HESPERIA

GATEWAY TO THE HIGH DESERT

Fiscal Year 2014-15 Budget

City of Hesperia

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City of Hesperia

Est. 1988

September 11, 2014

To the Honorable Mayor, City Council, and Citizens of the City of Hesperia:

It is a pleasure to present the City of Hesperia's Fiscal Year 2014-15 Adopted Budget for the City of Hesperia, Hesperia Fire Protection District, Hesperia Water District, Hesperia Housing Authority, and Community Development Commission. This budget was developed with the guidance provided by the City Council to provide the highest level of service to the residents and business community, within the City's fiscal constraints.

The FY 2014-15 General Fund Budget is structurally balanced, with operational revenue funding operational expenditures and the difference between total resources (revenue, budgeted reserves, and transfers), and total expenditures resulting in a surplus. The City Council's prudent fiscal management through the "Great Recession" has allowed the City to maintain its fiscal health, while minimizing impacts on the delivery of services to the community.

Funding and obligations related to the Successor Agency to the former Hesperia Community Redevelopment Agency are not included in the FY 2014-15 Budget, as has been the practice since FY 2012-13. For budget continuity and historical reference, FY 2011-12 Redevelopment Agency actual numbers have been presented. Indebtedness of the former redevelopment agency was transferred to the Successor Agency during FY 2011-12 and will be paid with funds received from the County of San Bernardino, via direction from the State, through the Recognized Obligation Payment Schedule (ROPS) process.

Local Economy

The local economy is gradually showing signs of improvement, but very slowly when compared to prior recoveries. As such, the FY 2014-15 Budget includes estimated resources which reflect recently experienced revenue trends, based upon a gradually recovering economy. Development-related revenues in the FY 2014-15 Budget are projected to increase, resulting from a slight upturn in the housing market. After experiencing two years with no single family residential (SFR) building permit activity in FY 2010-11 and FY 2011-12, two SFR permits were issued in FY 2012-13, and 63 SFR permits were issued in FY 2013-14. This rise in building activity is commensurate with the progress being made toward the restoration of assessed valuations and reflects a limited inventory of homes for sale, with many sales benefiting from multiple offers. Since the downturn in the economy, four of the last five years resulted in decreases in assessed valuations amounting to more than 30%, however most recently, the FY 2013-14 assessed valuation resulted in an increase of 4.2%. Newly released data from the County of San Bernardino for FY 2014-15 reflects an increase of 5.6%. It appears that Hesperia has moved past the bottom and is cautiously on the path toward recovery.

This increase in assessed valuation will generate an increase in property tax related revenues. As information on the actual increase was not made available by the County of San Bernardino until August 2014, a portion of this increase was incorporated into the FY 2014-15 revenue estimates, some of which were provided by consultants. In fact, the City's consultant provided estimates for Sales Tax, VLF Swap, Property Tax, Gas Tax, and Gas Tax Swap revenues (approximately $22.1 million). The City receives revenue estimates for the Local Transportation Fund and various

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Eric Schmidt, Mayor Pro Tem
Russell Blewett, Council Member
Bill Holland, Council Member
Mike Leonard, Council Member

Mike Podegracz, City Manager

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grants from other government agencies (approximately $6.9 million). The remainder of the revenues are estimated by staff using trend analysis, examining development activity, property tax collection rates, ambulance collection rates, water consumption by customer class, franchise fee statements, and hotel occupancy levels, which are then compared to amounts of prior years.

Despite a challenging economy, Hesperia has seen a positive trend related to sales tax revenue. As the largest General Fund revenue source, the City has experienced an increase in sales tax revenue of 53% from the economic downturn low of $5.5 million in FY 2009-10 to $8.4 million in FY 2013-14 (unaudited). Although the FY 2014-15 Budget of $8,415,000 reflects a slight decrease in sales tax from the FY 2013-14 Budget of $8,553,000, after four consecutive years of increases, actual sales tax revenue is expected to remain flat for FY 2014-15.

City Council Priorities

Each year the City Council works with staff to establish planning goals that are incorporated into the annual budget process. On February 11, 2014, the City Council hosted an agendized Goal Setting Workshop where a consultant facilitated the integration of multiple goals into a list of the top six priorities:

1. Public Safety – Ensure adequate public safety resources are available for our citizens, families, children, businesses, and visitors.

2. Financial Health – Hesperia will assure its financial health by continuing to provide structurally balanced budgets for its operating funds.

3. Future Development – Actively manage growth to ensure cohesive development including Industrial, Commercial, Residential, Freeway, Main Street and Ranchero Corridors.

4. Future Vision – Agree on a 'vision' of what Hesperia should be in 5, 15, and 25 years (revisit the 'vision' no sooner than once every 5 years).

5. Organizational Health – Establish and maintain a healthy and efficient organization to provide City services.

6. Capital Improvement – Create Capital Improvement Funding after Redevelopment's elimination.

Issues on the Horizon

Leveraging limited resources to derive the greatest benefit for the good of the entire community is at the heart of the City Council's commitment to conservative fiscal management. This prudent management philosophy has made it possible for the City to maintain significant General Fund reserves during the recession without the need for layoffs or furloughing of staff. The priorities of the FY 2014-15 Budget are not unlike those of FY 2013-14. With the slow but distinct improvement in the local economy, Hesperia has taken a defensive approach in the preparation of the FY 2014-15 Budget. The noted increases in revenues provide optimism that recovery is underway, but the City's optimism is tempered with reasonable caution and fiscal conservatism. While proactive measures have been taken to successfully maintain the City's fiscal health, challenges still remain, such as:

Employee Retirement Costs – The City is a member of the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee defined benefit pension plan for its personnel. Based

upon actions by the CalPERS Board to change its amortization and smoothing policies, significant increases are anticipated for employee retirement costs in future fiscal years.

In anticipation of increased rates, the City Council gradually but purposefully moved away from the City bearing the cost of the full 8% employee contribution, to placing that cost reasonably with employees. Initiated well before the California Public Employees' Pension Reform Act of 2013, this funding shift began in FY 2007-08, when employees began paying 2% of the 8% employee contribution. In July 2010, the employees' contribution increased to 5%. The remaining 3% went into effect in July 2012, which resulted in employees funding the full 8% employee contribution.

While this step was important, CalPERS rates are expected to continue to rise, as mentioned above. Therefore, in conjunction with the Council's policy for responsible financial management, the City negotiated with employees to go even further. In its latest Memorandum of Understanding (MOU) with employees, in addition to paying the full CalPERS member contribution, employees will also share in the City's CalPERS costs by paying 1% of the City's normal cost beginning July 2015.

Other Postemployment Benefits (OPEB) – Governmental Accounting Standards Board (GASB) Statement No. 45 requires public-sector employers to recognize the cost of post employment benefits, such as postemployment healthcare, over the active service life of their employees rather than on a pay-as-you-go basis. The resulting unfunded liability is reported in the Comprehensive Annual Financial Report. During FY 2014-15, City staff will work on developing a funding strategy to fully fund the City's Other Post Employment Benefits (OPEB) unfunded liabilities.

Hesperia Fire Protection District – Due primarily to falling property values which resulted in the decline of property tax-related revenues, the Hesperia Fire Protection District (HFPD) has experienced ongoing revenue challenges. Multiple measures were taken to address the problem including:

- Reducing expenditures wherever possible.
- Reorganizing positions to minimize increases in the annual contract with the County of San Bernardino for fire protection services.
- Placing a parcel tax measure on the November 2011 ballot which was not successful.

During this time, reserves were depleted, necessitating a $1.9 million subsidy from the General Fund to balance the HFPD budget in FY 2010-11. Ultimately, the only remaining solution was to reduce the contract with San Bernardino County Fire Department by nine positions and Fire Station 301 was closed in January 2012.

In April 2013, the HFPD accepted a $2 million two-year Staffing for Adequate Fire & Emergency Response (SAFER) Grant and added 18 Limited Term Firefighter Paramedics to fill a daily three-shift rotation. Due to the limited nature of the grant, and the continued revenue challenges of the District, City staff reached out to neighboring cities to discover if an interest was present to fund a joint powers authority (JPA) feasibility study for fire and police services, with the hopes of obtaining economies of scale and reducing the costs to provide fire protection services for each agency. In June 2013, a consultant was hired to evaluate the fire and police services of the cities and report his findings regarding the feasibility of creating a JPA and whether any potential savings could be achieved.

The report was presented to the Council members of the participating cities at a joint meeting in August 2014. Each Council is reviewing the report in detail and the Hesperia City Council is evaluating a series of options for the HFPD, with anticipated changes occurring in FY 2015-16.

City of Hesperia

Significant Events of FY 2013-14

- Progress continues on the Ranchero Road Interchange Project after suffering a significant setback. On May 5, 2014 a spark from the cutting of rebar ignited the falsework and the bridge was soon engulfed in flames. The fire damaged the bridge so extensively that the remaining structure had to be torn down and rebuilt. In order to expedite the completion, two crew shifts per day have been assigned to the project, with completion expected by the end of the calendar year.

- The Hesperia City Council provided an additional $2.0 million of funding within the FY 2013-14 Budget for its annual Residential Road Improvement Program. These funds are used to enhance streets throughout the City and are in addition to the ongoing Street Maintenance Program. Over the last fourteen years, this program has reconstructed over 302 miles of roads, with an additional 65 miles of slurry sealed roads. An additional $2.5 million has been included in the FY 2014-15 Budget.

- To take advantage of the low interest rate environment, the City refinanced its 2005 variable rate Civic Plaza Certificates of Participation into fixed rate 2013 Refunding Revenue Bonds in October 2013.

- For the third consecutive year, the City continued its educational outreach program, Citizen Academy, which invites residents to get involved in local government. The Hesperia Citizen's Academy provides a unique opportunity for residents to learn more about their city. This 7-session program is designed to provide the community with insight into the day-to-day operations of the City, as well as an understanding of complex city projects. Academy participants gain a better understanding of the council-manager form of government, as well as the challenges that local governments face. This successful program is also included within the FY 2014-15 Budget.

Conclusion

As the City recently concluded our year-long celebration of our Silver Anniversary, residents have enjoyed remembering the past while looking ahead with anticipation at the new and exciting things happening in Hesperia. Transportation projects continue to be priorities in Hesperia, with the opening of the much anticipated Ranchero Underpass last summer and the progression of the Ranchero Interchange Project this year.

The Fiscal Year 2014-15 Budget continues to support services, maintenance, facilities, and infrastructure. Due to the continued strong, responsible leadership and prudent fiscal policy direction of the City Council, the City of Hesperia is well positioned to take advantage of opportunities in the next economic growth cycle, and I'd like to express my sincere appreciation to the Council, as well as the staff members and community partners who have contributed to this process.

Respectfully submitted,

Mike Podegracz
City Manager

PREFACE

- *Budget Document Overview*
- *Budget Document Sections*
- *Budget Document Financial Information*
- *Summary Budget Process Description and Schedule*
- *Level of Budgetary Control*

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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 "Summary of Significant Department Operating Expenditure and Staffing Changes", 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 2013-14 accomplishments and Fiscal Year 2014-15 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

BUDGET DOCUMENT SECTIONS (Continued)

G. Capital Improvement Program (CIP)

This section presents in one section the capital improvement projects included in the Fiscal Year 2014-15 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 2014-15.

J. Supplemental Information:

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

BUDGET DOCUMENT FINANCIAL INFORMATION

As mandated by California State Law, the City's fiscal year, or budget time period, is July 1st through June 30th. For example, Fiscal Year 2014-15 means July 1, 2014 through June 30, 2015. 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 2013-14).

The columns typically presented are as follows:

2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget

The financial information included in these columns is as follows:

2011-12 Actual

Actual financial information for Fiscal Year 2011-12 as reported in the City's Comprehensive Annual Financial Report. The actual financial information is reported in the budget document on a budgetary basis.

2012-13 Actual

Actual financial information for Fiscal Year 2012-13 as reported in the City's Comprehensive Annual Financial Report. The actual financial information is reported in the budget document on a budgetary basis.

2013-14 Budget

The 2013-14 Budget as adopted by the City Council June 18, 2013.

2013-14 Revised

The 2013-14 Revised column reflects the 2013-14 Budget plus budget amendments approved by the City Council during the fiscal year. The 2013-14 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 2013-14 and are typically somewhat lower than the budget and amendments.

BUDGET DOCUMENT FINANCIAL INFORMATION (Continued)

2014-15 Budget

This column initially reflects the FY 2014-15 Proposed Budget submitted by the City Manager. After the City Council reviews and approves the Fiscal Year 2014-15 Budget, the information in the 2014-15 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 11, 2014 the City Council hosted an agendized Goal Setting Workshop with a consultant to facilitate a day long goal setting process which resulted in the development of City goals and priorities in the following six areas: Public Safety, Financial Health, Future Development, Future Vision, Organizational Health and Capital Improvements. On February 18, 2014, the FY 2013-14 Mid-Year Budget Review was presented with current expenditures, revenue trends, updated reserves, as well as amendments to the 2013-14 Budget which were approved by the City Council. Also on February 18, 2014, the City Council approved the 2014-15 Goals which provided the City Manager, department directors, and other staff policy guidance and priorities for the preparation of the FY 2014-15 Budget.

The FY 2014-15 Budget process then commenced as follows:

VI. OPERATING BUDGET CALENDAR

Council FY 2013-14 Mid-Year Budget Review and FY 2014-15 Budget Goal-Setting Workshop	February 18, 2014
FY 2014-15 Budget Instructions Distributed	February 20, 2014
FY 2013-14 Revised Revenue and FY 2014-15 Proposed Budget Revenue Estimates due as follows: Group A – CC, CM, MS, P, F, W2, CD, and Code Group B – PW, W1, S, and EDD	February 27, 2014 March 6, 2014
FY 2013-14 Revised Expenditure Estimates, FY 2014-15 Current Level (or Adjusted) Proposed Budget Expenditures and Expenditure Detail Narrative forms due as follows: Group A – CC, CM, MS, P, F, W2, CD, and Code Group B – PW, W1, S, and EDD	March 13, 2014 March 20, 2014
FY 2014-15 Draft Division and/or Program Narratives due as follows: Group A – CC, CM, MS, P, F, W2, CD, and Code Group B – PW, W1, S, and EDD	March 25, 2014 March 27, 2014

VI. OPERATING BUDGET CALENDAR (Continued)	
FY 2014-15 Budget Increments-"Requested Expenditures Above Current Level" due: Group A – CC, CM, MS, P, F, W2, CD, and Code Group B – PW, W1, S, and EDD	 March 25, 2014 March 27, 2014
Proposed FY 2014-15 CIP presented to Planning Commission	April 10, 2014
Budget Review with Departments/Divisions	April 14-April 28, 2014
State Department of Finance- Population numbers	May 1, 2014
FY 2014-15 Final Proposed Budget Division and/or Program Narratives due as follows: Group A – CC, CM, MS, P, F, W2, CD, and Code Group B – PW, W1, S, and EDD	 April 29, 2014 May 1, 2014
2014-15 Proposed Budget completed	May 27, 2014
Council Budget Workshop	June 3, 2014
Council Adopts Budget	June 17, 2014
First Quarter Review of the FY 2014-15 Budget	November 18, 2014
Mid-Year Review of the FY 2014-15 Budget	February 17, 2015
Final Year-End Review of the FY 2014-15 Budget	August 18, 2015
KEY: CC=City Council; CM=City Manager; MS=Management Services (UB); P=Police; F=Fire, W2=DS Water/PW (4010, 4040, and PW 3100); CD=DS Community Development; Code=DS Code Compliance; PW=DS Public Works (Street Maintenance and Building Maintenance); W1=DS Water (4020, 4030, 4035, 4050, 4070, 4080); S=DS Sewer; EDD=Economic Development	

On June 17, 2014, the City Council/Board Members are expected to adopt the FY 2014-15 Budget, including the CIP and GANN Appropriations Limit for the City of Hesperia, the Hesperia Housing Authority, 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. Additionally, a first quarter, mid-year, and final year-end budget review are submitted to the City Council, which contain any necessary budget amendment request, for review and approval.

PREFACE

BASIS OF ACCOUNTING

Expenditures are controlled at the fund level for all budgeted departments within the City. In addition, all funds reported in the Comprehensive Annual Financial Report (CAFR) are included and appropriated in the FY 2014-15 Budget. At the fund level, expenditures cannot legally exceed appropriations. The budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP) as adapted by the Governmental Accounting Standards Board (GASB) and in accordance with standards established by the California Society of Municipal Finance Officers (CSMFO) and Government Finance Officers Association (GFOA), with adjustments made for depreciation, principal debt service payments, and capital outlay expenses for proprietary funds (i.e. the Hesperia Water District). These budgetary basis adjustments are always reconciled to the CAFR and notes are made in the Fund Balance section (I) of the budget document where they occur.

The accounting policies of the City conform to generally accepted accounting principles. The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. Fund accounting segregates funds according to their purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

All governmental funds (i.e. General, Special Revenue, Capital Projects and Debt Service Funds) are accounted for on the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. Expenditures are recorded in the accounting period when the liability is incurred.

Proprietary funds (i.e. the Hesperia Water District) are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized when the liability is incurred.

INTRODUCTION

- *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 2014-15 Budget:

Summary of Total City Revenue and Expenditures

	2013-14 Budget	2014-15 Budget	Change From 2013-14 Budget Amount	Percent
Revenue	$ 70,441,859	$ 71,152,071	$ 710,212	1%
Budgeted Reserves	9,610,984	9,539,560	(71,424)	-1%
Total Revenue and Budgeted Reserves	80,052,843	80,691,631	638,788	1%
Expenditures	$ 78,884,699	$ 78,424,185	$ (460,514)	-1%
Difference	$ 1,168,144	$ 2,267,446		

Revenue

Revenue is anticipated to increase slightly by 1% ($0.7 million) overall. Revenue increases are shown in the General Fund (5%), the Water District (2%), the Fire District (2%), Community Development Commission, and the Housing Authority, which show a combined increase of $2.6 million. These increases are offset by decreases in the Streets Related and Other City Funds, which reflect a combined decrease of -$1.9 million for those funds.

Budgeted Reserves

The $9,539,560 of Budgeted Reserves is comprised of the following:

General Fund - 100	$1,942,100
C.D.B.G. Administration - 251	111,545
C.D.B.G. HOME Revolving Loan - 253	311,916
VVEDA Housing Authority - 371	221,270
Streets Maintenance Fund - 263	172,000
Measure I Renewal - 204	2,098,688
Gas Tax Fund - 205	252,100
Local Transportation Fund (LTF) - 207	2,565,000
Development Impact Fees - Streets - 300	12,206
AQMD Fund - 254	17,500
Fire Capital Fund - 502	28,471
Development Impact Fees - Public Services - 304	4,674
Supplemental Law Enforcement Fund - 255	99,800
Beverage Recycling Grant Fund - 256	21,613
2013 Civic Plaza Refinancing - 403	635,480
Water Operations - 700	238,570
Sewer Operations - 710	188,136
Sewer Capital - 711	293,491
Fire District - 200	325,000
Total Budgeted Reserves	$9,539,560

Expenditures

The FY 2014-15 Budget proposes expenditure of $78,424,185, which is 1% or $0.5 million less than the FY 2013-14 Budget of $78,884,699. The overall decrease can be attributed to the reduction in Capital Improvement Program (CIP) expenditures, which is primarily related to the construction of Fire Station 301.

Balanced Budget

Operational revenue is funding operational expenditures for the General Fund and Water District, not using one-time revenue to fund ongoing expenditures, consistent with City Council policy. The Fire District has an operating deficit because of lower revenue than anticipated and additional expenses related to the SAFER Grant. The 2014-15 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 funds have deficits, including certain reimbursable grant funds, which are manageable and will be resolved in future years.

Reserve Policy

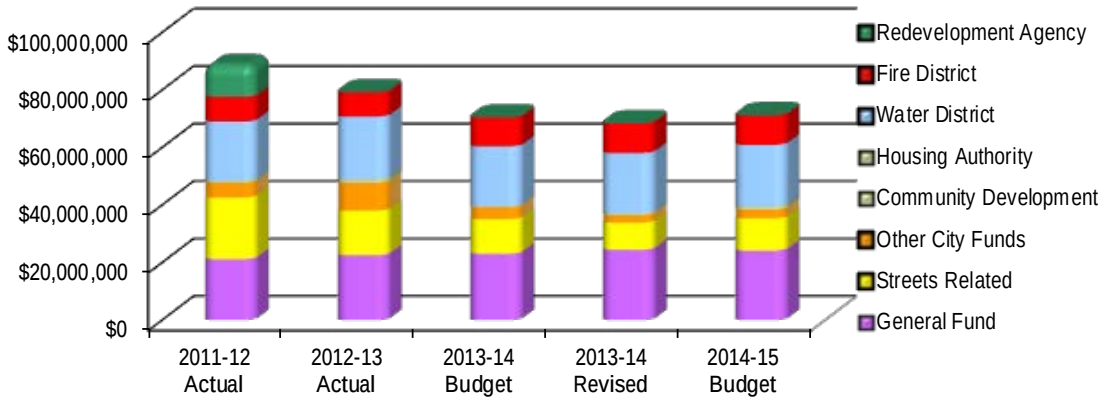
With the exception of the Fire District, cash reserve levels exceed the City Council's policy of 10% in the General Fund, and Water District. The City Council's policy of maintaining 10% cash reserves as a percent of expenditures is illustrated below:

	General Fund		Fire District		Water District	
10% Cash Reserves (Council/Board Policy)	$2,663,326	10%	$1,130,133	10%	$ 2,125,283	10%
Cash Reserves Above 10% Reserve	5,247,630	20%	(1,036,966)	-9%	1,082,805	5%
Total Estimated Cash Reserves	$7,910,956	30%	$ 93,167	1%	$ 3,208,088	15%

REVENUE

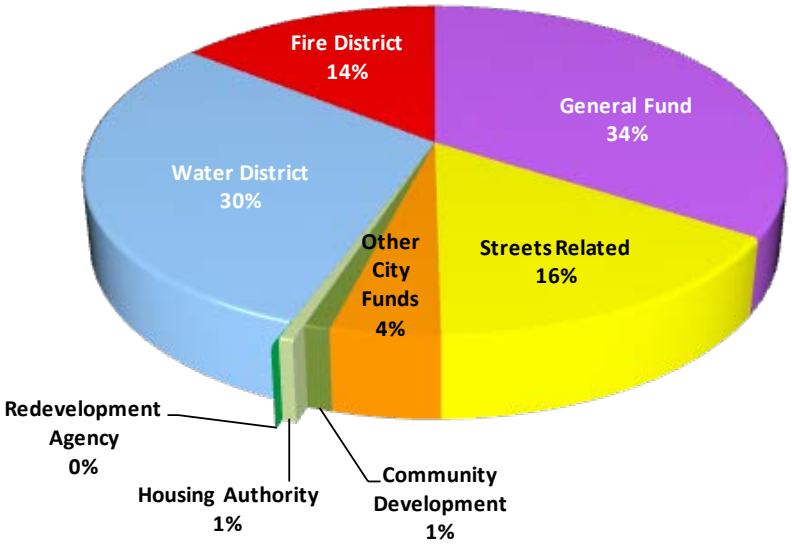
City of Hesperia

Total City Revenue Trend



	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
General Fund	$21,256,529	$22,545,939	$23,120,668	$24,509,405	$24,203,918	5%
Streets Related	21,375,575	15,474,158	12,012,109	9,413,338	11,203,561	-7%
Other City Funds	5,161,791	9,779,259	4,145,324	2,606,473	3,068,215	-26%
Total City Funds	47,793,895	47,799,356	39,278,101	36,529,216	38,475,694	-2%
Community Development	58,121	743,287	100,800	155,990	727,115	621%
Housing Authority	626,942	536,969	155,710	365,661	414,681	166%
Water District	20,565,576	21,678,838	20,882,575	21,045,111	21,346,913	2%
Fire District	8,579,993	8,447,742	10,024,673	10,308,543	10,187,668	2%
Redevelopment Agency	11,239,413	0	0	0	0	0%
Total All Funds	$88,863,940	$79,206,192	$70,441,859	$68,404,521	$71,152,071	1%

2014-15 Budget Total City Revenue



REVENUE

SUMMARY and HIGHLIGHTS

The City of Hesperia maintains the practice of matching each revenue type to a 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 total FY 2013-14 Budget to the total FY 2014-15 Budget, shows an increase of $0.7 million, or 1%. The primary reason for this increase is the development related revenue, as indicated by Hesperia's development activity, which is showing signs of recovering from the effects of the prolonged recession and housing slump, with the issuance of over 40 single family residential permits estimated through the end of FY 2013-14 and 100 single family residential permits estimated in the FY 2014-15 Budget.

When compared to the FY 2011-12 Actual revenue, the overall combined City revenue for the FY 2014-15 Budget is expected to decrease from $88.9 million to $71.2 million, or by 20%, or $17.7 million. This decrease is primarily related to the substantial reduction as a result of the Redevelopment Agency (Agency) dissolution effective February 1, 2012. The former Agency's revenue now goes to the Successor Agency to the former Redevelopment Agency which is governed by an independent Oversight Board.

General Fund - General Fund revenue is for the normal operations of and services provided by the City that are not specifically accounted for in other funds. The FY 2014-15 Budget for the General Fund is projecting an increase in revenues of 5%, or $1.1 million from the FY 2013-14 Budget. The following summarizes the projected increase/decrease of various revenues:

- Sales and Use Tax revenue is projecting a decrease of $0.1 million, or 2%, to $8.4 million.
- Vehicle License Fee revenue is expecting an increase of $0.3 million, or 4%, to $6.4 million.
- Development-Related revenues, including Building Permit Fees, are anticipating to increase by $0.5 million, or 67% over the FY 2013-14 Budget estimate.
- Leased Water Rights revenue is $1.5 million, which will primarily pay for the debt service on the 2012 Bonds issued to pay for the purchase of Water Rights. The Leased Water Rights revenue is projected to increase $0.1 million or roughly 9% over the FY 2013-14 Budget of $1.4 million. The increase is due in part to lease rates increasing from $382 per acre-foot (AF) to $403 per AF, as well as an increase in available water to lease during FY 2014-15. The City purchased 160 AF of permanent water rights during FY 2013-14, which brings the available leasable water rights to 3,742 AF.

Streets & Transportation Related Funds - This group is comprised of 11 street and transportation related funds budgeted in FY 2014-15. Each of these funds receives revenue that is restricted for specific streets and transportation uses. Some of the major highlights are:

- Developer Impact Fees (DIF) for Streets and Storm Drainage revenue will increase 127%, or $0.7 million for the FY 2014-15 Budget. This increase is due to the anticipated increase in residential development from 10 permits in the FY 2013-14 Budget to over 40 in the FY 2013-14 Revised to 100 for the FY 2014-15 Budget. In the combined FY 2014-15 DIF Budget, revenue is reflecting the beginning of a slow local economic recovery from the continued nationwide housing slump and recession.
- Measure I 2010 Renewal revenue is expected to remain unchanged at $2.5 million.
- Local Transportation Fund (LTF) revenue is expected to increase by $0.2 million, or 10%, to $2.1 million from the FY 2013-14 Budget of $1.9 million. This increase is due to the Victor Valley Transit Authority (VVTA) receiving more funding from the State, thus diverting less from the City.

Non-Streets Related Other City Funds - This group is comprised of 13 other non-street related funds. Each of these funds receives revenue that is restricted for specific uses. Some of the major highlights are:

- Developer Impact Fee (DIF) for Fire, Police, and Public Safety revenue is expected to increase 239% from the FY 2013-14 Revised as the City Council-approved 18 month reduction of these revenues sunsets early in FY 2014-15. Combined, these are expected to produce revenue of more than $0.2 million. During FY 2014-15, it is estimated that 100 Single Family Residential (SFR) permits will be issued and 40 of the 100 permits will be issued before the expiration of the City Council approved DIF 18 month reduction.
- The CDBG/HOME Housing and Urban Development (HUD) grants are expecting a combined decrease of 38%, or $1.2 million, from the FY 2013-14 Budget to the FY 2014-15 Budget of $2.0 million. The primary reason for this decrease is less expected sales than what the FY 2013-14 Budget anticipated in the Neighborhood Stabilization Program (NSP). This NSP grant is used to buy, rehabilitate, and resell abandoned/foreclosed homes within the City.

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 transmission of the sewage that comes from those homes/businesses on the City's sewer system. Some of the major highlights are:

- Overall Water District revenue is expected to increase about $0.4 million from the FY 2013-14 Budget of $20.9 million to the FY 2014-15 Budget of $21.3 million. As the Water Sales revenues of the District are expected to decrease slightly, this is offset by the anticipated increases of other revenue of the District for the FY 2014-15 Budget.
- Combined Water and Sewer operating revenue, dominated by the Sales revenues, are anticipating a slight increase, from the FY 2013-14 Budget, primarily from anticipated construction related usage from home construction and other capital projects. A slight increase in Water Sales revenue is projected in FY 2014-15 compared to the FY 2013-14 Budget, with an increase from $16.3 million to $16.4 million, for less than a 1%, or $0.1 million increase.
- The Water Capital revenue is expected to increase over the FY 2013-14 Budget, which reflected the City Council approved 18 month residential Development Impact Fee reduction to counteract the current economic recession and the local housing slump. Sewer Capital revenue is showing a projected decline of 18% for FY 2014-15 from the FY 2013-14 Revised but a 7% increase over the FY 2013-14 Budget, as some commercial projects were completed earlier than anticipated.

Fire District - The revenues for the FY 2014-15 Budget are projected to be $10.2 million, which is $0.2 million, or 2% more than the FY 2013-14 Budget of $10.0 million, primarily due to the new Ground Emergency Medical Transportation (GEMT) reimbursement ($0.5 million). Some of the major highlights are:

- Property Tax revenue is projected to increase by 3% over the FY 2013-14 Budget. This is due to the anticipated 2% assessed valuation increase over FY 2013-14.
- Paramedic Ambulance Fee revenue is budgeted to decrease, primarily due to 8% less cash being collected of the gross revenue billed, in spite of the District adopting the ambulance billing rates of San Bernardino County Fire and adding a fifth ambulance due to the SAFER grant. This revenue represents the cash collections of the ambulance billing activity, with a decrease shown from the FY 2013-14 Budget of $2.7 million to $2.5 million for the FY 2014-15 Budget. See page C-16 for a more detailed explanation.
- Redevelopment Tax Increment Pass-Through for the FY 2014-15 Budget is projecting a 3% increase over the FY 2013-14 Budget by about $35,000. This revenue will be received directly from the County of San Bernardino in the wake of the state-wide dissolution of redevelopment agencies. The assessed valuation change of the City is expected to increase about 2%, as the bottom in property values is thought to have been reached during FY 2012-13.

Fire District (Continued)

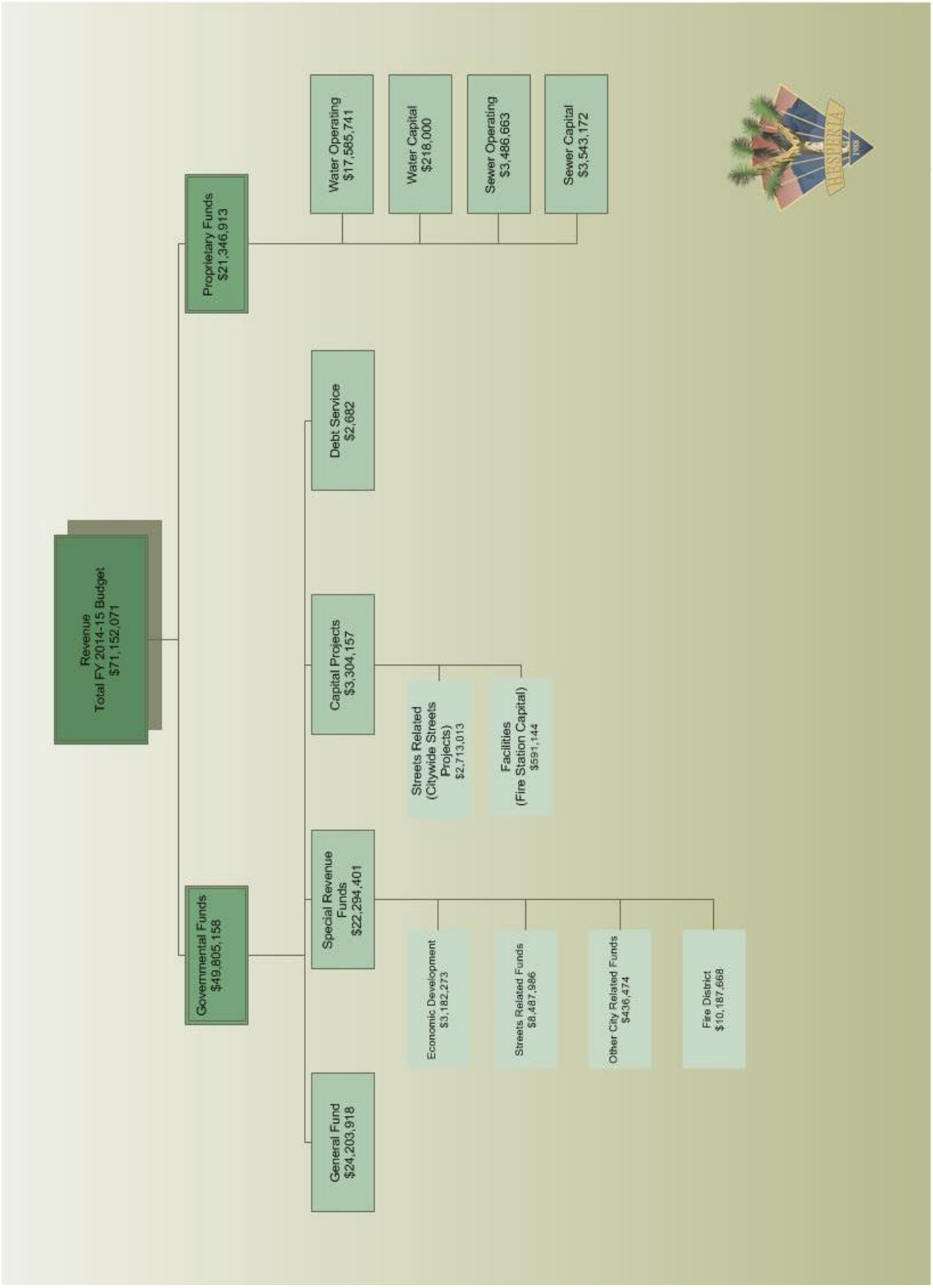
- Community Facilities District 94-1 revenue is expecting a slight increase of about $11,000 over the FY 2013-14 Budget. The FY 2012-13 levy of $544,757 was 97% collected in that year, along with an additional $8,600 of prior years' levies and penalties that were collected. The FY 2013-14 levy is $550,458.
- 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. For the FY 2014-15 Budget, this revenue is expected to decrease by $0.1 million, as FY 2013-14 was the last year of receiving revenue which had been reserved from the first four years of the assessment and held in the CFD 2005-1 Trust Fund to ensure the viability of the District.

Community Development Commission – This agency was created to carry on the economic development function of the former RDA. The FY 2014-15 Budget is expected to increase by 621%, primarily from the sale of Commission owned land.

Hesperia Housing Authority – The purpose of this agency is to continue the housing function of the former Hesperia Community Redevelopment Agency (HCRA). The FY 2014-15 Budget of $0.4 million shows an increase over the FY 2013-14 Budget of $0.2 million. The Authority's revenues are comprised primarily of interest revenue earned on the assets of the former HCRA Low/Mod income housing function and rents/leases, however, the primary reason for the increase is anticipated sale of Authority owned land.

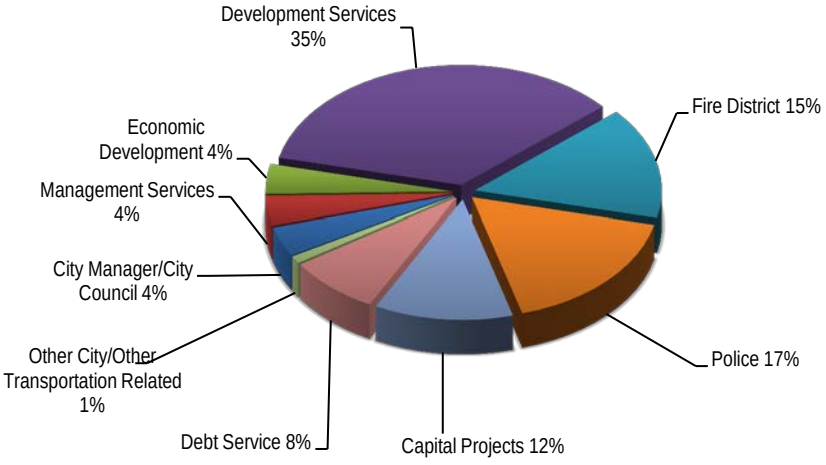
Redevelopment Agency – The Redevelopment Agency was dissolved February 1, 2012 by the State of California.

