,254,475)</b>	<b>\$ 346,835</b>	<b>\$ 70,310</b>	<b>\$ 149,144</b>
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 26,693,060	\$ 26,529,121	\$ 21,335,131	\$ 21,306,042	\$ 19,916,753
Budgeted Reserves	0	0	(754,540)	(1,459,599)	(7,969,221)
Difference Total Resources and Expenditures and Transfers Out	(163,939)	(2,254,475)	346,835	70,310	149,144
<b>June 30th Ending Balance</b>	<b>\$ 26,529,121</b>	<b>\$ 24,274,646</b>	<b>\$ 20,927,426</b>	<b>\$ 19,916,753</b>	<b>\$ 12,096,676</b>
Less: Land Held For Resale	(9,002,541)	(9,002,541)	(9,002,541)	(9,002,541)	(9,002,541)
<b>June 30th Ending Operating Fund Balance</b>	<b>\$ 17,526,580</b>	<b>\$ 15,272,105</b>	<b>\$ 11,924,885</b>	<b>\$ 10,914,212</b>	<b>\$ 3,094,135</b>

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

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 837,983	\$ 445,506	\$ 385,304	\$ 266,302	\$ 837,222
Budgeted Reserves	0	0	0	699,600	7,191,831
<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)	\$ 837,983	\$ 445,506	\$ 385,304	\$ 965,902	\$ 8,029,053
Total Expenditures	\$ 2,575,225	\$ 1,334,660	\$ 150,955	\$ 946,162	\$ 8,029,053
<u>Transfers Out</u>					
Fund 100 - General Fund	\$ 0	\$ 0	\$ 19,740	\$ 19,740	\$ 0
Total Transfers Out	0	0	19,740	19,740	0
Total Expenditures and Transfers Out	\$ 2,575,225	\$ 1,334,660	\$ 170,695	\$ 965,902	\$ 8,029,053
Difference Total Resources and Expenditures and Transfers Out	\$ (1,737,242)	\$ (889,154)	\$ 214,609	\$ 0	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 19,614,448	\$ 17,877,206	\$ 17,041,336	\$ 16,988,052	\$ 16,288,452
Budgeted Reserves	0	0	0	(699,600)	(7,191,831)
Difference Total Resources and Expenditures and Transfers Out	(1,737,242)	(889,154)	214,609	0	0
June 30th Ending Balance	\$ 17,877,206	\$ 16,988,052	\$ 17,255,945	\$ 16,288,452	\$ 9,096,621
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	\$ 8,874,665	\$ 7,985,511	\$ 8,253,404	\$ 7,285,911	\$ 94,080

## FUND BALANCE SUMMARY

### Development Impact - Storm Drainage Fund 301

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 170,515	\$ 64,506	\$ 53,165	\$ 37,930	\$ 114,071
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)	\$ 170,515	\$ 64,506	\$ 53,165	\$ 37,930	\$ 114,071
Total Expenditures	\$ 34,948	\$ 17,802	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 34,948	\$ 17,802	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 135,567	\$ 46,704	\$ 53,165	\$ 37,930	\$ 114,071
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 1,821,411	\$ 1,956,978	\$ 1,993,307	\$ 2,003,682	\$ 2,041,612
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	135,567	46,704	53,165	37,930	114,071
June 30th Ending Balance	\$ 1,956,978	\$ 2,003,682	\$ 2,046,472	\$ 2,041,612	\$ 2,155,683

## FUND BALANCE SUMMARY

### Development Impact - Fire Fund 302

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 63,660	\$ 62,198	\$ 55,528	\$ 38,767	\$ 122,045
Budgeted Reserves	0	0	67,122	58,266	427,955
<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)	\$ 63,660	\$ 62,198	\$ 122,650	\$ 97,033	\$ 550,000
Total Expenditures	\$ 414,588	\$ 0	\$ 122,650	\$ 97,033	\$ 550,000
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 414,588	\$ 0	\$ 122,650	\$ 97,033	\$ 550,000
Difference Total Resources and Expenditures and Transfers Out	\$ (350,928)	\$ 62,198	\$ 0	\$ 0	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 1,353,635	\$ 1,002,707	\$ 1,056,203	\$ 1,064,905	\$ 1,006,639
Budgeted Reserves	0	0	(67,122)	(58,266)	(427,955)
Difference Total Resources and Expenditures and Transfers Out	(350,928)	62,198	0	0	0
June 30th Ending Balance	\$ 1,002,707	\$ 1,064,905	\$ 989,081	\$ 1,006,639	\$ 578,684

## FUND BALANCE SUMMARY

### Development Impact - Police Fund 303

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 29,348	\$ 56,101	\$ 79,061	\$ 32,380	\$ 35,073
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)	\$ 29,348	\$ 56,101	\$ 79,061	\$ 32,380	\$ 35,073
Total Expenditures	\$ 0	\$ 1,431,106	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 1,431,106	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 29,348	\$ (1,375,005)	\$ 79,061	\$ 32,380	\$ 35,073
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 1,543,892	\$ 1,573,240	\$ 177,145	\$ 198,235	\$ 230,615
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	29,348	(1,375,005)	79,061	32,380	35,073
June 30th Ending Balance	\$ 1,573,240	\$ 198,235	\$ 256,206	\$ 230,615	\$ 265,688

## FUND BALANCE SUMMARY

### Development Impact - Public Services Fund 304

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 148,646	\$ 53,480	\$ 44,620	\$ 30,305	\$ 92,879
Budget Reserves	0	0	687,418	701,733	349,435
<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)	\$ 148,646	\$ 53,480	\$ 732,038	\$ 732,038	\$ 442,314
Total Expenditures	\$ 31,224	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 401 - City Debt Service	\$ 503,215	\$ 448,640	\$ 732,038	\$ 732,038	\$ 442,314
Total Transfers Out	\$ 503,215	\$ 448,640	\$ 732,038	\$ 732,038	\$ 442,314
Total Expenditures and Transfers Out	\$ 534,439	\$ 448,640	\$ 732,038	\$ 732,038	\$ 442,314
Difference Total Resources and Expenditures and Transfers Out	\$ (385,793)	\$ (395,160)	\$ 0	\$ 0	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 1,832,121	\$ 1,446,328	\$ 1,067,140	\$ 1,051,168	\$ 349,435
Budgeted Reserves	0	0	(687,418)	(701,733)	(349,435)
Difference Total Resources and Expenditures and Transfers Out	(385,793)	(395,160)	0	0	0
June 30th Ending Balance	\$ 1,446,328	\$ 1,051,168	\$ 379,722	\$ 349,435	\$ 0

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

### Measure I Debt Service Fund 400

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 7,279	\$ 5,201	\$ 4,478	\$ 33,502	\$ 3,000
Budget Reserves	0	0	88,022	38,700	44,520
<u>Transfers In</u>					
Fund 201 - Measure I Arterial	\$ 471,588	\$ 0	\$ 0	\$ 0	\$ 0
Fund 202 - Measure I Local	227,061	0	0	0	0
Fund 205 - Gas Tax	490,541	0	400,000	400,000	450,000
Fund 206 - Gas Tax Swap	0	0	30,000	30,000	0
Fund 207 - LTF	297,298	0	250,000	250,000	250,000
<b>Total Transfers In</b>	<b>\$ 1,486,488</b>	<b>\$ 0</b>	<b>\$ 680,000</b>	<b>\$ 680,000</b>	<b>\$ 700,000</b>
<b>Total Resources (Revenue and Transfers In)</b>	<b>\$ 1,493,767</b>	<b>\$ 5,201</b>	<b>\$ 772,500</b>	<b>\$ 752,202</b>	<b>\$ 747,520</b>
<b>Total Expenditures</b>	<b>\$ 667,823</b>	<b>\$ 770,343</b>	<b>\$ 772,500</b>	<b>\$ 722,500</b>	<b>\$ 747,520</b>
<u>Transfers Out</u>					
<b>Total Transfers Out</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures and Transfers Out</b>	<b>\$ 667,823</b>	<b>\$ 770,343</b>	<b>\$ 772,500</b>	<b>\$ 722,500</b>	<b>\$ 747,520</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ 825,944</b>	<b>\$ (765,142)</b>	<b>\$ 0</b>	<b>\$ 29,702</b>	<b>\$ 0</b>
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 2,131,282	\$ 2,957,226	\$ 2,233,321	\$ 2,192,084	\$ 2,183,086
Budgeted Reserves	0	0	(88,022)	(38,700)	(44,520)
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>825,944</b>	<b>(765,142)</b>	<b>0</b>	<b>29,702</b>	<b>0</b>
<b>June 30th Ending Balance</b>	<b>\$ 2,957,226</b>	<b>\$ 2,192,084</b>	<b>\$ 2,145,299</b>	<b>\$ 2,183,086</b>	<b>\$ 2,138,566</b>

## FUND BALANCE SUMMARY

### City Debt Service Fund 401

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 8,141	\$ 6,502	\$ 5,048	\$ 4,267	\$ 3,000
Budget Reserves	0	0	0	0	299,140
<u>Transfers In</u>					
Fund 100 - General Fund	\$ 73,535	\$ 65,560	\$ 106,974	\$ 106,974	\$ 51,146
Fund 304 - DIF Public Services	503,215	448,640	732,038	732,038	442,314
Total Transfers In	\$ 576,750	\$ 514,200	\$ 839,012	\$ 839,012	\$ 493,460
Total Resources (Revenue and Transfers In)	\$ 584,891	\$ 520,702	\$ 844,060	\$ 843,279	\$ 795,600
Total Expenditures	\$ 401,456	\$ 665,674	\$ 839,012	\$ 771,938	\$ 795,600
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 401,456	\$ 665,674	\$ 839,012	\$ 771,938	\$ 795,600
Difference Total Resources and Expenditures and Transfers Out	\$ 183,435	\$ (144,972)	\$ 5,048	\$ 71,341	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 2,855,457	\$ 3,038,892	\$ 2,958,717	\$ 2,893,920	\$ 2,965,261
Budgeted Reserves	0	0	0	0	(299,140)
Difference Total Resources and Expenditures and Transfers Out	183,435	(144,972)	5,048	71,341	0
June 30th Ending Balance	\$ 3,038,892	\$ 2,893,920	\$ 2,963,765	\$ 2,965,261	\$ 2,666,121

## FUND BALANCE SUMMARY

### Assessment District 91-1 Fund 500

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 1,974	\$ 0	\$ 0	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Fund 501 - Community Facilities District 91-3	22,430	0	0	0	0
Total Transfers In	22,430	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 24,404	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 22,350	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 502 Fire Station	\$ 498,958	\$ 0	\$ 0	\$ 0	\$ 0
Total Transfers Out	498,958	0	0	0	0
Total Expenditures and Transfers Out	\$ 521,308	\$ 0	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (496,904)	\$ 0	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 501,317	\$ 0	\$ 0	\$ 0	\$ 0
Residual Equity Transfer	(4,413)	0	0	0	0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(496,904)	0	0	0	0
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

The \$4,413 in 2009-10 Actual is the closing transfer to the General Fund 100.

## FUND BALANCE SUMMARY

### Community Facilities District 91-3 Belgate Fund 501

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 1,957	\$ 0	\$ 0	\$ 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)	\$ 1,957	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 500 AD 91-1	\$ 22,430	\$ 0	\$ 0	\$ 0	\$ 0
Fund 502 Fire Station	472,673	0	0	0	0
Total Transfers Out	\$ 495,103	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures and Transfers Out	\$ 495,103	\$ 0	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (493,146)	\$ 0	\$ 0	\$ 0	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 497,001	\$ 0	\$ 0	\$ 0	\$ 0
Residual Equity Transfer	(3,855)	0	0	0	0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(493,146)	0	0	0	0
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

The \$3,854 in 2009-10 Actual is the closing transfer to the General Fund 100.