REVENUE


Revenue
Total FY 2014-15 Budget
$71,152,071
Proprietary Funds
$21,346,913
Water Operating
$17,585,741
Water Capital
$218,000
Sewer Operating
$3,486,663
Sewer Capital
$3,543,172
Governmental Funds
$49,805,158
Debt Service
$2,682
Capital Projects
$3,304,157
Streets Related
(Citywide Streets
Projects)
$2,713,013
Facilities
(Fire Station Capital)
$591,144
Special Revenue
Funds
$22,294,401
Economic Development
$3,182,273
Streets Related Funds
$8,487,986
Other City Related Funds
$436,474
Fire District
$10,187,668
General Fund
$24,203,918
HESPERIA
1988

TOTAL EXPENDITURES BY DEPARTMENT

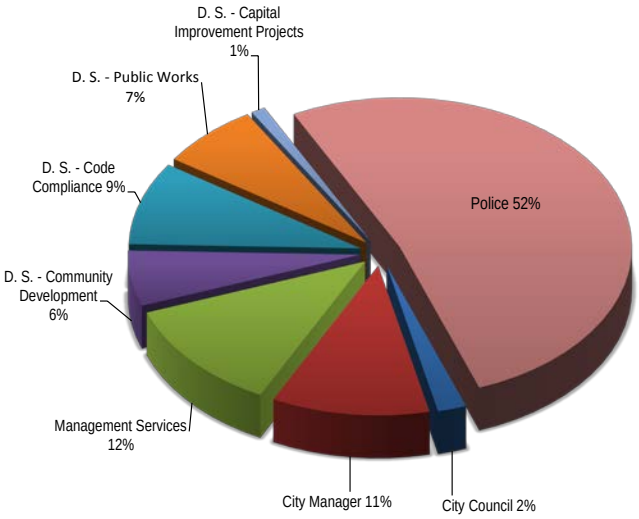
2014-15 Budget



DEPARTMENTS	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
City Council	$ 746,414	$ 621,272	$ 659,358	$ 815,352	$ 682,978	4%
City Manager	2,119,258	2,499,403	2,474,417	2,495,363	2,778,294	12%
Management Services	3,382,660	32,728,681	2,601,540	3,372,310	3,197,089	23%
Economic Development						
Community Development Commission	210	436,949	378,894	363,766	346,253	-9%
Hesperia Housing Authority	232,221	293,542	761,203	287,798	807,884	6%
C.D.B.G.	1,252,936	1,843,265	2,543,760	1,222,774	1,828,875	-28%
Redevelopment Agency	8,011,273	0	0	0	0	0%
Total Economic Development	9,496,640	2,573,756	3,683,857	1,874,338	2,983,012	-19%
Development Services						
Community Development	1,779,824	1,527,466	1,599,678	1,652,270	1,629,583	2%
Code Compliance	2,287,816	2,128,943	2,263,437	2,290,461	2,346,674	4%
Public Works	4,258,022	4,421,238	4,673,146	4,751,346	5,245,787	12%
Water Operations	13,995,453	14,260,652	14,514,039	14,548,481	14,831,295	2%
Sewer Operations	2,500,306	2,668,916	2,702,548	2,846,279	3,056,765	13%
Total Development Services	24,821,421	25,007,215	25,752,848	26,088,837	27,110,104	5%
Police	11,463,162	12,515,164	12,842,869	13,062,964	13,535,238	5%
Fire District	8,905,831	8,511,763	10,194,864	10,392,558	11,301,328	11%
Other City/Other Transportation Related	105,060	157,243	181,751	321,161	222,090	22%
Debt Service						
City of Hesperia	1,644,261	1,647,707	1,717,360	14,309,799	1,755,671	2%
2012 Water Rights Acquisition	0	662,200	1,345,475	1,345,475	1,453,575	8%
Redevelopment Agency	9,914,375	0	0	0	0	0%
Water District	2,948,713	2,961,980	2,975,535	3,075,096	2,974,770	0%
Total Debt Service	14,507,349	5,271,887	6,038,370	18,730,370	6,184,016	2%
Capital Improvement Plan						
C I P - Facilities	3,626,633	7,777,015	4,305,593	22,408	1,841,161	-57%
C I P - Redevelopment Agency	9,061	0	0	0	0	0%
C I P - Streets	29,703,350	16,835,109	9,548,932	4,764,257	8,548,875	-10%
C I P - Water	0	773,222	600,300	674,146	40,000	-93%
C I P - Sewer	0	0	0	35,980	0	0%
Total Capital Improvement Plan	33,339,044	25,385,346	14,454,825	5,496,791	10,430,036	-28%
Total City Expenditures	$ 108,886,839	$ 115,271,730	$ 78,884,699	$ 82,650,044	$ 78,424,185	-1%

TOTAL GENERAL FUND EXPENDITURES BY DEPARTMENT

2014-15 Budget

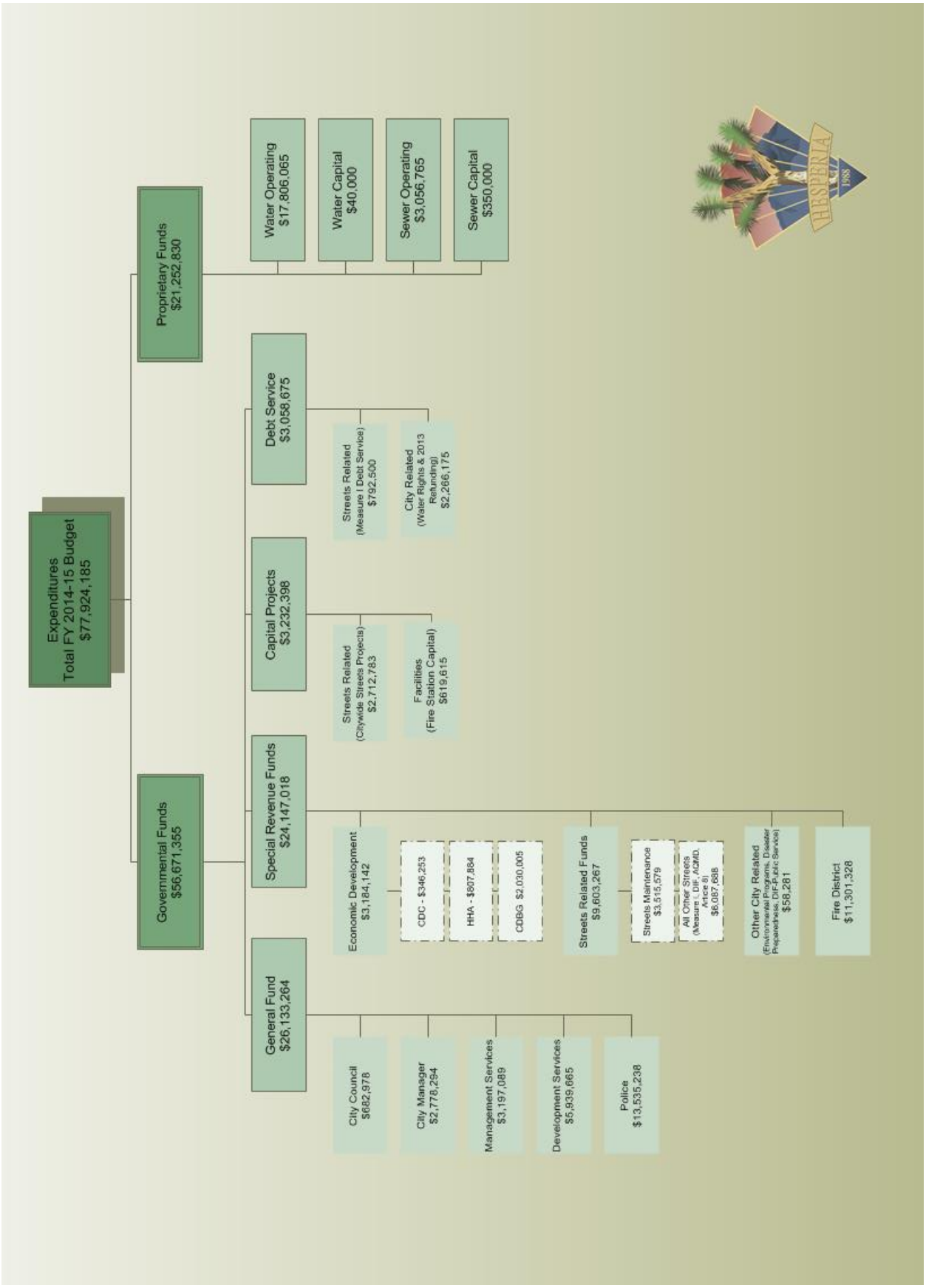


DEPARTMENTS	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% of Budget	% Change From 2013-14 Budget
City Council	$ 746,414	$ 621,272	$ 659,358	$ 815,352	$ 682,978	2%	4%
City Manager	2,119,258	2,499,403	2,474,417	2,495,363	2,778,294	11%	12%
Management Services	3,382,660	32,728,681	2,601,540	3,372,310	3,197,089	12%	23%
Development Services							
D. S. - Community Development	1,779,824	1,527,466	1,599,678	1,652,270	1,629,583	6%	2%
D. S. - Code Compliance	2,287,816	2,128,943	2,263,437	2,290,461	2,346,674	9%	4%
D. S. - Public Works	1,251,109	1,355,296	1,386,103	1,529,977	1,730,208	7%	25%
D. S. - Capital Improvement	0	0	0	0	733,200	1%	100%
Development Services Total	5,318,749	5,011,705	5,249,218	5,472,708	6,439,665	23%	23%
Police	11,463,162	12,515,164	12,842,869	13,062,964	13,535,238	52%	5%
Total General Fund Expenditures	$23,030,243	$ 53,376,225	$23,827,402	$ 25,218,697	$ 26,633,264	100%	12%

The FY 2014-15 General Fund Budget of $26,633,264 will increase by 12% or $2.8 million over the FY 2013-14 Budget of $23,827,402. The following represents the primary reason for the increase to the General Fund Budget.

- General Fund salaries and benefits will increase by 3% or $0.2 million for the 2014-15 Budget, which is primarily due to salary increases totaling 5% (2.5% effective January 2014 and 2.5% effective July 2014) that are offset by the elimination of a net total - four vacant positions.
- To upgrade the City's computing infrastructure to ensure overall system reliability, additional services and storage will be purchased for $0.3 million.
- The final payments of $0.5 million is budgeted for the purchase of 200 acre feet of permanent water rights from Summit Valley Ranch.
- The General Fund budget includes $0.2 million for the Animal Control Sewer Project, which is detailed in the Capital Improvement Program (CIP).
- To provide the current level of service, the Police Service contract will increase by 5% or $0.7 million.

EXPENDITURES



SUMMARY OF POSITION CHANGES

The 2014-15 Budget decreases full-time City staffing by 1.1%, which is 3.63 FTE, from 321.73 to 318.10 full-time positions. Part-time positions will remain the same as presented in the FY 2013-14 Budget at 3.68 FTE. Net Public Safety position adjustments, all of which are within the Fire District, will increase by 0.37 FTE, which is due to contract reallocations. Non-safety positions result in a decrease of 4.00 FTE, which is comprised of the elimination of six full-time positions (6.00 FTE) and the addition of two full-time positions (2.00 FTE). Finally, the FY 2014-15 Budget reflects one retitled position and one transferred position to a different department. The total staffing of 321.78 FTE, which includes both full-time and part-time, is decreased by 3.63 FTE or 1.1 % from the FY 2013-14 Budget of 325.41 FTE.

Position Changes during Fiscal Year 2013-14 – Net 1.00 FTE Addition

During the Mid-Year Budget Review, the addition of one Administrative Secretary (1.00 FTE) to the Development Services (D.S.) Department was approved and is reflected in the FY 2014-15 Budget. In addition, the Deputy Director of Economic Development position, assigned to the Economic Development Department, was retitled to Economic Development Director, which will continue to be a Senior Management, non-represented position classification with the same salary range of 48.

Public Safety Position Changes:

Position Changes to Fire District (0.37 FTE Additions):

The City contracts with the San Bernardino County Fire Department for full-service fire and protection operations. For FY 2014-15, the County is restructuring the staffing allocations to more accurately reflect workload related to the services provided to the City.

- Two Collection Officer positions (2.00 FTE) will be added and two Account Representative positions (2.00 FTE) will be eliminated.
- Due to contract reallocation, a (0.50 FTE) Office Assistant III position will be added.
- Due to contract reallocation, a (0.03 FTE) Deputy Fire Marshall position will be added.
- Due to contract reallocation, a Division Chief position will be reduced from 0.43 FTE to 0.39 FTE (0.04 FTE Reductions).
- Due to contract reallocation, 1.30 FTE Battalion Chief positions will be reduced to 1.18 FTE (0.12 FTE Reduction).

Non-Safety Position Changes:

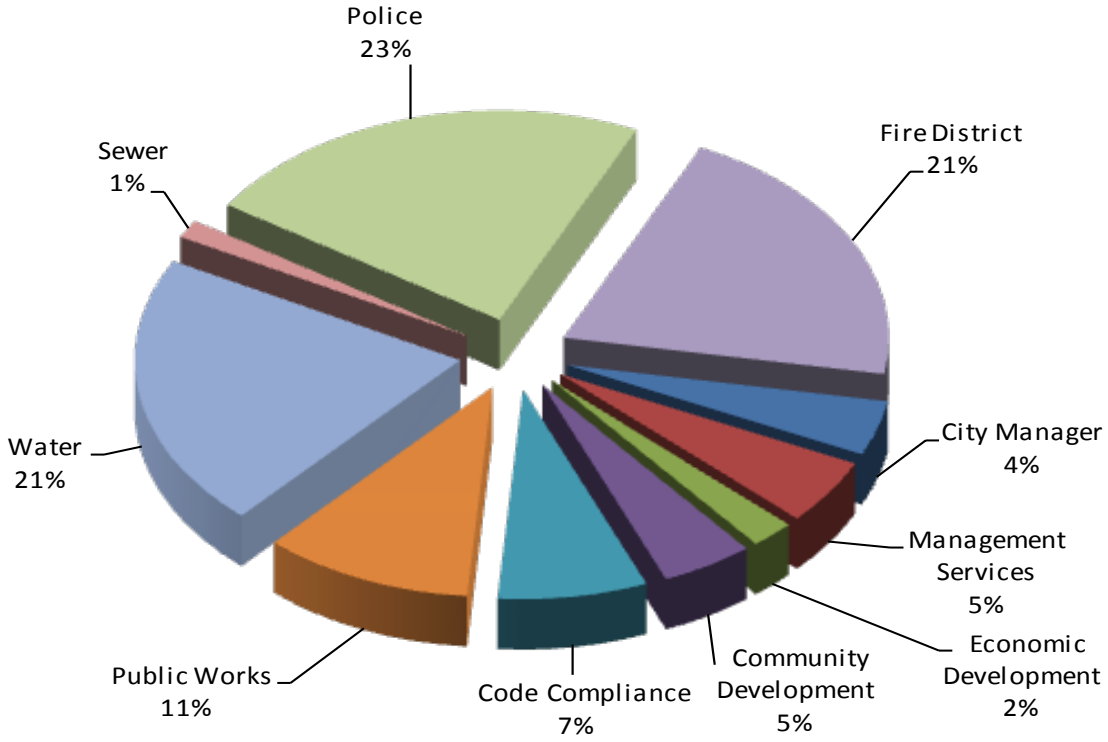
Eliminate Six Full-Time Positions (6.00 FTE Reduction) and add Two Full-Time Positions (2.00 FTE Addition):

- One vacant Deputy City Manager position in the City Manager Department.
- One vacant Administrative Aide position in the Economic Development Department.
- One vacant Senior Engineer Technician position (1.00 FTE) in Development Services (D.S.) Public Works – Engineering and Water Operating – Engineering.
- One vacant Construction Inspector position (1.00 FTE) in D.S. Public Works – Engineering and Water Operating – Engineering.
- One Administrative Analyst position (1.00 FTE) will be added in Development Services, while one Senior Office Assistant position (1.00 FTE) and one Senior Community Development Technician position (1.00 FTE) will be eliminated.
- One Administrative Secretary (1.00 FTE) will be added to the Development Services (D.S.) Department.

Transfer:

- Transfer one Executive Secretary from the Development Services Department to the City Manager Department.

2014-15 BUDGET FULL-TIME AND PART-TIME STAFF BY DEPARTMENT



Departments	2011-12	2012-13	2013-14	2014-15	% Change From 2013-14 Budget
City Manager	12.60	13.60	13.60	13.60	0%
Management Services	18.26	17.26	16.26	16.26	0%
Economic Development	10.00	8.00	8.00	7.00	-13%
Development Services:					0%
Community Development	17.27	16.03	15.95	14.76	-7%
Code Compliance	23.78	23.78	23.78	23.92	1%
Public Works	35.36	34.36	34.36	33.66	-2%
Water	69.77	68.77	69.23	67.98	-2%
Sewer	4.50	4.50	4.50	4.50	0%
Development Services Total	150.68	147.44	147.82	144.82	-2%
Sub-Total Non-Police & Fire District	**191.54**	**186.30**	**185.68**	**181.68**	**-2%**
Police	70.50	72.50	73.00	73.00	0%
Fire District	57.40	48.40	66.73	67.10	1%
Sub-Total Police & Fire District	**127.90**	**120.90**	**139.73**	**140.10**	**0%**
Total Full & Part-Time Staff	**319.44**	**307.20**	**325.41**	**321.78**	**-1%**
Change Amount	n/a	-12.24	18.21	-3.63	
Percentage	n/a	-3.8%	5.9%	-1.1%	

CAPITAL IMPROVEMENT PROGRAM (C I P) SUMMARY

The CIP projects are summarized as follows:

C I P Major Categories	Projects Completed in FY 2013-14	Projects Continued in 2014-15 Budget	New Projects Included in 2014-15 Budget	New & Continued Projects Included in 2014-15 Budget
Streets C I P Projects	$2,595,895	$4,762,338	$2,601,000	$ 7,363,338
Storm Drainage	0	1,185,537	0	1,185,537
Facilities	0	1,607,961	233,200	1,841,161
Water	648,146	0	40,000	40,000
Sewer	0	0	0	0
Total C I P Projects	$3,244,041	$7,555,836	$2,874,200	$10,430,036

Streets C I P Projects - $7,363,338 (2014-15 Budget)

- 2014-15 Street Improvement Project – $2,500,000 has been included in the FY 2014-15 Budget. The program history is as follows:

	Expenditures	Miles Paved	Slurry Seal Miles
2000-01 Street Improvement Project	$ 2,226,573	18.0	0
2001-02 Street Improvement Project	$ 2,148,349	19.4	0
2002-03 Street Improvement Project	$ 1,993,142	16.5	0
2003-04 Street Improvement Project	$ 2,033,719	17.1	0
2004-05 Street Improvement Project	$ 3,166,412	18.2	12.4
2005-06 Street Improvement Project	$ 6,221,264	51.1	14.2
2006-07 Street Improvement Project	$10,994,391	57.0	11.0
2007-08 Street Improvement Project	$19,134,056	57.0	4.0
2008-09 Street Improvement Project	$ 9,193,091	28.0	0
2009-10 Street Improvement Project	$ 5,726,868	13.9	0
2010-11 Street Improvement Project	$ 0	0	0
2011-12 Street Improvement Project	$ 2,446,984	2.5	7.5
2012-13 Street Improvement Project	$ 1,705,349	2.3	6.6
2013-14 Street Improvement Project	$ 2,003,000	1.8	9.3
Fourteen Year Total	$68,993,198	302.8	65.0
2014-15 Street Improvement Project	$ 2,500,000	2.0	25.0
Fifteen Year Total	$71,493,198	304.8	90.0

- One Other New Street Project – 1 Project $101,000 – Funding in the amount of $101,000 has been included in the FY 2014-15 Budget for the 2014-15 Americans With Disabilities Act (ADA) Transition Plan.

- Ranchero Road Related Projects – 3 Projects $1,604,000 – Included in the FY 2014-15 Budget are 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 $ 240,000
  - Ranchero Road I-15 Interchange 902,000
  - Ranchero Road Improvement – Seventh Avenue to Mariposa Road 462,000

  $1,604,000

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

- Three Other Streets Projects – 3 Projects $3,158,338 – Included in the FY 2014-15 Budget are three other continuing street projects. These projects include a carryover of a Street Improvement Project:

• 2013-14 Street Improvement Project	$1,953,000
• Willow Street Paseo	905,338
• Aqueduct Crossing Improvements – Widen Bridge at Main Street Design and Right-Of-Way Acquisition	300,000
	$3,158,338

Storm Drainage C I P Project - 1 Project $1,185,537 – Included in the FY 2014-15 Budget is the continuation of one drainage project as shown below:

• H-01 Drainage Facility – (Section 3A) Third Avenue to Fourth Avenue	$1,185,537
	$1,185,537

One New Facility Project – 1 Project $233,200 – Funding in the amount of $233,200 has been included in the FY 2014-15 Budget for the Animal Control Sewer Project.

Other Facilities C I P Projects – 2 Projects $1,607,961 – The following 2 projects, totaling $1,607,961, will be continued in Fiscal Year 2014-15 as follows:

• Fire Station 301 Construction/Property	$ 885,615
• Park and Ride Facility	722,346
	$1,607,961

Water C I P Project – 1 New Project $40,000 – Funding in the amount of $40,000 has been included in the FY 2014-15 Budget for the Reclaimed Water Distribution System Project.

SUMMARY OF DEBT OBLIGATIONS:

Included in this Debt Obligation Summary is information on external and internal debt obligations.

- Variable Rate Debt Letter of Credit Renewals – The two debt issues requiring Letters of Credit (LOC) were replaced in November 2013 with two-year LOC agreements.
- Civic Plaza Refinancing – Due to the low interest rate environment, the variable rate 2005 Civic Plaza Certificates of Participation were refinanced into the fixed rate 2013 Refunding Lease Revenue Bonds.
- 2014 Development Impact Fees (DIF) Public Services – Loan from General Fund – A new debt has been created to reflect a loan from the General Fund to the Development Impact Fee (DIF) – Public Services Fund. The funding sources for the 2013 Civic Plaza Refunding Lease Revenue Bonds (Refinancing of 2005 COPs) are DIF – Public Services (87.25%) and General Fund (12.75%). Though significant reserves within the 2013 Civic Plaza debt service fund will be utilized in FY 2014-15, sufficient funds do not exist within DIF – Public Services Fund for the remaining DIF contribution. Therefore, a new debt has been created to reflect a loan from the General Fund to DIF – Public Services in order to adequately fund the debt service for the bonds.

  It should be noted that for the following fiscal year (FY 2015-16), the 2013 Civic Plaza debt service fund reserves are expected to be exhausted. This will result in the need for substantially increased contributions from the General Fund and DIF – Public Services (necessitating an additional loan from the General Fund) in order to fund the annual debt service for the bonds.
- 1996 HUD Section 108 Loan – The 1996 $3,000,000 HUD Section 108 Loan will be paid in full on August 1, 2014.
- Water 2010 Loan from the Low and Moderate Income Housing Fund – The $6,000,000 loan from the Housing Authority to the Water District will be paid in full on June 30, 2015.
- Series 2004 Variable Rate Demand Revenue Bonds (2004 Streets Bonds) – Staff has prepared a plan for the early retirement of the 2004 Streets Bonds by making the final payment next fiscal year (FY 2015-16), to coincide with the letter of credit termination date. Additional funds will be reserved this fiscal year (FY 2014-15) in anticipation of the early retirement in FY 2015-16.
- Redevelopment Elimination – As of 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 ABx26, and paid by the Successor Agency. These debt issues are now obligations of the Successor Agency to the Former Community Redevelopment Agency and are no longer presented in the Debt Service Section of the City's Budget. Historical information may be shown for balancing purposes.

The following schedule summarizes all current City debt obligations, with the original principal amount and the principal outstanding as of July 1, 2014:

Debt Service Principal Obligations	Original Principal Amount	Estimated Principal Outstanding July 1, 2014	Maturity Date
City of Hesperia			
1996 HUD Section 108 Loan	$ 3,000,000	$ 150,000	August 1, 2014
Series 2004 Variable Rate Demand Revenue Bonds	12,525,000	5,235,000	October 1, 2021
2012 Water Rights Lease Revenue Bonds	26,735,000	26,300,000	October 1, 2042
2013 Civic Plaza Refunding Lease Revenue Bonds	12,445,000	12,445,000	October 1, 2035
2014 Development Impact Fee (DIF) Loan from the General Fund	65,840	65,840	Undetermined
Total City of Hesperia Principal Debt	$54,770,840	$44,195,840	

SUMMARY OF DEBT OBLIGATIONS (Continued):

Hesperia Water District			
1992B Certificates of Participation	$ 1,405,000	$ 760,000	June 1, 2022
1998A Variable Rate Lease Revenue Refunding Bonds	18,040,000	10,310,000	June 1, 2026
1998B Variable Rate Lease Revenue Refunding Bonds	2,070,000	910,000	June 1, 2022
2010 Loan from Redevelopment Low and Moderate Housing Fund	6,000,000	1,200,000	June 30, 2015
Total Hesperia Water District Principal Debt	$ 27,515,000	$13,180,000	
Total Principal Debt Outstanding	$82,285,840	$57,375,840	

Summary of Operating Expenditures and Staffing Changes

CITY COUNCIL

Department	2013-14 Budget	2014-15 Budget	Change From 2013-14 Budget Amount	Change From 2013-14 Budget Percent
City Council	$ 309,358	$ 382,978	$ 73,620	24%
City Attorney	350,000	300,000	(50,000)	-14%
Total City Council	$ 659,358	$ 682,978	$ 23,620	4%

Significant Department Expenditure and Staffing Changes:

- Addition of $48,000 for State legislative lobbyist services to assist with the identification of grant opportunities at the State level, as well as providing advocacy for priority projects, including the recycled water pipeline distribution system.
- Funding in the amount of $12,500 is included to aid in supporting the Victor Valley Museum.

CITY MANAGER

Department	2013-14 Budget	2014-15 Budget	Change From 2013-14 Budget Amount	Change From 2013-14 Budget Percent
City Manager	$ 1,123,647	$ 1,163,461	$ 39,814	4%
Information Technology	1,350,770	1,614,833	264,063	20%
Total City Manager	$ 2,474,417	$ 2,778,294	$ 303,877	12%
Full & Part-Time Staff (FTE)	13.60	13.60	0.00	0%

Significant Department Expenditure and Staffing Changes:

- Funding for the 2014 Municipal Election is added in the amount of $34,000.
- Eliminate one vacant Deputy City Manager (1.00 FTE) position to reduce expenditures during the continuing economic downturn.
- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (1.00 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements.
- Funding of $305,000 is included to upgrade the storage capacity and create mirror servers that will allow for complete replication of the City's computing environment. This will allow the City to have the capacity to restore the infrastructure and allow for normal business operations, should a primary system fail; thereby saving downtime costs.
- To improve effectiveness and add efficiencies to the Development Services Department automated land management system (CRW TRAKiT), funding of $131,200 is included to add two modules. The software system, which currently is used by Building and Safety for permitting and land management, will be expanded to include LicenseTRAK and CodeTRAK. LicenseTrak will serve as the software for business license management, while CodeTRAK will serve as the code enforcement module. All CRW TRACKiT modules will be integrated to offer the Development Services Department a complete software management system.

Summary of Operating Expenditures and Staffing Changes (Continued)

MANAGEMENT SERVICES

Department	2013-14 Budget	2014-15 Budget	Change From 2013-14 Budget Amount	Change From 2013-14 Budget Percent
Finance	$ 1,432,528	$ 1,999,702	$ 567,174	40%
Human Resources/Risk Management	1,169,012	1,197,387	28,375	2%
Total Management Services	$ 2,601,540	$ 3,197,089	$ 595,549	23%
Full & Part-Time Staff (FTE)	16.26	16.26	0.00	0%

Significant Department Expenditure and Staffing Changes:

- On March 4, 2014, the Council approved the purchase of 200 acre feet of permanent water rights from Summit Valley Ranch for $1,000,000, with the first half ($500,000) paid in FY 2013-14. The second half ($500,000) is included in the FY 2014-15 Budget.

ECONOMIC DEVELOPMENT DEPARTMENT

Department	2013-14 Budget	2014-15 Budget	Change From 2013-14 Budget Amount	Change From 2013-14 Budget Percent
Community Development Commission				
Community Development Commission	$ 378,894	$ 346,253	$ (32,641)	-9%
Subtotal Community Development Commission	$ 378,894	$ 346,253	$ (32,641)	-9%
Hesperia Housing Authority				
Hesperia Housing Authority	$ 536,203	$ 582,884	$ 46,681	9%
VVEDA Housing Authority	225,000	225,000	0	0%
Subtotal Hesperia Housing Authority	$ 761,203	$ 807,884	$ 46,681	6%
CDBG:				
Administration	$ 1,507,415	$ 1,141,371	$ (366,044)	-24%
HOME	0	0	0	0%
Revolving Loans	554,020	313,951	(240,069)	-43%
Neighborhood Stabilization	642,325	574,683	(67,642)	-11%
Subtotal CDBG	$ 2,703,760	$ 2,030,005	$ (673,755)	-25%
Total Economic Development	$ 3,843,857	$ 3,184,142	$ (659,715)	-17%
Full & Part-Time Staff (FTE)	8.00	7.00	-1.00	-13%

Significant Department Expenditure and Staffing Changes:

- As approved with the 2013-14 Mid-Year Budget review, the Deputy Director of Economic Development position classification title is changed to Economic Development Director position classification title, with no change in compensation, to more accurately reflect the functions performed by the incumbent.
- Eliminate one vacant Administrative Aide (1.00 FTE) position to reduce expenditures during the continuing economic downturn.
- The 1996 $3,000,000 HUD Section 108 Loan will be paid in full on August 1, 2014.
- Expenditure reduction in contract services is related to a reduction in anticipated Community Development Block Grant (CDBG) and Neighborhood Stabilization Program (NSP) inducement support, stemming from a reduction in available funding.

ECONOMIC DEVELOPMENT DEPARTMENT (Continued)

Significant Department Expenditure and Staffing Changes (Continued):

- The reduction in FY 2014-15 Capital Outlay is the result of a temporary reduction in CDBG Economic Development Program spending due to project timing.
- Increase in Economic Development account attributed to restoration of Hesperia Housing Authority's (HHA) Downpayment Assistance Program (DAP) and Housing Rehabilitation Loan Program (HRLP) that were mired by the redevelopment wind down process. The receipt of the Finding of Completion (FoC) by the Department of Finance (DOF) has enabled the HHA to begin accepting applications for these programs. Additional consultancy services are also included to expedite loan processing.
- Contractual increase (7500) due to passage of redevelopment dissolution bills which added additional auditing requirements for the housing successor (HHA). White Nelson Diehl Evans (WNDE) will be retained to prepare the required audits/review. Additional funds will be utilized for consultants involved in construction management of the HRLP program.

D.S. COMMUNITY DEVELOPMENT

Department	2013-14 Budget	2014-15 Budget	Change From 2013-14 Budget Amount	Change From 2013-14 Budget Percent
Planning	$ 849,044	$ 831,060	$ (17,984)	-2%
Building & Safety	750,634	798,523	47,889	6%
Total Community Development	$ 1,599,678	$ 1,629,583	$ 29,905	2%
Full & Part-Time Staff (FTE)	15.95	14.76	-1.19	-7%

Significant Department Expenditure and Staffing Changes:

- Funding of $45,760 is included for one part-time contract building inspector. The recent increase in permit activity has caused an increase in building inspection requests. One part-time contract inspector was brought on during Fiscal Year 2013-14, and staff anticipates that this service will be necessary during Fiscal Year 2014-15 to ensure same day inspection requests are filled.
- The retirement of one Senior Community Development Technician (1.00 FTE) position creates a vacancy and the position will be eliminated and one Senior Office Assistant (1.00 FTE) is being eliminated; with one Administrative Analyst (1.00 FTE) position being added to provide administrative support to the land management system (TrakiT) and lead the Business License program and implementation of the new automated Business License and Code Enforcement modules.
- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.14 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.10 FTE) is being added.

D.S. CODE COMPLIANCE

Department	2013-14 Budget	2014-15 Budget	Change From 2013-14 Budget Amount	Change From 2013-14 Budget Percent
Code Enforcement	$ 863,784	$ 935,438	$ 71,654	8%
Animal Control	1,399,653	1,411,236	11,583	1%
Total D.S.-Code Compliance	$ 2,263,437	$ 2,346,674	$ 83,237	4%
Full & Part-Time Staff (FTE)	23.78	23.92	0.14	1%

Significant Department Expenditure and Staffing Changes:

- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.16 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.30 FTE) is being added to Code Enforcement.

Summary of Operating Expenditures and Staffing Changes (Continued)

D.S. PUBLIC WORKS

Department	2013-14 Budget	2014-15 Budget	Change From 2013-14 Budget Amount	Percent
Street Maintenance	$ 3,287,043	$ 3,515,579	$ 228,536	7%
Engineering	569,383	672,278	102,895	18%
Building Maintenance	816,720	1,057,930	241,210	30%
Total D.S. Public Works	$ 4,673,146	$ 5,245,787	$ 572,641	12%
Full & Part-Time Staff (FTE)	34.36	33.66	-0.70	-2%

Significant Department Expenditure and Staffing Changes:

- Funding of $114,000 is included to upgrade the cabinets, controllers, and video detection systems at two signalized intersections (Main Street/G Avenue and Main Street/Topaz Avenue) in order to reduce traffic delays and improving operational efficiency.
- Funding of $192,000 is included to expand the City's current stormwater pollution program to meet the region's Municipal Storm Sewer System (MS4) General Permit issued by the State. The City is currently in the first year of its new General Permit, and year two will bring additional permit regulations which must be met by City forces as well as hiring consultants to assist the City in meeting these requirements. The City continues to be a member of the Mojave River Watershed Group which enables some of the costs associated with the program to be shared by all its members.
- Street sweeping costs will increase due to the development of the Ranchero underpass and the Ranchero/I-15 interchange.
- Funding of $17,000 is included to provide irrigation repair and plant replacement, electrical repair of electrical systems at each facility, and store front door maintenance, operating hardware maintenance and replacement.
- Funding of $118,500 is included to provide a complete roof restoration at the County Library and Animal Control facility, and a roof repair at City Hall.
- Funding of $57,000 is included to upgrade the intersection of Cottonwood Avenue and Main Street. It was requested that the City provide the traffic signal equipment, while the developers will pay for the cost of installation of the intersection upgrades. The equipment will cost $57,000 and will include an upgraded cabinet, controller, battery backup, complete video detection system, ADA compliant crossing system, and LED street lights.
- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.30 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.30 FTE) is being added.
- Eliminate one vacant Senior Engineering Technician (0.40 FTE) position to reduce expenditures during the continuing economic downturn, and related reduced development activity.
- The retirement of one Construction Inspector (0.30 FTE) creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, and related reduced development activity.

Summary of Operating Expenditures and Staffing Changes (Continued)

D.S. WATER

Department	2013-14 Budget	2014-15 Budget	Change From 2013-14 Budget Amount	Percent
Water Operating				
Source of Supply	$ 2,532,176	$ 2,764,565	$ 232,389	9%
Production	3,175,002	3,285,566	110,564	3%
Distribution	1,134,873	1,161,964	27,091	2%
Pipeline Maintenance	1,250,924	1,201,465	(49,459)	-4%
Engineering	838,863	757,342	(81,521)	-10%
Customer Service	1,159,749	1,194,632	34,883	3%
Utility Billing	1,007,842	1,002,860	(4,982)	0%
Administration	6,070,908	6,083,671	12,763	0%
Property Management	319,237	354,000	34,763	11%
Subtotal Water Operating	$ 17,489,574	$ 17,806,065	$ 316,491	2%
Water Capital	600,300	40,000	(560,300)	-93%
Total D.S.-Water	$ 18,089,874	$ 17,846,065	$ (243,809)	-1%
Full & Part-Time Staff (FTE)	69.23	67.98	-1.25	-2%

Significant Department Expenditure and Staffing Changes:

Source of Supply

- It is estimated that the FY 2014-15 production of water will be 15,050 acre-feet (AF), which exceeds the Water District's production allowance of 8,213 AF by 6,837 AF. To offset the overage, the Water District will utilize 965 AF from inventory claim and lease 4,707 AF of water, of which 3,742 AF will be obtained from the City of Hesperia. The remaining 1,742 will be leased from the Mojave Water Basin Watermaster (Watermaster) at a rate of $448. The FY 2014-15 Budget includes the Watermaster rate increase of $23 per AF (FY 2013-14 rate was $425), which accounts for the majority of the $232,540 increase from the FY 2013-14 Budget to the proposed FY 2014-15 Budget.