## FUND BALANCE SUMMARY

### Fire Building Fund 502

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 1,940	\$ 0	\$ 0	\$ 510,091	\$ 509,920
Budgeted Reserves	0	0	0	0	3,240,080
<u>Transfers In</u>					
Fund 500 - Community Facilities District 91-1	498,958	0	0	0	0
Fund 501 - Community Facilities District 91-3	472,673	0	0	0	0
Fund 586 - HCRA Project Area #1 C/P	0	0	0	3,127,749	0
Fund 587 - HCRA Project Area #2 C/P	0	0	0	322,981	0
<b>Total Transfers In</b>	<b>971,631</b>	<b>0</b>	<b>0</b>	<b>3,450,730</b>	<b>0</b>
<b>Total Resources (Revenue, Reserves and Transfers In)</b>	<b>\$ 973,571</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,960,821</b>	<b>\$ 3,750,000</b>
<b>Total Expenditures</b>	<b>\$ 2,080,574</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,750,000</b>
<u>Transfers Out</u>					
<b>Total Transfers Out</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures and Transfers Out</b>	<b>\$ 2,080,574</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,750,000</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ (1,107,003)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,960,821</b>	<b>\$ 0</b>
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 1,107,003	\$ 0	\$ 0	\$ 0	\$ 3,960,821
Budgeted Reserves	0	0	0	0	(3,240,080)
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>(1,107,003)</b>	<b>0</b>	<b>0</b>	<b>3,960,821</b>	<b>0</b>
<b>June 30th Ending Balance</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,960,821</b>	<b>\$ 720,741</b>

## FUND BALANCE SUMMARY

### High Desert Government Center Fund 503

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 16,238,343	\$ 3,684,600	\$ 0	\$ 2,977,000	\$ 8,400,000
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Fund 100 - General Fund	0	0	0	407,196	0
Total Transfers In	0	0	0	407,196	0
Total Resources (Revenue and Transfers In)	\$ 16,238,343	\$ 3,684,600	\$ 0	\$ 3,384,196	\$ 8,400,000
Total Expenditures	\$ 13,876,261	\$ 6,378,053	\$ 0	\$ 2,977,000	\$ 8,400,000
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 13,876,261	\$ 6,378,053	\$ 0	\$ 2,977,000	\$ 8,400,000
Difference Total Resources and Expenditures and Transfers Out	\$ 2,362,082	\$ (2,693,453)	\$ 0	\$ 407,196	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 2,362,082	\$ (331,371)	\$ (331,371)	\$ 75,825
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	2,362,082	(2,693,453)	0	407,196	0
June 30th Ending Balance	\$ 2,362,082	\$ (331,371)	\$ (331,371)	\$ 75,825	\$ 75,825

This fund is shown in the CAFR as a fiduciary fund, however for budgetary purposes, it is shown as a capital project fund. Upon completion of the project, a reconciliation will be performed. Therefore, this fund will show a negative ending fund balance for the 2010-11 Revised and the 2011-12 Budget.

## FUND BALANCE SUMMARY

### City Streets Projects Fund 504

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 103	\$ 775,464	\$ 3,547,062	\$ 1,394,503	\$ 4,895,365
Budgeted Reserves	0	0	1,564,753	0	496,794
<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)	\$ 103	\$ 775,464	\$ 5,111,815	\$ 1,394,503	\$ 5,392,159
Total Expenditures	\$ 0	\$ 465,161	\$ 5,111,815	\$ 1,199,179	\$ 5,392,159
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 465,161	\$ 5,111,815	\$ 1,199,179	\$ 5,392,159
Difference Total Resources and Expenditures and Transfers Out	\$ 103	\$ 310,303	\$ 0	\$ 195,324	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 21,557	\$ 21,660	\$ 1,587,441	\$ 331,963	\$ 527,287
Budgeted Reserves	0	0	(1,564,753)	0	(496,794)
Difference Total Resources and Expenditures and Transfers Out	103	310,303	0	195,324	0
June 30th Ending Balance	\$ 21,660	\$ 331,963	\$ 22,688	\$ 527,287	\$ 30,493

## FUND BALANCE SUMMARY

### Industrial Park Lead Track Fund 506

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 9,149	\$ 1,300,500	\$ 1,803,098	\$ 209,565
Budgeted Reserves	0	0	3,842,446	3,339,848	0
<u>Transfers In</u>					
Fund 586 - RDA CIP Area #1	0	5,840,201	0	0	0
Total Transfers In	0	5,840,201	0	0	0
Total Resources (Revenue and Transfers In)	\$ 0	\$ 5,849,350	\$ 5,142,946	\$ 5,142,946	\$ 209,565
Total Expenditures	\$ 0	\$ 0	\$ 5,113,000	\$ 5,113,000	\$ 0
<u>Transfers Out</u>					
Fund 100 - General Fund	\$ 0	\$ 0	\$ 29,946	\$ 29,946	\$ 0
Total Transfers Out	0	0	29,946	29,946	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 5,142,946	\$ 5,142,946	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 5,849,350	\$ 0	\$ 0	\$ 209,565
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 5,840,201	\$ 5,849,350	\$ 2,509,502
Budgeted Reserves	0	0	(3,842,446)	(3,339,848)	0
Difference Total Resources and Expenditures and Transfers Out	0	5,849,350	0	0	209,565
June 30th Ending Balance	\$ 0	\$ 5,849,350	\$ 1,997,755	\$ 2,509,502	\$ 2,719,067

## FUND BALANCE SUMMARY

### Township Fund 507

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 592	\$ 50	\$ 988	\$ 0
Budgeted Reserves	0	0	378,127	377,189	0
<u>Transfers In</u>					
Fund 586 - RDA CIP Area #1	0	378,177	0	0	0
<b>Total Transfers In</b>	<b>0</b>	<b>378,177</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Resources (Revenue and Transfers In)</b>	<b>\$ 0</b>	<b>\$ 378,769</b>	<b>\$ 378,177</b>	<b>\$ 378,177</b>	<b>\$ 0</b>
<b>Total Expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 378,177</b>	<b>\$ 378,177</b>	<b>\$ 0</b>
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
<b>Total Expenditures and Transfers Out</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 378,177</b>	<b>\$ 378,177</b>	<b>\$ 0</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ 0</b>	<b>\$ 378,769</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 378,177	\$ 378,769	\$ 1,580
Budgeted Reserves	0	0	(378,127)	(377,189)	0
Difference Total Resources and Expenditures and Transfers Out	0	378,769	0	0	0
<b>June 30th Ending Balance</b>	<b>\$ 0</b>	<b>\$ 378,769</b>	<b>\$ 50</b>	<b>\$ 1,580</b>	<b>\$ 1,580</b>

## FUND BALANCE SUMMARY

### Ranchero Rd Undercrossing - Local Fund 508

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 6,553	\$ 0	\$ 15,081	\$ 0
Budgeted Reserves	0	0	3,354,619	8,274,699	0
<u>Transfers In</u>					
Fund 586 - RDA CIP Area #1	0	8,268,146	0	0	0
<b>Total Transfers In</b>	<b>0</b>	<b>8,268,146</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Resources (Revenue and Transfers In)</b>	<b>\$ 0</b>	<b>\$ 8,274,699</b>	<b>\$ 3,354,619</b>	<b>\$ 8,289,780</b>	<b>\$ 0</b>
<b>Total Expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,280,400</b>	<b>\$ 8,292,730</b>	<b>\$ 0</b>
<u>Transfers Out</u>					
Fund 100 - General Fund	\$ 0	\$ 0	\$ 74,219	\$ 74,219	\$ 0
<b>Total Transfers Out</b>	<b>0</b>	<b>0</b>	<b>74,219</b>	<b>74,219</b>	<b>0</b>
<b>Total Expenditures and Transfers Out</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,354,619</b>	<b>\$ 8,366,949</b>	<b>\$ 0</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ 0</b>	<b>\$ 8,274,699</b>	<b>\$ 0</b>	<b>\$ (77,169)</b>	<b>\$ 0</b>
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 8,268,146	\$ 8,274,699	\$ (77,169)
Budgeted Reserves	0	0	(3,354,619)	(8,274,699)	0
Difference Total Resources and Expenditures and Transfers Out	0	8,274,699	0	(77,169)	0
<b>June 30th Ending Balance</b>	<b>\$ 0</b>	<b>\$ 8,274,699</b>	<b>\$ 4,913,527</b>	<b>\$ (77,169)</b>	<b>\$ (77,169)</b>

Note : The projected negative fund balance is temporary and all actual activity will be reconciled and the fund will be closed at fiscal year end 2011-12.

## FUND BALANCE SUMMARY

### Ranchero Road Undercrossing Fund 600

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 195,152	\$ 0	\$ 10,219,600	\$ 4,800,000	\$ 7,528,447
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Fund 586 - RDA CIP Area #1	0	21,944	0	0	0
Total Transfers In	0	21,944	0	0	0
Total Resources (Revenue and Transfers In)	<u>\$ 195,152</u>	<u>\$ 21,944</u>	<u>\$ 10,219,600</u>	<u>\$ 4,800,000</u>	<u>\$ 7,528,447</u>
Total Expenditures	\$ 217,096	\$ 0	\$ 10,219,600	\$ 4,800,000	\$ 7,528,447
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	<u>\$ 217,096</u>	<u>\$ 0</u>	<u>\$ 10,219,600</u>	<u>\$ 4,800,000</u>	<u>\$ 7,528,447</u>
Difference Total Resources and Expenditures and Transfers Out	\$ (21,944)	\$ 21,944	\$ 0	\$ 0	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ (21,944)	\$ (21,925)	\$ 0	\$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	<u>(21,944)</u>	<u>21,944</u>	<u>0</u>	<u>0</u>	<u>0</u>
June 30th Ending Balance	\$ (21,944)	\$ 0	\$ (21,925)	\$ 0	\$ 0

Note : The FY 2011-12 projected negative fund balance was actually cleared during the final year-end close-out of FY 2010-11.

## FUND BALANCE SUMMARY

### Ranchero Road / I-15 Interchange Fund 602

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 950	\$ 6,808,546	\$ 6,808,546	\$ 0
Budgeted Reserves	0	0	0	9,331	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
<b>Total Transfers In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Resources (Revenue and Transfers In)</b>	<b>\$ 0</b>	<b>\$ 950</b>	<b>\$ 6,808,546</b>	<b>\$ 6,817,877</b>	<b>\$ 0</b>
<b>Total Expenditures</b>	<b>\$ 0</b>	<b>\$ 231,254</b>	<b>\$ 6,808,546</b>	<b>\$ 7,585,358</b>	<b>\$ 0</b>
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
<b>Total Expenditures and Transfers Out</b>	<b>\$ 0</b>	<b>\$ 231,254</b>	<b>\$ 6,808,546</b>	<b>\$ 7,585,358</b>	<b>\$ 0</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ 0</b>	<b>\$ (230,304)</b>	<b>\$ 0</b>	<b>\$ (767,481)</b>	<b>\$ 0</b>
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 239,635	\$ 225,454	\$ 9,331	\$ (767,481)
Prior Period Adjustment	239,635	0	0	0	0
Budgeted Reserves	0	0	0	(9,331)	0
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>0</b>	<b>(230,304)</b>	<b>0</b>	<b>(767,481)</b>	<b>0</b>
<b>June 30th Ending Balance</b>	<b>\$ 239,635</b>	<b>\$ 9,331</b>	<b>\$ 225,454</b>	<b>\$ (767,481)</b>	<b>\$ (767,481)</b>

Note : The projected negative fund balance is temporary and will be made whole with future grant reimbursements of actual expenditure activity.