Production

- Funding of $130,000 is included to upgrade 4 programmable logic controllers (PLCs) within the City's Supervisory Control and Data Acquisition (SCADA) Program, which has been in operation since 1999, with little or no significant failures. This years funding would be phase one of a three year plan to replace eleven (11) PLCs.
- It is anticipated that electricity costs will increase during the next fiscal year, as Southern California Edison (SCE) filed a request to increase rates with the California Public Utilities Commission (CPUC). While no approval of rates have been granted by the CPUC, the FY 2014-15 Budget assumes a two percent increase over the FY 2013-14 Revised for electricity costs.

Engineering

- The retirement of one Construction Inspector (0.70 FTE) creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, and related reduced development activity.
- Eliminate one vacant Senior Engineering Technician (0.60 FTE) position to reduce expenditures during the continuing economic downturn, and related reduced development activity.
- One Administrative Secretary (0.10 FTE) is being added to assist with workload requirements.

D.S. WATER (Continued)

Significant Department Expenditure and Staffing Changes (Continued):

Administration

- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.40 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.20 FTE) is being added.
- With two positions eliminated in Community Development; one Administrative Analyst (0.15 FTE) position is being added to provide administrative support to the land management system (TrakiT).

Property Management

- Funding of $18,500 is included to provide electrical repair of electrical systems at each facility, plumbing repair to existing plumbing fixtures, annual and fire riser inspections in addition to annual fire extinguisher re-charge certification, store front door maintenance, operating hardware maintenance and replacement.
- Funding of $15,000 is included to provide roof repair at the Mojave Yard Administration building to extend the life of the existing roof.

D.S. SEWER

Department	2013-14 Budget	2014-15 Budget	Change From 2013-14 Budget Amount	Change From 2013-14 Budget Percent
Sewer Operations	$ 2,702,548	$ 3,056,765	$ 354,217	13%
Sewer Capital	200,000	350,000	150,000	75%
Total D.S. Sewer	$ 2,902,548	$ 3,406,765	$ 504,217	17%
Full & Part-Time Staff (FTE)	4.50	4.50	0.00	0%

Significant Department Expenditure and Staffing Changes:

- The FY 2014-15 Budget includes the recent 9% rate increase assessed by Victor Valley Wastewater Reclamation Authority (VVWRA) for treatment of the City's wastewater effluent. The FY 2013-14 rate was $2,528 per million gallon (mg); whereas the FY 2014-15 Budget reflects the rate of $2,756 mg, which is a projected increase of $162,000.
- The FY 2014-15 includes $188,136 for the purchase of the camera inspection truck, which was approved during the FY 2013-14 Mid-Year Budget. It was originally anticipated the vehicle would be received prior to the close of the fiscal year; however, it appears that the delivery date will occur in July 2014, which requires that funding be carried over to the new fiscal year.
- The FY 2014-15 Budget includes $144,000 for the monthly sewer charges assessed by the San Bernardino County Special District for Zone SP-2.

POLICE DEPARTMENT

Department	2013-14 Budget	2014-15 Budget	Change From 2013-14 Budget Amount	Change From 2013-14 Budget Percent
Police	$ 12,842,869	$ 13,535,238	$ 692,369	5%
Total Police	$ 12,842,869	$ 13,535,238	$ 692,369	5%
Full & Part-Time Staff (FTE)	73.00	73.00	0.00	0%

POLICE DEPARTMENT (Continued)

Significant Department Expenditure and Staffing Changes:

- The FY 2013-14 Budget for the police services contract was budgeted at $12,210,462. In order to continue current level law enforcement services, the County Contract increased by 4.8% or $586,754, for a FY 2014-15 Schedule A total of $12,797,216. The primary reason for the contract cost increases are salary and benefit increases for Sworn and Non-Sworn County contract staff.
- Continue to remove Booking Fees of $200,000 from the FY 2014-15 Budget. Currently, the State is committed to reimburse the County directly for booking fees as they have done in FY 2012-13 and FY 2013-14.
- The City receives contract credits from vacant positions or while personnel are on long-term leave. These credits are used to offset any overtime charges. For the FY 2014-15 Budget, it is assumed that overtime costs will be managed to match the contract vacancy credits; thereby Police overtime will not be budgeted in FY 2014-15
- Funding in the amount of $6,500 is included for a carport cover for the Command Post trailer.

FIRE DISTRICT

Department	2013-14 Budget	2014-15 Budget	Change From 2013-14 Budget Amount	Change From 2013-14 Budget Percent
Operations and Community Safety	$8,897,812	$9,449,751	$ 551,939	6%
Administration	327,702	814,114	486,412	148%
SAFER Grant	969,350	1,037,463	68,113	7%
Total Fire District	$ 10,194,864	$ 11,301,328	$ 1,106,464	11%
Full & Part-Time Staff (FTE)	66.73	67.10	0.37	1%

Significant Department Expenditure and Staffing Changes:

- The County contract for the current level of service has increased from $8,897,812 to $9,449,751 for a $551,939, or 6.2%, increase paid to County Fire. $220,277 of this increase is related to operating expenses and $331,662 is personnel based. Including the additional staff funded by the SAFER grant ($1,037,463 in Division 528) the total FY 2014-15 County Fire contract will be $10,487,214 representing an increase of $620,052, or 6.3% over the FY 2013-14 Budget of $9,867,162.
- For FY 2014-15, the County is restructuring the staffing allocations to more accurately reflect workload related to the services provided to the City.
  - Two Collection Officer positions (2.00 FTE) will be added and two Account Representative positions (2.00 FTE) will be eliminated.
  - Due to contract reallocation, a (0.50 FTE) Office Assistant III position will be added.
  - Due to contract reallocation, a (0.03 FTE) Deputy Fire Marshall position will be added.
  - Due to contract reallocation, a Division Chief position will be reduced from 0.43 FTE to 0.39 FTE (0.04 FTE Reductions).
  - Due to contract reallocation, 1.30 FTE Battalion Chief positions will be reduced to 1.18 FTE (0.12 FTE Reduction).
- Funding of $315,000 is included to replace nine (9) defibrillators in the District.
- Retirement costs paid to CalPERS will increase significantly from $89,786 ($79,868 for Safety and $9,918 for Miscellaneous) for FY 2013-14 to $245,096 ($233,880 for Safety and $11,216 for Miscellaneous) for FY 2014-15.
- Funding of $84,000 for roof repairs at Station 302 ($29,000) and Station 305 ($55,000) are included in the overall City FY 2014-15 Budget and are funded in the Fire Capital Fund 502.

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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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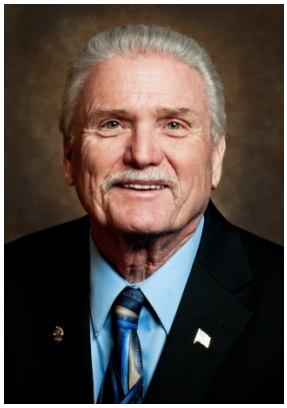
2014-15 City Council

Thurston “Smitty” Smith, Mayor

Eric Schmidt
Mayor Pro Tem

Russell Blewett
Council Member

Bill Holland
Council Member



Mike Leonard
Council Member

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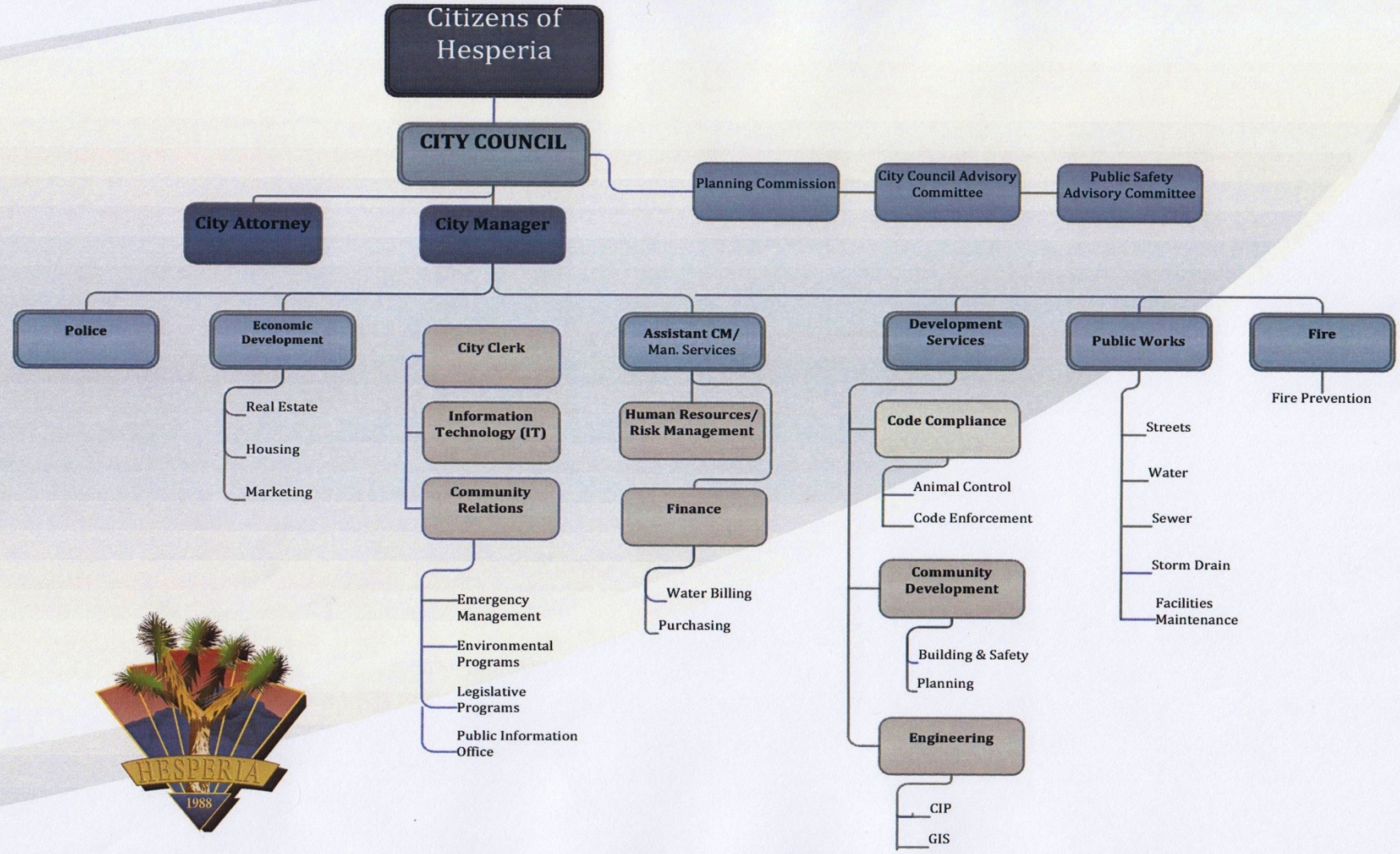
City of Hesperia Organizational Chart



June 17, 2014

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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 Jebediah 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.

Historical references supplied by Myra McGinnis.

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HESPERIA COMMUNITY PROFILE

Date Incorporated ..... July 1, 1988

Form of Government ..... General Law

Population as of January 1, 2014 (Ca State Dept of Finance est) 91,506

Population 2010-2014 - 5 Years + 3,027 or 3.4%

	Jan. 1, 2010	Jan. 1, 2011	Jan. 1, 2012	Jan. 1, 2013	Jan. 1, 2014
Population:	88,479	90,726	90,849	91,057	91,506
Change: Amount	+295	+2,247	+123	+208	+449
Change: Percent	+0.3%	+2.5%	+0.14%	+0.23%	+0.49%

Median Family Income $56,871

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 (Contract with San Bernardino County):

Number of Stations 4

Number of Staff – Firefighters/Officers 61.57

Number of Staff – Non-Safety 5.53

Police Protection (Contract with San Bernardino County):

Number of Stations 1

Number of Sworn Officers 55.00

Number of Staff – Non-Sworn 18.00

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) 181.68

Water District:

Water Service Connections 26,353

Sewer Service Connections 5,430

Active Well Sites 18

Reservoirs 14

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RESOURCES AND EXPENDITURE SUMMARIES

- *Overview*
- *Summary*
- *General Fund – 2014-15 Budget, Fund Balance, and Reserves*
- *Water District – 2014-15 Budget, Fund Balance, and Reserves*
- *Fire District – 2014-15 Budget, Fund Balance, and Reserves*
- *Streets Maintenance Fund – 2014-15 Budget, Fund Balance, and Reserves*
- *Hesperia Housing Authority – 2014-15 Budget, Fund Balance, and Reserves*
- *Community Development Commission – 2014-15 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 six primary operating funds or fund groups, which include the General Fund, Water District, Fire District, Public Works Streets Maintenance, Hesperia Housing Authority, and Community Development Commission.

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.

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 six funds or fund groups. The 2014-15 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 2014-15 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 has a serious deficit condition which will be focused on during the budget approval process.

	General Fund		Fire District		Water District	
10% Cash Reserves (Council/Board Policy)	$2,663,326	10%	$1,130,133	10%	$ 2,125,283	10%
Cash Reserves Above 10% Reserve	5,247,630	20%	(1,036,966)	-9%	1,082,805	5%
Total Estimated Cash Reserves	**$7,910,956**	**30%**	**$ 93,167**	**1%**	**$ 3,208,088**	**15%**

RESOURCES AND EXPENDITURE SUMMARIES

GENERAL FUND – 2014-15 BUDGET, FUND BALANCE, AND RESERVES

	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
RESOURCES				
Total General Fund Revenue	**$23,120,668**	**$24,509,405**	**$ 24,203,918**	**5%**
Budgeted Reserves				
1. Budgeted Reserves	$ 223,000	$ 200,743	$ 876,260	
2. Water Rights Acquisition	0	500,000	500,000	
3. Budget Amendment Reserves	0	93,550	0	
4. 2014 Development Impact Fee Loan (DIF-Public Service)	0	0	65,840	
5. FY 2014-15 Streets Improvement	0	0	500,000	
Total Budgeted Reserves	**$ 223,000**	**$ 794,293**	**$ 1,942,100**	**771%**
Transfers				
1. Fund 255 - AB 3229 COPS Grant	$ 146,328	$ 146,328	$ 246,328	
2. Fund 700 - Indirect Cost Allocation-Water	1,200,000	1,200,000	1,200,000	
3. Fund 710 - Indirect Cost Allocation-Sewer	185,714	185,714	166,363	
4. Fund 700 - Indirect Cost Allocation Prior Year Uncharged Water	500,000	500,000	500,000	
Subtotal Transfers In	2,032,042	2,032,042	2,112,691	
5. Fund 401 - City Debt Service	(46,470)	(15,490)	0	
6. Fund 403 - 2005 COP Refinance Debt Service	0	(30,980)	(22,580)	
7. Fund 402 - 2012 Water Rights Acquisition Debt Service	(1,345,475)	(1,345,475)	(1,453,575)	
8. Fund 304 - 2014 DIF Loan (DIF-Public Service)	0	0	(65,840)	
Subtotal Transfers Out	(1,391,945)	(1,391,945)	(1,541,995)	
Total Transfers	**640,097**	**640,097**	**570,696**	**-11%**
TOTAL RESOURCES (Revenue, Budgeted Reserves, and Transfers)	**23,983,765**	**25,943,795**	**26,716,714**	
TOTAL GENERAL FUND EXPENDITURES	**23,827,402**	**25,218,697**	**26,633,264**	**12%**
DIFFERENCE RESOURCES/EXPENDITURES	**$ 156,363**	**$ 725,098**	**$ 83,450**	
Fund Balance				
July 1 Beginning Balance	$ 12,413,778	$ 12,887,884	$ 12,818,689	
Total Budgeted Reserves	(223,000)	(794,293)	(1,942,100)	
Difference Resources/Expenditures	156,363	725,098	83,450	
Estimated June 30 Ending Fund Balance	**$ 12,347,141**	**$ 12,818,689**	**$ 10,960,039**	
General Fund Reserve Amounts				
10% of expenditures	$ 2,382,740	$ 2,521,870	$ 2,663,326	
Cash and Investments				
June 30 Ending Fund Balance	$ 12,347,141	$ 12,818,689	$ 10,960,039	
Estimated Cash and Investment Portion of Fund Balance	x 48.8%	x 72.1%	x 72.1%	
Estimated Cash and Investment Balance	**$ 6,025,405**	**$ 9,242,275**	**$ 7,910,956**	

Reserves	**2013-14 Reserve %**				**2014-15 Reserve %**
10% Cash Reserve (Council Policy)	10%	$ 2,382,740	$ 2,521,870	$ 2,663,326	10%
Reserves Above/(Below) 10% Reserve	15%	3,642,665	6,720,405	5,247,630	20%
Total Estimated Cash Reserves	**25%**	**$ 6,025,405**	**$ 9,242,275**	**$ 7,910,956**	**30%**

RESOURCES AND EXPENDITURE SUMMARIES

WATER DISTRICT – 2014-15 BUDGET, FUND BALANCE, AND RESERVES

	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
RESOURCES				
Revenue				
Water Operating and Capital	$ 17,463,637	$ 17,522,900	$ 17,803,741	2%
Sewer Operating and Capital	3,418,938	3,522,211	3,543,172	4%
Total Revenue	$ 20,882,575	$ 21,045,111	$ 21,346,913	2%
Budgeted Reserves	508,004	557,419	720,197	
Total Resources	**$ 21,390,579**	**$ 21,602,530**	**$ 22,067,110**	
EXPENDITURES by Program				
Water Operating and Capital	$ 18,089,874	$ 18,297,723	$ 17,846,065	-1%
Sewer Operating and Capital	2,902,548	2,882,259	3,406,765	17%
Total Expenditures	**20,992,422**	**21,179,982**	**21,252,830**	**1%**
Difference Resources/Expenses	$ 398,157	$ 422,548	$ 814,280	

WATER DISTRICT – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance		$ 78,573,219	$ 78,286,839	$ 78,151,968	
Budgeted Reserves		(508,004)	(557,419)	(720,197)	
Difference Resources/Expenditures		398,157	422,548	814,280	
Estimated June 30 Ending Fund Balance		**$ 78,463,372**	**$ 78,151,968**	**$ 78,246,051**	
Water District Reserve Amounts					
10% of expenditures		$ 2,099,242	$ 2,117,998	$ 2,125,283	
Cash and Investments					
June 30 Ending Fund Balance		$ 78,463,372	$ 78,151,968	$ 78,246,051	
Estimated Cash and Investment Portion of Fund Balance		x 18.0%	x 4.1%	x 4.1%	
Estimated Cash and Investment Balance		**$ 14,123,407**	**$ 3,204,231**	**$ 3,208,088**	
Reserves	**2013-14 Reserve %**				**2014-15 Reserve %**
10% Cash Reserve (Council Policy)	10%	$ 2,099,242	$ 2,117,998	$ 2,125,283	10%
Reserves Above/(Below) 10% Reserve	11%	2,378,893	1,086,232	1,082,805	5%
Total Estimated Cash Reserves	**21%**	**$ 4,478,135**	**$ 3,204,231**	**$ 3,208,088**	**15%**

RESOURCES AND EXPENDITURE SUMMARIES

WATER DISTRICT – WATER OPERATIONS - 2014-15 BUDGET, FUND BALANCE, AND RESERVES

	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
RESOURCES				
Total Water Operations Revenue	$ 17,303,637	$ 17,302,591	$ 17,585,741	2%
Budgeted Reserves	250,800	460,993	238,570	
Total Resources	**$ 17,554,437**	**$ 17,763,584**	**$ 17,824,311**	
EXPENDITURES by Program				
700 4010 Source of Supply	2,532,176	2,534,331	2,764,565	
700 4020 Production	3,175,002	3,353,210	3,285,566	
700 4030 Water Distribution	1,134,873	1,091,123	1,161,964	
700 4035 Water Line Replacement	1,250,924	1,144,224	1,201,465	
700 4040 Engineering	838,863	745,442	757,342	
700 4050 Customer Service	1,159,749	1,181,973	1,194,632	
700 4060 Utility Billing	1,007,842	1,008,489	1,002,860	
700 4070 Administration	6,070,908	6,230,916	6,083,671	
700 4080 Property Management	319,237	333,869	354,000	
Total Expenditures	**17,489,574**	**17,623,577**	**17,806,065**	**2%**
Difference Resources/Expenses	**$ 64,863**	**$ 140,007**	**$ 18,246**	

WATER OPERATIONS – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	$ 73,415,381	$ 72,885,912	$ 72,564,926	
Budgeted Reserves	(250,800)	(460,993)	(238,570)	
Difference Resources/Expenditures	64,863	140,007	18,246	
Estimated June 30 Ending Fund Balance	**$ 73,229,444**	**$ 72,564,926**	**$ 72,344,602**	
Water District Reserve Amounts				
10% of expenditures	$ 1,748,957	$ 1,762,358	$ 1,780,607	
Cash and Investments				
June 30 Ending Fund Balance	$ 73,229,444	$ 72,564,926	$ 72,344,602	
Cash and Investment Portion of Fund Balance	x 18.0%	x 6.9%	x 6.9%	
Estimated Cash and Investment Balance	**$ 13,181,300**	**$ 5,006,980**	**$ 4,991,778**	
Reserves				**2014-15 Reserve %**
10% Cash Reserve (Council Policy)	$ 1,748,957	$ 1,762,358	$ 1,780,607	10%
Reserves Above/(Below) 10% Reserve	11,432,343	3,244,622	3,211,171	18%
Total Estimated Cash Reserves	**$ 13,181,300**	**$ 5,006,980**	**$ 4,991,778**	**28%**

RESOURCES AND EXPENDITURE SUMMARIES

WATER DISTRICT – WATER CAPITAL - 2014-15 BUDGET, FUND BALANCE, AND RESERVES

	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
RESOURCES				
Total Water Capital Revenue	$ 160,000	$ 220,309	$ 218,000	36%
Budgeted Reserves	0	0	0	
Total Resources	**160,000**	**220,309**	**218,000**	
EXPENDITURES by Program				
701 800 Water CIP	600,300	674,146	40,000	
Total Expenditures	**600,300**	**674,146**	**40,000**	**-93%**
Difference Resources/Expenses	**$ (440,300)**	**$ (453,837)**	**$ 178,000**	

WATER CAPITAL – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	$(12,064,019)	$ (11,604,808)	$ (12,058,645)	
Budgeted Reserves	0	0	0	
Difference Resources/Expenditures	(440,300)	(453,837)	178,000	
Estimated June 30 Ending Fund Balance	**$(12,504,319)**	**$ (12,058,645)**	**$ (11,880,645)**	
Water District Reserve Amounts				
10% of expenditures	$ 60,030	$ 67,415	$ 4,000	
Cash and Investments				
June 30 Ending Fund Balance	$(12,504,319)	$ (12,058,645)	$ (11,880,645)	
Cash and Investment Portion of Fund Balance	x 18.0%	x 110.9%	x 110.9%	
Estimated Cash and Investment Balance	**$ (2,250,777)**	**$ (13,373,037)**	**$ (13,175,635)**	
Reserves				**2014-15 Reserve %**
10% Cash Reserve (Council Policy)	$ 60,030	$ 67,415	$ 4,000	n/a
Reserves Above/(Below) 10% Reserve	(2,310,807)	(13,440,452)	(13,179,635)	n/a
Total Estimated Cash Reserves	**$ (2,250,777)**	**$ (13,373,037)**	**$ (13,175,635)**	**n/a**

RESOURCES AND EXPENDITURE SUMMARIES

WATER DISTRICT – SEWER OPERATIONS - 2014-15 BUDGET, FUND BALANCE, AND RESERVES

	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
RESOURCES				
Total Sewer Operations Revenue	$ 3,366,142	$ 3,453,657	$ 3,486,663	4%
Budgeted Reserves	110,000	0	188,136	
Total Resources	**3,476,142**	**3,453,657**	**3,674,799**	
EXPENDITURES by Program				
710 4200 Sewer Distribution	2,702,548	2,717,279	3,056,765	
Total Expenditures	**2,702,548**	**2,717,279**	**3,056,765**	**13%**
Difference Resources/Expenses	**$ 773,594**	**$ 736,378**	**$ 618,034**	

SEWER OPERATIONS – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	$ 13,583,432	$ 13,356,485	$ 14,092,863	
Budgeted Reserves	(110,000)	0	(188,136)	
Difference Resources/Expenditures	773,594	736,378	618,034	
Estimated June 30 Ending Fund Balance	**$ 14,247,026**	**$ 14,092,863**	**$ 14,522,761**	
Water District Reserve Amounts				
10% of expenditures	$ 270,255	$ 271,728	$ 305,677	
Cash and Investments				
June 30 Ending Fund Balance	$ 14,247,026	$ 14,092,863	$ 14,522,761	
Cash and Investment Portion of Fund Balance	x 18.0%	x 55.5%	x 55.5%	
Estimated Cash and Investment Balance	**$ 2,564,465**	**$ 7,821,539**	**$ 8,060,132**	
Reserves				**2014-15 Reserve %**
10% Cash Reserve (Council Policy)	$ 270,255	$ 271,728	$ 305,677	10%
Reserves Above/(Below) 10% Reserve	2,294,210	7,549,811	7,754,456	254%
Total Estimated Cash Reserves	**$ 2,564,465**	**$ 7,821,539**	**$ 8,060,132**	**264%**

RESOURCES AND EXPENDITURE SUMMARIES

WATER DISTRICT – SEWER CAPITAL - 2014-15 BUDGET, FUND BALANCE, AND RESERVES

	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
RESOURCES				
Total Sewer Capital Revenue	$ 52,796	$ 68,554	$ 56,509	7%
Budgeted Reserves	147,204	96,426	293,491	
Total Resources	**200,000**	**164,980**	**350,000**	
EXPENDITURES by Program				
711 900 Sewer CIP	200,000	164,980	350,000	
Total Expenditures	**200,000**	**164,980**	**350,000**	**75%**
Difference Resources/Expenses	**$ 0**	**$ 0**	**$ 0**	

SEWER CAPITAL – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	$ 3,638,425	$ 3,649,250	$ 3,552,824	
Budgeted Reserves	(147,204)	(96,426)	(293,491)	
Difference Resources/Expenditures	0	0	0	
Estimated June 30 Ending Fund Balance	**$ 3,491,221**	**$ 3,552,824**	**$ 3,259,333**	
Water District Reserve Amounts				
10% of expenditures	$ 20,000	$ 16,498	$ 35,000	
Cash and Investments				
June 30 Ending Fund Balance	$ 3,491,221	$ 3,552,824	$ 3,259,333	
Cash and Investment Portion of Fund Balance	x 18.0%	x 99.9%	x 99.9%	
Estimated Cash and Investment Balance	**$ 628,420**	**$ 3,549,271**	**$ 3,256,074**	

Reserves	**2013-14 Reserve %**				**2014-15 Reserve %**
10% Cash Reserve (Council Policy)	10%	$ 20,000	$ 16,498	$ 35,000	10%
Reserves Above/(Below) 10% Reserve	304%	608,420	3,532,773	3,221,074	920%
Total Estimated Cash Reserves	**314%**	**$ 628,420**	**$ 3,549,271**	**$ 3,256,074**	**930%**

RESOURCES AND EXPENDITURE SUMMARIES

FIRE DISTRICT – 2014-15 BUDGET, FUND BALANCE, AND RESERVES

	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change 2013-14 Budget
RESOURCES				
Fire District Revenue	**$ 9,229,895**	**$ 9,730,543**	**$ 9,607,668**	**4%**
SAFER Grant Revenue	794,778	578,000	580,000	**-27%**
Total Fire District Revenue	**$ 10,024,673**	**$ 10,308,543**	**$ 10,187,668**	**2%**
Budgeted Reserves	170,191	228,583	325,000	
TOTAL RESOURCES	**10,194,864**	**10,537,126**	**10,512,668**	
EXPENDITURES				
520 Operations & Community Safety	8,897,812	8,897,812	9,449,751	6%
521 Administration	327,702	525,396	814,114	148%
528 SAFER Grant	969,350	969,350	1,037,463	7%
Total Expenditures	**10,194,864**	**10,392,558**	**11,301,328**	**11%**
DIFFERENCE RESOURCES/EXPENSES	**$ 0**	**$ 144,568**	**$ (788,660)**	
Fund Balance				
July 1 Beginning Fund Balance	$ 1,384,241	$ 1,317,736	$ 1,233,721	
Budgeted Reserves	(170,191)	(228,583)	(325,000)	
Difference Resources/Expenditures	0	144,568	(788,660)	
Estimated June 30 Ending Fund Balance	**$ 1,214,050**	**$ 1,233,721**	**$ 120,061**	
Fire District Reserve Amounts				
10% of expenditures	$ 1,019,486	$ 1,039,256	$ 1,130,133	
Cash and Investments				
June 30 Ending Fund Balance	$ 1,214,050	$ 1,233,721	$ 120,061	
Estimated Cash and Investment Portion of Fund Balance	x 64.0%	x 77.6%	x 77.6%	
Estimated Cash and Investment Balance	**$ 776,992**	**$ 957,367**	**$ 93,167**	

Reserves	**2013-14 Reserve %**				**2014-15 Reserve %**
10% Cash Reserve (Council Policy)	10%	$ 1,019,486	$ 1,039,256	$ 1,130,133	10%
Reserves Above/(Below) 10% Reserve	-2%	(242,494)	(81,889)	(1,036,966)	-9%
Total Estimated Cash Reserves	**8%**	**$ 776,992**	**$ 957,367**	**$ 93,167**	**1%**

STREETS MAINTENANCE FUND – 2014-15 BUDGET, FUND BALANCE, AND RESERVES

	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
RESOURCES				
Total Street Maintenance Fund Revenue	**$ 3,883**	**$ 13,383**	**$ 11,883**	**206%**
Budgeted Reserves				
Budgeted Reserves	0	57,000	172,000	
Total Budgeted Reserves	**$ 0**	**$ 57,000**	**$ 172,000**	
Transfers				
Fund 204 - Measure I - Renewal	$ 1,160,000	$ 1,160,000	$ 500,000	
Fund 205 - Gas Tax Fund	800,000	800,000	950,000	
Fund 206 - Gas Tax Swap	950,000	950,000	1,050,000	
Fund 207 - Local Transportation Fund (LTF)	398,000	398,000	1,050,000	
Total Transfers	**3,308,000**	**3,308,000**	**3,550,000**	
TOTAL RESOURCES				
(Revenue, Budgeted Reserves, and Transfers)	**3,311,883**	**3,378,383**	**3,733,883**	
TOTAL STREET MAINTENANCE FUND EXPENDITURES	**3,287,043**	**3,221,369**	**3,515,579**	**7%**
DIFFERENCE RESOURCES/EXPENDITURES	**$ 24,840**	**$ 157,014**	**$ 218,304**	
Fund Balance				
July 1 Beginning Balance	$ 336,188	$ 347,732	$ 447,746	
Total Budgeted Reserves	0	(57,000)	(172,000)	
Difference Resources/Expenditures	24,840	157,014	218,304	
Estimated June 30 Ending Balance	**$ 361,028**	**$ 447,746**	**$ 494,050**	

HESPERIA HOUSING AUTHORITY – 2014-15 BUDGET, FUND BALANCE, AND RESERVES

(Includes Funds 370 - Hesperia Housing Authority & 371 - VVEDA Housing Authority)

	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
RESOURCES				
Total Housing Authority Revenue	**$ 155,710**	**$ 365,661**	**$ 414,681**	**166%**
Budgeted Reserves	0	0	221,270	n/a
Transfers				
Fund 700 - Water Operations	1,200,000	1,200,000	1,200,000	0%
Total Resources	**1,355,710**	**1,565,661**	**1,835,951**	**35%**
EXPENDITURES				
370 Hesperia Housing Authority	536,203	287,798	582,884	9%
371 VVEDA Housing Authority	225,000	0	225,000	0%
Total Expenditures	**761,203**	**287,798**	**807,884**	**6%**
DIFFERENCE RESOURCES/EXPENSES	**$ 594,507**	**$ 1,277,863**	**$ 1,028,067**	
Fund Balance				
July 1 Beginning Balance	$ 45,910,486	$ 18,286,605	$ 19,564,468	
Budgeted Reserves	0	0	(221,270)	
Difference Resources/Expenditures	594,507	1,277,863	1,028,067	
Estimated June 30 Ending Balance	**$ 46,504,993**	**$ 19,564,468**	**$ 20,371,265**	
Less: Loans/Advances	(17,658,174)	(1,200,000)	0	
Land Held For Resale	(10,269,457)	(10,269,457)	(10,269,457)	
Estimated June 30 Ending Operating Fund Balance	**$ 18,577,362**	**$ 8,095,011**	**$ 10,101,808**	

The Transfer In of $1,200,000 from Fund 700 - Water Operations represent the annual principal payments of the June 2010 5-year loan to the Hesperia Water District. The $1,200,000 is considered as 'one-time' revenue as the final year to receive the repayment is FY 2014-15. The $1,200,000 is a budgetary basis adjustment because in the Comprehensive Annual Financial Report the loan is shown on the balance sheet as a loan receivable and is reduced by the annual payments, and is not reflected as revenue.

COMMUNITY DEVELOPMENT COMMISSION – 2014-15 BUDGET, FUND BALANCE, AND RESERVES

	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
RESOURCES				
Total Community Development Commission Revenue	**$ 100,800**	**$ 155,990**	**$ 727,115**	**621%**
Budgeted Reserves	278,094	211,539	0	-100%
Total Resources	**378,894**	**367,529**	**727,115**	**92%**
EXPENDITURES				
170 Community Development Commission	378,894	363,766	346,253	-9%
Total Expenditures	**378,894**	**363,766**	**346,253**	**-9%**
DIFFERENCE RESOURCES/EXPENSES	**$ 0**	**$ 3,763**	**$ 380,862**	
Fund Balance				
July 1 Beginning Balance	$ 595,046	$ 614,249	$ 406,473	
Budgeted Reserves	(278,094)	(211,539)	0	
Difference Resources/Expenditures	0	3,763	380,862	
Estimated June 30 Ending Balance	**$ 316,952**	**$ 406,473**	**$ 787,335**	

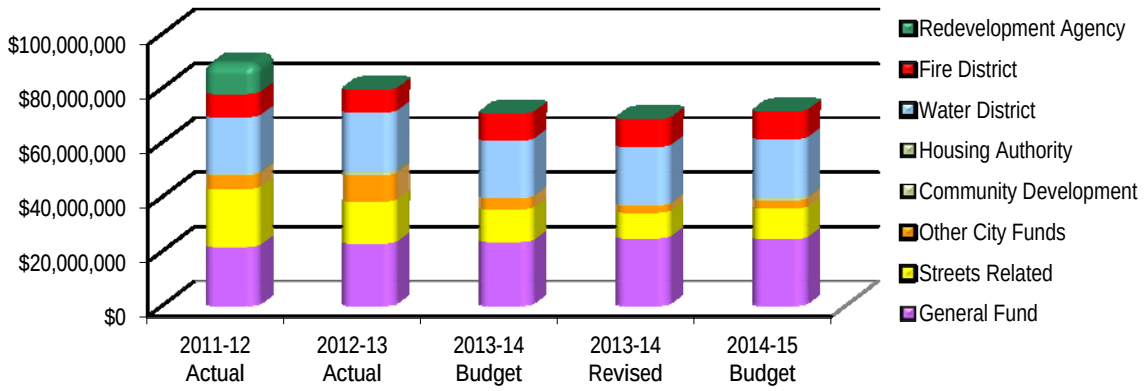
REVENUE

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

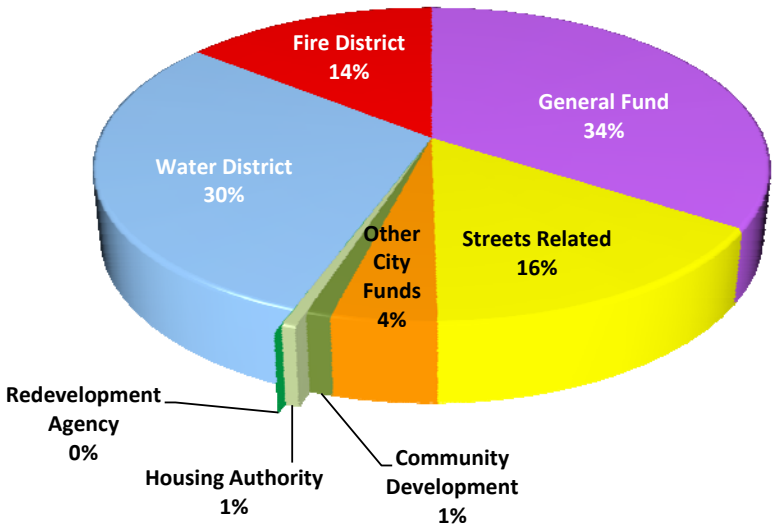
City of Hesperia

Total City Revenue Trend



	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
General Fund	$ 21,256,529	$ 22,545,939	$ 23,120,668	$ 24,509,405	$ 24,203,918	5%
Streets Related	21,375,575	15,474,158	12,012,109	9,413,338	11,203,561	-7%
Other City Funds	5,161,791	9,779,259	4,145,324	2,606,473	3,068,215	-26%
Total City Funds	47,793,895	47,799,356	39,278,101	36,529,216	38,475,694	-2%
Community Development	58,121	743,287	100,800	155,990	727,115	621%
Housing Authority	626,942	536,969	155,710	365,661	414,681	166%
Water District	20,565,576	21,678,838	20,882,575	21,045,111	21,346,913	2%
Fire District	8,579,993	8,447,742	10,024,673	10,308,543	10,187,668	2%
Redevelopment Agency	11,239,413	0	0	0	0	0%
Total All Funds	$ 88,863,940	$ 79,206,192	$ 70,441,859	$ 68,404,521	$ 71,152,071	1%

2014-15 Budget Total City Revenue



REVENUE

Summary and Highlights

The City of Hesperia maintains the practice of matching each revenue type to a 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 total FY 2013-14 Budget to the total FY 2014-15 Budget, shows an increase of $0.7 million, or 1%. The primary reason for this increase is the development related revenue, as indicated by Hesperia's development activity, which is showing signs of recovering from the effects of the prolonged recession and housing slump, with the issuance of over 40 single family residential permits estimated through the end of FY 2013-14 and 100 single family residential permits estimated in the FY 2014-15 Budget.