## FUND BALANCE SUMMARY

### Redevelopment Obligation Retirement PA #1 Fund 160

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 2,201,174	\$ 5,817,801
Budgeted Reserves	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	\$ 2,201,174	\$ 5,817,801
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 9,699,916	\$ 16,768,688
<u>Transfers Out</u>					
Fund 150 - Redevelopment Administration	0	0	0	33,932	0
Total Transfers Out	0	0	0	33,932	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 9,733,848	\$ 16,768,688
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ (7,532,674)	\$ (10,950,887)
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ (16,592,801)
Prior Period Adjustment		0			
Budgeted Reserves	0	0	0	0	0
Residual Equity Transfer	0	0	0	(9,060,127)	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	(7,532,674)	(10,950,887)
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ (16,592,801)	\$ (27,543,688)

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of (\$9,060,127) is to Fund 487 - Redevelopment Agency (RDA) Debt Service Area #1 (\$7,028,422) and from Fund 586 - Redevelopment Agency (RDA) Project Area #1 (\$2,031,705).

## FUND BALANCE SUMMARY

### Redevelopment Obligation Retirement PA #2 Fund 161

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 149,331	\$ 418,011
Budgeted Reserves	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	\$ 149,331	\$ 418,011
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 328,137	\$ 2,145,181
<u>Transfers Out</u>					
Fund 150 - Redevelopment Administration	0	0	0	3,758	0
Total Transfers Out	0	0	0	3,758	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 331,895	\$ 2,145,181
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ (182,564)	\$ (1,727,170)
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ (167,833)
Prior Period Adjustment		0			
Budgeted Reserves	0	0	0	0	0
Residual Equity Transfer	0	0	0	14,731	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	(182,564)	(1,727,170)
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ (167,833)	\$ (1,895,003)

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of \$14,731 is from Fund 587 - Redevelopment Agency (RDA) Project Area #2.

## FUND BALANCE SUMMARY

### Redevelopment Obligation Retirement Housing Fund 162

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 1,630,500	\$ 3,858,757
Budgeted Reserves	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	\$ 1,630,500	\$ 3,858,757
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 1,412,796	\$ 3,626,356
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 1,412,796	\$ 3,626,356
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 217,704	\$ 232,401
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,416,460
Prior Period Adjustment		0			
Budgeted Reserves	0	0	0	0	0
Residual Equity Transfer	0	0	0	5,198,756	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	217,704	232,401
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 5,416,460	\$ 5,648,861

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of \$5,198,756 is from Fund 385 - Redevelopment Agency (RDA) Low/Moderate Housing .

## FUND BALANCE SUMMARY

### Successor Agency Administration Fund 173

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 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)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 202,500
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 202,500</u>
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ (202,500)
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Prior Period Adjustment		0			
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(202,500)</u>
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ (202,500)

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

## FUND BALANCE SUMMARY

### Community Development Commission Fund #170

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 236,000	\$ 262,000
Budgeted Reserves	0	0	0	0	236,000
<u>Transfers In</u>					
Fund 100 - General Fund	0	0	0	0	250,000
Total Transfers In	0	0	0	0	250,000
Total Resources (Revenue and Transfers In)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 236,000</u>	<u>\$ 748,000</u>
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 617,168
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 617,168</u>
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 236,000	\$ 130,832
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 236,000
Prior Period Adjustment		0			
Budgeted Reserves	0	0	0	0	(236,000)
Difference Total Resources and Expenditures and Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>236,000</u>	<u>130,832</u>
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 236,000	\$ 130,832

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

## FUND BALANCE SUMMARY

### Hesperia Housing Authority Fund 370

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 118,224	\$ 142,000
Budgeted Reserves	0	0	0	0	1,186,974
<u>Transfers In</u>					
Fund 385 - HCRA Low/Mod	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 0	\$ 0	\$ 0	\$ 118,224	\$ 1,328,974
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 72,999	\$ 1,328,974
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 72,999	\$ 1,328,974
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 45,225	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 41,335,326
Prior Period Adjustment		0			
Budgeted Reserves	0	0	0	0	(1,186,974)
Residual Equity Transfer	0	0	0	41,290,101	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	45,225	0
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 41,335,326	\$ 40,148,352
Less: Loans/Notes Receivables	0	0	0	(11,632,352)	(11,632,352)
Land Held For Resale	0	0	0	(818,555)	(818,555)
June 30th Ending Operating Fund Balance	\$ 0	\$ 0	\$ 0	\$ 28,884,419	\$ 27,697,445

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of \$41,290,101 is from Fund 385 - Redevelopment Agency (RDA) Low/Moderate Housing (\$39,798,463); Fund 587 - Redevelopment Agency (RDA) Project Area #2 (\$495,342); and Fund 586 - Redevelopment Agency (RDA) Project Area #1 (\$996,296).

## FUND BALANCE SUMMARY

### VVEDA Housing Authority 371

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 0	\$ 0	\$ 2,097	\$ 4,303
Budgeted Reserves	0	0	0	0	420,697
<u>Transfers In</u>					
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	\$ 0	\$ 0	\$ 0	\$ 2,097	\$ 425,000
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0	\$ 425,000
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 425,000
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 0	\$ 0	\$ 2,097	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,260,852
Prior Period Adjustment		0			
Budgeted Reserves	0	0	0	0	(420,697)
Residual Equity Transfer	0	0	0	1,258,755	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	2,097	0
June 30th Ending Balance	\$ 0	\$ 0	\$ 0	\$ 1,260,852	\$ 840,155

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of \$1,258,755 is from Fund 388 - VVEDA Low/Mod Housing.

## FUND BALANCE SUMMARY

### Fire District Fund 200

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 8,207,107	\$ 8,165,842	\$ 8,386,574	\$ 8,491,735	\$ 8,461,325
Budgeted Reserves	0	0	1,093,206	440,132	0
<u>Transfers In</u>					
Fund 100 - General Fund	\$ 0	\$ 1,920,941	\$ 0	\$ 0	\$ 0
Total Transfers In	\$ 0	\$ 1,920,941	\$ 0	\$ 0	\$ 0
Total Resources (Revenue and Budgeted Reserves)	\$ 8,207,107	\$ 10,086,783	\$ 9,479,780	\$ 8,931,867	\$ 8,461,325
Total Expenditures	\$ 9,683,965	\$ 9,698,466	\$ 9,479,780	\$ 8,931,867	\$ 8,430,669
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 9,683,965	\$ 9,698,466	\$ 9,479,780	\$ 8,931,867	\$ 8,430,669
Difference Total Resources and Expenditures and Transfers Out	\$ (1,476,858)	\$ 388,317	\$ 0	\$ 0	\$ 30,656
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 2,235,694	\$ 1,319,278	\$ 1,376,701	\$ 1,707,595	\$ 1,267,463
Prior Period Adjustment	560,442	0	0	0	0
Budgeted Reserves	0	0	(1,093,206)	(440,132)	0
Difference Total Resources and Expenditures and Transfers Out	(1,476,858)	388,317	0	0	30,656
June 30th Ending Balance	\$ 1,319,278	\$ 1,707,595	\$ 283,495	\$ 1,267,463	\$ 1,298,119

## FUND BALANCE SUMMARY

### Water District Funds Combined (700, 701, 710, 711)

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Total Revenue</b>	\$ 19,164,062	\$ 19,900,496	\$ 19,638,680	\$ 19,771,672	\$ 19,730,718
Budgeted Reserves	0	0	1,002,721	1,863,379	1,059,897
<u>Transfers In</u>					
Fund 100 - General Fund	0	61,662	0	0	0
<b>Total Transfers In</b>	0	61,662	0	0	0
<b>Total Resources (Revenue and Budgeted Reserves)</b>	<b>\$ 19,164,062</b>	<b>\$ 19,962,158</b>	<b>\$ 20,641,401</b>	<b>\$ 21,635,051</b>	<b>\$ 20,790,615</b>
<b>Total Expenditures</b>	<b>\$ 22,200,720</b>	<b>\$ 22,036,617</b>	<b>\$ 19,564,908</b>	<b>\$ 19,241,936</b>	<b>\$ 19,749,524</b>
<u>Transfers Out</u>					
<b>Total Transfers Out</b>	0	0	0	0	0
<b>Total Expenditures and Transfers Out</b>	<b>\$ 22,200,720</b>	<b>\$ 22,036,617</b>	<b>\$ 19,564,908</b>	<b>\$ 19,241,936</b>	<b>\$ 19,749,524</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ (3,036,658)</b>	<b>\$ (2,074,459)</b>	<b>\$ 1,076,493</b>	<b>\$ 2,393,115</b>	<b>\$ 1,041,091</b>
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 82,247,853	\$ 80,153,082	\$ 79,356,501	\$ 77,665,683	\$ 78,195,419
Residual Equity Transfer	0	0	0	0	0
Budgeted Reserves	0	0	(1,002,721)	(1,863,379)	(1,059,897)
Difference Total Resources and Expenditures and Transfers Out	(3,036,658)	(2,074,459)	1,076,493	2,393,115	1,041,091
Adjustment for Budgetary Purposes	941,887	(412,940)	0	0	0
<b>June 30th Ending Balance</b>	<b>\$ 80,153,082</b>	<b>\$ 77,665,683</b>	<b>\$ 79,430,273</b>	<b>\$ 78,195,419</b>	<b>\$ 78,176,613</b>
Less: Net Capital Assets	(88,282,194)	(91,649,492)	(91,852,169)	(91,649,492)	(91,649,492)
Construction in Progress	(4,335,661)	(2,252,682)	(726,797)	(2,252,682)	(2,252,682)
Add: Outstanding Long-Term Debt	14,992,821	22,770,352	22,766,457	22,770,352	22,770,352
<b>June 30th Ending Operating Fund Balance</b>	<b>\$ 2,528,048</b>	<b>\$ 6,533,861</b>	<b>\$ 9,617,764</b>	<b>\$ 7,063,597</b>	<b>\$ 7,044,791</b>

## FUND BALANCE SUMMARY

### Water District - Water Operations Fund 700

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Total Revenue</b>	\$ 15,398,509	\$ 16,388,545	\$ 16,270,190	\$ 16,200,677	\$ 16,345,432
Budgeted Reserves	0	0	1,002,721	1,863,379	906,397
<u>Transfers In</u>					
Fund 100 - General Fund	0	61,662	0	0	0
<b>Total Transfers In</b>	0	61,662	0	0	0
<b>Total Resources (Revenue and Budgeted Reserves)</b>	<b>\$ 15,398,509</b>	<b>\$ 16,450,207</b>	<b>\$ 17,272,911</b>	<b>\$ 18,064,056</b>	<b>\$ 17,251,829</b>
<b>Total Expenditures</b>	<b>\$ 17,397,368</b>	<b>\$ 19,351,234</b>	<b>\$ 17,272,911</b>	<b>\$ 16,947,418</b>	<b>\$ 17,251,829</b>
<u>Transfers Out</u>					
<b>Total Transfers Out</b>	0	0	0	0	0
<b>Total Expenditures and Transfers Out</b>	<b>\$ 17,397,368</b>	<b>\$ 19,351,234</b>	<b>\$ 17,272,911</b>	<b>\$ 16,947,418</b>	<b>\$ 17,251,829</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ (1,998,859)</b>	<b>\$ (2,901,027)</b>	<b>\$ 0</b>	<b>\$ 1,116,638</b>	<b>\$ 0</b>
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 74,977,442	\$ 77,527,306	\$ 75,668,726	\$ 74,213,338	\$ 73,466,597
Residual Equity Transfer	0	0	0	0	0
Budgeted Reserves	0	0	(1,002,721)	(1,863,379)	(906,397)
Difference Total Resources and Expenditures and Transfers Out	(1,998,859)	(2,901,027)	0	1,116,638	0
Adjustment for Budgetary Purposes	4,548,723	(412,941)	0	0	0
<b>June 30th Ending Balance</b>	<b>\$ 77,527,306</b>	<b>\$ 74,213,338</b>	<b>\$ 74,666,005</b>	<b>\$ 73,466,597</b>	<b>\$ 72,560,200</b>
Less: Net Capital Assets	(82,148,795)	(85,716,742)	(85,716,742)	(85,716,742)	(85,716,742)
Add: Outstanding Long-Term Debt	14,958,299	22,732,782	22,732,782	22,732,782	22,732,782
<b>June 30th Ending Operating Fund Balance</b>	<b>\$ 10,336,810</b>	<b>\$ 11,229,378</b>	<b>\$ 11,682,045</b>	<b>\$ 10,482,637</b>	<b>\$ 9,576,240</b>

Note: Because Water and Sewer are proprietary funds, the expenditures for actual shown in Sections 'D' and 'F' are on a budgetary basis and will not trace to the above numbers.

## FUND BALANCE SUMMARY

### Water District - Water Capital Fund 701

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Total Revenue</b>	\$ 738,141	\$ 187,964	\$ 175,299	\$ 298,400	\$ 160,000
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
<b>Total Transfers In</b>	0	0	0	0	0
<b>Total Resources (Revenue and Budgeted Reserves)</b>	<b>\$ 738,141</b>	<b>\$ 187,964</b>	<b>\$ 175,299</b>	<b>\$ 298,400</b>	<b>\$ 160,000</b>
<b>Total Expenditures</b>	<b>\$ 2,653,866</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
<b>Total Expenditures and Transfers Out</b>	<b>\$ 2,653,866</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ (1,915,725)</b>	<b>\$ 187,964</b>	<b>\$ 175,299</b>	<b>\$ 298,400</b>	<b>\$ 160,000</b>
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ (6,732,993)	\$ (12,257,582)	\$ (12,057,582)	\$ (12,069,618)	\$ (11,771,218)
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(1,915,725)	187,964	175,299	298,400	160,000
Prior period adjustment	0	0	0	0	0
Adjustment for Budgetary Purposes	(3,608,864)	0	0	0	0
<b>June 30th Ending Balance</b>	<b>\$ (12,257,582)</b>	<b>\$ (12,069,618)</b>	<b>\$ (11,882,283)</b>	<b>\$ (11,771,218)</b>	<b>\$ (11,611,218)</b>
Less: Construction in Progress	(4,335,661)	(2,252,682)	(726,797)	(2,252,682)	(2,252,682)
<b>June 30th Ending Operating Fund Balance</b>	<b>\$ (16,593,243)</b>	<b>\$ (14,322,300)</b>	<b>\$ (12,609,080)</b>	<b>\$ (14,023,900)</b>	<b>\$ (13,863,900)</b>

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

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Total Revenue</b>	\$ 2,616,193	\$ 3,194,099	\$ 3,135,656	\$ 3,170,595	\$ 3,178,786
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Transfers In	0	0	0	0	0
<b>Total Transfers In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Resources (Revenue and Budgeted Reserves)</b>	<b>\$ 2,616,193</b>	<b>\$ 3,194,099</b>	<b>\$ 3,135,656</b>	<b>\$ 3,170,595</b>	<b>\$ 3,178,786</b>
<b>Total Expenditures</b>	<b>\$ 2,048,377</b>	<b>\$ 2,685,383</b>	<b>\$ 2,291,997</b>	<b>\$ 2,294,518</b>	<b>\$ 2,297,695</b>
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
<b>Total Expenditures and Transfers Out</b>	<b>\$ 2,048,377</b>	<b>\$ 2,685,383</b>	<b>\$ 2,291,997</b>	<b>\$ 2,294,518</b>	<b>\$ 2,297,695</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ 567,816</b>	<b>\$ 508,716</b>	<b>\$ 843,659</b>	<b>\$ 876,077</b>	<b>\$ 881,091</b>
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 10,690,374	\$ 11,260,217	\$ 11,954,916	\$ 12,059,601	\$ 12,935,678
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	567,816	508,716	843,659	876,077	881,091
Adjustment for Budgetary Purposes	2,027	290,668	0	0	0
<b>June 30th Ending Balance</b>	<b>\$ 11,260,217</b>	<b>\$ 12,059,601</b>	<b>\$ 12,798,575</b>	<b>\$ 12,935,678</b>	<b>\$ 13,816,769</b>
Less: Net Capital Assets	(6,135,427)	(5,932,750)	(6,135,427)	(5,932,750)	(5,932,750)
Add: Outstanding Long-Term Debt	33,675	37,570	33,675	37,570	37,570
<b>June 30th Ending Operating Fund Balance</b>	<b>\$ 5,158,465</b>	<b>\$ 6,164,421</b>	<b>\$ 6,696,823</b>	<b>\$ 7,040,498</b>	<b>\$ 7,921,589</b>

Note: Because Water and Sewer are proprietary funds, the expenditures for actuals shown in Sections 'D' and 'F' are on a budgetary basis and will not trace to the above numbers.

## FUND BALANCE SUMMARY

### Water District - Sewer Capital Fund 711

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 411,219	\$ 129,888	\$ 57,535	\$ 102,000	\$ 46,500
Budgeted Reserves	0	0	0	0	153,500
<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)	\$ 411,219	\$ 129,888	\$ 57,535	\$ 102,000	\$ 200,000
Total Expenditures	\$ 101,109	\$ 0	\$ 0	\$ 0	\$ 200,000
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 101,109	\$ 0	\$ 0	\$ 0	\$ 200,000
Difference Total Resources and Expenditures and Transfers Out	\$ 310,110	\$ 129,888	\$ 57,535	\$ 102,000	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 3,313,030	\$ 3,623,141	\$ 3,790,441	\$ 3,462,362	\$ 3,564,362
Budgeted Reserves	0	0	0	0	(153,500)
Difference Total Resources and Expenditures and Transfers Out	310,110	129,888	57,535	102,000	0
Adjustment for Budgetary Purposes	1	(290,667)	0	0	0
June 30th Ending Balance	\$ 3,623,141	\$ 3,462,362	\$ 3,847,976	\$ 3,564,362	\$ 3,410,862

Note: Because Water and Sewer are proprietary funds, the expenditures for actuals shown in Sections 'D' and 'F' are on a budgetary basis and will not trace to the above numbers.

## FUND BALANCE SUMMARY

### Redevelopment Agency (RDA) Funds Combined (385, 388, 389, 485, 486, 487, 586, 587, 588)

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Total Revenue</b>	\$ 29,441,424	\$ 21,452,187	\$ 21,082,106	\$ 11,394,733	\$ 0
Bond Proceeds	4,256,000	0	0	0	0
Budgeted Reserves	0	0	4,785,719	5,851,626	0
<u>Transfers In</u>					
Fund 150 - Redevelopment Administration	0	22,493	0	0	0
Fund 385 - RDA Low/Mod	0	1,771,103	0	0	0
Fund 389 - RDA Administration	0	22,493	0	0	0
Fund 486 - RDA Debt Service Area #1	2,481,785	14,486,524	1,139,810	494,584	0
Fund 487 - RDA Debt Service Area #2	274,835	0	126,224	54,771	0
Fund 586 - RDA CIP Area #1	4,357,460	7,776,189	0	0	0
<b>Total Transfers In</b>	<b>7,114,080</b>	<b>24,078,802</b>	<b>1,266,034</b>	<b>549,355</b>	<b>0</b>
<b>Total Resources (Revenue, Transfers In and Advances)</b>	<b>\$ 40,811,504</b>	<b>\$ 45,530,989</b>	<b>\$ 27,133,859</b>	<b>\$ 17,795,714</b>	<b>\$ 0</b>
<b>Total Expenditures</b>	<b>\$ 67,454,542</b>	<b>\$ 72,075,225</b>	<b>\$ 24,204,653</b>	<b>\$ 17,378,458</b>	<b>\$ 0</b>
<u>Transfers Out</u>					
Fund 100 - General Fund	\$ 1,294,182	\$ 75,320	\$ 549,355	\$ 549,355	\$ 0
Fund 150 - Redevelopment Administration	0	2,522,806	0	286,528	0
Fund 370 - Hesperia Housing Authority	0	0	0	0	0
Fund 388 - VVEDA Low/Mod Housing	0	1,771,103	0	0	0
Fund 389 - RDA Administration	2,756,620	0	1,266,034	549,355	0
Fund 486 - RDA Debt Service Area #1	4,357,460	7,796,439	0	0	0
Fund 487 - RDA Debt Service Area #2	0	2,243	0	0	0
Fund 502 - Fire Station Building	0	0	0	3,450,730	0
Fund 506 - Industrial Park Lead Track	0	5,840,201	0	0	0
Fund 507 - Township	0	378,177	0	0	0
Fund 508 - Rancho Rd Undercrossing - Local	0	8,268,146	0	0	0
Fund 586 - RDA CIP Area #1	0	14,486,524	0	0	0
Fund 600 - Rancho Rd Undercrossing	0	21,944	0	0	0
<b>Total Transfers Out</b>	<b>\$ 8,408,262</b>	<b>\$ 41,162,903</b>	<b>\$ 1,815,389</b>	<b>\$ 4,835,968</b>	<b>\$ 0</b>
<b>Total Expenditures and Transfers Out</b>	<b>\$ 75,862,804</b>	<b>\$ 113,238,128</b>	<b>\$ 26,020,042</b>	<b>\$ 22,214,426</b>	<b>\$ 0</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ (35,051,300)</b>	<b>\$ (67,707,139)</b>	<b>\$ 1,113,817</b>	<b>\$ (4,418,712)</b>	<b>\$ 0</b>
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 163,078,567	\$ 128,037,164	\$ 59,946,996	\$ 60,330,025	\$ 0
Budgeted Reserves	0	0	(4,785,719)	(5,851,626)	0
Residual Equity Transfer	0	0	0	(38,719,244)	0
Difference Total Resources and Expenditures and Transfers Out	(35,051,300)	(67,707,139)	1,113,817	(4,418,712)	0
Adjustment For Budgetary Purposes	9,897	0	0	0	0
<b>June 30th Ending Balance</b>	<b>\$ 128,037,164</b>	<b>\$ 60,330,025</b>	<b>\$ 56,275,094</b>	<b>\$ 11,340,443</b>	<b>\$ 0</b>

## FUND BALANCE SUMMARY

### Redevelopment Agency (RDA) Low/Moderate Housing Fund 385

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 7,400,227	\$ 4,439,708	\$ 3,923,783	\$ 2,246,522	\$ 0
Budgeted Reserves	0	0	1,347,889	2,396,031	0
<u>Transfers In</u>					
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves, and Transfers In)	\$ 7,400,227	\$ 4,439,708	\$ 5,271,672	\$ 4,642,553	\$ 0
Total Expenditures	\$ 6,333,399	\$ 33,332,441	\$ 5,271,672	\$ 4,642,553	\$ 0
<u>Transfers Out</u>					
Fund 370 - Hesperia Housing Authority	0	0	0	0	0
Fund 388 - VVEDA Low/Mod Housing	0	1,771,103	0	0	0
Total Transfers Out	0	1,771,103	0	0	0
Total Expenditures and Transfers Out	\$ 6,333,399	\$ 35,103,544	\$ 5,271,672	\$ 4,642,553	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 1,066,828	\$ (30,663,836)	\$ 0	\$ 0	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 76,990,259	\$ 78,057,087	\$ 45,181,599	\$ 47,393,251	\$ 0
Residual Equity Transfer	0	0	0	0	0
Budgeted Reserves	0	0	(1,347,889)	(2,396,031)	0
Residual Equity Transfer	0	0	0	(44,997,220)	0
Prior period adjustment	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	1,066,828	(30,663,836)	0	0	0
June 30th Ending Balance	\$ 78,057,087	\$ 47,393,251	\$ 43,833,710	\$ 0	\$ 0
Less: Loans/Notes Receivables	0	0	(14,161,869)	0	0
Land Held For Resale	(818,555)	(818,555)	(818,555)	0	0
June 30th Ending Operating Fund Balance	\$ 77,238,532	\$ 46,574,696	\$ 28,853,286	\$ 0	\$ 0

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of (\$44,997,220) is to Fund 162 - Redevelopment Obligation Retirement (\$5,198,756) and to Fund 370 - Hesperia Housing Authority (\$39,798,464).