When compared to the FY 2011-12 Actual revenue, the overall combined City revenue for the FY 2014-15 Budget is expected to decrease from $88.9 million to $71.2 million, or by 20%, or $17.7 million. This decrease is primarily related to the substantial reduction as a result of the Redevelopment Agency (Agency) dissolution effective February 1, 2012. The former Agency's revenue now goes to the Successor Agency to the former Redevelopment Agency which is governed by an independent Oversight Board.

General Fund - General Fund revenue is for the normal operations of and services provided by the City that are not specifically accounted for in other funds. The FY 2014-15 Budget for the General Fund is projecting an increase in revenues of 5%, or $1.1 million from the FY 2013-14 Budget. The following summarizes the projected increase/decrease of various revenues:

- Sales and Use Tax revenue is projecting a decrease of $0.1 million, or 2%, to $8.4 million.
- Vehicle License Fee revenue is expecting an increase of $0.3 million, or 4%, to $6.4 million.
- Development-Related revenues, including Building Permit Fees, are anticipating to increase by $0.5 million, or 67% over the FY 2013-14 Budget estimate.
- Leased Water Rights revenue is $1.5 million, which will primarily pay for the debt service on the 2012 Bonds issued to pay for the purchase of Water Rights. The Leased Water Rights revenue is projected to increase $0.1 million or roughly 9% over the FY 2013-14 Budget of $1.4 million. The increase is due in part to lease rates increasing from $382 per acre-foot (AF) to $403 per AF, as well as an increase in available water to lease during FY 2014-15. The City purchased 160 AF of permanent water rights during FY 2013-14, which brings the available leasable water rights to 3,742 AF.

Streets & Transportation Related Funds - This group is comprised of 11 street and transportation related funds budgeted in FY 2014-15. Each of these funds receives revenue that is restricted for specific streets and transportation uses. Some of the major highlights are:

- Developer Impact Fees (DIF) for Streets and Storm Drainage revenue will increase 127%, or $0.7 million for the FY 2014-15 Budget. This increase is due to the anticipated increase in residential development from 10 permits in the FY 2013-14 Budget to over 40 in the FY 2013-14 Revised to 100 for the FY 2014-15 Budget. In the combined FY 2014-15 DIF Budget, revenue is reflecting the beginning of a slow local economic recovery from the continued nationwide housing slump and recession.
- Measure I 2010 Renewal revenue is expected to remain unchanged at $2.5 million.
- Local Transportation Fund (LTF) revenue is expected to increase by $0.2 million, or 10%, to $2.1 million from the FY 2013-14 Budget of $1.9 million. This increase is due to the Victor Valley Transit Authority (VVTA) receiving more funding from the State, thus diverting less from the City.

Non-Streets Related Other City Funds - This group is comprised of 13 other non-street related funds. Each of these funds receives revenue that is restricted for specific uses. Some of the major highlights are:

- Developer Impact Fee (DIF) for Fire, Police, and Public Safety revenue is expected to increase 239% from the FY 2013-14 Revised as the City Council-approved 18 month reduction of these revenues sunsets early in FY 2014-15. Combined, these are expected to produce revenue of more than $0.2 million. During FY 2014-15, it is estimated that 100 Single Family Residential (SFR) permits will be issued and 40 of the 100 permits will be issued before the expiration of the City Council approved DIF 18 month reduction.
- The CDBG/HOME Housing and Urban Development (HUD) grants are expecting a combined decrease of 38%, or $1.2 million, from the FY 2013-14 Budget to the FY 2014-15 Budget of $2.0 million. The primary reason for this decrease is less expected sales than what the FY 2013-14 Budget anticipated in the Neighborhood Stabilization Program (NSP). This NSP grant is used to buy, rehabilitate, and resell abandoned/foreclosed homes within the City.

Summary and Highlights (Continued)

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 transmission of the sewage that comes from those homes/businesses on the City's sewer system. Some of the major highlights are:

- Overall Water District revenue is expected to increase about $0.4 million from the FY 2013-14 Budget of $20.9 million to the FY 2014-15 Budget of $21.3 million. As the Water Sales revenues of the District are expected to decrease slightly, this is offset by the anticipated increases of other revenue of the District for the FY 2014-15 Budget.
- Combined Water and Sewer operating revenue, dominated by the Sales revenues, are anticipating a slight increase, from the FY 2013-14 Budget, primarily from anticipated construction related usage from home construction and other capital projects. A slight increase in Water Sales revenue is projected in FY 2014-15 compared to the FY 2013-14 Budget, with an increase from $16.3 million to $16.4 million, for less than a 1%, or $0.1 million increase.
- The Water Capital revenue is expected to increase over the FY 2013-14 Budget, which reflected the City Council approved 18 month residential Development Impact Fee reduction to counteract the current economic recession and the local housing slump. Sewer Capital revenue is showing a projected decline of 18% for FY 2014-15 from the FY 2013-14 Revised but a 7% increase over the FY 2013-14 Budget, as some commercial projects were completed earlier than anticipated.

Fire District - The revenues for the FY 2014-15 Budget are projected to be $10.2 million, which is $0.2 million, or 2% more than the FY 2013-14 Budget of $10.0 million, primarily due to the new Ground Emergency Medical Transportation (GEMT) reimbursement ($0.5 million). Some of the major highlights are:

- Property Tax revenue is projected to increase by 3% over the FY 2013-14 Budget. This is due to the anticipated 2% assessed valuation increase over FY 2013-14.
- Paramedic Ambulance Fee revenue is budgeted to decrease, primarily due to 8% less cash being collected of the gross revenue billed, in spite of the District adopting the ambulance billing rates of San Bernardino County Fire and adding a fifth ambulance due to the SAFER grant. This revenue represents the cash collections of the ambulance billing activity, with a decrease shown from the FY 2013-14 Budget of $2.7 million to $2.5 million for the FY 2014-15 Budget. See page C-16 for a more detailed explanation.
- Redevelopment Tax Increment Pass-Through for the FY 2014-15 Budget is projecting a 3% increase over the FY 2013-14 Budget by about $35,000. This revenue will be received directly from the County of San Bernardino in the wake of the state-wide dissolution of redevelopment agencies. The assessed valuation change of the City is expected to increase about 2%, as the bottom in property values is thought to have been reached during FY 2012-13.
- Community Facilities District 94-1 revenue is expecting a slight increase of about $11,000 over the FY 2013-14 Budget. The FY 2012-13 levy of $544,757 was 97% collected in that year, along with an additional $8,600 of prior years' levies and penalties that were collected. The FY 2013-14 levy is $550,458.
- 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. For the FY 2014-15 Budget, this revenue is expected to decrease by $0.1 million, as FY 2013-14 was the last year of receiving revenue which had been reserved from the first four years of the assessment and held in the CFD 2005-1 Trust Fund to ensure the viability of the District.

Community Development Commission – This agency was created to carry on the economic development function of the former RDA. The FY 2014-15 Budget is expected to increase by 621%, primarily from the sale of Commission owned land.

Hesperia Housing Authority – The purpose of this agency is to continue the housing function of the former Hesperia Community Redevelopment Agency (HCRA). The FY 2014-15 Budget of $0.4 million shows an increase over the FY 2013-14 Budget of $0.2 million. The Authority's revenues are comprised primarily of interest revenue earned on the assets of the former HCRA Low/Mod income housing function and rents/leases, however, the primary reason for the increase is anticipated sale of Authority owned land.

Redevelopment Agency – The Redevelopment Agency was dissolved February 1, 2012 by the State of California.

REVENUE

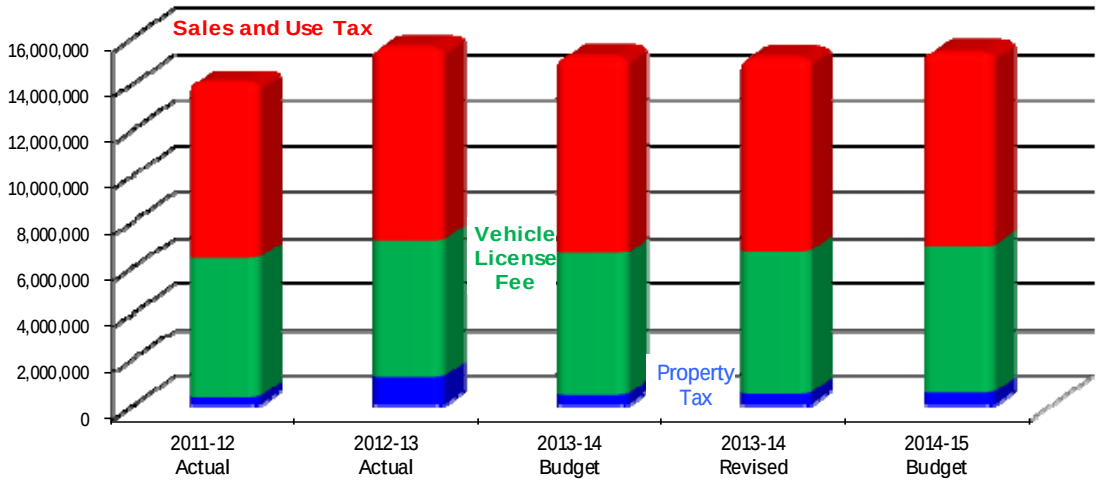
General Fund Summary of Major Revenues

General Fund Revenues	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Sales and Use Tax	$ 5,806,030	$ 6,128,061	$ 6,414,750	$ 6,221,134	$ 6,311,250	-2%
Sales Tax Triple Flip	1,852,505	2,251,778	2,138,250	2,178,866	2,103,750	-2%
Sub-Total Sales and Use Tax	7,658,535	8,379,839	8,553,000	8,400,000	8,415,000	-2%
Vehicle License Fee (VLF)	46,665	38,777	0	0	0	n/a
VLF Swap Triple Flip	5,987,271	5,938,483	6,140,219	6,194,705	6,394,175	4%
Sub-Total Vehicle License Fee (VLF)	6,033,936	5,977,260	6,140,219	6,194,705	6,394,175	4%
Secured Property Tax	386,587	1,233,680	480,000	532,530	569,700	19%
Sub-Total Triple Flip Affected Revenues	14,079,058	15,590,779	15,173,219	15,127,235	15,378,875	1%
Transient Occupancy Tax	913,867	852,692	830,000	880,000	900,000	8%
Property Transfer Tax	153,764	141,089	155,000	155,000	155,000	0%
Franchise Fees	2,629,422	2,752,768	2,680,000	2,951,516	2,890,000	8%
Business License	212,546	206,211	200,000	210,000	210,000	5%
Community Facilities District 2005-1	460,540	394,452	399,483	349,548	261,732	-34%
Leased Water Rights	0	15,756	1,383,604	1,383,604	1,508,026	9%
Development Related Revenues:						
Planning	115,170	132,805	120,532	167,633	165,439	37%
Building & Safety	674,196	674,020	562,148	879,794	997,343	77%
Engineering	109,458	73,187	59,450	77,446	77,452	30%
Sub-Total Development Related Revenues	898,824	880,012	742,130	1,124,873	1,240,234	67%
All Other General Fund Revenues	1,908,506	1,712,180	1,557,232	2,327,629	1,660,051	7%
Total General Fund Revenues	$21,256,527	$22,545,939	$23,120,668	$24,509,405	$24,203,918	5%

The FY 2013-14 Revised amounts appearing in this budget document are basically a re-estimation of the FY 2013-14 Budget, with the difference being that the Revised has a large portion of the fiscal year's actual transactions as part of the estimates. These Revised estimates sometimes reflect the final FY 2013-14 amounts, but generally, are only estimating the final 2 to 3 months of the year, which are added to the 9 to 10 months of FY 2013-14 year-to-date actuals.

The total General Fund revenue is increasing from the FY 2013-14 Budget of $23.1 million, to $24.2 million, for a $1.1 million, or a 5% increase. Of the $1.1 million increase, $0.3 million is revenue from the VLF Swap Triple Flip. The General Fund revenue change from the FY 2013-14 Budget to the FY 2013-14 Revised is an increase of $1.4 million, or 6%, primarily due to the County reimbursement of $0.5 million of prior years' overcharged Sheriff workers' compensation charges. This is in addition to the $0.3 million higher FY 2013-14 Revised in Franchise Fees.

Triple Flip Revenue Comparison



General Fund Revenue	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Sales and Use Tax	$ 5,806,030	$ 6,128,061	$ 6,414,750	$ 6,221,134	$ 6,311,250	
Sales and Use Tax Triple Flip	1,852,505	2,251,778	2,138,250	2,178,866	2,103,750	
Sub-Total Sales Tax Revenues	7,658,535	8,379,839	8,553,000	8,400,000	8,415,000	-2%
Vehicle License Fees (VLF)	46,665	38,777	0	0	0	
Triple Flip - Vehicle License Fees	5,987,271	5,938,483	6,140,219	6,194,705	6,394,175	
Sub-Total VLF Revenues	6,033,936	5,977,260	6,140,219	6,194,705	6,394,175	4%
Secured Property Taxes	386,587	1,233,680	480,000	532,530	569,700	
Sub-Total Property Tax Revenues	386,587	1,233,680	480,000	532,530	569,700	19%
TOTAL TRIPLE-FLIP EFFECTED GENERAL FUND REVENUES	$14,079,058	$15,590,779	$15,173,219	$15,127,235	$15,378,875	1%

For the FY 2014-15 Budget, this group of revenues are projected to be 64% of the total General Fund budget; compared to the FY 2013-14 Revised of 62% of the total General Fund and the FY 2013-14 Budget of 66%.

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.

Sales and Use Tax – In San Bernardino County, Sales Tax is currently 8.00% on various taxable items, with the City's share being 1.00% of the 8.00% (6.25% goes to the State, 0.50% is for Measure I, and 0.25% Local Transportation funding). The combined FY 2014-15 Budget estimate for Sales and Use Tax and the Sales Tax Triple Flip revenues, comprising the City's total Sales Tax revenue, is $8.4 million, or a slight increase of about $15,000 from the FY 2013-14 Revised. The $8.4 million of the FY 2014-15 Budget reflects a 2% decrease from the FY 2013-14 Budget estimate.

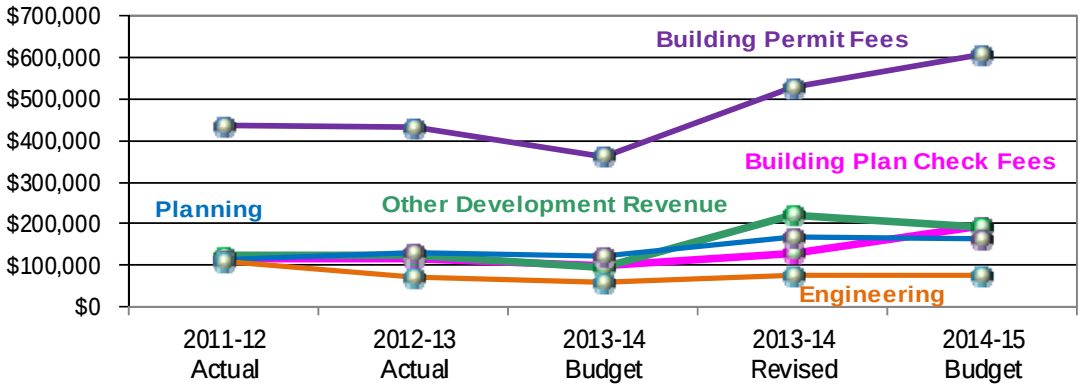
The combined Sales Tax revenue, for the FY 2014-15 Budget, is 34.8% of the total General Fund estimated revenue. This is the slightly higher than the FY 2013-14 Revised of 34.3%, which is the lowest point, in the presented data, of the General Fund total.

Triple Flip Revenue Comparison (Continued)

Vehicle License Fee (VLF) – Since the first two years of the State's 'Triple Flip' Program, which began in FY 2004-05, the growth of the City's *Triple Flip–Vehicle License Fees* has been tied to the City's growth of assessed valuation. Through the FY 2008-09 Actual, this revenue grew substantially, as the City's increase in assessed valuation reflected the dramatic growth of the housing boom; however, the assessed valuation was subsequently lowered by the County's Assessor, and from FY 2009-10 through FY 2012-13 this revenue shrunk at the same pace. Starting with FY 2013-14, assessed values began to recover with a 4% increase for FY 2013-14 and an estimated 2% for FY 2014-15. The County Assessor will notify, through a press release, what the FY 2014-15 assessed valuation change is on July 1, 2014. The combined FY 2014-15 Budget for VLF and VLF Swap Triple Flip revenues estimate is $6.4 million, an increase of about $0.2 million or 3% from the FY 2013-14 Revised. The $6.4 million is $0.3 million, or 4% more than the FY 2013-14 Budget.

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 FY 2014-15 Budget of $0.6 million is 19% more than the FY 2013-14 Budget, an increase of about $90,000. This increase can be attributed to a projected 2% increase in assessed valuation over FY 2012-13. For the FY 2014-15 Budget, this revenue source is estimated to be 2.4% of the total General Fund revenues.

General Fund Development Revenue



Development Revenues	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Building Permit Fees	$ 435,754	$ 431,171	$ 365,000	$ 528,000	$ 609,937	67%
Building Plan Check Fees	114,425	117,644	100,000	130,000	195,535	96%
Planning	115,170	132,805	120,532	167,633	165,439	37%
Engineering	109,458	73,187	59,450	77,446	77,452	30%
Other Development Revenues	124,017	125,205	97,148	221,794	191,871	98%
Sub-Total Development Related Revenues	898,824	880,012	742,130	1,124,873	1,240,234	67%
Business License	212,546	206,211	200,000	210,000	210,000	5%
Total Development Revenues	$1,111,370	$1,086,223	$ 942,130	$1,334,873	$1,450,234	54%

Overall, Development Related revenues are projected to increase by 67% over the FY 2013-14 Budget and 10% over the FY 2013-14 Revised, which estimates 40+ single residential building permits (FY 2013-14 Revised) with an increase to an anticipated 100 residential permits in FY 2014-15. Development related revenue sources comprise 5% of the General Fund FY 2014-15 Budget estimates. Total Development Revenues represent a 54% increase from the FY 2013-14 Budget, and a 30% increase from the FY 2011-12 Actual.

General Fund Development Revenue (Continued)

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 2.5% of the General Fund FY 2014-15 Budget revenue, which is up from 1.6% of the FY 2013-14 Budget. The FY 2014-15 Budget revenue projection estimates that 100 single residential building permits will be issued during the new fiscal year. Commercial activity is projected to slow, as evidenced by the 71,554 square feet of new commercial which is down from 180,418 square feet for the FY 2013-14 Budget.

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 2014-15 Budget projects revenue of $0.2 million, representing a 50% increase from the FY 2013-14 Revised estimate that reflects growth in residential development activity netted against a projected decline in commercial development activity in the City. Compared to the FY 2011-12 Actual, this revenue has increased by 71% for the General Fund's FY 2014-15 Budget.

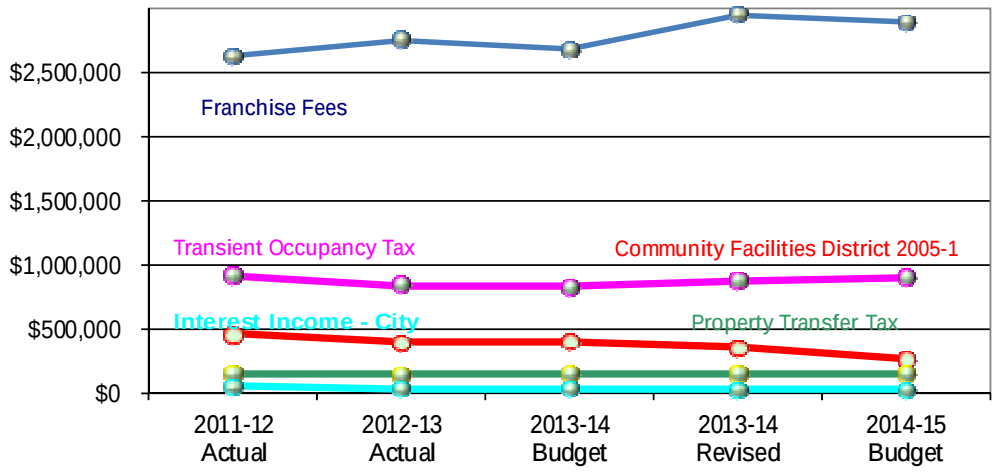
Planning related revenues, excluding the Business License revenue, for the FY 2014-15 Budget are estimated to be 1% less than the FY 2013-14 Revised, and 37% more than the FY 2013-14 Budget. The increase of Planning related revenues is based on the regulating function of Planning and the increase of housing projects requiring review. Planning related revenues for the FY 2014-15 Budget are projected to be 25% more than the FY 2012-13 Actual, and 44% more than the FY 2011-12 Actual.

Engineering related revenues are estimated to be approximately the same as the FY 2013-14 Revised, and 30% more than the FY 2013-14 Budget. Compared to the FY 2012-13 Actual, these revenues are expected to be 6% more than the FY 2012-13 Actual and 29% less than the FY 2011-12 Actual.

Other Development Revenues – This classification captures the remaining development revenues into one group. As a group, these revenues are 0.8% of the total General Fund FY 2014-15 Budget. For the FY 2014-15 Budget, these revenues are projected to decrease by 13% from the FY 2013-14 Revised, but increase by 55% from the FY 2011-12 Actual.

Business License – This revenue is paid by each business operating in the City. For FY 2014-15, this revenue is expecting to increase by 5% over the FY 2013-14 Budget, reflecting that the local economy may be beginning to show signs of a recovery from the recession.

Other General Fund Taxes and Interest Income



	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Franchise Fees	$2,629,422	$ 2,752,768	$ 2,680,000	$ 2,951,516	$ 2,890,000	8%
Transient Occupancy Tax	913,867	852,692	830,000	880,000	900,000	8%
Property Transfer Tax	153,764	141,089	155,000	155,000	155,000	0%
Interest Income – City	48,786	30,844	37,292	22,000	25,000	-33%
Community Facilities District 2005-1	460,540	394,452	399,483	349,548	261,732	-34%
Total Other Taxes & Interest	$4,206,379	$ 4,171,845	$ 4,101,775	$ 4,358,064	$ 4,231,732	3%

Overall, this group of revenues is projected to decrease by 3% from the FY 2013-14 Revised, however increase by 3% over the FY 2013-14 Budget. The primary reason for this increase is the increase of the Franchise Fees. This group, *Other Taxes and Interest*, comprises approximately 18% of the total General Fund FY 2014-15 Budgeted revenue estimates. This is unchanged from 18% for the FY 2013-14 Budget. By way of comparison, this group was 20% of the FY 2011-12 Actual, when the total General Fund revenue was $21.3 million.

Franchise Fees – The City imposes fees on refuse hauling, gas, electric, and cable television companies operating in the City for the use and wear and tear of the City's right-of-ways. The fees range from two to ten percent (2–10%) of gross receipts. The FY 2014-15 Budget estimates revenue of $2.9 million, which is a 2% decrease from the FY 2013-14 Revised, however, is increasing 8% over the FY 2013-14 Budget primarily because of the utility franchises. This revenue source is 12% of the General Fund FY 2014-15 Budget, showing no change from being 12% of the FY 2013-14 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 FY 2013-14 Revised TOT revenue amounts will increase by 6% from the FY 2013-14 Budget. This reflects overall growth in occupancy rates. The FY 2014-15 Budget projects revenue of $0.9 million, representing slight growth over the FY 2013-14 Revised. This revenue is approximately 4% of the General Fund's FY 2014-15 Budget.

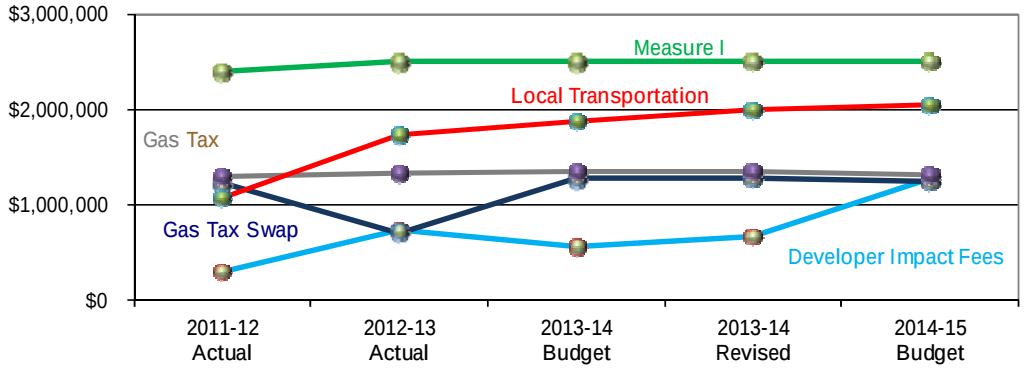
Property Transfer Tax – This revenue is based on the ownership transfer of real property within the City, and serves as a barometer of future property tax revenues as the sales price of the property re-establishes the assessed valuation base that the 1% property tax rate is applied to. The rate charged on the ownership transfer is $1.10 per $1,000 of the sale value, with the City and County splitting the tax equally ($0.55 per $1,000 to each). The FY 2014-15 Budget estimate is $155,000 and anticipates no change from the FY 2013-14 Revised or from the FY 2013-14 Budget. This revenue is less than 1% of the General Fund's FY 2014-15 Budget.

Other General Fund Taxes and Interest Income (Continued)

Interest Income-City – The monies of the City that are not held by the City's fiscal agents are invested in both a money market fund and the State's Local Agency Investment Fund (LAIF) at interest rates that, although very low, are still competitive with other investments allowed by the City's *Investment Policy*. Monies invested in LAIF are legally protected from the State. For the FY 2014-15 Budget, the average interest rate for interest earnings is estimated at 0.26%. Compared to the FY 2013-14 Budget, this revenue source is projected to decrease by 33% for the FY 2014-15 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 the district to repay the bonds. 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. For the FY 2014-15 Budget, this revenue is expected to be $261,732, or 1% of the City's total FY 2014-15 Budget, reflecting a 34% decrease from the FY 2013-14 Budget. This decrease is the result of FY 2013-14 being the last year of receiving revenue which had been reserved from the first four years of the assessment and was held in the CFD 2005-1 Trust Fund.

Streets CIP and Other Transportation Related Funds



	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Measure I - Arterial	$ 752	$ 228	$ 0	$ 0	$ 0	n/a
Measure I - 2010 Renewal	2,399,502	2,501,434	2,505,918	2,504,800	2,505,000	0%
Gas Tax Swap	1,220,741	715,310	1,288,650	1,288,635	1,250,150	-3%
Gas Tax	1,296,787	1,334,829	1,352,790	1,353,126	1,322,900	-2%
Local Transportation	1,071,418	1,736,260	1,865,413	2,002,068	2,052,000	10%
Sub-Total Streets-State/County Funded	5,989,200	6,288,061	7,012,771	7,148,629	7,130,050	2%
Developer Impact Fees	310,300	737,860	565,296	667,654	1,283,553	127%
Ranchero & Other Street Related Funds	15,076,075	8,448,237	4,434,042	1,597,055	2,789,958	-37%
Total Streets & Transportation Related Funds	$21,375,575	$15,474,158	$12,012,109	$ 9,413,338	$11,203,561	-7%

Overall, this group of revenues is projecting a 7% decrease from the FY 2013-14 Budget reflecting the completion of the Ranchero Undercrossing project and the related reimbursement grant revenue ($0.7 million) being completely received during FY 2013-14. The Streets-State/County funded revenue, which is an important ongoing revenue source to the City, is projected to increase by 2% to approximately $7.1 million.

Streets CIP and Other Transportation Related Funds (Continued)

Measure I – Funded by the County's ½ cent sales tax, the original Measure I ended in FY 2009-10, with the Renewal Measure I also starting in FY 2009-10. This transition included changing from four revenue funds to one fund, 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 no change from the FY 2013-14 Revised. These funds are not used to pay the 2004 Streets bonds.

Gas Tax Swap – This revenue source is funded by the State and, beginning with the FY 2011-12 Budget, legislative actions (ABx8 6 and ABx8 9 passed in March 2010) terminated the Proposition 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. This revenue is used to fund street maintenance and to pay the 2004 Streets bonds. The FY 2014-15 Budget reflects a 3% decrease from the FY 2013-14 Budget, a 3% decrease from the FY 2013-14 Revised, but a 2% increase over the FY 2011-12 Actual 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, and to pay the 2004 Streets bonds. The FY 2014-15 Budget estimates a 2% decrease from the FY 2013-14 Revised; a 2% decrease from the FY 2013-14 Budget; but a 2% increase from the FY 2011-12 Actual.

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), appropriate street maintenance and improvements, and to pay the 2004 Streets bonds. The $2.1 million is a 2% increase from the FY 2013-14 Revised of $2.0 million. This increase is the result of VVTA needing less of this revenue for their operations.

Sub-Total Streets-State/County Funded – Overall, this group, detailed above, is anticipating a slight decrease from the FY 2013-14 Revised; a 2% increase from the FY 2013-14 Budget; and a 19% increase from the FY 2011-12 Actual.

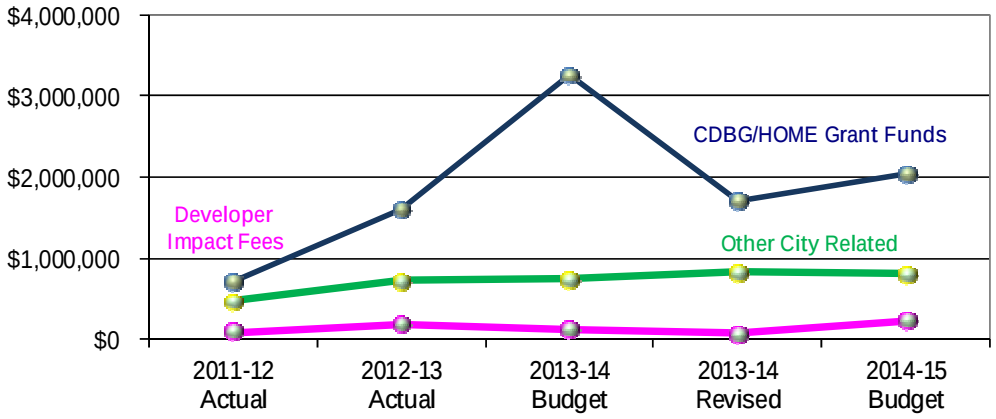
Developer Impact Fees (DIFs) – Of the five DIF funds, two are restricted to street related improvements, the DIF-Streets, and the DIF-Storm Drainage, which are excluded from the 18 month DIF reduction approved by the City Council in FY 2012-13. These are locally controlled revenues and reflect the City's current downturn in residential permitting. For the FY 2014-15 Budget, these two DIFs are projected to increase by 92% from the FY 2013-14 Revised and by 127% from the FY 2013-14 Budget, reflecting less new commercial permits, anticipated to be 71,554 square feet, but will include an anticipated 100 single family residential permits and projecting zero multi-family permits to be issued during FY 2014-15.

Ranchero and Other Street Related Funds

Ranchero Road Undercrossing and I-15 Interchange – The revenues of the FY 2014-15 Budget do not reflect any Ranchero Road Undercrossing or Ranchero Road Interchange revenue.

Other Streets & Transportation Related Funds – This group is comprised of 5 FY 2014-15 budgeted funds, each with special use restrictions related to streets and transportation. The funds included are City Streets CIP, 2004 Streets-Debt Service, Public Works Street Maintenance, AQMD (AB 2766) Transit, and the Township fund. Most notable of this group is the City Streets CIP, which is anticipating revenue of $2.7 million in the 2014-15 Budget and tracks grant funded projects.

Grant, Developer Impact Fee, and Other City Related Funds



	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
CDBG-Entitlement	$ 697,188	$ 1,412,321	$ 1,444,826	$ 928,452	$ 1,029,826	-29%
HOME Grant	17,110	22,833	2,334	16,387	16,115	590%
CDBG Revolving Loan	3,551	2,641	2,607	2,176	2,035	-22%
CDBG Neighborhood Stabilization Program	3,340	160,462	1,818,288	756,393	992,501	-45%
CDBG/HOME Funds	721,189	1,598,257	3,268,055	1,703,408	2,040,477	-38%
Developer Impact - Fire	39,272	91,000	64,418	32,000	109,846	71%
Developer Impact - Police	32,588	26,298	18,606	10,490	32,464	74%
Developer Impact - Public Services	30,393	69,233	48,731	24,400	84,197	73%
Developer Impact Fees (DIF)	102,253	186,531	131,755	66,890	226,507	72%
County High Desert Government Center	3,864,584	7,280,160	0	12,678	0	n/a
Other City Related Funds	473,765	714,311	745,514	823,497	801,231	7%
Total City Other Funds	$ 5,161,791	$ 9,779,259	$ 4,145,324	$ 2,606,473	$ 3,068,215	-26%

Overall, this group of 13 FY 2014-15 budgeted funds is projecting a 26% decrease from the FY 2013-14 Budget, primarily due to less revenue being expected in the CDBG/HOME funds, which shows a $1.2 million decrease from the 2013-14 Budget. The CDBG/HOME funds comprise 67% of this group's total FY 2014-15 Budget revenue estimates. The non-streets Developer Impact Funds are 7% of the total, and the Other City Related funds total the remaining 26%.

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 FY 2014-15 Budget is 11% more than the FY 2013-14 Revised, primarily due to prior year's unused CDBG Entitlement funds being reprogrammed for new projects during FY 2014-15 within the City.

CDBG-Neighborhood Stabilization Program (NSP) – This is a grant received from Housing and Urban Development (HUD) Neighborhood Stabilization Program (NSP), with the purpose to buy, rehabilitate, and resell abandoned/foreclosed homes within the City. The FY 2014-15 Budget is 31% more than the FY 2013-14 Revised, primarily due to the planned selling of various properties.

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. During FY 2012-13 the City Council reduced these rates for 18 months for certain qualifying residential development. The revenue for the FY 2014-15 Budget (anticipating 100 Residential permits) is projecting a 239% increase over the FY 2013-14 Revised (based upon 40 permits). The revenue for this group of funds is received at the end of the building process and must be paid before occupancy.

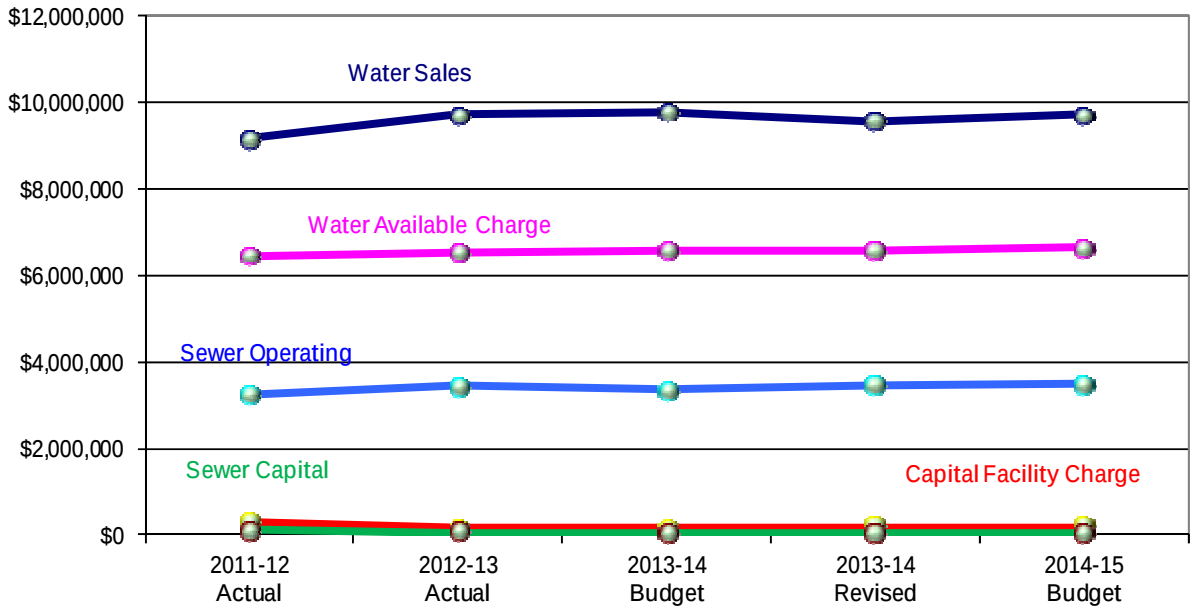
County High Desert Government Center – This fund tracked the reimbursements from the County of San Bernardino for the costs to build the new 66,700 square feet County Government Center facility next to the Hesperia Civic Plaza. The first phase was completed during FY 2010-11 and the second phase was completed in FY 2012-13. No further reimbursements are expected.

Other City Related Funds –The seven funds in this group include: the Fire Capital fund, 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 Fire Capital fund, which is expected to receive $0.6 million from the County from pass through payments calculated from property tax revenue to the Successor Agency of the former Hesperia Community Redevelopment Agency in FY 2014-15. This fund's revenue will be used to pay for the Hesperia Fire Protection District's capital expenditures like vehicles and buildings.

REVENUE

Water District Revenue Trend



REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
Water Sales/Residential	$7,879,407	$8,185,399	$8,328,065	$8,106,000	$8,153,780	-2%
Water Sales/Business	381,053	447,474	460,220	445,222	478,427	4%
Water Sales/Public Building	478,674	498,500	524,194	504,194	520,000	-1%
Water Sales/Irrigation	210,405	263,637	295,885	256,000	268,320	-9%
Water Sales/Construction	205,918	312,287	160,000	250,000	300,000	88%
Water Sales/Industrial	2,990	2,368	2,368	3,708	4,000	69%
Sub-total Water Sales	$9,158,447	$9,709,665	$9,770,732	$9,565,124	$9,724,527	0%
Water Availability Charge	6,445,510	6,535,900	6,570,000	6,575,000	6,654,000	1%
Total Water Sales	15,603,957	16,245,565	16,340,732	16,140,124	16,378,527	0%
Capital Facility Charge	307,599	157,211	160,000	220,309	218,000	36%
Sewer Operating	3,255,662	3,424,637	3,366,142	3,453,657	3,486,663	4%
Sewer Capital	104,648	82,240	52,796	68,554	56,509	7%
All Other District Revenue	1,293,710	1,769,185	962,905	1,162,467	1,207,214	25%
Total Water District Revenue	$20,565,576	$21,678,838	$20,882,575	$21,045,111	$21,346,913	2%

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

Water Sales – Water customers pay for the water use registered by their meter. The FY 2014-15 Budget projects a 2% increase from the FY 2013-14 Revised, primarily from residential and construction water sales, and there is no planned consumption rate increase for the FY 2014-15 Budget. Mixed factors are affecting Water Sales: the dry winter's effect on landscaping and vacant houses becoming occupied; which are outpacing the impacts of conservation, the Cash for Grass program, along with business customers reducing landscape watering.

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 2014-15 Budget projects an increase of 1% from the FY 2013-14 Revised, though no increase in rates is planned for the FY 2014-15 Budget.

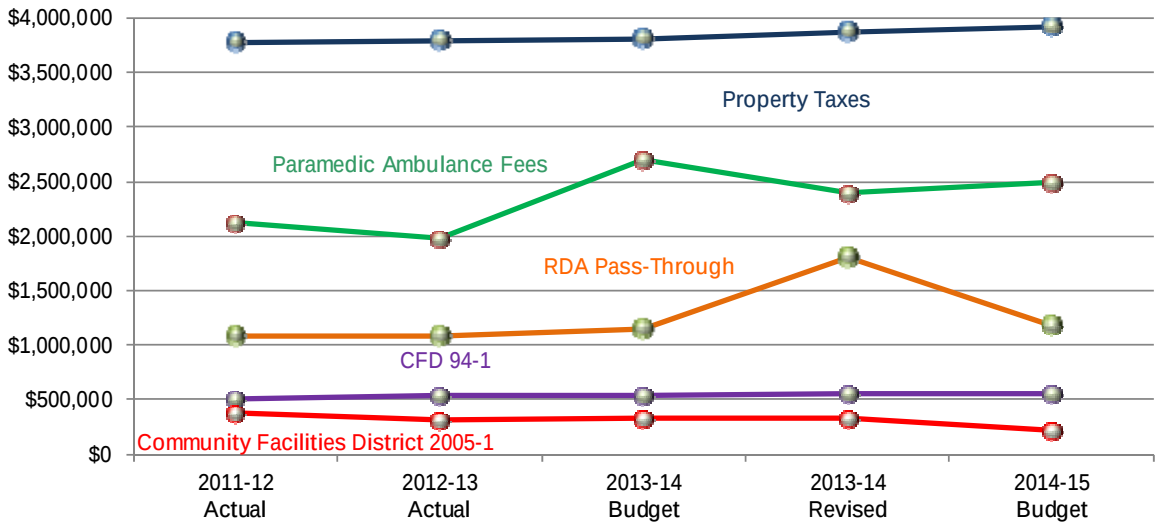
Capital Facility Charge – This is the charge for new water installations based on the set-up of new services. The FY 2014-15 Budget projects an increase over the FY 2013-14 Budget of about $0.1 million, even though the Council approved an 18 month reduction in this revenue source for certain residential activity. The FY 2013-14 Revised development activity is expecting 40 Single Family Residential (SFR) permits issued, and anticipating 100 new residential permits in FY 2014-15.

Sewer Operating – Sewer services are primarily available along the Main Street corridor and the western portion of the City and comprises about 17% of the District's water customers. The primary revenue of this group is Sewer Billing. The Sewer Billing revenue is expected to reach $3.5 million in the FY 2014-15 Budget, a slight increase of about $33,000 from the FY 2013-14 Revised amount of $3.5 million, but a 4% increase from the FY 2013-14 Budget. This is due to less turnover of homeowners and more homes being occupied along with more commercial business connecting to the sewer system.

Sewer Capital – Like Water Capital, this group of revenue reflects the development activity within the City; with the majority occurring on the western side of Hesperia where more sewer lines are concentrated. As the FY 2013-14 Budget anticipated a reduced level of development activity, compared to prior years, the FY 2014-15 Budget is expecting this revenue to increase over the FY 2013-14 Budget by 7% primarily due to various new residential and commercial developments.

All Other District Revenue – This group is the remainder of the Water District Operating and Capital revenue (about 6% of total District revenue) of which property rental revenue ($0.2 million) and property tax revenue ($0.3 million) are about 45% of this group. This group is projecting a 25% increase from the FY 2013-14 Budget.

Fire District Revenue Trend



REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
Property Taxes	$3,777,315	$3,783,638	$3,810,000	$3,870,000	$3,910,000	3%
Redevelopment Pass-Through	1,090,804	1,087,371	1,147,427	1,802,960	1,182,567	3%
Paramedic Ambulance Fees	2,124,516	1,979,662	2,701,087	2,400,000	2,500,000	-7%
Community Facilities District 94-1	508,570	536,074	544,800	550,458	555,963	2%
Community Facilities District 2005-1	376,805	322,733	326,850	326,850	214,144	-34%
SAFER Grant	0	0	794,778	578,000	580,000	-27%
Ground Emergency Medical Transportation (GEMT)	0	0	0	0	480,528	100%
All Other Revenue	701,984	738,264	699,731	780,275	764,466	9%
Total Fire District Revenue	$8,579,993	$8,447,742	$10,024,673	$10,308,543	$10,187,668	2%

Fire District Revenue Trend (Continued)

Fire District – Overall, the FY 2014-15 Budget reflects a 1% decrease from the FY 2013-14 Revised, but a 2% increase over the FY 2013-14 Budget. The largest revenue source for the Fire District is Property Tax revenue, which is 38% of the District's total revenues, followed by Paramedic Ambulance Fees which are 25%. Property tax revenues and the former Redevelopment Pass-Through comprise 50% of the District's revenues, which highlights 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 38% of the District's total revenue for the FY 2014-15 Budget, is projected to increase about $0.1 million or 3% over the FY 2013-14 Budget. As a change from recent prior years, the property values are anticipated to show a 3% increase for FY 2014-15, reflecting that the multi-year decline has bottomed out. The FY 2014-15 revenue is showing a $40,000 increase over the FY 2013-14 Revised.

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 has been received from the County of San Bernardino in the wake of the dissolution of all Redevelopment Agencies by the State of California. For FY 2014-15 Budget, this revenue source is projected to be about $0.6 million less than the FY 2013-14 Revised, which reflects a one-time pass through payment from the $4.2 million paid by the Hesperia Housing Authority to the County during FY 2013-14. For the FY 2014-15 Budget, this revenue source is approximately 12% of the District's total revenue, reflecting a 3% increase from the FY 2013-14 Budget.

Paramedic Ambulance Fees – This is revenue received from ambulance transportation billing. The FY 2014-15 Budget estimates growth of 4% over the FY 2013-14 Revised. However, in spite of adopting the ambulance rates of San Bernardino County Fire and by adding a 5th ambulance into the fleet in conjunction with the SAFER grant, this revenue is lower than expected. Analysis shows that although gross billing revenue is $2.1 million, or 41%, more for the first 9 months of FY 2013-14 compared to the same period of FY 2012-13, cash collections have only increased 11% over the same period. Through March of 2012-13, 32% of the gross ambulance billing was collected as cash compared to the first 9 months of FY 2013-14 having collected only 25%. The $0.3 million increase from the FY 2011-12 Actual to the FY 2013-14 Revised represents the enhanced revenue collection by using County Fire's ambulance billing vendor. The FY 2014-15 Budget estimate is $2.5 million and 25% of the District's total revenue.

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 FY 2014-15 Budget, this revenue is expected to increase over the FY 2013-14 Budget by 2%. This revenue source comprises 5% of the District's revenue for the FY 2014-15 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. For the FY 2014-15 Budget, this revenue is expected to decrease by $0.1 million as FY 2013-14 was the last year of receiving revenue, which had been reserved from the first four years of the assessment and held in the CFD 2005-1 Trust Fund to ensure the viability of the District.

SAFER Grant – The SAFER (Staffing for Adequate Fire and Emergency Response) grant is a two-year Federal Emergency Management Agency (FEMA) grant intended to provide funding to rehire the staff reduced during FY 2011-12. The Board approved option was to add a 5th ambulance to the fleet staffed by Limited-Term Firefighters/Paramedics. The reimbursable costs are salary, benefits, and workers' compensation. The FY 2013-14 Revised estimates $0.6 million which is less than the $0.8 million of the FY 2013-14 Budget primarily because the FEMA grant provides limited reimbursement for overtime. The FY 2014-15 Budget anticipates a slight increase over the FY 2013-14 Revised as some reimbursable costs are expected to increase.

Ground Emergency Medical Transportation (GEMT) – This new revenue source is from the State of California to reimburse California fire districts for the portion of the lost Medi-Cal revenue when transporting Medi-Cal patients. For FY 2014-15 the $480,528 is a one-time revenue, in that it is reimbursing for FY 2009-10 through FY 2012-13 plus the estimated claim for FY 2013-14. Though this revenue will continue into future fiscal years, it will be significantly less than the FY 2014-15 estimate and future year's reimbursements will gradually decrease year over year.

All Other Revenue – This group of revenues comprise 8% of the District's FY 2014-15 Budget. The single largest revenue is the Non-Transport EMS Charge expected to be approximately $202,000. Other revenues in this group are those related to the household hazardous waste center, fire prevention, fire inspections, and others related to the ambulance function, and interest earnings.

Community Development Commission

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
Rents & Leases	$ 25,000	$ 70,000	$ 60,000	$ 60,000	$ 60,000	0%
Reimbursements/Other Agencies	0	0	0	61,777	12,499	n/a
Miscellaneous Revenue	1,662	668,452	40,800	25,060	29,325	-28%
Proceeds from Land Sale	0	0	0	8,003	624,091	100%
All Other Revenue	31,459	4,835	0	1,150	1,200	100%
Total Fire District Revenue	$ 58,121	$ 743,287	$ 100,800	$ 155,990	$ 727,115	621%

The FY 2014-15 Budget for the Community Development Commission is $0.7 million. The FY 2014-15 Budget shows the major revenue to be proceeds from land sales comprising 86% of the total revenue of the Commission, and Rents and Leases providing a majority of the remainder.

Hesperia Housing Authority

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
Housing Authority - Interest	$ 253,009	$ 100,359	$ 105,184	$ 52,503	$ 52,601	-50%
Rents & Leases	16,123	18,800	43,800	22,800	27,900	-36%
Taxes	271,442	329,913	0	155,489	0	n/a
Proceeds from Land Sales	0	0	0	128,139	327,450	n/a
All Other Revenue	86,368	87,897	6,726	6,730	6,730	0%
Total Fire District Revenue	$ 626,942	$ 536,969	$ 155,710	$ 365,661	$ 414,681	166%

The FY 2014-15 Budget for the Hesperia Housing Authority is $0.4 million. The FY 2014-15 Budget shows the major revenue to be proceeds from land sales, which is 79% of the total revenue of the Authority. The next largest revenue source (13%) is the interest revenue for the Housing Authority loans.

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 obligations); the Hesperia Housing Authority (housing and low/moderate income housing); and the Community Development Commission (economic development functions). Starting with the FY 2012-13 Budget, no further revenue information is provided on this former agency.

REVENUE
SUMMARY BY MAJOR GROUP

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
General Fund Revenue						
Taxes	$ 9,625,010	$ 11,054,820	$ 10,468,983	$ 10,438,438	$ 10,354,800	-1%
Fines & Forfeitures	184,766	222,236	191,989	289,038	277,805	45%
Interest	48,786	30,844	37,292	22,000	25,000	-33%
Intergovernmental	6,033,936	5,977,260	6,140,219	6,194,705	6,394,175	4%
Charges for Services	1,927,507	1,843,056	1,512,788	2,024,278	2,093,136	38%
Licenses & Permits	302,951	291,274	318,002	337,559	305,748	-4%
Grants	178,841	125,224	162,387	167,575	130,693	-20%
Other Operating	2,953,234	3,000,726	4,288,508	5,034,812	4,622,061	8%
All Other	1,498	499	500	1,000	500	0%
Total General Fund Revenue	$ 21,256,529	$ 22,545,939	$ 23,120,668	$ 24,509,405	$ 24,203,918	5%
Street, Transportation, and Other Related City Funds						
Streets Related Funds	$ 21,281,281	$ 15,388,089	$ 11,944,801	$ 9,336,586	$ 11,126,616	-7%
Other Transportation Related Funds	94,294	86,069	67,308	76,752	76,945	14%
Other City Related Funds	5,161,791	9,779,259	4,145,324	2,606,473	3,068,215	-26%
Total Streets & Other City Revenue	$ 26,537,366	$ 25,253,417	$ 16,157,433	$ 12,019,811	$ 14,271,776	-12%
Total City Funds	$ 47,793,895	$ 47,799,356	$ 39,278,101	$ 36,529,216	$ 38,475,694	-2%
Community Development Comm.						
Community Development Comm. Fund	$ 58,121	$ 743,287	$ 100,800	$ 155,990	$ 727,115	621%
Hesperia Housing Authority						
Hesperia Housing Authority Funds	$ 626,942	$ 536,969	$ 155,710	$ 365,661	$ 414,681	166%
Water District Revenue						
700 Water Operating Fund	$ 16,897,667	$ 18,014,750	$ 17,303,637	$ 17,302,591	$ 17,585,741	2%
701 Water Capital Fund	307,599	157,211	160,000	220,309	218,000	36%
Total Water Operating & Capital Funds	$ 17,205,266	$ 18,171,961	$ 17,463,637	$ 17,522,900	$ 17,803,741	2%
710 Sewer Operating Fund	$ 3,255,662	$ 3,424,637	$ 3,366,142	$ 3,453,657	$ 3,486,663	4%
711 Sewer Capital Fund	104,648	82,240	52,796	68,554	56,509	7%
Total Sewer Operating & Capital Funds	$ 3,360,310	$ 3,506,877	$ 3,418,938	$ 3,522,211	$ 3,543,172	4%
Total Water District Revenue	$ 20,565,576	$ 21,678,838	$ 20,882,575	$ 21,045,111	$ 21,346,913	2%
200 Fire District Revenue	$ 8,579,993	$ 8,447,742	$ 10,024,673	$ 10,308,543	$ 10,187,668	2%
Redevelopment Revenue						
Redevelopment Agency Funds	$ 11,239,413	$ 0	$ 0	$ 0	$ 0	n/a
TOTAL ALL FUNDS	$ 88,863,940	$ 79,206,192	$ 70,441,859	$ 68,404,521	$ 71,152,071	1%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
General Fund Revenue						
Taxes						
Secured Property Tax	$ 311,870	$ 1,155,300	$ 411,000	$ 430,000	$ 460,000	12%
100 19 220 0000 4000						
Prior Secured Property Tax	18,276	17,313	17,000	17,000	17,000	0%
100 19 220 0000 4005						
HOPTR	6,469	6,939	7,000	7,530	7,700	10%
100 19 220 0000 4410						
Current Supplemental Property	5,462	13,437	10,000	45,000	50,000	400%
100 19 220 0000 4010						
Prior Supplemental Property Tax	44,510	40,691	35,000	33,000	35,000	0%
100 19 220 0000 4011						
Sub-total Property Tax	$ 386,587	$ 1,233,680	$ 480,000	$ 532,530	$ 569,700	19%
VVEDA Tax increment	7,958	8,700	7,500	8,800	8,900	19%
100 19 220 0000 4095						
Payment in Lieu of Property Taxes	35,000	35,000	35,000	35,000	35,000	0%
100 19 220 0000 4097						
Sales and Use Tax	5,806,030	6,128,061	6,414,750	6,221,134	6,311,250	-2%
100 19 220 0000 4100						
Sales and Use Tax Triple Flip	1,852,505	2,251,778	2,138,250	2,178,866	2,103,750	-2%
100 19 220 0000 4105						
Sub-Total Sales and Use Tax	$ 7,658,535	$ 8,379,839	$ 8,553,000	$ 8,400,000	$ 8,415,000	-2%
Community Facilities District #2005-1	460,540	394,452	399,483	349,548	261,732	-34%
100 51 510 0000 4031						
Transient Occupancy Tax	913,867	852,692	830,000	880,000	900,000	8%
100 19 220 0000 4140						
Property Transfer Tax	153,764	141,089	155,000	155,000	155,000	0%
100 19 220 0000 4145						
Other Taxes	8,759	9,368	9,000	77,560	9,468	5%
Total Taxes	$ 9,625,010	$ 11,054,820	$ 10,468,983	$ 10,438,438	$ 10,354,800	-1%
Fines & Forfeitures						
Vehicle Code Fines	$ 107,853	$ 132,917	$ 110,000	$ 160,000	$ 160,000	45%
100 51 510 0000 5500						
Booking Fees	194	0	0	0	0	n/a
100 51 510 0000 5540						
DUI Arrest Fees	27,854	29,948	30,000	30,000	30,000	0%
100 51 510 0000 5530						
Vehicle Tow Fees	17,650	24,910	25,000	31,000	30,000	20%
100 51 510 0000 5510						
Other Fines & Forfeitures	31,215	34,461	26,989	68,038	57,805	114%
Total Fines & Forfeitures	$ 184,766	$ 222,236	$ 191,989	$ 289,038	$ 277,805	45%
Interest						
Interest Income – City	$ 48,786	$ 30,844	$ 37,292	$ 22,000	$ 25,000	-33%
100 19 220 0000 5600						
Total Interest	$ 48,786	$ 30,844	$ 37,292	$ 22,000	$ 25,000	-33%
Intergovernmental						
Vehicle License Fee	$ 46,665	$ 38,777	$ 0	$ 0	$ 0	n/a
100 19 220 0000 4400						

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
General Fund Revenue (Continued)						
Intergovernmental (Continued)						
Triple Flip - Motor Vehicle In Lieu	$ 5,987,271	$ 5,938,483	$ 6,140,219	$ 6,194,705	$ 6,394,175	4%
100 19 220 0000 4405						
Total Intergovernmental	$ 6,033,936	$ 5,977,260	$ 6,140,219	$ 6,194,705	$ 6,394,175	4%
Charges for Services						
General Plan Update	$ 376	$ 658	$ 300	$ 3,400	$ 5,950	1883%
100 29 300 3000 4942						
Tentative Tract	0	2,007	2,007	13,000	15,000	647%
100 29 300 3000 4990						
Home Occupancy	59,395	58,378	55,000	54,000	55,000	0%
100 29 300 3000 4960						
Tenant Improvement Plan Review	4,810	6,390	4,500	8,700	8,500	89%
100 29 300 3000 4963						
Tentative Parcel	1,362	656	1,500	2,100	1,800	20%
100 29 300 3000 4995						
Project Extension	1,608	938	1,000	1,532	1,500	50%
100 29 300 3000 4957						
Conditional use	3,525	13,739	13,739	18,000	20,000	46%
100 29 300 3000 5015						
Site Plans	14,823	6,293	8,512	4,549	5,000	-41%
100 29 300 3000 5005						
Rental Housing Inspection Fee	91,776	411	0	1,820	0	n/a
100 29 305 3010 5038						
Business License	212,546	206,211	200,000	210,000	210,000	5%
100 29 300 3000 4200						
Administration Fine-Code Enforcement	273,451	446,773	350,000	500,000	400,000	14%
100 29 305 3010 5405						
Municipal Code Fines	16,072	112,272	41,000	90,000	90,000	120%
100 29 305 3010 5420						
Building Plan Check Fees	114,425	117,644	100,000	130,000	195,535	96%
100 29 300 3020 5030						
Building Permit Fees	435,754	431,171	365,000	528,000	609,937	67%
100 29 300 3020 4250						
Automation Fee	65,503	66,505	35,000	80,000	77,926	123%
100 29 300 3020 4930						
Microfilm Fee	383	218	100	1,200	1,950	1850%
100 29 300 3020 4935						
Parks & Rec Collection Fees	75	125	100	500	1,250	1150%
100 29 300 3020 5027						
Lot Grading Permit Fees	10,441	11,471	7,000	25,800	33,547	379%
100 29 300 3020 4255						
Final Subdivision Processing Fee	1,720	344	1,000	500	500	-50%
100 29 310 3100 5010						
Final P/M Processing Fee	595	550	1,000	60	200	-80%
100 29 310 3100 5012						
Construction Permit Fee	5,590	5,010	3,000	5,400	5,000	67%
100 29 310 3100 4260						

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
General Fund Revenue (Continued)						
Charges for Services (Continued)						
Engineering Plan Check Fees 100 29 310 3100 5045	$ 12,255	$ 5,116	$ 7,500	$ 7,800	$ 7,800	4%
Grading Plan Review Fees 100 29 310 3100 5050	5,171	17,279	7,500	7,200	7,200	-4%
Construction Inspection Fees 100 29 310 3100 5035	61,033	24,605	20,000	32,500	32,500	63%
CIP Reimbursement Other Agencies 100 29 310 3100 5806	225,000	0	0	0	0	n/a
County Animal Control Revenue 100 29 305 5000 4917	28,859	13,527	0	0	0	n/a
Administration Fine-Animal Control 100 29 305 5000 5405	216,739	219,246	225,000	205,000	220,000	-2%
Other Charges for Services	64,220	75,519	63,030	93,217	87,041	38%
Total Charges for Services	$ 1,927,507	$ 1,843,056	$ 1,512,788	$ 2,024,278	$ 2,093,136	38%
Licenses & Permits						
Animal Licenses 100 29 305 5000 4210	$ 200,974	$ 187,336	$ 195,000	$ 180,000	$ 187,000	-4%
Animal Impound Fee 100 29 305 5000 5065	50,784	54,450	55,000	48,000	50,000	-9%
FOG Annual Inspection 100 29 300 3020 5034	34,054	27,762	35,150	35,150	35,000	0%
Other Licenses & Permits	17,139	21,726	32,852	74,409	33,748	3%
Total Licenses & Permits	$ 302,951	$ 291,274	$ 318,002	$ 337,559	$ 305,748	-4%
Grants						
CDBG Grant - Environmental 100 07 200 0000 4700	$ 60,490	$ 61,528	$ 65,000	$ 65,000	$ 65,000	0%
Healthy City Grant 100 07 200 0000 4725	25,000	0	0	0	0	n/a
CDBG Grant – Police 100 51 510 0000 4775	19,852	0	5,000	0	0	-100%
Police JAG Grant 100 51 510 0000 4700	0	0	4,200	0	0	-100%
Police Dept. of Justice LLEBG 100 51 510 0000 4770	25,717	20,890	20,000	21,455	26,008	30%
Police Off Highway 100 51 510 0000 4790	0	14,591	13,579	13,579	14,085	4%
Police Seatbelt Grant 100 51 510 0000 4795	3,939	0	0	0	0	n/a
Police Sobriety Grant 100 51 510 0000 4797	19,883	28,215	24,750	33,483	25,600	3%
Police Homeland Security Grant 100 51 510 0000 4811	23,960	0	29,858	29,858	0	-100%
Police ABC Shoulder Tap Grant 100 51 510 0000 4815	0	0	4,200	4,200	0	-100%
Total Grants	$ 178,841	$ 125,224	$ 162,387	$ 167,575	$ 130,693	-20%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
General Fund Revenue (Continued)						
Other Operating						
Article 19 Landfill Fee	$ 53,476	$ 43,816	$ 0	$ 16,565	$ 0	n/a
100 19 220 0000 4170						
Cable Franchise Fee	545,788	625,499	620,000	648,000	655,000	6%
100 19 220 0000 4150, 4151						
Advance Disposal Franchise Fee	961,066	1,032,687	1,010,000	1,040,000	1,058,000	5%
100 19 220 0000 4155						
Utilities Franchise Fee	819,092	800,766	800,000	996,951	927,000	16%
100 19 220 0000 4160						
Water Franchise Fee	250,000	250,000	250,000	250,000	250,000	0%
100 19 220 0000 4165						
Sub Total Franchise Fees	$ 2,629,422	$ 2,752,768	$ 2,680,000	$ 2,951,516	$ 2,890,000	8%
Proceeds From Land Sale	$ 99,586	$ 0	$ 0	$ 0	$ 0	n/a
100 19 220 0000 5900						
State Mandated Claims SB90	42,307	43,190	50,000	51,174	50,000	0%
100 19 220 0000 4500						
Assessment Cost Recovery	7,654	7,834	8,408	10,493	12,235	46%
100 19 220 0000 5830						
Leased Water Rights-Other	0	15,756	15,280	15,280	64,480	322%
100 19 220 0000 5871						
Leased Water Rights-RLF	0	0	1,368,324	1,368,324	1,443,546	5%
100 19 220 0000 5872						
Pet Adoption Charges	52,658	57,115	60,000	58,000	60,000	0%
100 29 305 5000 4215						
Cell Tower Rent	19,715	20,142	20,578	20,545	20,956	2%
100 19 220 0000 5885						
CSI Grant Reimbursement	70,234	58,431	68,000	6,795	60,000	-12%
100 29 310 3110 4860						
Library Electricity Reimb	6,406	5,380	6,500	10,174	6,500	0%
100 29 310 3110 5804						
Other Operating	25,252	40,110	11,418	542,511	14,344	26%
Total Other Operating	$ 2,953,234	$ 3,000,726	$ 4,288,508	$ 5,034,812	$ 4,622,061	8%
All Other						
Miscellaneous/General Govt.	$ 1,498	$ 499	$ 500	$ 1,000	$ 500	0%
100 19 220 0000 5950						
Total All Other	$ 1,498	$ 499	$ 500	$ 1,000	$ 500	0%
Total General Fund Revenue	$ 21,256,529	$ 22,545,939	$ 23,120,668	$ 24,509,405	$ 24,203,918	5%
170 Community Development Commission						
Interest						
ROR Housing - Interest	$ 459	$ 185	$ 0	$ 1,150	$ 1,200	100%
170 25 261 0000 5600						
Total Interest Income	$ 459	$ 185	$ 0	$ 1,150	$ 1,200	n/a

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
170 Community Development Commission (Continued)						
Other						
Rents & Leases 170 25 261 0000 5700	$ 25,000	$ 70,000	$ 60,000	$ 60,000	$ 60,000	0%
Reimbursements/Other Agencies 170 25 261 0000 5800	0	0	0	61,777	12,499	n/a
Off Highway Vehicle Grant 170 25 261 0000 4790	31,000	4,650	0	0	0	n/a
Proceeds from Land Sale 170 19 220 0000 5900	0	0	0	8,003	624,091	100%
Misc. Revenue 170 25 261 0000 5950	1,662	668,452	40,800	25,060	29,325	-28%
Total CDC Other	$ 57,662	$ 743,102	$ 100,800	$ 154,840	$ 725,915	620%
Total Community Development Commission	$ 58,121	$ 743,287	$ 100,800	$ 155,990	$ 727,115	621%
Funds (370, 371)						
370 Hesperia Housing Authority						
Interest						
Housing Authority - Interest 370 19 220 0000 5600	$ 253,009	$ 100,359	$ 105,184	$ 52,503	$ 52,601	-50%
Total Interest	$ 253,009	$ 100,359	$ 105,184	$ 52,503	$ 52,601	-50%
Other						
Loan Repayments 370 25 263 0000 4746	$ 81,464	$ 82,283	$ 0	$ 0	$ 0	n/a
Rents & Leases 370 25 263 0000 5700	16,123	18,800	43,800	22,800	27,900	-36%
Proceeds from Land Sales 370 25 263 0000 5900	0	0	0	128,139	327,450	n/a
Miscellaneous 370 25 263 0000 5950	3,000	1,575	3,000	3,000	3,000	0%
Total Other	$ 100,587	$ 102,658	$ 46,800	$ 153,939	$ 358,350	666%
Total Hesperia Housing	$ 353,596	$ 203,017	$ 151,984	$ 206,442	$ 410,951	170%
371 VVEDA Housing						
Taxes						
VVEDA Housing Authority - Tax Incre 371 25 261 0000 4068	$ 72,662	$ 329,913	$ 0	$ 155,489	$ 0	n/a
VVEDA Housing Authority - Low/Mod 371 25 263 2700 4078	198,780	0	0	0	0	n/a
Total Taxes	$ 271,442	$ 329,913	$ 0	$ 155,489	$ 0	n/a
Interest						
VVEDA Housing Authority - Interest 371 19 220 0000 5600	$ 1,904	$ 4,039	$ 3,726	$ 3,730	$ 3,730	0%
Total Interest	$ 1,904	$ 4,039	$ 3,726	$ 3,730	$ 3,730	0%
Total VVEDA Housing	$ 273,346	$ 333,952	$ 3,726	$ 159,219	$ 3,730	0%
Total HHA Funds	$ 626,942	$ 536,969	$ 155,710	$ 365,661	$ 414,681	166%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Other City Funds						
251 CDBG Fund						
CDBG Administration Reimbursement	$ 688,769	$ 1,412,321	$ 1,429,826	$ 913,452	$ 1,029,826	-28%
251 25 270 2700 4730						
CDBG Loan Repayment	8,419	0	15,000	15,000	0	-100%
251 25 270 2700 4746						
Total CDBG Fund 251	$ 697,188	$ 1,412,321	$ 1,444,826	$ 928,452	$ 1,029,826	-29%
252 HOME Grant Fund						
Interest						
CDBG HOME Grant Program Interest Income	$ 17,110	$ 22,833	$ 59	$ 14,900	$ 14,515	24502%
252 19 220 0000 5600						
DOIM Income from Home Activites	0	0	2,275	1,477	1,600	-30%
252 25 264 2700 4758						
Total Interest Income	$ 17,110	$ 22,833	$ 2,334	$ 16,377	$ 16,115	590%
Grants						
CDBG HOME Grant 2000	$ 0	$ 0	$ 0	$ 10	$ 0	n/a
252 25 264 2700 4750						
Total Grants	$ 0	$ 0	$ 0	$ 10	$ 0	n/a
Total HOME Fund 252	$ 17,110	$ 22,833	$ 2,334	$ 16,387	$ 16,115	590%
Other City Funds (Continued)						
Community Development Block Grant (CDBG) Funds (251, 252, 253, 257) (Continued)						
253 CDBG-Revolving Loan Fund						
CDBG Revolving Loan Program Interest Income	$ 3,551	$ 2,641	$ 2,607	$ 2,176	$ 2,035	-22%
253 19 220 0000 5600						
Total CDBG-Revolving Loan Fund 253	$ 3,551	$ 2,641	$ 2,607	$ 2,176	$ 2,035	-22%
257 CDBG-Neighborhood Stabilization Program (NSP) Fund						
NSP Interest Income	$ 3,340	$ 1,848	$ 2,058	$ 1,350	$ 1,350	-34%
257 19 220 0000 5600						
Neighborhood Stabilization Program	0	0	238,030	0	238,030	0%
257 25 270 2700 4760						
NSP - Proceeds from Sales	0	142,550	1,500,000	659,448	594,929	-60%
257 25 270 2700 5901						
NSP - Rents/Lease	0	0	78,200	4,425	78,200	0%
257 25 270 2700 5870						
Program Income from NSP Activities	0	15,839	0	90,870	79,692	n/a
257 25 270 2700 5903						