## FUND BALANCE SUMMARY

### V V E D A Low/Moderate Housing Fund 388

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 0	\$ 158,178	\$ 132,447	\$ 85,858	\$ 0
Budgeted Reserves	0	0	278,523	0	0
<u>Transfers In</u>					
Fund 385 - Low/Mod Housing	0	1,771,103	0	0	0
Total Transfers In	0	1,771,103	0	0	0
Total Resources (Revenue Reserves, and Transfers In)	\$ 0	\$ 1,929,281	\$ 410,970	\$ 85,858	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 410,970	\$ 57,565	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 0	\$ 0	\$ 410,970	\$ 57,565	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ 0	\$ 1,929,281	\$ 0	\$ 28,293	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 0	\$ 0	\$ 3,686,288	\$ 1,929,281	\$ 0
Budgeted Reserves	0	0	(278,523)	0	0
Residual Equity Transfer	0	0	0	(1,957,574)	0
Difference Total Resources and Expenditures and Transfers Out	0	1,929,281	0	28,293	0
June 30th Ending Balance	\$ 0	\$ 1,929,281	\$ 3,407,765	\$ 0	\$ 0

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of (\$1,957,574) is to Fund 371 - VVEDA Housing Authority (\$1,103,437) and to Fund 588 - VVEDA Project Area (\$854,137).

## FUND BALANCE SUMMARY

### Redevelopment Agency (RDA) Administration Fund 389

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
<b>Total Revenue</b>	\$ 6,000	\$ 0	\$ 24,000	\$ 0	\$ 0
<u>Transfers In</u>					
Fund 150 - Redevelopment Administration	0	22,493	0	0	0
Fund 486 - RDA D/S Area #1	2,481,785	0	1,139,810	494,584	0
Fund 487 - RDA D/S Area #1	274,835	0	126,224	54,771	0
<b>Total Transfers</b>	<b>2,756,620</b>	<b>22,493</b>	<b>1,266,034</b>	<b>549,355</b>	<b>0</b>
<b>Total Resources (Revenue and Transfers In)</b>	<b>\$ 2,762,620</b>	<b>\$ 22,493</b>	<b>\$ 1,290,034</b>	<b>\$ 549,355</b>	<b>\$ 0</b>
<b>Total Expenditures</b>	<b>\$ 1,455,839</b>	<b>\$ 0</b>	<b>\$ 740,679</b>	<b>\$ 5,466</b>	<b>\$ 0</b>
<u>Transfers Out</u>					
Fund 100 - Indirect Cost Allocation	661,119	0	549,355	549,355	0
Fund 100 - G&A Prior Years Uncharged	633,063	0	0	0	0
Fund 486 - RDA Debt Service Area #1	0	20,250	0	0	0
Fund 487 - RDA Debt Service Area #2	0	2,243	0	0	0
<b>Total Transfers Out</b>	<b>1,294,182</b>	<b>22,493</b>	<b>549,355</b>	<b>549,355</b>	<b>0</b>
<b>Total Expenditures and Transfers Out</b>	<b>\$ 2,750,021</b>	<b>\$ 22,493</b>	<b>\$ 1,290,034</b>	<b>\$ 554,821</b>	<b>\$ 0</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ 12,599</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (5,466)</b>	<b>\$ 0</b>
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 0	\$ 22,496	\$ 22,496	\$ 22,496	\$ 0
Budgeted Reserves	0	0	0	0	0
Residual Equity Transfer	0	0	0	(17,030)	0
Difference Total Resources and Expenditures and Transfers Out	12,599	0	0	(5,466)	0
Adjustment for Budgetary Purposes	9,897	0	0	0	0
<b>June 30th Ending Balance</b>	<b>\$ 22,496</b>	<b>\$ 22,496</b>	<b>\$ 22,496</b>	<b>\$ 0</b>	<b>\$ 0</b>

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of (\$17,030) is to Fund 150 - Redevelopment Administration.

The 2009-10 Actual June 30th Ending Balance is combined, in the CAFR, with the ending fund balances of the RDA Debt Service Project Area #1 Fund 486 (90.03%) and the RDA Debt Service Project Area #2 Fund 487 (9.97%).

## FUND BALANCE SUMMARY

### Redevelopment Agency (RDA) Debt Service Project Area #1 Fund 486

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 18,137,136	\$ 14,538,419	\$ 13,652,624	\$ 8,217,723	\$ 0
Budgeted Reserves	0	0	3,159,307	0	0
<u>Transfers In</u>					
Fund 389 - RDA Administration	0	20,250	0	0	0
Fund 586 - RDA CIP Area #1	4,357,460	7,776,189	0	0	0
Total Transfers In	4,357,460	7,796,439	0	0	0
Total Resources (Revenue, Transfers In and Advances)	\$ 22,494,596	\$ 22,334,858	\$ 16,811,931	\$ 8,217,723	\$ 0
Total Expenditures	\$ 27,768,341	\$ 24,670,889	\$ 15,672,121	\$ 11,268,723	\$ 0
<u>Transfers Out</u>					
Fund 150 - Redevelopment Administration	0	2,271,282	0	257,961	0
Fund 389 - RDA Administration	2,481,785	0	1,139,810	494,584	0
Fund 586 - RDA CIP Area #1	0	14,486,524	0	0	0
Total Transfers Out	2,481,785	16,757,806	1,139,810	752,545	0
Total Expenditures and Transfers Out	\$ 30,250,126	\$ 41,428,695	\$ 16,811,931	\$ 12,021,268	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (7,755,530)	\$ (19,093,837)	\$ 0	\$ (3,803,545)	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 19,561,080	\$ 11,805,550	\$ 8,225,931	\$ (7,288,287)	\$ 0
Budgeted Reserves	0	0	(3,159,307)	0	0
Residual Equity Transfer	0	0	0	11,091,832	0
Difference Total Resources and Expenditures and Transfers Out	(7,755,530)	(19,093,837)	0	(3,803,545)	0
June 30th Ending Balance	\$ 11,805,550	\$ (7,288,287)	\$ 5,066,624	\$ 0	\$ 0

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of \$11,096,832 is from Fund 160 - Redevelopment Obligation Retirement P A #1.

The 2009-10 Actual June 30th Ending Balance is \$20,252 less than the ending fund balance listed in the June 30, 2010 CAFR which represents a portion (90.03%) of the RDA Administration Fund 389 fund balance included with the RDA Project Area #1 Debt Service Fund 486 ending fund balance.

## FUND BALANCE SUMMARY

### Redevelopment Agency (RDA) Debt Service Project Area #2 Fund 487

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 1,669,886	\$ 1,282,991	\$ 1,199,440	\$ 707,229	\$ 0
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Fund 389 - RDA Administration	0	2,243	0	0	0
Fund 587 - RDA CIP Area #2	0	0	0	0	0
Total Transfers In	0	2,243	0	0	0
Total Resources (Revenue, Transfers In and Advances)	\$ 1,669,886	\$ 1,285,234	\$ 1,199,440	\$ 707,229	\$ 0
Total Expenditures	\$ 2,494,421	\$ 1,600,522	\$ 1,330,976	\$ 1,334,547	\$ 0
<u>Transfers Out</u>					
Fund 150 - Redevelopment Administration	0	251,524	0	28,567	0
Fund 389 - RDA Administration	274,835	0	126,224	54,771	0
Total Transfers Out	274,835	251,524	126,224	83,338	0
Total Expenditures and Transfers Out	\$ 2,769,256	\$ 1,852,046	\$ 1,457,200	\$ 1,417,885	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (1,099,370)	\$ (566,812)	\$ (257,760)	\$ (710,656)	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 557,734	\$ (541,636)	\$ (1,286,127)	\$ (1,108,448)	\$ 0
Budgeted Reserves	0	0	0	0	0
Residual Equity Transfer	0	0	0	1,819,104	0
Difference Total Resources and Expenditures and Transfers Out	(1,099,370)	(566,812)	(257,760)	(710,656)	0
June 30th Ending Balance	\$ (541,636)	\$ (1,108,448)	\$ (1,543,887)	\$ 0	\$ 0

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of (\$1,819,104) is from Fund 587 - Redevelopment Agency (RDA) Project Area #2.

The 2009-10 Actual June 30th Ending Balance is \$2,243 less than the ending fund balance listed in the June 30, 2010 CAFR which represents a portion (9.97%) of the RDA Administration Fund 389 fund balance included with the RDA Project Area #2 Debt Service Fund 487 ending fund balance.