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Other City Funds (Continued)						
257 CDBG-Neighborhood Stabilization Program (NSP) Fund (Continued)						
NSP Miscellaneous	0	225	0	300	300	n/a
Total CDBG-Neighborhood Stabilization Fund 257	$ 3,340	$ 160,462	$ 1,818,288	$ 756,393	$ 992,501	-45%
Total CDBG Funds (251, 252, 253, 257)	$ 721,189	$ 1,598,257	$ 3,268,055	$ 1,703,408	$ 2,040,477	-38%
150 Redevelopment Administration						
Redevelopment Administration Interest Income 150 19 220 0000 5600	$ 11,618	$ 0	$ 0	$ 0	$ 0	n/a
Total Redevelopment Administration Fund 150	$ 11,618	$ 0	$ 0	$ 0	$ 0	n/a
201 Measure I - Arterial Fund						
Measure I - Arterial Interest Income 201 19 220 0000 5600	$ 752	$ 228	$ 0	$ 0	$ 0	n/a
Total Measure I - Arterial Fund 201	$ 752	$ 228	$ 0	$ 0	$ 0	n/a
204 Measure I - 2010 Renewal Fund						
Measure I - 2010 Renewal Interest Income 204 19 220 0000 5600	$ 4,372	$ 6,456	$ 5,918	$ 4,800	$ 5,000	-16%
Measure I – 2010 Renewal 204 29 310 3150 4126	2,395,130	2,494,978	2,500,000	2,500,000	2,500,000	0%
Total Measure I - 2010 Renewal Fund 204	$ 2,399,502	$ 2,501,434	$ 2,505,918	$ 2,504,800	$ 2,505,000	0%
Total Measure I (201, 204)	$ 2,400,254	$ 2,501,662	$ 2,505,918	$ 2,504,800	$ 2,505,000	0%
205 Gas Tax Fund						
Interest						
Gas Tax Fund Interest Income 205 19 220 0000 5600	$ 45	$ 272	$ 164	$ 500	$ 400	144%
SubTotal Interest	$ 45	$ 272	$ 164	$ 500	$ 400	144%
Intergovernmental						
Gas Tax Section 2105 205 29 310 3150 4130	$ 412,932	$ 393,875	$ 425,263	$ 425,263	$ 430,000	1%
Gas Tax Section 2106 205 29 310 3150 4132	283,682	287,762	286,716	286,716	285,000	-1%
Gas Tax Section 2107 205 29 310 3150 4134	592,628	645,420	633,147	633,147	600,000	-5%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Other City Funds (Continued)						
205 Gas Tax Fund (Continued)						
Intergovernmental (Continued)						
Gas Tax Section 2107.5 205 29 310 3150 4135	7,500	7,500	7,500	7,500	7,500	0%
SubTotal Intergovernmental	$ 1,296,742	$ 1,334,557	$ 1,352,626	$ 1,352,626	$ 1,322,500	-2%
Total Gas Tax Fund 205	$ 1,296,787	$ 1,334,829	$ 1,352,790	$ 1,353,126	$ 1,322,900	-2%
206 Gas Tax Swap						
Gas Tax Swap Interest Income 206 19 220 0000 5600	$ 241	$ 130	$ 165	$ 150	$ 150	-9%
Gas Tax Swap 7360 206 29 310 3150 4136	1,220,500	715,180	1,288,485	1,288,485	1,250,000	-3%
Total Gas Tax Swap Fund 206	$ 1,220,741	$ 715,310	$ 1,288,650	$ 1,288,635	$ 1,250,150	-3%
207 Local Transportation Fund						
Local Transportation Fund Interest Income 207 19 220 0000 5600	$ 493	$ 1,925	$ 2,068	$ 2,068	$ 2,000	-3%
Local Transportation SB325 - Article 8 207 29 310 3150 4110	1,070,925	1,734,335	1,863,345	2,000,000	2,050,000	10%
Total Local Transportation Fund 207	$ 1,071,418	$ 1,736,260	$ 1,865,413	$ 2,002,068	$ 2,052,000	10%
254 AQMD (AB2766 - Transit) Fund						
AQMD Fund Interest Income 254 19 220 0000 5600	$ 627	$ 578	$ 556	$ 500	$ 500	-10%
AQMD - AB2766 Transit Grant 254 29 310 3150 4875	59,152	59,880	60,000	60,000	62,000	3%
Total AQMD Fund 254	$ 59,779	$ 60,458	$ 60,556	$ 60,500	$ 62,500	3%
255 AB3229 Supplemental Law Fund						
AB2339 Supplemental Law Interest Income 255 19 220 0000 5600	$ 155	$ 270	$ 279	$ 279	$ 200	-28%
AB3229 COP's Grant 255 51 510 0000 4780	143,209	139,962	146,328	146,328	146,328	0%
Local Safety and Protection Account (LSPA) 255 51 510 0000 4781	10,557	0	25,560	0	0	-100%
Total AB3229 Supplemental Law Fund 255	$ 153,921	$ 140,232	$ 172,167	$ 146,607	$ 146,528	-15%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Other City Funds (Continued)						
256 Environmental Programs Grants						
Environmental Programs Grants Fund Interest Income	$ 18	$ 69	$ 64	$ 64	$ 64	0%
256 19 220 0000 5600						
Beverage Recycling Grant	24,581	24,590	23,881	23,791	0	-100%
256 07 200 0000 4710						
Recycling Revenue	3,065	6,653	5,000	5,000	5,000	0%
256 07 200 0000 5895						
Tire Grant	13,631	18,440	12,226	14,072	14,555	19%
256 07 200 2001 4700						
Litter Fines	87	52	0	65	65	n/a
256 51 510 0000 5402						
Miscellaneous Revenue	0	0	0	15,156	0	n/a
Total Environmental Programs Grants Fund 256	$ 41,382	$ 49,804	$ 41,171	$ 58,148	$ 19,684	-52%
260 Disaster Preparedness Grant						
Disaster Preparedness Grant Fund Interest Income	$ 0	$ 14	$ 16	$ 50	$ 50	213%
260 19 220 0000 5600						
Disaster Preparedness Grant Reimbursement	41,172	13,109	41,705	36,705	41,705	0%
260 07 200 0000 4700						
Miscellaneous Revenue	0	1,677	1,000	2,000	2,000	100%
Total Disaster Preparedness Grant Fund 260	$ 41,172	$ 14,800	$ 42,721	$ 38,755	$ 43,755	2%
263 Public Works Street Maintenance						
Public Works Street Maintenance Interest Income	$ 1,813	$ 1,456	$ 1,383	$ 1,383	$ 1,383	0%
263 19 220 0000 5600						
Public Works Grafitti Miscellaneous Income	28,819	21,071	2,500	12,000	10,500	320%
Total Public Works Street Maintenance 263	$ 30,632	$ 22,527	$ 3,883	$ 13,383	$ 11,883	206%
300 Streets Development Impact Fee (DIF) Fund						
Streets DIF Interest Income	$ 27,656	$ 14,296	$ 15,962	$ 0	$ 0	-100%
300 19 220 0000 5600						
Streets DIF Fees	243,361	622,246	480,296	586,456	1,129,794	135%
300 29 310 3150 5060						

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Other City Funds (Continued)						
300 Streets Development Impact Fee (DIF) Fund (Continued)						
DIF - Ranchero Road Undercrossing	0	13,283	0	0	0	n/a
300 29 700 7046 5800						
Total Streets DIF Fund 300	$ 271,017	$ 649,825	$ 496,258	$ 586,456	$ 1,129,794	128%
301 Storm Drain Development Impact Fee (DIF) Fund						
Storm Drain DIF Interest Income	$ 6,995	$ 5,875	$ 5,681	$ 4,055	$ 5,324	-6%
301 19 220 0000 5600						
Storm Drain DIF Fees	32,288	82,160	63,357	77,143	148,435	134%
301 29 310 3150 5088						
Total Storm Drain DIF 301	$ 39,283	$ 88,035	$ 69,038	$ 81,198	$ 153,759	123%
302 Fire Development Impact Fee (DIF) Fund						
Fire DIF Interest Income	$ 3,665	$ 2,877	$ 2,788	$ 2,000	$ 2,164	-22%
302 19 220 0000 5600						
Fire DIF Fees	35,607	88,123	61,630	30,000	107,682	75%
302 29 310 3150 5062						
Total Fire DIF 302	$ 39,272	$ 91,000	$ 64,418	$ 32,000	$ 109,846	71%
303 Police Development Impact Fee (DIF) Fund						
Police DIF Interest Income	$ 815	$ 704	$ 676	$ 490	$ 644	-5%
303 19 220 0000 5600						
Police DIF Fees	10,540	25,594	17,930	10,000	31,820	77%
303 29 310 3150 5063						
CSI Reimbursement/Other Agencies	21,233	0	0	0	0	n/a
303 29 650 6516 5800						
Total Police DIF 303	$ 32,588	$ 26,298	$ 18,606	$ 10,490	$ 32,464	74%
304 Public Services Development Impact Fee (DIF) Fund						
Public Services DIF Interest Income	$ 2,399	$ 1,003	$ 995	$ 400	$ 484	-51%
304 19 220 0000 5600						
Public Services DIF Fees	27,994	68,230	47,736	24,000	83,713	75%
304 29 310 3150 5064						
Total Public Services DIF 304	$ 30,393	$ 69,233	$ 48,731	$ 24,400	$ 84,197	73%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Other City Funds (Continued)						
400 2004 Streets Debt Service Fund						
2004 Streets Debt Service Interest Income 400 19 220 0000 5600	$ 3,883	$ 3,084	$ 2,869	$ 2,869	$ 2,562	-11%
Total 2004 Streets Debt Service Fund 400	$ 3,883	$ 3,084	$ 2,869	$ 2,869	$ 2,562	-11%
401 City Debt Service Fund						
City Debt Service Fund Interest Income 401 19 220 0000 5600	$ 5,373	$ 3,526	$ 3,588	$ 1,000	$ 0	-100%
Total City Debt Service Fund 401	$ 5,373	$ 3,526	$ 3,588	$ 1,000	$ 0	-100%
402 2012 Water Rights Debt Service Fund						
2012 Water Rights Debt Service Fund Interest Income 402 19 220 0000 5600	$ 0	$ 54	$ 0	$ 100	$ 100	100%
Total 2012 Water Rights Debt Service Fund 402	$ 0	$ 54	$ 0	$ 100	$ 100	100%
403 2005 COP Debt Service Fund						
2005 Refinance Debt Service Fund Interest Income 401 19 220 0000 5600	$ 0	$ 0	$ 0	$ 20	$ 20	100%
Total 2005 Refinance Debt Service Fund 403	$ 0	$ 0	$ 0	$ 20	$ 20	100%
502 Fire Capital Fund						
Fire Capital Pass Through 502 19 220 0000 4090	$ 211,304	$ 494,519	$ 475,000	$ 568,000	$ 580,000	22%
Fire Capital Interest Income 502 19 220 0000 5600	8,995	11,376	10,867	10,867	11,144	3%
Total Fire Capital Fund 502	$ 220,299	$ 505,895	$ 485,867	$ 578,867	$ 591,144	22%
503 High Desert Government Center						
Reimbursement 503 29 650 6520 5800	$ 3,863,010	$ 7,277,283	$ 0	$ 12,678	$ 0	n/a
High Desert Government Center Interest Income 503 19 220 0000 5600	1,574	2,877	0	0	0	n/a
Total High Desert Government Center Fund 503	$ 3,864,584	$ 7,280,160	$ 0	$ 12,678	$ 0	n/a

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Other City Funds (Continued)						
504 City Streets CIP						
FEMA 2010 Grant	$ 0	$ 0	$ 1,200,000	$ 14,463	$ 1,185,537	-1%
504 29 700 7091 4821						
County Reimbursement-Ranchero Corridor Reimbursement	97,764	136,606	105,628	59,049	0	-100%
504 29 700 7094 5800						
SANBAG Local Stimulus Program	853,676	0	0	0	0	n/a
504 29 700 7100 4837						
Park and Ride MDAQMD Grant	0	0	184,346	0	184,346	0%
504 29 650 6523 4700						
Park and Ride CMAQ Grant	0	0	508,000	0	508,000	0%
504 29 650 6523 4800						
2011-12 Street Improvement Proj / SRTS Grant	0	310,211	0	14,793	0	n/a
504 29 700 7121 4700						
2011-12 Street Improvement Proj / SANBAG Local Stimulus Grant	0	18,439	0	0	0	n/a
504 29 700 7121 4837						
2011-12 Street Improvement Proj / Prop. 1B	98,657	1,178,004	0	0	0	n/a
504 29 700 7121 5800						
Willow Street Paseo SRTS	0	0	834,900	0	834,900	0%
504 29 700 7123 4700						
Bear Valley/Sequoia Bicycle Bypass TDA Article 3 Grant	0	0	450,000	544,556	0	-100%
504 29 700 7124 4700						
2012-13 Street Improvement Proj / VVTA Reimbursement	0	0	175,366	181,506	0	100%
504 29 700 7125 5800						
2013-14 Street Improvement Proj / TLSP Grant	0	0	191,500	0	0	100%
504 29 700 7128 5800						
City Wide Projects Fund Interest	4,443	920	0	0	0	n/a
504 19 220 0000 5600						
Other Miscellaneous	1,636	770	0	41	0	n/a
Total City Streets CIP Fund 504	$ 1,056,176	$ 1,644,950	$ 3,649,740	$ 814,408	$ 2,712,783	-26%
506 Industrial Park Lead Track						
Industrial Park Lead Track Interest	$ 12,062	$ 0	$ 0	$ 0	$ 0	n/a
506 19 220 0000 5600						
Rail Grant Reimbursement	2,000,000	0	0	0	0	n/a
506 29 700 7108 4761						
Total Industrial Park Lead Track Fund 506	$ 2,012,062	$ 0	$ 0	$ 0	$ 0	n/a

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Other City Funds (Continued)						
507 Township						
Township Interest	$ 918	$ 263	$ 265	$ 175	$ 230	-13%
507 19 220 0000 5600						
Total Township Fund 507	$ 918	$ 263	$ 265	$ 175	$ 230	-13%
508 Ranchero Rd Undercrossing Local Fund						
Undercrossing Local Interest	$ 18,031	$ 0	$ 0	$ 0	$ 0	n/a
508 19 220 0000 5600						
Total Ranchero Rd Undercrossing Local Fund 508	$ 18,031	$ 0	$ 0	$ 0	$ 0	n/a
600 Ranchero Road Undercrossing Fund						
US DOT-Federal Highway Administration Grant	$ 981,944	$ 1,804,892	$ 183,806	$ 183,164	$ 0	-100%
600 29 700 7046 4700						
NCPDP Grant Reimb	510,529	440,169	59,832	13,536	0	-100%
600 29 700 7046 4835						
SAFETEA-LU Federal Grant	1,731,175	1,646,240	171,842	222,185	0	-100%
600 29 700 7046 4833						
SANBAG-STP Grant	1,206,963	2,218,134	229,304	224,903	0	-100%
600 29 700 7046 4834						
Prop 1B - SLPP	330,548	607,520	71,945	61,932	0	-100%
600 29 700 7046 4843						
Total Ranchero Road Undercrossing Fund 600	$ 4,761,159	$ 6,716,955	$ 716,729	$ 705,720	$ 0	-100%
602 Ranchero Rd / I-15 Interchange						
SANBAG-STIP	$ 7,034,000	$ 0	$ 0	$ 0	$ 0	n/a
602 29 700 7086 4836						
602 Ranchero Rd / I-15 Interchange (Continued)						
Proceeds of Land Sale	99,178	0	0	0	0	n/a
602 29 700 7086 5900						
Ranchero / I-15 Interchange Interest	257	0	0	0	0	n/a
602 19 220 0000 5600						
Total Ranchero Rd / I-15 Interchange Fund 602	$ 7,133,435	$ 0	$ 0	$ 0	$ 0	n/a

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Other City Funds (Continued)						
	Streets, Transportation, and Other City Funds Summary					
Streets Capital Improvement Project (CIP) Funds						
201 Measure I - Arterial	$ 752	$ 228	$ 0	$ 0	$ 0	n/a
204 Measure I - 2010 Renewal	2,399,502	2,501,434	2,505,918	2,504,800	2,505,000	0%
Total Measure I (201, 204)	$ 2,400,254	$ 2,501,662	$ 2,505,918	$ 2,504,800	$ 2,505,000	0%
205 Gas Tax	1,296,787	1,334,829	1,352,790	1,353,126	1,322,900	-2%
206 Gas Tax Swap	1,220,741	715,310	1,288,650	1,288,635	1,250,150	-3%
207 Local Transportation	1,071,418	1,736,260	1,865,413	2,002,068	2,052,000	10%
300 Street Development Impact Fee	271,017	649,825	496,258	586,456	1,129,794	128%
301 Storm Drain Development Impact Fee	39,283	88,035	69,038	81,198	153,759	123%
504 City Streets CIP	1,056,176	1,644,950	3,649,740	814,408	2,712,783	-26%
506 Industrial Park Lead Track	2,012,062	0	0	0	0	n/a
507 Township	918	263	265	175	230	-13%
508 Ranchero Rd Undercrossing	18,031	0	0	0	0	n/a
600 Ranchero Rd Undercrossing	4,761,159	6,716,955	716,729	705,720	0	-100%
602 Ranchero Rd / I-15 Interchange	7,133,435	0	0	0	0	n/a
Total Streets CIP Related Revenue Funds	$ 21,281,281	$ 15,388,089	$ 11,944,801	$ 9,336,586	$ 11,126,616	-7%
Other Transportation Related Funds						
254 AQMD (AB2766 Transit)	$ 59,779	$ 60,458	$ 60,556	$ 60,500	$ 62,500	3%
263 Public Works Street Maintenance	30,632	22,527	3,883	13,383	11,883	206%
400 2004 Streets Debt Service	3,883	3,084	2,869	2,869	2,562	-11%
Total Other Transportation Funds	$ 94,294	$ 86,069	$ 67,308	$ 76,752	$ 76,945	14%
Total Streets Capital and Other Transportation Funds	$ 21,375,575	$ 15,474,158	$ 12,012,109	$ 9,413,338	$ 11,203,561	-7%
Other City Related Funds						
150 Redevelopment Administration	$ 11,618	$ 0	$ 0	$ 0	$ 0	n/a
251 Community Development Block Grant	697,188	1,412,321	1,444,826	928,452	1,029,826	-29%
252 HOME Grant	17,110	22,833	2,334	16,387	16,115	590%
253 CDBG Revolving Loan Program	3,551	2,641	2,607	2,176	2,035	-22%
255 AB3229 Supplemental Law	153,921	140,232	172,167	146,607	146,528	-15%
256 Environmental Programs Grants	41,382	49,804	41,171	58,148	19,684	-52%
257 Neighborhood Stabilization Program	3,340	160,462	1,818,288	756,393	992,501	-45%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Streets, Transportation, and Other City Funds Summary (Continued)						
260 Disaster Preparedness Grant	41,172	14,800	42,721	38,755	43,755	2%
302 Fire Development Impact Fee	39,272	91,000	64,418	32,000	109,846	71%
303 Police Development Impact Fee	32,588	26,298	18,606	10,490	32,464	74%
304 Public Services Development Impact Fee	30,393	69,233	48,731	24,400	84,197	73%
401 City Debt Service Fund	5,373	3,526	3,588	1,000	0	-100%
402 Water Rights Debt Service Fund	0	54	0	100	100	n/a
403 2005 COP Refinance Debt Service Fund	0	0	0	20	20	n/a
502 Fire Capital	220,299	505,895	485,867	578,867	591,144	22%
503 High Desert County Government Center	3,864,584	7,280,160	0	12,678	0	n/a
Total Other City Related Funds	$ 5,161,791	$ 9,779,259	$ 4,145,324	$ 2,606,473	$ 3,068,215	-26%
Total Streets CIP, Other Transportation, and Other City Related Funds	$ 26,537,366	$ 25,253,417	$ 16,157,433	$ 12,019,811	$ 14,271,776	-12%
Water District						
700 Water Operating Fund						
Taxes						
Secured Property Taxes 700 29 400 4070 4000	$ 271,677	$ 272,256	$ 243,000	$ 273,000	$ 273,000	12%
VVEDA Pass Through 700 29 400 4070 4095	5,130	5,608	6,000	6,500	6,600	10%
Other Taxes	6,667	7,711	7,400	51,291	7,200	-3%
Total Taxes	$ 283,474	$ 285,575	$ 256,400	$ 330,791	$ 286,800	12%
Interest						
Interest Income 700 29 400 4070 5605	$ 5,572	$ 6,970	$ 5,632	$ 6,103	$ 6,598	17%
Total Interest	$ 5,572	$ 6,970	$ 5,632	$ 6,103	$ 6,598	17%
Intergovernmental						
City Rent Charge 700 29 400 4070 5880	$ 52,537	$ 52,537	$ 52,537	$ 52,537	$ 52,537	0%
Total Intergovernmental	$ 52,537	$ 52,537	$ 52,537	$ 52,537	$ 52,537	0%
Charges for Services						
Water Sales/Residential 700 29 400 4060 5100	$ 7,879,407	$ 8,185,399	$ 8,328,065	$ 8,106,000	$ 8,153,780	-2%
Water Sales/Business 700 29 400 4060 5101	381,053	447,474	460,220	445,222	478,427	4%
Water Sales/Public Building 700 29 400 4060 5102	478,674	498,500	524,194	504,194	520,000	-1%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Water District (Continued)						
Charges for Services (Continued)						
Water Sales/Irrigation	210,405	263,637	295,885	256,000	268,320	-9%
700 29 400 4060 5103						
Water Sales/Construction	205,918	312,287	160,000	250,000	300,000	88%
700 29 400 4060 5104						
Water Sales/Industrial	2,990	2,368	2,368	3,708	4,000	69%
700 29 400 4060 5105						
Water Availability Charge	6,445,510	6,535,900	6,570,000	6,575,000	6,654,000	1%
700 29 400 4060 5110						
Sub-Total Water Billing Revenue	$ 15,603,957	$ 16,245,565	$ 16,340,732	$ 16,140,124	$ 16,378,527	0%
Water Meter Fees	15,161	8,582	25,750	27,284	52,000	102%
700 29 400 4070 5140						
Reconnection Fees	210,731	196,330	190,000	190,000	190,000	0%
700 29 400 4070 5130						
Water Inspection	2,064	688	1,250	3,653	3,653	192%
700 29 400 4070 5180						
New Account Setup	0	0	0	57,000	132,000	100%
700 29 400 4060 5191						
Rent Eagle Plaza	177,431	178,349	186,924	168,234	145,380	-22%
700 29 400 4070 5875						
Other Charges for Services	46,189	49,135	31,499	106,267	121,714	286%
Total Charges for Services	$ 16,055,533	$ 16,678,649	$ 16,776,155	$ 16,692,562	$ 17,023,274	1%
Other Operating						
Other Operating	$ 177,260	$ 227,113	$ 186,913	$ 187,876	$ 191,232	2%
Total Other Operating	$ 177,260	$ 227,113	$ 186,913	$ 187,876	$ 191,232	2%
All Other						
All Other	$ 323,291	$ 763,906	$ 26,000	$ 32,722	$ 25,300	-3%
Total All Other	$ 323,291	$ 763,906	$ 26,000	$ 32,722	$ 25,300	-3%
Total Water Operating Fund 700	$ 16,897,667	$ 18,014,750	$ 17,303,637	$ 17,302,591	$ 17,585,741	2%
701 Water Capital Fund						
Charges for Services						
Capital Facility Charges	$ 307,599	$ 157,211	$ 160,000	$ 220,309	$ 218,000	36%
701 29 400 4070 5120						
Total Water Capital Fund 701	$ 307,599	$ 157,211	$ 160,000	$ 220,309	$ 218,000	36%
Total Water Operating and Capital Fund Revenues	$ 17,205,266	$ 18,171,961	$ 17,463,637	$ 17,522,900	$ 17,803,741	2%
710 Sewer Operating Fund						
Interest						
Interest Income	$ 3,849	$ 5,042	$ 5,442	$ 5,442	$ 5,448	0%
710 19 220 0000 5600						
Total Interest	$ 3,849	$ 5,042	$ 5,442	$ 5,442	$ 5,448	0%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Water District (Continued)						
Charges for Services						
Sewer Billing	$ 3,189,429	$ 3,342,146	$ 3,300,000	$ 3,375,000	$ 3,409,000	3%
710 29 420 4200 5200						
Zone J Sewer Billing	56,189	74,999	56,200	69,215	69,215	
710 29 420 4200 5210						
Sewer Inspections	6,195	2,450	4,000	4,000	3,000	-25%
710 29 420 4200 5260						
Other Charges for Services	0	0	500	0	0	-100%
Total Charges for Service	$ 3,251,813	$ 3,419,595	$ 3,360,700	$ 3,448,215	$ 3,481,215	4%
Total Sewer Operating Fund 710	$ 3,255,662	$ 3,424,637	$ 3,366,142	$ 3,453,657	$ 3,486,663	4%
711 Sewer Capital Fund						
Charges for Services						
Sewer Connections	$ 102,478	$ 79,685	$ 50,000	$ 65,000	$ 53,145	6%
711 29 420 4200 5220						
Interest Income	2,170	2,555	2,796	3,554	3,364	20%
711 19 220 0000 5600						
Total Sewer Capital Fund 711	$ 104,648	$ 82,240	$ 52,796	$ 68,554	$ 56,509	7%
Total Sewer Operating & Capital	$ 3,360,310	$ 3,506,877	$ 3,418,938	$ 3,522,211	$ 3,543,172	4%
TOTAL WATER DISTRICT (700, 701, 710, 711)	$ 20,565,576	$ 21,678,838	$ 20,882,575	$ 21,045,111	$ 21,346,913	2%
200 Fire District Fund						
Taxes						
Secured Property Taxes	$ 3,777,315	$ 3,783,638	$ 3,810,000	$ 3,870,000	$ 3,910,000	3%
200 55 521 0000 4000						
Fire Assessment	0	53	0	0	0	n/a
200 55 521 0000 4020						
CFD #94-1	508,570	536,074	544,800	550,458	555,963	2%
200 55 521 0000 4030						
CFD #2005-1	376,805	322,733	326,850	326,850	214,144	-34%
200 55 521 0000 4031						
Redevelopment Agency Pass-Through	1,090,804	1,087,371	1,147,427	1,802,960	1,182,567	3%
200 55 521 0000 4090						
VVEDA Pass-Through	76,615	83,760	70,000	139,476	100,217	43%
200 55 521 0000 4095						
Total Taxes	$ 5,830,109	$ 5,813,629	$ 5,899,077	$ 6,689,744	$ 5,962,891	1%
Interest						
Interest Income	$ 1,616	$ 2,071	$ 0	$ 700	$ 500	100%
200 19 220 0000 5600						
Other Interest	3,396	3,155	3,396	3,800	3,396	0%
Total Interest	$ 5,012	$ 5,226	$ 3,396	$ 4,500	$ 3,896	15%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
200 Fire District Fund (Continued)						
Charges for Services						
State Regulated Inspections	$ 465	$ 450	$ 500	$ 990	$ 600	20%
200 55 523 0000 5330						
Fire Hazard Inspection	131,913	127,843	121,430	105,349	146,898	21%
200 55 523 0000 5335						
Tenant Improvement Plans Review	0	45	0	150	150	n/a
200 55 523 0000 4963						
Burn Permits	6,970	4,910	6,000	4,700	4,800	-20%
200 55 523 0000 4340						
Paramedic Ambulance Fees	2,124,516	1,979,662	2,701,087	2,400,000	2,500,000	-7%
200 55 525 0000 5300						
Ground Emergency Medical Transportation (GEMT)	0	0	0	0	480,528	n/a
200 55 525 0000 5303						
Non-Transport EMS Charge	176,371	170,952	169,000	170,000	201,924	19%
200 55 525 0000 5315						
Ambulance Membership Service	15,900	14,475	14,000	12,000	12,500	-11%
200 55 525 0000 5305						
City/County HazMat Contract	152,686	152,686	152,686	152,686	152,686	0%
200 55 527 0000 5368						
Other Charges for Services	85,532	101,775	65,500	88,013	82,700	26%
Total Charges for Services	$ 2,694,353	$ 2,552,798	$ 3,230,203	$ 2,933,888	$ 3,582,786	11%
Grants						
Thermal Imaging Camera Grant	0	21,541	0	0	0	n/a
200 55 521 0000 4762						
FEMA SAFER Grant	0	0	794,778	578,000	580,000	n/a
200 55 528 0000 4816						
Total Grants	$ 0	$ 21,541	$ 794,778	$ 578,000	$ 580,000	-27%
Other Operating						
Cell Tower Rent	$ 50,469	$ 52,721	$ 53,219	$ 55,328	$ 58,095	9%
200 19 220 0000 5885						
Total Other Operating	$ 50,469	$ 52,721	$ 53,219	$ 55,328	$ 58,095	9%
All Other						
All Other	$ 50	$ 1,827	$ 44,000	$ 47,083	$ -	-100%
Total All Other	$ 50	$ 1,827	$ 44,000	$ 47,083	$ 0	-100%
Total Fire District Fund	$ 8,579,993	$ 8,447,742	$ 10,024,673	$ 10,308,543	$ 10,187,668	2%

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Redevelopment Agency (RDA) Funds (385, 388, 389, 486, 487, 586, 587, 588)						
Taxes						
RDA Debt Service - Project Area #1 Tax Increment 486 25 261 0000 4060	$ 6,927,506	$ 0	$ 0	$ 0	$ 0	n/a
RDA Debt Service - Project Area #1 Amendment Tax Increment 486 25 261 0000 4062	1,282,386	0	0	0	0	n/a
RDA Debt Service - Project Area #2 Tax Increment 487 25 261 0000 4060	707,213	0	0	0	0	n/a
RDA Project Area #1 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4070	1,731,877	0	0	0	0	n/a
RDA Project Area #1 Amendment Low/Mod - LMI 20% Property Tax 385 25 263 2700 4073	320,597	0	0	0	0	n/a
RDA Project Area #2 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4075	176,803	0	0	0	0	n/a
SubTotal Property Tax Increment	$ 11,146,382	$ 0	$ 0	$ 0	$ 0	n/a
Total Taxes	$ 11,146,382	$ 0	$ 0	$ 0	$ 0	n/a
Interest						
RDA - Debt Service - Interest Project Area #1 486 19 220 0000 5600	$ 7,831	$ 0	$ 0	$ 0	$ 0	n/a
RDA - Debt Service - Interest Project Area #2 487 19 220 0000 5600	16	0	0	0	0	n/a
RDA Low/Mod Fund–Interest Income 385 19 220 0000 5600	17,245	0	0	0	0	n/a
VVEDA Low/Moderate Housing - Interest 388 19 220 0000 5600	3,201	0	0	0	0	n/a
RDA CIP Area #2 - Interest 587 19 220 0000 5600	8	0	0	0	0	n/a
Total Interest Income	$ 28,301	$ 0	$ 0	$ 0	$ 0	n/a
Other						
Other-All Other Combined	$ 64,730	$ 0	$ 0	$ 0	$ 0	n/a
Total RDA Other	$ 64,730	$ 0	$ 0	$ 0	$ 0	n/a
Total Redevelopment Agency Revenue	$ 11,239,413	$ 0	$ 0	$ 0	$ 0	n/a

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Redevelopment Agency (RDA) Funds (Continued) (385, 388, 389, 486, 487, 586, 587, 588)						
385 Low/Mod Income Housing						
Taxes						
RDA Project Area #1 Low/Mod - LMI 20% Property Tax	$ 1,731,877	$ 0	$ 0	$ 0	$ 0	n/a
385 25 263 2700 4070						
RDA Project Area #1 Amendment Low/Mod - LMI 20% Property Tax	320,597	0	0	0	0	n/a
385 25 263 2700 4073						
RDA Project Area #2 Low/Mod - LMI 20% Property Tax	176,803	0	0	0	0	n/a
385 25 263 2700 4075						
Total Taxes	$ 2,229,277	$ 0	$ 0	$ 0	$ 0	n/a
Interest						
RDA Low/Mod Fund–Interest Income	$ 17,245	$ 0	$ 0	$ 0	$ 0	n/a
385 19 220 0000 5600						
Total Interest	$ 17,245	$ 0	$ 0	$ 0	$ 0	n/a
Total Low/Mod Income Housing	$ 2,246,522	$ 0	$ 0	$ 0	$ 0	n/a
388 VVEDA Low/Mod Income Housing						
Interest						
RDA Low/Mod Fund–Interest Income	$ 3,201	$ 0	$ 0	$ 0	$ 0	n/a
388 19 220 0000 5600						
Total Interest	$ 3,201	$ 0	$ 0	$ 0	$ 0	n/a
Total VVEDA Low/Mod Income Housing	$ 3,201	$ 0	$ 0	$ 0	$ 0	n/a
486 RDA Debt Service Project Area #1						
Taxes						
RDA Debt Service - Project Area #1 Tax Increment	$ 6,927,506	$ 0	$ 0	$ 0	$ 0	n/a
486 25 261 0000 4060						
RDA Debt Service - Project Area #1 Amendment Tax Increment	1,282,386	0	0	0	0	n/a
486 25 261 0000 4062						
Total Taxes	$ 8,209,892	$ 0	$ 0	$ 0	$ 0	n/a

REVENUE
DETAIL BY FUND

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Redevelopment Agency (RDA) Funds (Continued) (385, 388, 389, 486, 487, 586, 587, 588)						
Interest						
RDA - Debt Service - Interest Project Area #1	$ 7,831	$ 0	$ 0	$ 0	$ 0	n/a
486 19 220 0000 5600						
Total Interest	$ 7,831	$ 0	$ 0	$ 0	$ 0	n/a
Total RDA Debt Service Project Area #1	$ 8,217,723	$ 0	$ 0	$ 0	$ 0	n/a
487 RDA Debt Service Project Area #2						
Taxes						
RDA Debt Service - Project Area #2 Tax Increment	$ 707,213	$ 0	$ 0	$ 0	$ 0	n/a
487 25 261 0000 4060						
Total Taxes	$ 707,213	$ 0	$ 0	$ 0	$ 0	n/a
Interest						
RDA - Debt Service - Interest Project Area #2	$ 16	$ 0	$ 0	$ 0	$ 0	n/a
487 19 220 0000 5600						
Total Interest	$ 16	$ 0	$ 0	$ 0	$ 0	n/a
Total RDA Debt Service Project Area #2	$ 707,229	$ 0	$ 0	$ 0	$ 0	n/a
586 RDA Capital Project Area #1						
Other						
Miscellaneous	$ 2,230	$ 0	$ 0	$ 0	$ 0	n/a
586 29 700 7108 5950						
Rents & Leases	62,500	0	0	0	0	n/a
586 25 261 0000 5700						
Total Other	$ 64,730	$ 0	$ 0	$ 0	$ 0	n/a
Total RDA Capital Project Area #1	$ 64,730	$ 0	$ 0	$ 0	$ 0	n/a
587 RDA Capital Project Area #2						
Interest						
RDA CIP Area #2 - Interest	$ 8	$ 0	$ 0	$ 0	$ 0	n/a
587 19 220 0000 5600						
Total Interest	$ 8	$ 0	$ 0	$ 0	$ 0	n/a
Total RDA Capital Project Area #2	$ 8	$ 0	$ 0	$ 0	$ 0	n/a
Total RDA Funds	$ 11,239,413	$ 0	$ 0	$ 0	$ 0	n/a
TOTAL REVENUE ALL FUNDS	$ 88,863,940	$ 79,206,192	$ 70,441,859	$ 68,404,521	$ 71,152,071	1%

REVENUE
REVENUES BY SOURCE TYPE
BY BLENDED COMPONENT UNIT

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
City of Hesperia						
Taxes						
Property	$ 1,263,912	$ 2,316,808	$ 1,560,983	$ 1,726,438	$ 1,619,800	4%
Sales	8,729,460	10,114,174	10,416,345	10,400,000	10,465,000	0%
Other Taxes	913,867	852,692	830,000	880,000	900,000	8%
Fines & Forfeitures	184,853	222,288	191,989	289,103	277,870	45%
Interest	189,987	116,419	96,320	72,196	75,319	-22%
Intergovernmental	10,946,308	10,521,975	11,281,330	11,335,816	11,466,675	2%
Charges for Services	2,277,297	2,729,409	2,183,737	2,751,877	3,594,580	65%
Licenses & Permits	302,951	291,274	318,002	337,559	305,748	-4%
Grants						
Federal	7,169,057	7,542,646	4,401,598	1,623,016	3,314,301	-25%
State	8,777,002	2,549,567	2,034,814	1,194,004	996,619	-51%
Other Operating	7,037,703	10,541,380	5,962,483	5,902,751	5,458,982	-8%
All Other	1,498	724	500	16,456	800	60%
Total City of Hesperia	$ 47,793,895	$ 47,799,356	$ 39,278,101	$ 36,529,216	$ 38,475,694	-2%
Community Development Commission						
Interest	$ 459	$ 185	$ 0	$ 1,150	$ 1,200	n/a
Other Operating	57,662	743,102	100,800	154,840	725,915	620%
Total HCRA	$ 58,121	$ 743,287	$ 100,800	$ 155,990	$ 727,115	621%
Hesperia Housing Authority						
Taxes						
Property	$ 271,442	$ 329,913	$ 0	$ 155,489	$ 0	n/a
Interest	254,913	104,398	108,910	56,233	56,331	-48%
Other Operating	100,587	102,658	46,800	153,939	358,350	666%
Total HCRA	$ 626,942	$ 536,969	$ 155,710	$ 365,661	$ 414,681	166%
Hesperia Community Redevelopment Agency						
Taxes						
Property	$ 11,146,382	$ 0	$ 0	$ 0	$ 0	n/a
Interest	28,301	0	0	0	0	n/a
Other Operating	64,730	0	0	0	0	n/a
Total HCRA	$ 11,239,413	$ 0	$ 0	$ 0	$ 0	n/a

REVENUE
REVENUES BY SOURCE TYPE
BY BLENDED COMPONENT UNIT

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
Hesperia Water District						
Taxes						
Property	$ 283,474	$ 285,575	$ 256,400	$ 330,791	$ 286,800	12%
Fines & Forfeitures	0	0	0	0	0	n/a
Interest	11,591	14,567	13,870	15,099	15,410	11%
Intergovernmental	52,537	52,537	52,537	52,537	52,537	0%
Charges for Services	19,717,423	20,335,140	20,346,855	20,426,086	20,775,634	2%
Other Operating	177,260	227,113	186,913	187,876	191,232	2%
All Other	323,291	763,906	26,000	32,722	25,300	-3%
Total Water District	$ 20,565,576	$ 21,678,838	$ 20,882,575	$ 21,045,111	$ 21,346,913	2%
Hesperia Fire Protection District						
Taxes						
Property	$ 5,830,109	$ 5,813,629	$ 5,899,077	$ 6,689,744	$ 5,962,891	1%
Interest	5,012	5,226	3,396	4,500	3,896	15%
Charges for Services	2,694,353	2,552,798	3,230,203	2,933,888	3,582,786	11%
Federal	0	21,541	794,778	578,000	580,000	-27%
Other Operating	50,469	52,721	53,219	55,328	58,095	9%
All Other	50	1,827	44,000	47,083	0	-100%
Total Fire District	$ 8,579,993	$ 8,447,742	$ 10,024,673	$ 10,308,543	$ 10,187,668	2%
Combined						
Taxes						
Property	$ 18,795,319	$ 8,745,925	$ 7,716,460	$ 8,902,462	$ 7,869,491	2%
Sales	8,729,460	10,114,174	10,416,345	10,400,000	10,465,000	0%
Other Taxes	913,867	852,692	830,000	880,000	900,000	8%
Fines & Forfeitures	184,853	222,288	191,989	289,103	277,870	45%
Interest	490,263	240,795	222,496	149,178	152,156	-32%
Intergovernmental	10,998,845	10,574,512	11,333,867	11,388,353	11,519,212	2%
Charges for Services	24,689,073	25,617,347	25,760,795	26,111,851	27,953,000	9%
Licenses & Permits	302,951	291,274	318,002	337,559	305,748	-4%
Grants						
Federal	7,169,057	7,564,187	5,196,376	2,201,016	3,894,301	-25%
State	8,777,002	2,549,567	2,034,814	1,194,004	996,619	-51%
Other Operating	7,488,411	11,666,974	6,350,215	6,454,734	6,792,574	7%
All Other	324,839	766,457	70,500	96,261	26,100	-63%
Total Combined	$ 88,863,940	$ 79,206,192	$ 70,441,859	$ 68,404,521	$ 71,152,071	1%

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; and the remaining two departments, (Development Services and Economic Development), oversee the development activities of the City, including all Capital Improvements.