## FUND BALANCE SUMMARY

### Redevelopment Agency (RDA) Project Area #1 Capital Improvements Fund 586

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 2,294,269	\$ 829,600	\$ 1,991,500	\$ 64,731	\$ 0
Bond Proceeds	4,256,000	0	0	0	0
Budgeted Reserves	0	0	0	3,132,622	0
<u>Transfers In</u>					
Fund 486 - RDA Debt Service Area #1	0	14,486,524	0	0	0
<b>Total Transfers In</b>	<b>0</b>	<b>14,486,524</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Resources (Revenue Reserves, and Transfers In)</b>	<b>\$ 6,550,269</b>	<b>\$ 15,316,124</b>	<b>\$ 1,991,500</b>	<b>\$ 3,197,353</b>	<b>\$ 0</b>
<b>Total Expenditures</b>	<b>\$ 28,413,378</b>	<b>\$ 8,535,864</b>	<b>\$ 778,235</b>	<b>\$ 69,604</b>	<b>\$ 0</b>
<u>Transfers Out</u>					
Fund 100 - General Fund	\$ 0	\$ 75,320	\$ 0	\$ 0	\$ 0
Fund 486 - RDA Debt Service Area #1	4,357,460	7,776,189	0	0	0
Fund 502 - Fire Station Building	0	0	0	3,127,749	0
Fund 506 - Industrial Park Lead Track	0	5,840,201	0	0	0
Fund 507 - Township	0	378,177	0	0	0
Fund 508 - Rancho Rd Undercrossing - Local	0	8,268,146	0	0	0
Fund 600 - Rancho Rd Undercrossing	0	21,944	0	0	0
<b>Total Transfers Out</b>	<b>\$ 4,357,460</b>	<b>\$ 22,359,977</b>	<b>\$ 0</b>	<b>\$ 3,127,749</b>	<b>\$ 0</b>
<b>Total Expenditures and Transfers Out</b>	<b>\$ 32,770,838</b>	<b>\$ 30,895,841</b>	<b>\$ 778,235</b>	<b>\$ 3,197,353</b>	<b>\$ 0</b>
<b>Difference Total Resources and Expenditures and Transfers Out</b>	<b>\$ (26,220,569)</b>	<b>\$ (15,579,717)</b>	<b>\$ 1,213,265</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 59,301,352	\$ 33,080,783	\$ 4,122,519	\$ 17,501,066	\$ 0
Budgeted Reserves	0	0	0	(3,132,622)	0
Residual Equity Transfer	0	0	0	(3,028,001)	0
Difference Total Resources and Expenditures and Transfers Out	(26,220,569)	(15,579,717)	1,213,265	0	0
<b>June 30th Ending Balance</b>	<b>\$ 33,080,783</b>	<b>\$ 17,501,066</b>	<b>\$ 5,335,784</b>	<b>\$ 11,340,443</b>	<b>\$ 0</b>
Less: Land Held For Resale	(11,351,637)	(11,351,637)	(11,351,637)	(11,351,637)	0
<b>June 30th Ending Operating Fund Balance</b>	<b>\$ 21,729,146</b>	<b>\$ 6,149,429</b>	<b>\$ (6,015,853)</b>	<b>\$ (11,194)</b>	<b>\$ 0</b>

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of (\$14,368,444) is to Fund 160 - Redevelopment Obligation Retirement P.A. #1 (\$2,031,705) and Fund 370 - Hesperia Housing Authority (\$996,296).

Note: The bond proceeds in FY 2009-10 are Note proceeds from various land purchase agreements.

## FUND BALANCE SUMMARY

### Redevelopment Agency (RDA) Project Area #2 Capital Improvements Fund 587

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ 64,481	\$ 150,556	\$ 16	\$ 8	\$ 0
Budgeted Reserves	0	0	0	322,973	0
<u>Transfers In</u>					
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves, and Transfers In)	\$ 64,481	\$ 150,556	\$ 16	\$ 322,981	\$ 0
Total Expenditures	\$ 944,056	\$ 2,258,583	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Fund 502 - Fire Station Building	\$ 0	\$ 0	\$ 0	\$ 322,981	\$ 0
Total Transfers Out	\$ 0	\$ 0	\$ 0	\$ 322,981	\$ 0
Total Expenditures and Transfers Out	\$ 944,056	\$ 2,258,583	\$ 0	\$ 322,981	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (879,575)	\$ (2,108,027)	\$ 16	\$ 0	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 5,639,750	\$ 4,760,175	\$ 2,497,817	\$ 2,652,148	\$ 0
Budgeted Reserves	0	0	0	(322,973)	0
Residual Equity Transfer	0	0	0	(2,329,175)	0
Difference Total Resources and Expenditures and Transfers Out	(879,575)	(2,108,027)	16	0	0
June 30th Ending Balance	\$ 4,760,175	\$ 2,652,148	\$ 2,497,833	\$ 0	\$ 0

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of (\$2,329,175) is to Fund 161 - Redevelopment Obligation Retirement P.A. #2 (\$510,074); Fund 487 - Redevelopment Agency (RDA) Debt Service Project Area #2 (\$1,323,761); and Fund 370 - Hesperia Housing Authority (\$495,340).

## FUND BALANCE SUMMARY

### Redevelopment Agency (RDA) VVEDA Project Area Capital Improvements Fund 588

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2011-12 Revised	2012-13 Budget
Total Revenue	\$ (130,575)	\$ 52,735	\$ 158,296	\$ 72,662	\$ 0
Budgeted Reserves	0	0	0	0	0
<u>Transfers In</u>					
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves, and Transfers In)	\$ (130,575)	\$ 52,735	\$ 158,296	\$ 72,662	\$ 0
Total Expenditures	\$ 45,108	\$ 1,676,926	\$ 0	\$ 0	\$ 0
<u>Transfers Out</u>					
Total Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures and Transfers Out	\$ 45,108	\$ 1,676,926	\$ 0	\$ 0	\$ 0
Difference Total Resources and Expenditures and Transfers Out	\$ (175,683)	\$ (1,624,191)	\$ 158,296	\$ 72,662	\$ 0
<b><u>FUND BALANCE</u></b>					
July 1st Beginning Balance	\$ 1,028,393	\$ 852,710	\$ (732,424)	\$ (771,481)	\$ 0
Budgeted Reserves	0	0	0	0	0
Residual Equity Transfer	0	0	0	698,819	0
Difference Total Resources and Expenditures and Transfers Out	(175,683)	(1,624,191)	158,296	72,662	0
June 30th Ending Balance	\$ 852,710	\$ (771,481)	\$ (574,128)	\$ 0	\$ 0

The balances on this page for this fund are preliminary while the closing of the former Hesperia Community Redevelopment Agency's financials progresses.

The Residual Equity Transfer of \$698,819 is from Fund 388 - VVEDA Low/Mod Housing to close the fund.

The 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.

# 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 eight resolutions were approved by the City Council to adopt the Fiscal Year 2012-13 Budget and Gann Appropriations Limits for the City and its subsidiary districts:*
  - ▶ *Resolution No. 2012-47 - Adopting the City General Fund and Other Related Funds Fiscal Year 2012-13 Budget.*
  - ▶ *Resolution No. 2012-48 - Adopting the City of Hesperia Gann Appropriations Limit for Fiscal Year 2012-13.*
  - ▶ *Resolution No. SA 2012-04 - Adopting the Successor Agency Fiscal Year 2012-13 Budget.*
  - ▶ *Resolution No. HHA 2012-06 – Adopting the Hesperia Housing Authority Fiscal Year 2012-13 Budget.*
  - ▶ *Resolution No. CDC 2012-06 – Adopting the Hesperia Community Development Commission Fiscal Year 2012-13 Budget.*
  - ▶ *Resolution No. HFPD 2012-03 - Adopting the Hesperia Fire Protection District for Fiscal Year 2012-13 Budget.*
  - ▶ *Resolution No. HFPD 2012-04 - Adopting the Hesperia Fire Protection District Gann Appropriations Limit for Fiscal Year 2012-13.*
  - ▶ *Resolution No. HWD 2012-03 - Adopting the Hesperia Water District Fiscal Year 2012-13 Budget.*
- *City of Hesperia - General and Administrative Allocation Plan Fiscal Year 2012-13*
- *Significant Accounting Policies*
- *List of Acronyms*
- *Glossary*
- *Index*

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION NO. 2012-47

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA,  
CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2012-13 BUDGET**

**WHEREAS**, the City Manager has prepared the proposed operating and capital budget for Fiscal Year 2012-13 for the City of Hesperia; and

**WHEREAS**, the City Council has received the Fiscal Year 2012-13 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 2012-13.

**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 2012-13 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 2012-13, which includes:

Section 2a. City General Fund expenditures of \$23,358,148 with total resources (revenue, budgeted reserves, and transfers) of \$23,418,640.

Section 2b. Other City funds expenditures of \$44,531,740 are from the following funds, exclusive of transfers:

<u>Fund No.</u>	<u>Fund Name</u>	<u>Expenditure</u>
204	Measure I – 2010 Renewal	\$ 1,805,975
251	CDBG Administration	1,975,105
253	CDBG Revolving Loans	462,043
254	AB2766 AQMD	80,000
256	Environmental Programs Grant Fund	67,267
257	Neighborhood Stabilization Program	1,726,156
260	Disaster Preparedness Fund	15,545
263	Street Maintenance Fund	3,206,834
300	Streets Development Impact Fee	8,029,053
302	Fire Development Impact Fee	550,000
400	Measure I Debt Service Fund	747,520
401	City Debt Service Fund	795,600
502	Fire Building Fund	3,750,000
503	High Desert Government Center Fund	8,400,000
504	City Streets Projects Fund	5,392,159
600	Ranchero Road Undercrossing	<u>7,528,447</u>
	Total	\$44,531,704

SUPPLEMENTAL INFORMATION SECTION

Resolution No. 2012-47  
Page 2

Section 3. That the City Council approves the following position classification changes included in the 2012-13 Budget as follows:

Section 3a. That the City Council approves the retitling of the Assistant to the City Manager-Community Relations position to the new title of Deputy City Manager, which will continue to be an Unclassified/At Will, At Will Senior Management, Non-Represented position classification with an Employment Agreement and Auto Allowance of \$400.00 per month, with the same salary range of 45.

Section 3b. That the City Council approves the new position classification title of Senior Custodian, which is a represented position classification, with a salary range of 10.

Section 4. That the City Manager and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2012-13 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 19<sup>th</sup> day of June 2012.

ATTEST:

  
\_\_\_\_\_  
Melinda Sayre-Castro, Assistant City Clerk

  
\_\_\_\_\_  
Russell Blewett, Mayor

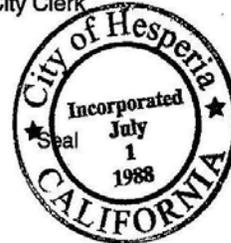
SUPPLEMENTAL INFORMATION SECTION

**STATE OF CALIFORNIA** )  
**COUNTY OF SAN BERNARDINO** )  
**CITY OF HESPERIA** )

I, Melinda Sayre-Castro, Assistant City Clerk of the City of Hesperia, California, do hereby certify that Resolution No. 2012-47 was duly adopted by the City Council of the City of Hesperia, California at a Regular Meeting thereof held on the 19<sup>th</sup>, day of June, 2012 by the following vote to wit:

AYES: Blewett, Holland, Bosacki, Leonard, and Smith  
NOES: None  
ABSTAIN: None  
ABSENT: None

  
Melinda Sayre-Castro  
Assistant City Clerk



I, \_\_\_\_\_, Assistant City Clerk of the City of Hesperia, California, do hereby certify that the foregoing Resolution No. 2012-47 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\_\_.

\_\_\_\_\_  
Melinda Sayre-Castro  
Assistant City Clerk

Seal

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION NO. 2012-48

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA,  
CALIFORNIA, APPROVING THE FISCAL YEAR 2012-13 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 2012-13, 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 2012-13 Article XIII B Limit (Gann Appropriations Limitation) of \$68,891,546 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 19<sup>th</sup> day of June 2012.



Russell Blewett, Mayor

ATTEST:

  
Melinda Sayre-Castro, Assistant City Clerk

**CITY OF HESPERIA AND HESPERIA FIRE DISTRICT  
SCHEDULE OF ANNUAL APPROPRIATIONS (GANN LIMITS)  
FISCAL YEARS 1989/90 through 2012/13**

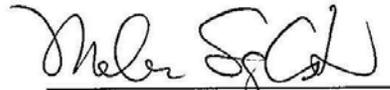
Fiscal Year	Change in Factor 1	Factor 2	Population	Per Capita Income	Calculation of Factor	City Balance	City Gann Limit	Fire District		Total Gann
								Balance	Gann Limit	
1988/89	-	incorporation	-	LAFCO base amount						
1989/90	0.0000	0.0498	1.0498		\$12,000,000	\$12,000,000	\$12,000,000	\$2,937,542	\$15,535,142	
1990/91	1.0550	1.0421	1.099416		12,597,600	12,597,600	12,597,600	3,229,581	17,079,584	
1991/92	1.0829	1.080477	1.170049		13,850,003	13,850,003	13,850,003	3,778,768	19,983,950	
1992/93	1.0525	1.079359	1.136025		16,205,182	16,205,182	16,205,182	4,292,775	22,702,267	
1993/94	1.0392	1.150802	1.195913		18,409,492	18,409,492	18,409,492	4,292,775	27,149,936	
1994/95	1.0177	1.124327	1.144228		22,016,151	22,016,151	22,016,151	5,133,785	31,065,717	
1995/96	1.0120	1.0071	1.019185		25,191,496	25,191,496	25,191,496	5,874,221	31,661,713	
1996/97	1.0132	1.0467	1.060516		25,674,795	25,674,795	25,674,795	5,986,918	33,577,753	
1997/98	1.0042	1.0467	1.051096		27,228,531	27,228,531	27,228,531	6,349,222	35,293,442	
1998/99	1.0181	1.0415	1.060351		28,619,800	28,619,800	28,619,800	6,673,642	37,423,437	
1999/00	1.0138	1.0453	1.059725		30,347,034	30,347,034	30,347,034	7,076,403	39,658,552	
2000/01	1.0209	1.0491	1.071026		32,159,511	32,159,511	32,159,511	7,499,041	42,475,340	
2001/02	1.0189	1.0782	1.098578		34,443,672	34,443,672	34,443,672	8,031,668	46,662,474	
2002/03	1.0286	0.9873	1.015537		37,839,060	37,839,060	37,839,060	8,823,414	47,387,468	
2003/04	1.0362	1.0231	1.060136		38,426,965	38,426,965	38,426,965	8,960,503	50,237,161	
2004/05	1.0309	1.0328	1.064714		40,737,809	40,737,809	40,737,809	9,499,352	53,488,209	
2005/06	1.0759	1.0526	1.132492		43,374,116	43,374,116	43,374,116	10,114,093	60,574,968	
2006/07	1.0520	1.0396	1.093659		49,120,839	49,120,839	49,120,839	11,454,129	66,248,359	
2007/08	1.0705	1.0442	1.117816		53,721,448	53,721,448	53,721,448	12,526,911	74,053,476	
2008/09	1.0246	1.0429	1.068555		60,050,694	60,050,694	60,050,694	14,002,782	79,130,212	
2009/10	1.0106	1.0062	1.016866		64,167,469	64,167,469	64,167,469	14,962,743	80,464,823	
2010/11	1.0050	0.9746	0.979473		65,249,718	65,249,718	65,249,718	15,215,105	81,316,463	
2011/12	1.0065	1.0251	1.031763		63,910,337	63,910,337	63,910,337	14,902,785	81,316,463	
2012/13	1.0068	1.0377	1.044756		65,940,321	65,940,321	65,940,321	15,376,142	84,955,863	

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA )  
COUNTY OF SAN BERNARDINO )  
CITY OF HESPERIA )

I, Melinda Sayre-Castro, Assistant City Clerk of the City of Hesperia, California, do hereby certify that Resolution No. 2012-48 was duly adopted by the City Council of the City of Hesperia, California at a Regular Meeting thereof held on the 19<sup>th</sup>, day of June, 2012 by the following vote to wit:

AYES: Blewett, Holland, Bosacki, Leonard, and Smith  
NOES: None  
ABSTAIN: None  
ABSENT: None

  
\_\_\_\_\_  
Melinda Sayre-Castro  
Assistant City Clerk



I, \_\_\_\_\_, Assistant City Clerk of the City of Hesperia, California, do hereby certify that the foregoing Resolution No. 2012-48 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\_\_.

\_\_\_\_\_  
Melinda Sayre-Castro  
Assistant City Clerk

Seal

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION NO. SA 2012-04

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, AS THE SUCCESSOR AGENCY FOR THE HESPERIA COMMUNITY REDEVELOPMENT AGENCY (AGENCY), CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2012-13 BUDGET**

**WHEREAS**, the Executive Director of the Successor Agency has prepared the proposed operating budget for Fiscal Year 2012-13; and

**WHEREAS**, the Successor Agency has received the Fiscal Year 2012-13 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 Successor Agency for Fiscal Year 2012-13.

**NOW THEREFORE**, BE IT RESOLVED BY CITY COUNCIL AS SUCCESSOR AGENCY OF THE HESPERIA COMMUNITY REDEVELOPMENT AGENCY 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 2012-13 budget as proposed and presented by staff and as adjusted by Board direction, as the official budget document and Program of Services for the Successor Agency for Fiscal Year 2012-13, which includes: budget expenditures totaling \$22,742,725, and with revenue of \$10,094,569.

Section 3. That the official FY 2012-13 expenditure budget for the Successor Agency exceeds budgeted revenues by \$12,648,156, which is due to the requirement to pay obligations of the former Hesperia Community Redevelopment Agency, as prescribed by California Assembly Bill ABX1-26 (ABx1 26), and the timeliness of receiving projected revenues for the San Bernardino Auditor-Controller.

Section 4. That the Executive Director and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2012-13 Budget and consistent with the policy adopted by the Agency's Board of Directors.

Section 5. 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 19<sup>th</sup> day of June 2012.

  
\_\_\_\_\_  
Russell Blewett, Chair

ATTEST:

  
\_\_\_\_\_  
Melinda Sayre-Castro, Secretary

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA )  
COUNTY OF SAN BERNARDINO )  
CITY OF HESPERIA )

I, Melinda Sayre-Castro, Secretary of the Hesperia Successor Agency, Hesperia, California, do hereby certify that Resolution No. SA 2012-04 was duly adopted by the Board members of the Hesperia Community Development Commission, Hesperia, California at a Regular Meeting thereof held on the 19<sup>th</sup> day of June, 2012 by the following vote to wit:

AYES: Smith, Bosacki, Holland, Leonard, and Blewett  
NOES: None  
ABSTAIN: None  
ABSENT: None

  
Melinda Sayre-Castro,  
Board Secretary

Seal



I, \_\_\_\_\_, Secretary of the Hesperia Fire Protection District, Hesperia, California, do hereby certify that the foregoing Resolution No. SA 2012-04 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\_\_.

\_\_\_\_\_  
Melinda Sayre-Castro,  
Board Secretary

Seal

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION NO. HHA 2012-06

**A RESOLUTION OF THE COMMISSIONERS OF THE HESPERIA HOUSING AUTHORITY, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2012-13 BUDGET**

**WHEREAS**, the Executive Director of the Hesperia Housing Authority has prepared the proposed operating budget for Fiscal Year 2012-13; and

**WHEREAS**, the Hesperia Housing Authority Commission has received the Fiscal Year 2012-13 proposed budget and held a public workshop concerning its adoption; and

**WHEREAS**, the final budget document will be the Commission's official Program of Services for the Housing Authority for Fiscal Year 2012-13.

**NOW THEREFORE**, BE IT RESOLVED BY THE HESPERIA HOUSING AUTHORITY 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 2012-13 budget as proposed and presented by staff and as adjusted by Commission direction, as the official budget document and Program of Services for the Housing Authority for Fiscal Year 2012-13, which includes: budget expenditures totaling \$1,753,974, with revenue of \$146,303 and budgeted reserves and transfers of \$1,607,671, for total resources of \$1,753,974.

Section 3. That the Commission and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2012-13 Budget and consistent with the policy adopted by the Commissioners.

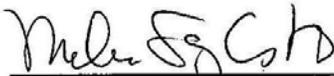
Section 4. That the Secretary of the Commission shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

**ADOPTED AND APPROVED** this 19<sup>th</sup> day of June 2012.



Russell Blewett, Chairman

ATTEST:



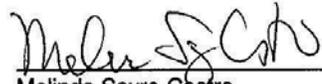
Melinda Sayre-Castro, Secretary

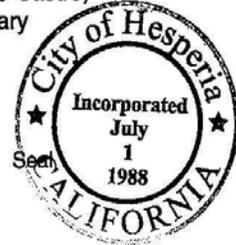
SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA )  
COUNTY OF SAN BERNARDINO )  
CITY OF HESPERIA )

I, Melinda Sayre-Castro, Secretary of the Hesperia Housing Authority, Hesperia, California, do hereby certify that Resolution No. HHA 2012-06 was duly adopted by the Board members of the Hesperia Community Development Commission, Hesperia, California at a Regular Meeting thereof held on the 19<sup>th</sup> day of June, 2012 by the following vote to wit:

AYES: Smith, Bosacki, Holland, Leonard, and Blewett  
NOES: None  
ABSTAIN: None  
ABSENT: None

  
\_\_\_\_\_  
Melinda Sayre-Castro,  
Board Secretary



I, \_\_\_\_\_, Secretary of the Hesperia Fire Protection District, Hesperia, California, do hereby certify that the foregoing Resolution No. HHA 2012-06 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\_\_.

\_\_\_\_\_  
Melinda Sayre-Castro,  
Board Secretary

Seal

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION NO. CDC 2012-06

**A RESOLUTION OF THE HESPERIA COMMUNITY DEVELOPMENT  
COMMISSION OF THE CITY OF HESPERIA, CALIFORNIA, ADOPTING THE  
ANNUAL FISCAL YEAR 2012-13 BUDGET**

**WHEREAS**, the Executive Director of the Hesperia Community Development Commission has prepared the proposed operating budget for Fiscal Year 2012-13; and

**WHEREAS**, the Hesperia Community Development Commission has received the Fiscal Year 2012-13 proposed budget and held a public workshop concerning its adoption; and

**WHEREAS**, the final budget document will be the Commission's official Program of Services for the Hesperia Community Development Commission for Fiscal Year 2012-13.

**NOW THEREFORE**, BE IT RESOLVED BY THE HESPERIA COMMUNITY DEVELOPMENT COMMISSION 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 2012-13 budget as proposed and presented by staff and as adjusted by Commission direction, as the official budget document and Program of Services for the Hesperia Community Development Commission for Fiscal Year 2012-13, which includes: budget expenditures totaling \$617,168, with revenue of \$262,000 and budgeted reserves and transfers of \$486,000, for total resources of \$748,000.

Section 3. That the Commission and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2012-13 Budget and consistent with the policy adopted by the Commissioners.

Section 4. That the Secretary of the Commission shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

**ADOPTED AND APPROVED** this 19<sup>th</sup> day of June 2012.



Russell Blewett, Chairman

ATTEST:



Melinda Sayre-Castro, Secretary

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA )  
COUNTY OF SAN BERNARDINO )  
CITY OF HESPERIA )

I, Melinda Sayre-Castro, Secretary of the Hesperia Community Development Commission, Hesperia, California, do hereby certify that Resolution No. HCDC 2012-06 was duly adopted by the Board members of the Hesperia Community Development Commission, Hesperia, California at a Regular Meeting thereof held on the 19<sup>th</sup> day of June, 2012 by the following vote to wit:

AYES: Smith, Bosacki, Holland, Leonard, and Blewett  
NOES: None  
ABSTAIN: None  
ABSENT: None



Melinda Sayre-Castro,  
Board Secretary



I, \_\_\_\_\_, Secretary of the Hesperia Fire Protection District, Hesperia, California, do hereby certify that the foregoing Resolution No. HCDC 2012-06 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\_\_.

\_\_\_\_\_  
Melinda Sayre-Castro,  
Board Secretary

Seal

SUPPLEMENTAL INFORMATION SECTION

**RESOLUTION NO. HFPD 2012-03**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2012-13 BUDGET**

**WHEREAS**, the Executive Director has prepared the proposed operating budget for Fiscal Year 2012-13 for the Hesperia Fire Protection District; and

**WHEREAS**, the Board of Directors has received the Fiscal Year 2012-13 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 2012-13.

**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 2012-13 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 2012-13 which includes: appropriated expenditures totaling \$8,430,669 and estimated revenue of \$8,461,325 and budgeted reserves and transfers of \$0, for total resources of \$8,461,325.

Section 3. That the Executive Director and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2012-13 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 19<sup>th</sup> day of June 2012.

  
\_\_\_\_\_  
Russell Blewett, Chair

ATTEST:

  
\_\_\_\_\_  
Melinda Sayre-Castro, Secretary

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA )  
COUNTY OF SAN BERNARDINO )  
CITY OF HESPERIA )

I, Melinda Sayre-Castro, Secretary of the Hesperia Fire Protection District, Hesperia, California, do hereby certify that Resolution No. HFPD 2012-03 was duly adopted by the Board members of the Hesperia Fire Protection District, Hesperia, California at a Regular Meeting thereof held on the 19<sup>th</sup> day of June 2012 by the following vote to wit:

AYES: Smith, Bosacki, Holland, Leonard, and Blewett  
NOES: None  
ABSTAIN: None  
ABSENT: None

*Melinda Sayre-Castro*  
Melinda Sayre-Castro,  
Board Secretary



I, \_\_\_\_\_, Secretary of the Hesperia Fire Protection District, Hesperia, California, do hereby certify that the foregoing Resolution No. HFPD 2012-03 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\_\_.

\_\_\_\_\_  
Melinda Sayre-Castro,  
Board Secretary

Seal

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION NO. HFPD 2012-04

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, HESPERIA, CALIFORNIA, APPROVING THE FISCAL YEAR 2012-13 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 2012-13, 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 2012-13 Article XIII B Limit (Gann Appropriations Limitation) of \$16,064,317 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 19<sup>th</sup> day of June 2012.

  
\_\_\_\_\_  
Russell Blewett, Chair

ATTEST:

  
\_\_\_\_\_  
Melinda Sayre-Castro, Secretary

**CITY OF HESPERIA AND HESPERIA FIRE DISTRICT  
SCHEDULE OF ANNUAL APPROPRIATIONS (GANN LIMITS)  
FISCAL YEARS 1989/90 through 2012/13**

Fiscal Year	Change In Factor 1	Factor 2	Population	Per Capita Income	Calculation of Factor	City Balance	City Gann Limit	Fire District Balance	Fire District Gann Limit	Total Gann
1988/90	-	incorporation -	LAFCO base amount							
1989/90	0.0000	0.0498			1.0498	\$12,000,000	\$12,000,000	\$2,937,542	\$2,937,542	\$15,535,142
1990/91	1.0550	1.0421			1.099416	12,597,600	13,850,003	3,229,581	3,229,581	17,079,584
1991/92	1.0829	1.080477			1.170049	13,850,003	16,205,182	3,229,581	3,778,768	19,983,950
1992/93	1.0525	1.079359			1.136025	16,205,182	18,409,492	3,778,768	4,292,775	22,702,267
1993/94	1.0392	1.150802			1.195913	18,409,492	22,016,151	4,292,775	5,133,785	27,149,936
1994/95	1.0177	1.124327			1.144228	22,016,151	25,191,496	5,133,785	5,874,221	31,065,717
1995/96	1.0120	1.0071			1.019185	25,191,496	25,674,795	5,874,221	5,986,918	31,661,713
1996/97	1.0132	1.0467			1.060516	25,674,795	27,228,531	5,986,918	6,349,222	33,577,753
1997/98	1.0042	1.0467			1.051096	27,228,531	28,619,800	6,349,222	6,673,642	35,293,442
1998/99	1.0181	1.0415			1.060351	28,619,800	30,347,034	6,673,642	7,076,403	37,423,437
1999/00	1.0138	1.0453			1.059725	30,347,034	32,159,511	7,076,403	7,499,041	39,658,552
2000/01	1.0209	1.0491			1.071026	32,159,511	34,443,672	7,499,041	8,031,668	42,475,340
2001/02	1.0189	1.0782			1.098578	34,443,672	37,839,060	8,031,668	8,823,414	46,662,474
2002/03	1.0286	0.9873			1.015537	37,839,060	38,426,965	8,823,414	8,960,503	47,387,468
2003/04	1.0362	1.0231			1.060136	38,426,965	40,737,809	8,960,503	9,499,352	50,237,161
2004/05	1.0309	1.0328			1.064714	40,737,809	43,374,116	9,499,352	10,114,093	53,488,209
2005/06	1.0759	1.0526			1.132492	43,374,116	49,120,839	10,114,093	11,454,129	60,574,968
2006/07	1.0520	1.0396			1.093659	49,120,839	53,721,448	11,454,129	12,526,911	66,248,359
2007/08	1.0705	1.0442			1.117816	53,721,448	60,050,694	12,526,911	14,002,782	74,053,476
2008/09	1.0246	1.0429			1.068555	60,050,694	64,167,469	14,002,782	14,962,743	79,130,212
2009/10	1.0106	1.0062			1.016966	64,167,469	65,249,718	14,962,743	15,215,105	80,464,823
2010/11	1.0050	0.9746			0.979473	65,249,718	63,910,337	15,215,105	14,902,785	78,813,122
2011/12	1.0065	1.0251			1.031763	63,910,337	65,940,321	14,902,785	15,376,142	81,316,463
2012/13	1.0068	1.0377			1.044756	65,940,321	68,891,546	15,376,142	16,064,317	84,955,863

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA )  
COUNTY OF SAN BERNARDINO )  
CITY OF HESPERIA )

I, Melinda Sayre-Castro, Secretary of the Hesperia Fire Protection District, Hesperia, California, do hereby certify that Resolution No. HFPD 2012-04 was duly adopted by the Board members of the Hesperia Fire Protection District, Hesperia, California at a Regular Meeting thereof held on the 19<sup>th</sup> day of June 2012 by the following vote to wit:

AYES: Smith, Bosacki, Holland, Leonard, and Blewett  
NOES: None  
ABSTAIN: None  
ABSENT: None

*Melinda Sayre-Castro*

Melinda Sayre-Castro,  
Board Secretary



I, \_\_\_\_\_, Secretary of the Hesperia Fire Protection District, Hesperia, California, do hereby certify that the foregoing Resolution No. HFPD 2012-04 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\_\_.

\_\_\_\_\_  
Melinda Sayre-Castro,  
Board Secretary

Seal

SUPPLEMENTAL INFORMATION SECTION

RESOLUTION NO. HWD 2012-03

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICT, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2012-13 BUDGET**

**WHEREAS**, the General Manager has prepared the proposed operating and capital budget for Fiscal Year 2012-13 for the Hesperia Water District; and

**WHEREAS**, the Board of Directors has received the Fiscal Year 2012-13 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 2012-13.

**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 2012-13 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 2012-13 which includes: water expenditures of \$17,251,829, and water revenues and budgeted reserves or total resources totaling \$17,411,829, and also sewer expenditures of \$2,497,695, and sewer revenue and budgeted reserves or total resources totaling \$3,378,786, for combined estimated District resources of \$20,790,615 and appropriated expenditures of \$19,749,524.

Section 3. That the General Manager and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2012-13 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 19<sup>th</sup> day of June 2012.



Russell Blewett, Chair

ATTEST:



Melinda Sayre-Castro, Secretary

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA )  
COUNTY OF SAN BERNARDINO )  
CITY OF HESPERIA )

I, Melinda Sayre-Castro, Assistant City Clerk of the Hesperia Water District, Hesperia, California, do hereby certify that Resolution No. HWD 2012-03 was duly adopted by the Board members of the Hesperia Water District, Hesperia, California at a Regular Meeting thereof held on the 19<sup>th</sup> day of June, 2012 by the following vote to wit:

AYES: Smith, Bosacki, Holland, Leonard, and Blewett

NOES: None

ABSTAIN: None

ABSENT: None

*Melinda Sayre-Castro*

Melinda Sayre-Castro  
Assistant City Clerk



I, \_\_\_\_\_, Secretary of the Hesperia Water District, Hesperia, California, do hereby certify that the foregoing Resolution No. HWD 2012-03 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\_\_.

\_\_\_\_\_  
Melinda Sayre-Castro  
Assistant City Clerk

Seal

**SUPPLEMENTAL INFORMATION SECTION**

**City of Hesperia**

**Total Indirect Cost Allocation for Fiscal Year 2012-13**

		Central Service Departments									
Fund	Department	City Council	City Attorney	City Manager	Finance	Human Resources/ Risk Mgmt	Mgmt Information Services	Public Works - Building Maintenance	Allocation Percentage	Total Allocation	
	<b>Operating Departments</b>										
100	Police	\$ 9,110	\$ 25,034	\$ 30,559	\$ 210,261	\$ 31,408	\$ 57,266	\$ 353,010	11.84%	\$ 716,648	
200	Fire District	2,451	5,782	8,244	127,655	6,439	11,379	3,577	2.74%	165,527	
100	Planning	16,695	9,287	55,707	27,166	83,110	46,277	27,600	4.39%	265,842	
100	Building and Safety	10,629	9,946	35,370	34,053	60,317	111,579	22,832	4.70%	284,726	
100	Code Compliance	32,932	29,048	109,433	132,742	200,349	189,170	137,860	13.74%	831,534	
100	Public Works (PW) - Engineering	35,202	22,204	116,851	127,969	224,308	71,697	37,400	10.50%	635,631	
263	PW - Street Maintenance	10,319	10,061	34,526	64,185	44,055	95,804	29,064	4.76%	288,014	
700	Water Operations	92,981	81,456	308,880	553,965	575,937	378,735	142,326	35.27%	2,134,280	
710	Sewer Operations	6,675	5,836	22,206	53,969	38,290	35,486	4,595	2.76%	167,057	
251	CDBG	8,783	4,787	28,403	24,598	54,078	13,420	2,961	2.26%	137,030	
<b>Total</b>		<b>\$ 225,777</b>	<b>\$ 203,441</b>	<b>\$ 750,179</b>	<b>\$ 1,356,563</b>	<b>\$ 1,318,291</b>	<b>\$ 1,010,813</b>	<b>\$ 736,758</b>	<b>92.97%</b>	<b>\$ 5,626,289</b>	

The cost allocation plan has seven (7) central service 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 and Sewer Operations 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 chart identifies the amounts of the cost allocation that were included in the FY 2012-13 Budget.

**Indirect Cost Allocation to be Charged During FY 2012-13**

Water Operating (Management Determination)	\$	1,200,000
G & A Prior Year Uncharged-Water		500,000
Sewer Operating		167,057
<b>Total to Transferred to the General Fund</b>	<b>\$</b>	<b>1,867,057</b>

G&A Expense (7890) & Operating Transfers Out (9000)	
700-29-400-4070-7890	\$ 1,700,000
710-29-420-4200-7890	167,057
	<b>\$ 1,867,057</b>

G&A Recovery (5820)	
100-19-220-0000-5820	\$ 1,867,057
	<b>\$ 1,867,057</b>

**Allocation to Water, Sewer, and Former RDA**

	Allocation	Allocation	Difference (Δ)
Water Operating Fund (1,200,000 was charged)	2,365,393	2,134,280	(231,113)
Sewer Operating Fund	180,966	167,057	(13,909)
<b>Total</b>	<b>2,546,359</b>	<b>2,301,337</b>	<b>(245,022)</b>

## 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.
VVWRA	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 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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