The 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 the amortization of bond discounts and deferred charges are not reflected in the budget for the proprietary funds, (700 - Water Operating Fund, 701 - Water Capital Projects Fund, 710 - Sewer Operating Fund, and 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

As presented, the FY 2014-15 Budget of $78,424,185 represents a decrease of 1% from the FY 2013-14 Budget of $78,884,699. Compared to the FY 2011-12 Actual of $108,886,839, overall expenditures have been significantly reduced by 28% or $30.5 million. Contributing factors for the massive reduction are the dissolution of the Hesperia Community Redevelopment Agency and the completion of the Ranchero Road Undercrossing project.

Overall Expenditures Highlights:

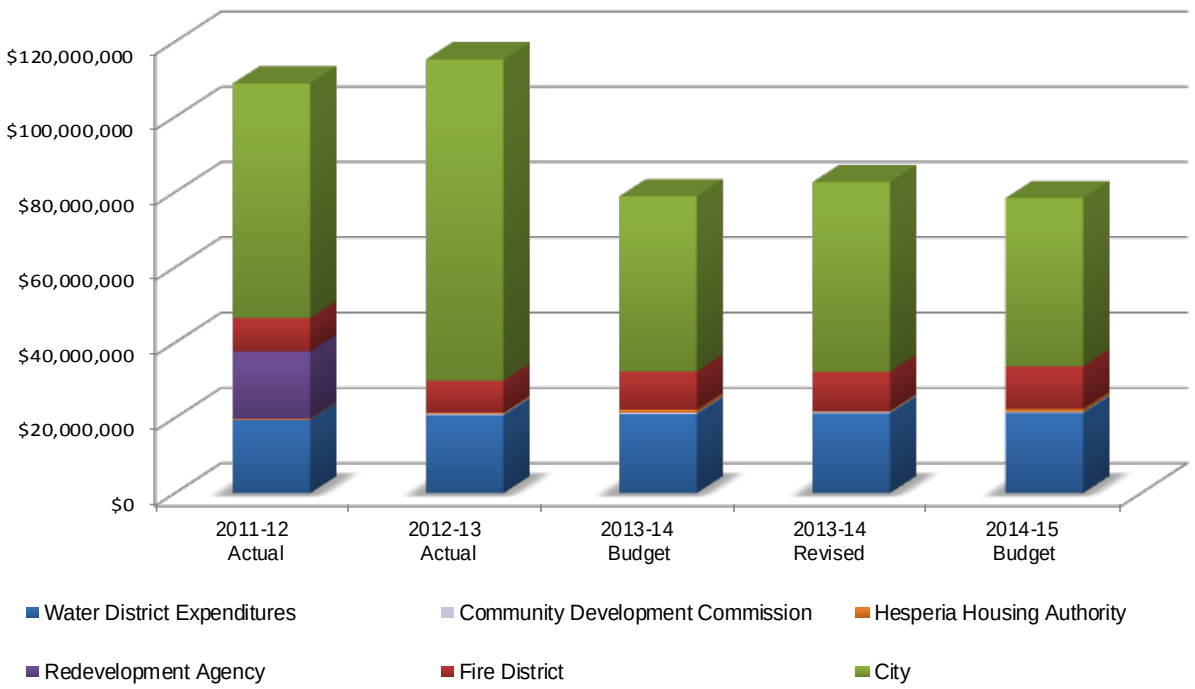
As indicated on the chart and table on the following page:

- City – City related expenditures, which account for normal operations and services provided by the City are expected to decrease by $1.8 million or 4.0% from the FY 2013-14 Budget. The primary reason for the decrease is due to the reduction of $4.1 million to the Capital Improvement Plan (CIP), which is offset by increases in the General Fund that will be explained further in this summary. The decrease to the CIP budget is primarily related to Fire Station 301. In the FY 2013-14 Budget, City related budgeted funds totaled $3,562,000 for site preparation and construction of the fire station. In the FY 2014-15 Budget, City related funds have been reduced from $3,362,000 to $535,615, which will allow for continued site preparation in anticipation of construction in the near future.
- Fire District – The primary expenditure for the Fire District is the contract for the fire and medical emergency response services provided by the County of San Bernardino Fire Department. Fire District expenditures are expected to increase by $1.1 million or 11%, for a total FY 2014-15 Budget of $11,301,328; of this amount, $1,037,463 pertains to the SAFER (Staffing for Adequate Fire and Emergency Response) grant. The increase is primarily due to three items. First, the Fire contract will increase $551,939 to continue the current level of services. Second, based on the recent actuarial analysis, CalPERS (California Public Employees' Retirement System) is requiring an additional $155,310. Finally, funds are budgeted to replace nine defibrillator units for a total of $315,000.
- 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 1, 2012 with all enforceable obligations of the former HCRA being transferred to the Successor Agency of the Redevelopment Agency and the Oversight Board approves all expenditures.

Overall Expenditures Highlights (Continued):

- Hesperia Housing Authority – Due to the dissolution of the HCRA, the Hesperia Housing Authority became active on February 1, 2012. The HHA was established under the Housing Authorities Law of the California Health & Safety Code with the primary purpose of advancing affordable housing production and preservation. The FY 2014-15 Budget will increase a modest $46,681 from the FY 2013-14 Budget. The increase is due to efforts to restore the Housing Rehabilitation Loan Program subsequent to the Finding of Completion that was received by the State Department of Finance.
- Community Development Commission – Community Development Commission (CDC) is responsible for fostering economic development for the City of Hesperia. As with the HHA, the CDC became active on February 1, 2012 with the dissolution of the HCRA. With a proposed budget of $346,253, expenditures are remaining relatively flat when compared to the adopted FY 2013-14 Budget of $378,894.
- 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. The FY 2014-15 Budget is an increase of 1% or $0.3 million over the FY 2012-13 Budget of $20,992,422. The overall increase is primarily due to cost of goods and services for maintaining current operations.

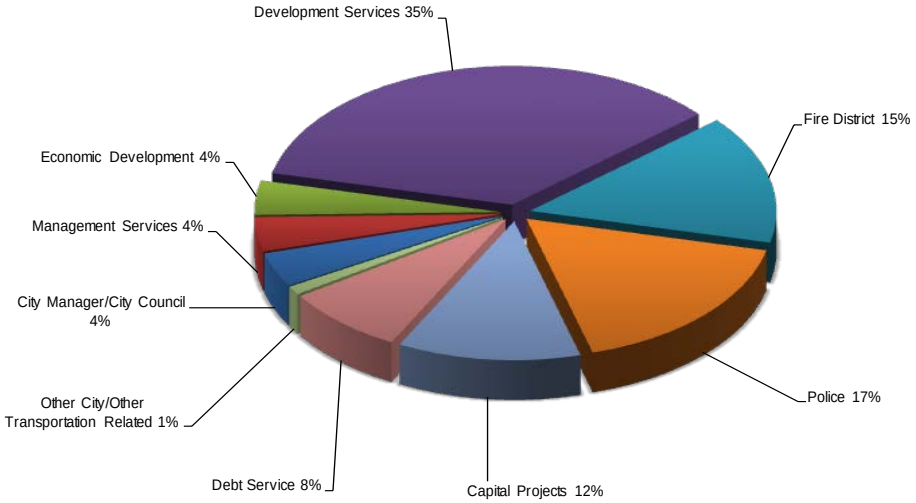
2014-15 Budgeted Expenditures Overview



Budgeted Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
City Expenditures	$ 62,369,396	$ 85,364,706	$46,557,316	$50,425,940	$44,715,890	-4%
Fire District Expenditures	8,905,831	8,511,763	10,194,864	10,392,558	11,301,328	11%
Redevelopment Agency Expenditures	17,934,709	0	0	0	0	0%
Hesperia Housing Authority	232,221	293,542	761,203	287,798	807,884	6%
Community Development Commission	210	436,949	378,894	363,766	346,253	-9%
Water District Expenditures	19,444,472	20,664,770	20,992,422	21,179,982	21,252,830	1%
Total Budgeted Expenditures	$108,886,839	$115,271,730	$78,884,699	$82,650,044	$78,424,185	-1%

EXPENDITURE SUMMARIES

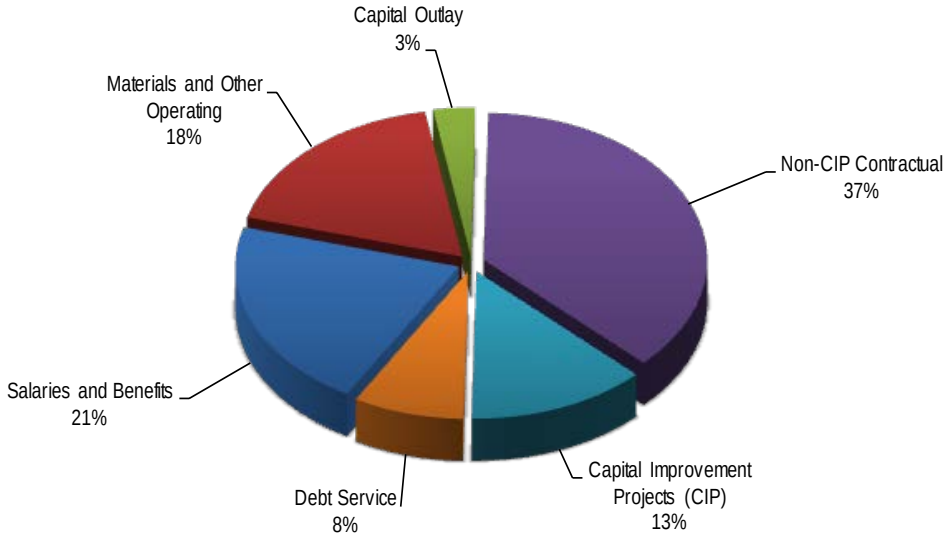
Total Expenditures by Department
2014-15 Budget



DEPARTMENTS	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
City Council	$ 746,414	$ 621,272	$ 659,358	$ 815,352	$ 682,978	4%
City Manager	2,119,258	2,499,403	2,474,417	2,495,363	2,778,294	12%
Management Services	3,382,660	32,728,681	2,601,540	3,372,310	3,197,089	23%
Economic Development						
Community Development Commission	210	436,949	378,894	363,766	346,253	-9%
Hesperia Housing Authority	232,221	293,542	761,203	287,798	807,884	6%
C.D.B.G.	1,252,936	1,843,265	2,543,760	1,222,774	1,828,875	-28%
Redevelopment Agency	8,011,273	0	0	0	0	0%
Total Economic Development	9,496,640	2,573,756	3,683,857	1,874,338	2,983,012	-19%
Development Services						
Community Development	1,779,824	1,527,466	1,599,678	1,652,270	1,629,583	2%
Code Compliance	2,287,816	2,128,943	2,263,437	2,290,461	2,346,674	4%
Public Works	4,258,022	4,421,238	4,673,146	4,751,346	5,245,787	12%
Water Operations	13,995,453	14,260,652	14,514,039	14,548,481	14,831,295	2%
Sewer Operations	2,500,306	2,668,916	2,702,548	2,846,279	3,056,765	13%
Total Development Services	24,821,421	25,007,215	25,752,848	26,088,837	27,110,104	5%
Police	11,463,162	12,515,164	12,842,869	13,062,964	13,535,238	5%
Fire District	8,905,831	8,511,763	10,194,864	10,392,558	11,301,328	11%
Other City/Other Transportation Related	105,060	157,243	181,751	321,161	222,090	22%
Debt Service						
City of Hesperia	1,644,261	1,647,707	1,717,360	14,309,799	1,755,671	2%
2012 Water Rights Acquisition	0	662,200	1,345,475	1,345,475	1,453,575	8%
Redevelopment Agency	9,914,375	0	0	0	0	0%
Water District	2,948,713	2,961,980	2,975,535	3,075,096	2,974,770	0%
Total Debt Service	14,507,349	5,271,887	6,038,370	18,730,370	6,184,016	2%
Capital Improvement Plan						
C I P - Facilities	3,626,633	7,777,015	4,305,593	22,408	1,841,161	-57%
C I P - Redevelopment Agency	9,061	0	0	0	0	0%
C I P - Streets	29,703,350	16,835,109	9,548,932	4,764,257	8,548,875	-10%
C I P - Water	0	773,222	600,300	674,146	40,000	-93%
C I P - Sewer	0	0	0	35,980	0	0%
Total Capital Improvement Plan	33,339,044	25,385,346	14,454,825	5,496,791	10,430,036	-28%
Total City Expenditures	$ 108,886,839	$ 115,271,730	$ 78,884,699	$ 82,650,044	$ 78,424,185	-1%

EXPENDITURE SUMMARIES

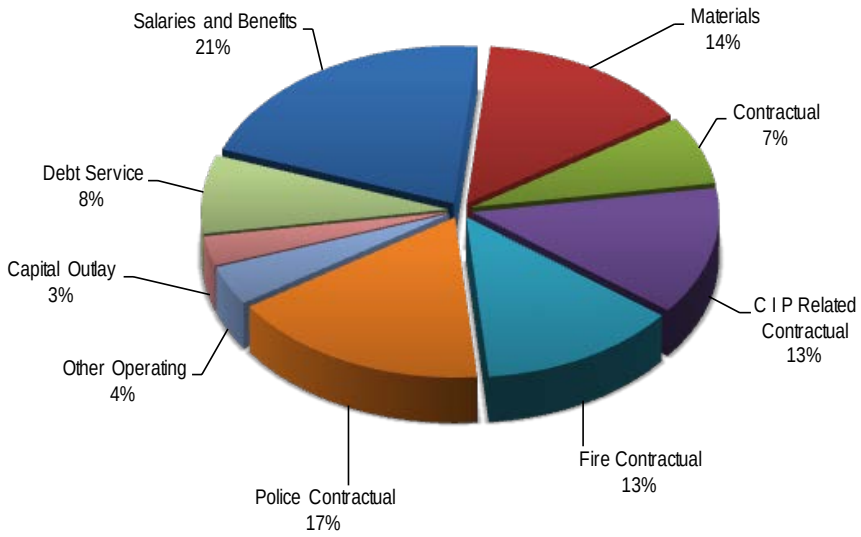
Total Expenditures by Major Expenditure Classification
2014-15 Budget



CLASSIFICATION	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% of Budget	% Change From 2013-14 Budget
Salaries and Benefits	$ 15,886,052	$ 15,145,847	$ 15,594,629	$ 15,868,642	$ 16,070,386	21%	3%
Materials and Other Operating	14,755,196	13,328,552	13,554,562	13,669,397	14,055,182	18%	4%
Capital Outlay	3,800,224	30,663,586	1,061,529	1,510,160	2,283,036	3%	115%
Non-CIP Contractual							
Contractual	840,275	5,250,198	5,759,160	4,953,060	5,686,099	7%	-1%
Police Contractual	11,253,337	11,973,075	12,554,462	12,554,462	13,228,216	17%	5%
Fire Contractual	8,555,920	8,253,239	9,867,162	9,867,162	10,487,214	13%	6%
Redevelopment Agency (RDA) Contractual	915,648	0	0	0	0	0%	0%
Total Non-CIP Contractual	21,565,180	25,476,512	28,180,784	27,374,684	29,401,529	37%	4%
Capital Improvement Plan (CIP)							
C I P - Facilities	3,626,633	7,777,015	4,305,593	22,408	1,841,161	2%	-57%
C I P - Redevelopment Agency	9,061	0	0	0	0	0%	0%
C I P - Streets	29,703,350	16,835,109	9,548,932	4,764,257	8,548,875	10%	-10%
C I P - Water	0	773,222	600,300	674,146	40,000	1%	-93%
Total CIP	33,339,044	25,385,346	14,454,825	5,496,791	10,430,036	13%	-28%
Debt Service							
Debt Service	4,592,974	5,271,887	6,038,370	18,730,370	6,184,016	8%	2%
RDA - Debt Service	9,914,375	0	0	0	0	0%	0%
RDA - Contractual Pass Through	5,033,794	0	0	0	0	0%	0%
Total Debt Service	19,541,143	5,271,887	6,038,370	18,730,370	6,184,016	8%	2%
Total Expenditures	$ 108,886,839	$ 115,271,730	$ 78,884,699	$ 82,650,044	$ 78,424,185	100%	-1%

EXPENDITURE SUMMARIES

Total Expenditures by Major Expenditure Account
2014-15 Budget



CLASSIFICATION	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries and Benefits						
Salaries	$ 11,154,787	$ 10,835,730	$ 11,129,484	$ 11,496,937	$ 11,318,421	2%
Benefits	4,731,265	4,310,117	4,465,145	4,371,705	4,751,965	6%
Total Salaries and Benefits	15,886,052	15,145,847	15,594,629	15,868,642	16,070,386	3%
Materials & Operations	9,547,807	10,223,980	10,092,173	10,127,606	10,739,567	6%
Contractual	6,789,717	5,250,198	5,759,160	4,953,060	5,686,099	-1%
C I P Related Contractual	25,600,834	24,612,124	14,454,825	4,997,421	10,430,036	-28%
Fire Contractual	8,555,920	8,253,239	9,867,162	9,867,162	10,487,214	6%
Police Contractual	11,253,337	11,973,075	12,554,462	12,554,462	13,228,216	5%
Other Operating	5,207,389	3,104,572	3,462,389	3,541,791	3,315,615	-4%
Capital Outlay	3,800,224	30,663,586	1,061,529	1,510,160	2,283,036	115%
C I P Capital Outlay	7,738,210	773,222	0	499,370	0	0%
Debt Service	14,507,349	5,271,887	6,038,370	18,730,370	6,184,016	2%
Total Expenditures	$ 108,886,839	$ 115,271,730	$ 78,884,699	$ 82,650,044	$ 78,424,185	-1%

Total Expenditures by Major Expenditure Account
2014-15 Budget (Continued)

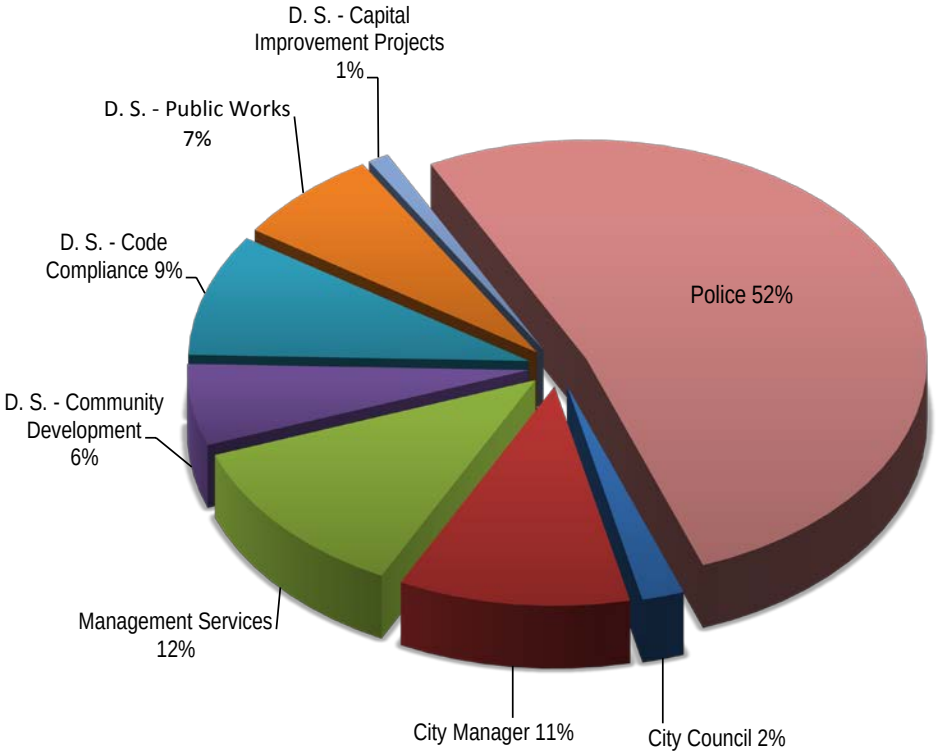
OVERALL EXPENDITURES HIGHLIGHTS:

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

Overall, budgeted expenditures are expected to decrease by 1% over the 2013-14 Budget.

- Salaries and Benefits – The Salaries and Benefits will increase by 3% for the 2014-15 Budget, which is due to salary increases totaling 5% (2.5% effective January 2014 and 2.5% effective July 2014), which are offset by the elimination of a net total - four vacant positions.
- Materials & Operations – The proposed budget shows an increase of 6% or $0.5 million over the FY 2013-14 Budget. This is primarily due to the expected increase of goods and utilities, such as the estimated 2% increase in electricity costs over the FY 2013-14 Revised. Southern California Edison is in the process of increasing electricity rates, which are projected to go into effect during FY 2014-15.
- Contractual – As shown, the non-CIP, non-Safety component of the contractual classification for all funds will remain relatively flat during FY 2014-15.
- CIP Contractual – CIP related contractual of $10.4 million will decrease by 28% or $4.1 million when compared to the FY 2013-14 $14.5 million. This is due in large part to reserving construction funds for Fire Station 301, with a focus on site preparation work for the Station, as well as the transition of the Ranchero Undercrossing Project from the construction to required restoration of disturbed areas and monitoring.
- Fire Contractual – The Fire contract, which is 13% of the total budget, is expected to increase by 6% or $0.6 million to maintain the current level of service. Included in the Fire contract budget is the SAFER (Staffing for Adequate Fire and Emergency Response) grant, which is funding for eighteen (18) Limited-Term Firefighters (LT) positions. This is the second and final year for the SAFER grant.
- Police Contractual – Police Contractual comprises 17% the overall budget. To continue to provide the current level during FY 2014-15, the police contract will increase 5% or $0.7 million over the FY 2013-14 amount of $12.5 million.
- Other Operating – Other Operating is expected to decrease by $146,774 or roughly 4%, which is due to the removal of grant related expenditures for the 2013-14 Street Improvement Project to zero from the FY 2013-14 Budget of $191,500. The following expenditures are budgeted in the Other Operating classification: maintenance on buildings and vehicles; travel and meetings; and grant related expenditures, excluding the SAFER grant.
- Capital Outlay – The Capital Outlay budget, which includes non-CIP related asset purchases exceeding $5,000, will increase by 115% or $1.2 million over FY 2013-14 for a FY 2014-15 Budget of $2,283,036. The following purchases represent the majority of the FY 2014-15 Capital Outlay budget:
    - General Fund – The final payments totaling $500,000 for the 200-acre feet of permanent water rights purchased from Summit Valley Ranch. The total purchase price was $1,000,000, with $500,000 being paid in FY 2013-14. In addition, $305,000 is budgeted for upgrading the City's computer servers and storage.
    - Fire District – The replacement of nine defibrillator units for a total of $315,000.
    - Street Maintenance – $172,000 to upgrade traffic control equipment along Main Street.
    - Water District – Funding of $130,000 is included for phase 1 of 3 to upgrade the District's Supervisory Control and Data Acquisition (SCADA) Program.
- CIP Capital Outlay – There are no planned CIP Capital Outlay purchases for FY 2014-15.
- Debt Service – Overall Debt Service is expected to increase by 2% or $0.1 million to pay the upcoming principal and interest payments due during FY 2014-15.

Total General Fund Expenditures by Department
2014-15 Budget



DEPARTMENTS	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% of Budget	% Change From 2013-14 Budget
City Council	$ 746,414	$ 621,272	$ 659,358	$ 815,352	$ 682,978	2%	4%
City Manager	2,119,258	2,499,403	2,474,417	2,495,363	2,778,294	11%	12%
Management Services	3,382,660	32,728,681	2,601,540	3,372,310	3,197,089	12%	23%
Development Services							
D. S. - Community Development	1,779,824	1,527,466	1,599,678	1,652,270	1,629,583	6%	2%
D. S. - Code Compliance	2,287,816	2,128,943	2,263,437	2,290,461	2,346,674	9%	4%
D. S. - Public Works	1,251,109	1,355,296	1,386,103	1,529,977	1,730,208	7%	25%
D. S. - Capital Improvement	0	0	0	0	733,200	1%	100%
Development Services Total	5,318,749	5,011,705	5,249,218	5,472,708	6,439,665	23%	23%
Police	11,463,162	12,515,164	12,842,869	13,062,964	13,535,238	52%	5%
Total General Fund Expenditures	$23,030,243	$ 53,376,225	$23,827,402	$ 25,218,697	$ 26,633,264	100%	12%

Total General Fund Expenditures by Department
2014-15 Budget (Continued)

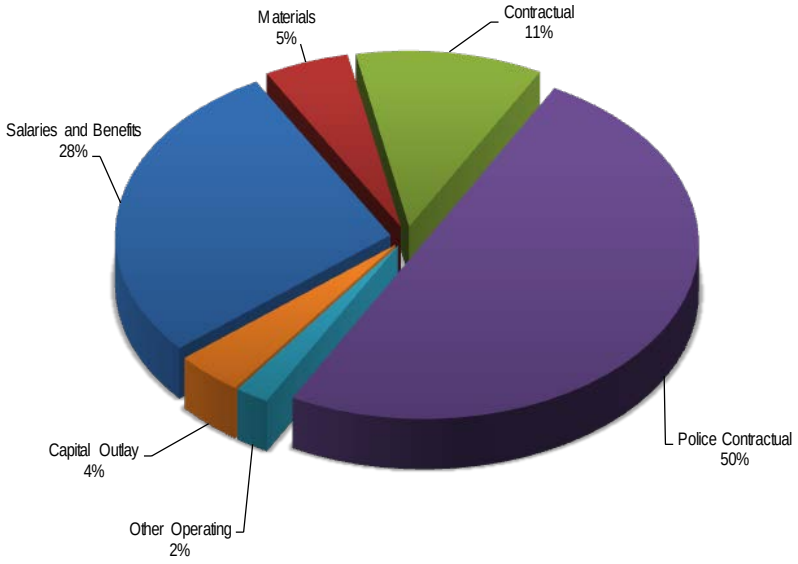
GENERAL FUND BY DEPARTMENT HIGHLIGHTS:

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

Budgeted expenditures for the General Fund are expected to increase by $2.8 million or 12%. The following is a breakdown of the General Fund Departments:

- City Council – The City Council Department is proposed to increase by $23,620 or 4% over the FY 2013-14 Budget, which is due to continuing programs approved during FY 2013-14, such as the state legislative services.
- City Manager – The City Manager Department, comprised of both the City Manager Division and Information Technology (IT) Division, is expected to increase by 12% or $303,877. The increase is primarily due to budgeting $305,000 to upgrade the City's technology infrastructure by purchasing servers and storage. By not factoring the capital expenditures, the City Manager Department will remain flat for FY 2014-15.
- Management Services – The Management Services Department overall expenditures, which are comprised of the Finance Division and Human Resource/Risk Management Division, are expected to increase by 23%. The purchase of General Fund water rights are budgeted in the Finance Division; included in the FY 2014-15 is the final payment of $500,000 to Summit Valley Ranch for the purchase of 200 acre feet of permanent water rights.
- Development Services – The Development Services Department, as a whole, is expected to increase by 23% or $1,190,447. In addition to the increased costs of goods and services, the Development Services budget includes $223,000 for Animal Control Sewer Project, as well as $115,000 for roof repairs to the County Library and Animal Control Facility.
- Police Department – The FY 2014-15 Police Department Budget of $13,535,238 is expected to increase by $692,369 or 5% from the FY 2013-14 Budget of $12,842,869. The vast majority of expenditures in the Police Department are related to the Police Services contract.

Total General Fund Expenditures by Major Expenditure Account
2014-15 Budget



CLASSIFICATION	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% of Budget	% Change From 2013-14 Budget
Salaries and Benefits							
Salaries	$ 5,161,959	$ 4,890,679	$ 5,023,893	$ 5,286,339	$ 5,150,860	20%	3%
Benefits	2,119,731	1,947,766	2,008,072	2,015,560	2,081,121	8%	4%
Total Salaries and Benefits	$ 7,281,690	$ 6,838,445	$ 7,031,965	$ 7,301,899	$ 7,231,981	28%	3%
Materials & Operations	1,116,788	1,156,977	1,183,353	1,189,391	1,209,240	5%	2%
Contractual	2,741,162	2,777,194	2,503,805	2,924,593	3,558,062	11%	42%
Police Contractual	11,253,337	11,973,075	12,554,462	12,554,462	13,228,216	50%	5%
Other Operating	359,911	426,264	478,817	569,016	479,265	2%	0%
Capital Outlay	277,355	30,204,270	75,000	679,336	926,500	4%	1135%
Total General Fund Expenditures	$ 23,030,243	$ 53,376,225	$ 23,827,402	$25,218,697	$26,633,264	100%	12%

Total General Fund Expenditures by Major Expenditure Account
2014-15 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 $2,305,862 million or 10% from the 2013-14 Budget of $23,827,402.

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

- Salaries and Benefits – Salaries and Benefits are expected to increase by 3% or $200,016, which is the net result of the 5% salary increase (2.5% effective January 2014 and 2.5% effective July 2014) and the elimination of vacant positions. Of the five percent salary increase, 2.5% occurred during January 2014, which was not originally reflected in the FY 2013-14 Budget.
- Materials and Operations – Materials and Operations is expected to remain relatively flat into FY 2014-15.
- Contractual – Contractual is expected to increase by $1,054,257 or 42%. The increase can be partially attributed to a Capital Improvement Program (CIP) project totaling $223,000 which will connect the Animal Control Facility to the Santa Fe Avenue East bypass sewer line operated by Victor Valley Wastewater Reclamation Authority, along with $131,200 to purchase two additional modules for CRW Systems (CodeTRACK and LicenseTRACK) to create a complete the Development Services management systems.
- Police Contractual – Police Contractual, which represents 50% of the overall General Fund budget, is expected to increase by 5% to provide the current level of service in FY 2014-15.
- Other Operating – Other Operating related expenditures are expected to remain flat for 2014-15 Budget.
- Capital Outlay – The Capital Outlay budget of $926,500 is primarily the final payments for the purchase of 200-acre feet of permanent water rights from Summit Valley Ranch for $500,000 and the Information Technology infrastructure upgrade for $305,000.

TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM

EXPENDITURES BY FUND	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
General Fund						
City Council						
100 100 City Council	$ 297,018	$ 316,229	$ 309,358	$ 437,352	$ 382,978	24%
100 102 City Attorney	449,396	305,043	350,000	378,000	300,000	-14%
Total City Council	$ 746,414	$ 621,272	$ 659,358	$ 815,352	$ 682,978	4%
City Manager						
100 200 City Manager	$ 1,044,771	$ 1,042,335	$ 1,123,647	$ 1,198,172	$ 1,163,461	4%
100 215 Information Technology	1,074,487	1,457,068	1,350,770	1,297,191	1,614,833	20%
Total City Manager	$ 2,119,258	$ 2,499,403	$ 2,474,417	$ 2,495,363	$ 2,778,294	12%
Management Services						
100 220 Finance	$ 1,741,092	$ 31,567,431	$ 1,432,528	$ 2,112,838	$ 1,999,702	40%
100 225 Human Resources/ Risk Mgmt.	1,641,568	1,161,250	1,169,012	1,259,472	1,197,387	2%
Total Management Services	$ 3,382,660	$ 32,728,681	$ 2,601,540	$ 3,372,310	$ 3,197,089	23%
D. S. - Community Development						
100 3000 Planning	$ 998,141	$ 840,346	$ 849,044	$ 855,580	$ 831,060	-2%
100 3020 Building & Safety	781,683	687,120	750,634	796,690	798,523	6%
Total D. S. Community Development	$ 1,779,824	$ 1,527,466	$ 1,599,678	$ 1,652,270	$ 1,629,583	2%
D. S. - Code Compliance						
100 3010 Code Enforcement	$ 859,641	$ 834,277	$ 863,784	$ 900,757	$ 935,438	8%
100 5000 Animal Control	1,428,175	1,294,666	1,399,653	1,389,704	1,411,236	1%
Total D. S. Code Compliance	$ 2,287,816	$ 2,128,943	$ 2,263,437	$ 2,290,461	$ 2,346,674	4%
D. S. - Public Works						
100 3100 Engineering	$ 479,896	$ 505,698	$ 569,383	$ 602,790	$ 672,278	18%
100 3110 Building Maintenance	771,213	849,598	816,720	927,187	1,057,930	30%
100 Capital Improvement Program	0	0	0	0	733,200	100%
Total D. S. - Public Works	$ 1,251,109	$ 1,355,296	$ 1,386,103	$ 1,529,977	$ 2,463,408	78%
100 510 Police	$ 11,463,162	$ 12,515,164	$ 12,842,869	$ 13,062,964	$ 13,535,238	5%
Total General Fund Expenditures	$ 23,030,243	$ 53,376,225	$ 23,827,402	$ 25,218,697	$ 26,633,264	12%
Community Developmement Commission Funds						
170 Community Development Commission	$ 210	$ 436,949	$ 378,894	$ 363,766	$ 346,253	-9%
Hesperia Housing Authority Funds						
370 Hesperia Housing Authority	$ 216,381	$ 293,542	$ 536,203	$ 287,798	$ 582,884	9%
371 VVEDA Housing Authority	15,840	0	225,000	0	225,000	0%
Total Hesperia Housing Authority Funds	$ 232,221	$ 293,542	$ 761,203	$ 287,798	$ 807,884	6%
C.D.B.G Funds						
251 C.D.B.G Administration	$ 699,915	$ 1,412,319	$ 1,507,415	$ 797,796	$ 1,141,371	-24%
253 C.D.B.G Revolving Loans	89,853	89,442	554,020	96,505	313,951	-43%
257 Neighborhood Stabilization Program	616,473	493,887	642,325	479,773	574,683	-11%
Total C.D.B.G Expenditures	$ 1,406,241	$ 1,995,648	$ 2,703,760	$ 1,374,074	$ 2,030,005	-25%

TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM

EXPENDITURES BY FUND	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Redevelopment Agency Funds						
385 RDA Low/Moderate Income	$ 4,642,553	$ 0	$ 0	$ 0	$ 0	0%
388 VVEDA Low/Moderate Income	57,565	0	0	0	0	0%
389 RDA Administration (Fund 150)	525,459	0	0	0	0	0%
486 RDA Debt Service Project Area #1	11,314,259	0	0	0	0	0%
487 RDA Debt Service Project Area #2	1,336,464	0	0	0	0	0%
586 RDA Capital Improvements Area #1	58,409	0	0	0	0	0%
Total RDA Expenditures	$ 17,934,709	$ 0	$ 0	$ 0	$ 0	0%
D. S. - Public Works Funds						
263 310 Street Maintenance Fund	$ 3,006,913	$ 3,065,942	$ 3,287,043	$ 3,221,369	$ 3,515,579	7%
Streets Capital Improvement Projects (CIP) Funds						
201 Measure I - Arterial	$ 94,772	$ 141,665	$ 0	$ 0	$ 0	0%
204 Measure I - 2010 Renewal	297,836	321,825	4,301,813	1,954,378	4,103,688	-5%
207 Article 8 Local Transportation Fund	0	0	0	605,237	762,000	100%
300 Streets Development Impact Fee	3,099,310	7,766,219	1,569,871	1,399,087	1,142,000	-27%
504 City Wide Streets Projects	1,215,357	1,893,380	3,704,112	799,574	2,712,783	-27%
506 Industrial Park Lead Track	4,513,863	0	0	0	0	0%
507 Township	287,715	0	0	0	0	0%
508 Ranchero Rd Undercrossing- Local	8,292,730	0	0	0	0	0%
600 Ranchero Road Undercrossing	4,761,159	6,716,955	716,729	27,776	0	-100%
602 Ranchero Rd/I-15 Interchange	7,142,766	0	0	0	0	0%
Total Streets CIP Funds	$ 29,705,508	$ 16,840,044	$ 10,292,525	$ 4,786,052	$ 8,720,471	-15%
Other Transportation Related Funds						
254 AB 2766 AOMD	$ 50,000	$ 80,000	$ 80,000	$ 80,000	$ 80,000	0%
400 Measure I Debt Service	720,097	728,526	763,860	825,100	792,500	4%
Total Other Transportation Related Funds	$ 770,097	$ 808,526	$ 843,860	$ 905,100	$ 872,500	3%
Facilities						
502 Fire Station Capital	$ 0	$ 0	$ 2,521,385	$ 0	$ 619,615	-75%
503 High Desert Government Center	3,522,021	7,711,226	0	0	0	0%
Total Facilities Funds	$ 3,522,021	$ 7,711,226	$ 2,521,385	$ 0	$ 619,615	-75%
Other City Related Funds						
256 Environmental Programs Grant Fund	$ 30,118	$ 17,367	$ 82,326	$ 76,977	$ 41,297	-50%
260 Disaster Preparedness Fund	24,942	15,288	19,425	18,252	16,793	-14%
302 Fire Development Impact Fee	102,454	105,442	840,615	146,545	0	-100%
304 Public Services Dev. Impact Fee	0	0	0	0	191	100%
401 City Debt Service Fund	770,859	766,798	793,500	12,786,956	0	-100%
402 Water Rights Acquisition	0	662,200	1,345,475	1,345,475	1,453,575	8%
403 2013 Refunding Lease Rev Bonds	0	0	0	546,443	812,600	100%
Total Other City Related Funds	$ 928,373	$ 1,567,095	$ 3,081,341	$ 14,920,648	$ 2,324,456	-25%
Total Streets CIP, Other Transportation, City Facilities, & Other City Related Funds	$ 34,925,999	$ 26,926,891	$ 16,739,111	$ 20,611,800	$ 12,537,042	-25%

TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM

EXPENDITURES BY FUND	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
700 Water Operating Fund						
4010 Source of Supply	$ 2,598,472	$ 2,737,454	$ 2,532,176	$ 2,534,331	$ 2,764,565	9%
4020 Production	2,768,433	2,848,778	3,175,002	3,353,210	3,285,566	3%
4030 Distribution	1,114,903	1,052,379	1,134,873	1,091,123	1,161,964	2%
4035 Pipeline Maintenance	1,134,469	1,224,537	1,250,924	1,144,224	1,201,465	-4%
4040 Engineering	822,714	810,812	838,863	745,442	757,342	-10%
4050 Customer Service	1,152,566	1,150,273	1,159,749	1,181,973	1,194,632	3%
4060 Utility Billing	898,342	944,621	1,007,842	1,008,489	1,002,860	0%
4070 Administration	6,171,513	6,152,442	6,070,908	6,230,916	6,083,671	0%
4080 Property Management	282,754	301,336	319,237	333,869	354,000	11%
Total Water Operating	$ 16,944,166	$ 17,222,632	$ 17,489,574	$ 17,623,577	$ 17,806,065	2%
701 Water Capital Projects Fund	$ 0	$ 773,222	$ 600,300	$ 674,146	$ 40,000	-93%
710 Sewer Operating Fund	$ 2,500,306	$ 2,668,916	$ 2,702,548	$ 2,717,279	$ 3,056,765	13%
711 Sewer Capital Fund	$ 0	$ 0	$ 200,000	$ 164,980	$ 350,000	75%
200 Fire District Fund						
520 Operations & Community Safety	$ 8,555,920	$ 8,253,239	$ 8,897,812	$ 8,897,812	$ 9,449,751	6%
521 Administration	349,911	258,524	327,702	525,396	814,114	148%
528 SAFER Grant	0	0	969,350	969,350	1,037,463	7%
Total Fire District Fund	$ 8,905,831	$ 8,511,763	$ 10,194,864	$ 10,392,558	$ 11,301,328	11%
Total Expenditures By Fund, Department, and Program	$ 108,886,839	$ 115,271,730	$ 78,884,699	$ 82,650,044	$ 78,424,185	-1%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY DEPARTMENT AND PROGRAMS

DEPARTMENT AND PROGRAM EXPENDITURES SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
City Council						
100 100 City Council	$ 297,018	$ 316,229	$ 309,358	$ 437,352	$ 382,978	24%
100 102 City Attorney	449,396	305,043	350,000	378,000	300,000	-14%
Total City Council	$ 746,414	$ 621,272	$ 659,358	$ 815,352	$ 682,978	4%
City Manager						
100 200 City Manager	$ 1,044,771	$ 1,042,335	$ 1,123,647	$ 1,198,172	$ 1,163,461	4%
100 215 Information Technology	1,074,487	1,457,068	1,350,770	1,297,191	1,614,833	20%
Total City Manager	$ 2,119,258	$ 2,499,403	$ 2,474,417	$ 2,495,363	$ 2,778,294	12%
Management Services						
100 220 Finance	$ 1,741,092	$ 31,567,431	$ 1,432,528	$ 2,112,838	$ 1,999,702	40%
100 225 Human Resources/Risk Mgmt.	1,641,568	1,161,250	1,169,012	1,259,472	1,197,387	2%
Total Management Services	$ 3,382,660	$ 32,728,681	$ 2,601,540	$ 3,372,310	$ 3,197,089	23%
Economic Development						
Community Developmement Commission Fund						
170 Community Development Commission	$ 210	$ 436,949	$ 378,894	$ 363,766	$ 346,253	-9%
Hesperia Housing Authority Funds						
370 Hesperia Housing Authority	$ 216,381	$ 293,542	$ 536,203	$ 287,798	$ 582,884	9%
371 VVEDA Housing Authority	15,840	0	225,000	0	225,000	0%
Subtotal Hesperia Housing Authority	$ 232,221	$ 293,542	$ 761,203	$ 287,798	$ 807,884	6%
C.D.B.G						
251 C.D.B.G Administration	$ 699,915	$ 1,412,319	$ 1,507,415	$ 797,796	$ 1,141,371	-24%
253 C.D.B.G Revolving Loans	89,853	89,442	554,020	96,505	313,951	-43%
257 Neighborhood Stabilization Program	616,473	493,887	642,325	479,773	574,683	-11%
Subtotal C.D.B.G	$ 1,406,241	$ 1,995,648	$ 2,703,760	$ 1,374,074	$ 2,030,005	-25%
Redevelopment Agency						
385 RDA Low/Moderate Income	$ 4,642,553	$ 0	$ 0	$ 0	$ 0	0%
388 VVEDA Low/Moderate Income	57,565	0	0	0	0	0%
389 RDA Administration (Fund 150)	525,459	0	0	0	0	0%
486 RDA Debt Service Project Area #1	11,314,259	0	0	0	0	0%
487 RDA Debt Service Project Area #2	1,336,464	0	0	0	0	0%
586 RDA Project Area #1 C I P	58,409	0	0	0	0	0%
Subtotal Redevelopment Agency	$ 17,934,709	$ 0	$ 0	$ 0	$ 0	0%
Total Economic Development	$ 19,573,381	$ 2,726,139	$ 3,843,857	$ 2,025,638	$ 3,184,142	-17%
D. S. - Community Development						
100 3000 Planning	$ 998,141	$ 840,346	$ 849,044	$ 855,580	$ 831,060	-2%
100 3020 Building & Safety	781,683	687,120	750,634	796,690	798,523	6%
Total D. S. - Community Development	$ 1,779,824	$ 1,527,466	$ 1,599,678	$ 1,652,270	$ 1,629,583	2%
D. S. - Code Compliance						
100 3010 Code Enforcement	$ 859,641	$ 834,277	$ 863,784	$ 900,757	$ 935,438	8%
100 5000 Animal Control	1,428,175	1,294,666	1,399,653	1,389,704	1,411,236	1%
Total D. S. - Code Compliance	$ 2,287,816	$ 2,128,943	$ 2,263,437	$ 2,290,461	$ 2,346,674	4%
D. S. - Public Works						
100 3100 Engineering	$ 479,896	$ 505,698	$ 569,383	$ 602,790	$ 672,278	18%
100 3110 Building Maintenance	771,213	849,598	816,720	927,187	1,057,930	30%
263 3150 Street Maintenance Fund	3,006,913	3,065,942	3,287,043	3,221,369	3,515,579	7%
Total D. S. - Public Works	$ 4,258,022	$ 4,421,238	$ 4,673,146	$ 4,751,346	$ 5,245,787	12%

TOTAL EXPENDITURES BY DEPARTMENT AND PROGRAMS

DEPARTMENT AND PROGRAM EXPENDITURES SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
D. S.- Water						
700 Water Operating Fund						
4010 Source of Supply	$ 2,598,472	$ 2,737,454	$ 2,532,176	$ 2,534,331	$ 2,764,565	9%
4020 Production	2,768,433	2,848,778	3,175,002	3,353,210	3,285,566	3%
4030 Distribution	1,114,903	1,052,379	1,134,873	1,091,123	1,161,964	2%
4035 Pipeline Maintenance	1,134,469	1,224,537	1,250,924	1,144,224	1,201,465	-4%
4040 Engineering	822,714	810,812	838,863	745,442	757,342	-10%
4050 Customer Service	1,152,566	1,150,273	1,159,749	1,181,973	1,194,632	3%
4060 Utility Billing	898,342	944,621	1,007,842	1,008,489	1,002,860	0%
4070 Administration	6,171,513	6,152,442	6,070,908	6,230,916	6,083,671	0%
4080 Property Management	282,754	301,336	319,237	333,869	354,000	11%
Total Water Operating	$ 16,944,166	$ 17,222,632	$ 17,489,574	$ 17,623,577	$ 17,806,065	2%
701 Water Capital Projects	$ 0	$ 773,222	$ 600,300	$ 674,146	$ 40,000	-93%
Total D. S. - Water Operating & Capital	$ 16,944,166	$ 17,995,854	$ 18,089,874	$ 18,297,723	$ 17,846,065	-1%
D. S. - Sewer						
710 Sewer Operations	$ 2,500,306	$ 2,668,916	$ 2,702,548	$ 2,717,279	$ 3,056,765	13%
711 Sewer Capital	0	0	200,000	164,980	350,000	75%
Total D. S. - Sewer Operating & Capital	$ 2,500,306	$ 2,668,916	$ 2,902,548	$ 2,882,259	$ 3,406,765	17%
100 510 Police	$ 11,463,162	$ 12,515,164	$ 12,842,869	$ 13,062,964	$ 13,535,238	5%
Fire District						
520 Operations & Community Safety	$ 8,555,920	$ 8,253,239	$ 8,897,812	$ 8,897,812	$ 9,449,751	6%
521 Administration	349,911	258,524	327,702	525,396	814,114	148%
528 SAFER Grant	0	0	969,350	969,350	1,037,463	7%
Total Fire District	$ 8,905,831	$ 8,511,763	$ 10,194,864	$ 10,392,558	$ 11,301,328	11%
Streets Capital Improvement Project (CIP) Funds						
100 Capital Improvement Program	$ 0	$ 0	$ 0	$ 0	$ 733,200	100%
201 Measure I - Arterial	94,772	141,665	0	0	0	0%
204 Measure I - 2010 Renewal	297,836	321,825	4,301,813	1,954,378	4,103,688	-5%
207 Article 8 Local Transportation Fund	0	0	0	605,237	762,000	100%
300 Streets Development Impact Fee	3,099,310	7,766,219	1,569,871	1,399,087	1,142,000	-27%
504 City Streets CIP	1,215,357	1,893,380	3,704,112	799,574	2,712,783	-27%
506 Industrial Park Lead Track	4,513,863	0	0	0	0	0%
507 Township	287,715	0	0	0	0	0%
508 Ranchero Rd Undercrossing- Local	8,292,730	0	0	0	0	0%
600 Ranchero Road Undercrossing	4,761,159	6,716,955	716,729	27,776	0	-100%
602 Ranchero Rd/I-15 Interchange	7,142,766	0	0	0	0	0%
Total Streets CIP Funds	$ 29,705,508	$ 16,840,044	$ 10,292,525	$ 4,786,052	$ 9,453,671	-8%
Other Transportation Related Funds						
254 AB 2766 AQMD	$ 50,000	$ 80,000	$ 80,000	$ 80,000	$ 80,000	0%
400 Measure I Debt Service	720,097	728,526	763,860	825,100	792,500	4%
Total Other Transportation Funds	$ 770,097	$ 808,526	$ 843,860	$ 905,100	$ 872,500	3%

TOTAL EXPENDITURES BY DEPARTMENT AND PROGRAMS

DEPARTMENT AND PROGRAM EXPENDITURES SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Facilities						
502 Fire Station Capital	$ 0	$ 0	$ 2,521,385	$ 0	$ 619,615	-75%
503 High Desert Government Center	3,522,021	7,711,226	0	0	0	0%
Total Facilities Funds	$ 3,522,021	$ 7,711,226	$ 2,521,385	$ 0	$ 619,615	-75%
Other City Related Funds						
256 Environmental Programs Grant Fund	$ 30,118	$ 17,367	$ 82,326	$ 76,977	$ 41,297	-50%
260 Disaster Preparedness Fund	24,942	15,288	19,425	18,252	16,793	-14%
302 Fire Development Impact Fee	102,454	105,442	840,615	146,545	0	-100%
304 Public Services Dev. Impact Fee	0	0	0	0	191	100%
401 City Debt Service Fund	770,859	766,798	793,500	12,786,956	0	-100%
402 Water Rights Acquisition	0	662,200	1,345,475	1,345,475	1,453,575	100%
403 2013 Refunding Lease Rev Bonds	0	0	0	546,443	812,600	0%
Total Other City Related Funds	$ 928,373	$ 1,567,095	$ 3,081,341	$ 14,920,648	$ 2,324,456	-25%
Total Streets CIP, Other Transportation, City Facilities, & Other City Related Funds	$ 34,925,999	$ 26,926,891	$ 16,739,111	$ 20,611,800	$ 13,270,242	-21%
Total City Expenditures by Department and Program	$108,886,839	$115,271,730	$ 78,884,699	$ 82,650,044	$ 78,424,185	-1%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY ACCOUNT

ACCOUNT EXPENDITURES SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries						
7000 - Salaries & Wages	$ 10,767,905	$ 10,487,359	$ 10,759,126	$ 11,051,657	$ 10,912,067	1%
7010 - Council/Commissioner Wage	44,923	46,973	57,500	51,519	57,500	0%
7030 - Part Time Wages	167,795	143,808	154,863	227,703	187,377	21%
7050 - Overtime Wages	127,419	112,114	118,995	126,767	122,477	3%
7070 - Standby Pay	46,747	45,473	39,000	39,291	39,000	0%
Total Salaries	$ 11,154,789	$ 10,835,727	$ 11,129,484	$ 11,496,937	$ 11,318,421	2%
Benefits						
7100 - 401a Pension Plan	$ 129,136	$ 112,328	$ 116,552	$ 128,660	$ 121,769	4%
7110 - PERS	2,121,789	1,833,937	2,000,037	2,000,238	2,233,848	12%
7120 - Health Insurance	1,717,121	1,568,165	1,618,980	1,525,730	1,594,260	-2%
7140 - Worker's Compensation	305,214	364,165	373,765	358,968	457,595	22%
7150 - Medicare	164,205	153,126	159,094	163,643	161,950	2%
7160 - Social Security/FICA	16,631	11,919	13,169	16,822	13,264	1%
7170 - Life Insurance	22,382	20,687	17,884	21,623	18,797	5%
7180 - Auto Allowance	59,892	57,792	62,400	58,032	49,200	-21%
7181 - Bilingual Pay	13,178	10,708	10,800	11,745	11,700	8%
7190 - Unemployment Insurance	50,438	26,235	70,000	63,304	65,000	-7%
7195 - Post Employment Benefits	132,714	137,512	22,464	22,940	24,582	9%
7199 - Other Benefit Expense	(1,434)	13,546	0	0	0	0
Total Benefits	$ 4,731,266	$ 4,310,120	$ 4,465,145	$ 4,371,705	$ 4,751,965	6%
Material and Operations						
7200 - Div/Program Expenditures	$ 28,985	$ 17,503	$ 26,595	$ 109,475	$ 36,630	38%
7250 - Office Expense	110,098	105,107	122,816	118,055	127,896	4%
7255 - Computer Supplies	18,440	6,000	31,600	30,331	30,000	-5%
7260 - Printing	28,711	23,690	42,600	41,435	42,833	1%
7270 - Postage/Shipping Costs	126,142	105,869	129,225	126,718	131,025	1%
7280 - Publications	4,032	5,196	9,035	9,697	4,950	-45%
7290 - Advertising	220,430	154,020	149,700	93,752	152,500	2%
7300 - Employee Expense	39,684	38,104	40,100	40,000	39,000	-3%
7310 - Council Reimbursement	1,015	885	2,000	900	2,000	0%
7320 - Uniform Expense	40,987	38,368	47,140	41,050	53,073	13%
7370 - Reserve Costs	4,420	5,852	8,660	8,500	8,950	3%
7400 - Materials & Operations	1,551,993	1,608,141	1,737,450	1,556,500	1,673,050	-4%
7410 - Safety Supplies	17,076	21,920	24,550	22,450	24,425	-1%
7420 - Kennel Supplies	100,821	88,778	109,900	95,000	94,200	-14%
7430 - Field Expenses	13,213	18,718	19,500	19,500	21,900	12%
7440 - Fuel	361,420	352,199	406,850	364,760	396,344	-3%
7455 - Small Tools	22,365	27,199	28,200	28,200	29,050	3%
7460 - Equipment Under Capital	73,856	104,376	43,900	19,696	31,600	-28%
7470 - Utilities-Electric	2,179,422	2,360,519	2,355,725	2,554,540	2,605,631	11%
7473 - Utilities-Gas	54,920	61,915	59,500	50,060	60,335	1%
7476 - Utilities-Water	2,508,755	2,693,429	2,453,143	2,455,699	2,665,027	9%
7478 - Utilities-Wastewater	1,702,877	2,032,655	1,931,000	2,045,130	2,211,000	15%
7482 - Utilities-Telephone	243,408	260,115	267,330	253,980	250,060	-6%
7483 - Utilities-Telecomm Services	839	880	900	900	900	0%
7484 - Property Tax/Assessments	91,212	82,849	14,300	10,100	12,350	-14%
7485 - Lease Maintenance	2,687	9,695	30,454	31,178	34,838	14%
Total Material and Operations	$ 9,547,808	$ 10,223,982	$ 10,092,173	$ 10,127,606	$ 10,739,567	6%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY ACCOUNT

ACCOUNT EXPENDITURES SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Contractual Services						
7500 - Contract Services	$ 24,594,282	$ 27,293,913	$ 17,205,607	$ 7,362,012	$ 13,252,787	-23%
7520 - Plan Check	603	10,406	7,500	2,500	5,000	-33%
7525 - Inspection	0	0	0	11,500	45,760	100%
7550 - Collection Services	0	64,060	65,400	112,600	134,000	105%
7560 - Legal Services	707,655	533,001	498,000	503,200	395,000	-21%
7563 - Litigation Services	59,940	50,157	50,000	75,000	50,000	0%
7565 - Claims/Lawsuits/Settlement	257,520	23,004	50,000	50,000	50,000	0%
7570 - Insurance Services	545,793	512,289	506,720	489,800	499,100	-2%
7580 - Computer Services	136,060	58,218	247,147	74,857	73,390	-70%
7585 - Software License	282,337	332,561	411,640	320,995	312,898	-24%
7590 - Service Charges & Fees	78,068	85,074	88,936	78,032	82,180	-8%
7605 - Traffic Signal Maintenance	75,169	35,292	65,000	65,000	75,000	15%
7610 - Striping Contract	84,002	90,170	115,000	115,000	130,000	13%
7615 - Street Sweeping Contract	123,046	129,114	141,800	141,800	149,400	5%
7620 - Facilities Maintenance	5,456	0	0	0	0	0%
7650 - Equipment Rental	1,957	2,824	15,650	2,600	15,650	0%
7700 - County Contract	19,809,257	20,226,314	21,452,274	21,452,274	22,677,967	6%
7705 - County Contract Overtime	2,831	296,978	0	200,000	0	0%
7710 - Cal Id	92,903	95,262	95,585	95,585	95,970	0%
7720 - Franchise Fee	250,000	250,000	250,000	250,000	250,000	0%
7740 - Pass Thru Agreements	5,033,794	0	0	0	0	0%
7775 - Economic Development	59,130	0	200,000	0	300,000	50%
7780 - Econ Dev Revolving Loan	0	0	200,000	0	200,000	0%
Total Contractual Services	$ 52,199,803	$ 50,088,637	$ 41,666,259	$ 31,402,755	$ 38,794,102	-7%
Other Operating						
7800 - Other Operating	$ 8,741	$ 21,875	$ 15,000	$ 27,679	$ 45,000	200%
7805 - Dues/Memberships	86,373	77,189	88,282	90,103	99,081	12%
7820 - Travel & Meetings	9,564	11,931	31,385	19,769	45,185	44%
7825 - Mileage	1,658	530	400	250	400	0%
7840 - Conferences & Seminars	44,632	54,510	49,144	62,047	51,994	6%
7845 - Training & Education	101,408	87,511	120,545	109,654	109,799	-9%
7860 - Education Reimbursement	9,285	11,935	11,561	12,555	7,840	-32%
7880 - Community Relations	17,950	51,629	50,000	49,030	28,500	-43%
7890 - General & Admin Expense	1,880,966	1,867,057	1,885,714	1,885,714	1,866,363	-1%
7900 - Bad Debt Expense	126,579	0	30,000	0	0	-100%
7940 - Penalties	0	1,164	0	0	0	0%
7950 - Rent Expense	52,537	52,537	52,537	80,137	64,849	23%
7960 - Depreciation Expense	198,125	0	0	0	0	0%
8000 - Grant Expense	2,192,762	252,428	1,435,750	1,227,584	1,382,336	-4%
8001 - Homeland Security Grant	0	0	29,858	29,858	0	-100%
8003 - OTS DUI Enforcement Grant	26,837	39,333	24,750	24,750	25,600	3%
8025 - CA Law Enf Equip (CLEEP)	10,564	10,499	13,579	13,579	14,085	4%
8040 - Beverage Container Recycle	11,664	12,451	23,881	11,895	11,896	-50%
8070 - Facilities Maintenance	89,726	114,372	124,800	187,250	152,100	22%
8071 - Vehicle/Equip	328,301	382,252	377,900	443,715	398,050	5%
8072 - Maintenance/Repairs	1,327	49,379	60,000	54,500	45,000	-25%
8080 - W/C Trustee Audit Adjustment	0	0	0	0	0	0%
8090 - Misc Expense	8,393	5,922	6,653	157,727	5,000	-25%
Total Other Operating	$ 5,207,392	$ 3,104,504	$ 4,431,739	$ 4,487,796	$ 4,353,078	-2%

TOTAL EXPENDITURES BY ACCOUNT

ACCOUNT EXPENDITURES SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Capital Outlay						
8400 - Land & Buildings	$ 10,796,553	$ 85,869	$ 203,650	$ 674,310	$ 220,500	8%
8401 - Residential Property	65	0	0	0	0	0%
8402 - Rehabilitation/Acquisition	375,703	956,467	557,579	257,757	450,000	-19%
8403 - Cost of Sales/Commission	0	0	86,100	0	0	-100%
8404 - Appraisal Services	0	918	4,200	0	2,400	-43%
8420 - Vehicles Capital Expend	0	6,000	0	193,835	188,136	100%
8440 - Equipment Capital Expend	88,758	206,645	135,000	114,789	487,000	261%
8460 - Computer Capital Expend	16,080	173,711	75,000	268,339	435,000	480%
8480 - Water Rights Capital Exp	261,275	30,007,263	0	500,500	500,000	100%
Total Capital Outlay	$ 11,538,434	$ 31,436,873	$ 1,061,529	$ 2,009,530	$ 2,283,036	115%
Debt Service						
8600 - Principal	$ 4,805,925	$ 2,670,000	$ 3,140,000	$ 15,340,000	$ 3,050,000	-3%
8620 - Principal-Series A	1,365,000	600,000	620,000	620,000	645,000	4%
8640 - Principal- Series B	2,615,000	0	0	0	0	0%
8700 - Interest Expense	879,187	1,013,303	1,659,325	1,850,865	2,120,596	28%
8720 - Interest Expense-Series A	3,647,713	15,163	21,560	10,500	47,500	120%
8740 - Interest Expense-Series B	574,153	0	0	0	0	0%
8800 - Bond Administration Exp	620,369	582,668	597,485	624,745	320,920	-46%
8850 - Debt Issuance Costs	0	194,353	0	193,035	0	0%
8860 - Discount on Bond Issue	0	196,400	0	114,570	0	0%
Total Debt Service	$ 14,507,347	$ 5,271,887	$ 6,038,370	$ 18,753,715	$ 6,184,016	2%
Total City Expenditures by Account Number	$ 108,886,839	$ 115,271,730	$ 78,884,699	$ 82,650,044	$ 78,424,185	-1%

Note – The Total Expenditures by Account report provides an additional way to view budget information by presenting the budget by general ledger account number. While the overall expenditure budget total (grand total) will match all other reports, subtotals by the expenditure classification may differ. This is due to the presentation of numbers. For example, amounts shown for the Staffing for Adequate Fire and Emergency Response (SAFER) grant are classified as part of the Fire contract in all other reports; however, the Total Expenditure by Account report shows the expense as a grant expense in the Other Operating classification.

CITY POSITION SUMMARIES

AND

SALARY RANGE TABLES

- *Overview and Summary*
- *2014-15 Budget Full-Time and Part-Time Positions by Department*
- *2014-15 Budget Full-Time Positions by Department*
- *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 department and fund, as well as position listings that indicate the allocation of full-time and part-time positions for each department. Information about the staffing of positions is 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 is budgeted for 960 hours, or approximately half-time for one year, which equates to 0.46 FTE (960/2080=0.46).

The Salary Range Tables show the classification titles and salaries authorized to be paid to employees based upon the City Council approved Memorandum of Understanding; Non-Represented Employees' Salaries, Benefits and Related Polices; and Resolutions effective January 1, 2014.

Summary of Position Changes included in the 2014-15 Budget

The 2014-15 Budget decreases full-time City staffing by 1.1%, which is 3.63 FTE, from 321.73 to 318.10 full-time positions. Part-time positions will remain the same as presented in the FY 2013-14 Budget at 3.68 FTE. Net Public Safety position adjustments, all of which are within the Fire District, will increase by 0.37 FTE, which is due to contract reallocations. Non-safety positions result in a decrease of 4.00 FTE, which is comprised of the elimination of six full-time positions (6.00 FTE) and the addition of two full-time positions (2.00 FTE). Finally, the FY 2014-15 Budget reflects one retitled position and one transferred position to a different department. The total staffing of 321.78 FTE, which includes both full-time and part-time, is decreased by 3.63 FTE or 1.1 % from the FY 2013-14 Budget of 325.41 FTE.

Position Changes during Fiscal Year 2013-14 – Net 1.00 FTE Addition

During the Mid-Year Budget Review, the addition of one Administrative Secretary (1.00 FTE) to the Development Services (D.S.) Department was approved and is reflected in the FY 2014-15 Budget. In addition, the Deputy Director of Economic Development position, assigned to the Economic Development Department, was retitled to Economic Development Director, which will continue to be a Senior Management, non-represented position classification with the same salary range of 48.

Public Safety Position Changes:

Position Changes to Fire District (0.37 FTE Additions):

The City contracts with the San Bernardino County Fire Department for full-service fire and protection operations. For FY 2014-15, the County is restructuring the staffing allocations to more accurately reflect workload related to the services provided to the City.

- Two Collection Officer positions (2.00 FTE) will be added and two Account Representative positions (2.00 FTE) will be eliminated.
- Due to contract reallocation, a (0.50 FTE) Office Assistant III position will be added.
- Due to contract reallocation, a (0.03 FTE) Deputy Fire Marshall position will be added.
- Due to contract reallocation, a Division Chief position will be reduced from 0.43 FTE to 0.39 FTE (0.04 FTE Reductions).
- Due to contract reallocation, 1.30 FTE Battalion Chief positions will be reduced to 1.18 FTE (0.12 FTE Reduction).

Non-Safety Position Changes:

The following is a listing of proposed position changes for the FY 2014-15 Budget.

Transfer:

- Transfer one Executive Secretary from the Development Services Department to the City Manager Department.

Eliminate Six Full-Time Positions (6.00 FTE Reduction) and add Two Full-Time Positions (2.00 FTE Addition):

- One vacant Deputy City Manager position in the City Manager Department.
- One vacant Administrative Aide position in the Economic Development Department.
- One vacant Senior Engineer Technician position (1.00 FTE) in Development Services (D.S.) Public Works – Engineering and Water Operating – Engineering.
- One vacant Construction Inspector position (1.00 FTE) in D.S. Public Works – Engineering and Water Operating – Engineering.
- One Administrative Analyst position (1.00 FTE) will be added in Development Services, while one Senior Office Assistant position (1.00 FTE) and one Senior Community Development Technician position (1.00 FTE) will be eliminated.
- One Administrative Secretary (1.00 FTE) will be added to the Development Services (D.S.) Department.

Summary of Salary and Benefits Provisions included in the Fiscal Year 2014-15 Budget

As approved by resolution of the City Council, effective January 1, 2014 were two, two and half percent (2.5%) salary increases. The first 2.5% increase was effective the first full pay period after January 1, 2014. In addition, each full-time employee received a lump sum bonus payment of 5% of their annual base salary as of December 31, 2013. Part-time employees received a lump sum payment of $500. The first 2.5% salary increase and bonus payments are reflected in the FY 2013-14 Revised Budget.

The second two and half percent (2.5%) salary increase, effective the first full pay period after July 1, 2014, for the San Bernardino Public Employees Association (SBPEA) represented employees and non-represented employees has been included in the FY 2014-15 Budget. The FY 2014-15 Budget also reflects a continued freeze of merit step increases that was implemented during FY 2010-11.

With the exception of the following two employee benefits, all benefits are calculated at the rates approved in City Resolutions effective January 1, 2014.

Workers' Compensation

Workers' Compensation rates are expected to increase overall by 24.35%:

Rating Groups	2013-14 Budget	2014-15 Budget	Change Amount	Percent Change
City of Hesperia	$218,522	$264,528	$46,006	21.05%
Water District	145,274	187,851	42,577	29.31%
Total	$363,796	$452,379	$88,583	24.35%

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

Summary of Salary and Benefits Provisions included in the Fiscal Year 2014-15 Budget (Continued)

California Public Employees Retirement System (CalPERS)

Recent historical CalPERS retirement rates and the FY 2014-15 Budget rates are indicated below. The City FY 2014-15 Budget rates increased by 7% from Fiscal Year 2013-14. The Water District FY 2014-15 rates increased 6.8%. Since July 1, 2012, the employees have been responsible for the full eight (8%) employee rate for CalPERS.

Effective January 1, 2013, Assembly Bill (AB) 340, or the Public Employees' Pension Reform Act (PEPRA), required the addition of a second Miscellaneous two percent (2%) at age 62 retirement benefit formula to the City's retirement plan. Employees hired on or after January 1, 2013 who are new to CalPERS, are a CalPERS member with a break in service greater than six months, or are not eligible for reciprocity with another public retirement system, will participate in the Miscellaneous two percent (2%) at age 62 CalPERS plan.

City CalPERS Plans	2011-12 Budget	2012-13 Budget	2013-14 Budget	2014-15 Budget
City Miscellaneous Plan – 2.7% @ 55	20.628	18.129	19.080	20.408
Percent Change	15.4%	-12.1%	5.2%	7.0%
City Miscellaneous Plan – 2.0% @ 62	0.000	6.250	6.250	6.250
Percent Change	0%	100%	0%	0%
Water District Miscellaneous Plan – 2.7% @ 55	15.903	13.391	13.624	14.544
Percent Change	23.8%	-15.8%	1.7%	6.8%
Water District Miscellaneous Plan – 2.0% @ 62	0.000	6.250	6.250	6.250
Percent Change	0%	100%	0.0%	0%

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

Major Funds	2005-06	2006-07	2007-08	2008-09	2009-10
General Fund					
City Manager	8.00	8.76	9.84	9.84	9.03
Management Services	21.98	25.00	27.00	27.00	24.75
Police	55.50	64.50	73.50	75.50	75.50
Development Services:					
Community Development	39.47	24.90	23.95	22.95	21.49
Code Compliance	0.00	25.23	30.64	28.78	26.78
Public Works	6.35	9.23	9.98	9.75	7.05
General Fund Total	**131.30**	**157.62**	**174.91**	**173.82**	**164.60**
Economic Development Funds	7.68	12.81	12.33	10.33	10.73
Public Works Fund	23.98	24.68	27.93	27.93	28.85
Water District Fund	45.91	67.10	71.56	72.33	73.06
Sewer District Fund	3.69	4.69	5.69	5.69	5.50
Fire District Fund	51.00	59.00	59.00	59.00	59.33
Total Full & Part-Time By Fund	**263.56**	**325.90**	**351.42**	**349.10**	**342.07**

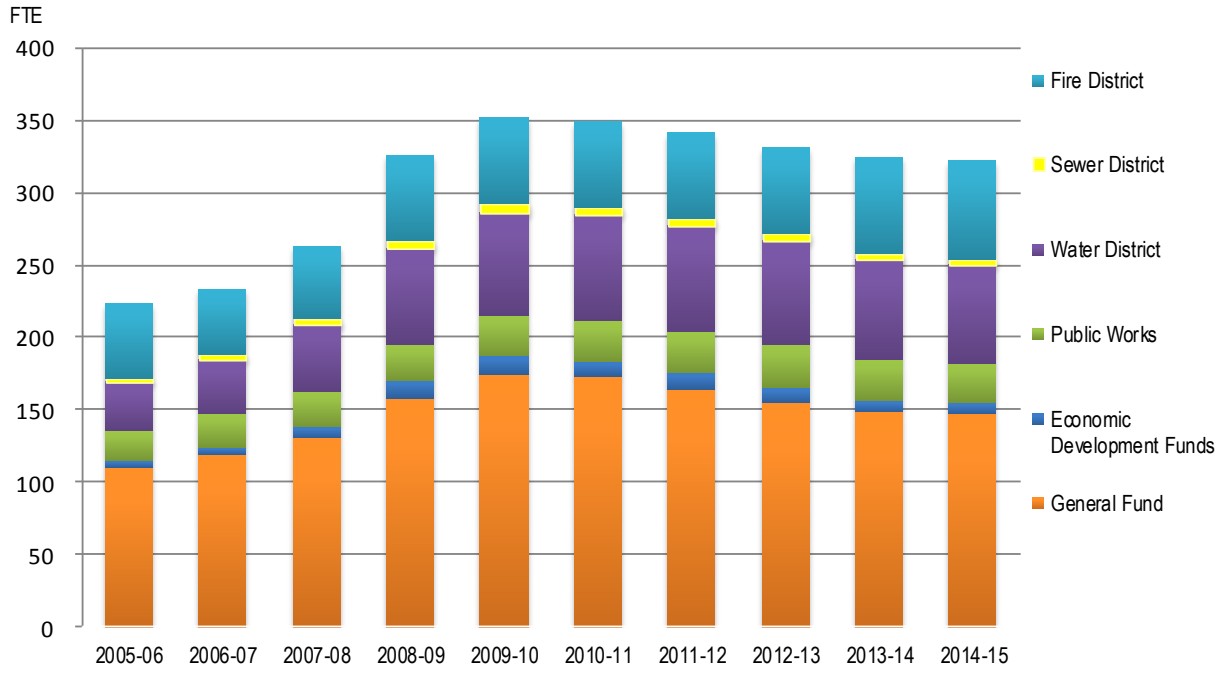
Major Funds	2010-11	2011-12	2012-13	2013-14	2014-15
General Fund					
City Manager	8.34	12.60	13.60	13.60	13.60
Management Services	23.46	18.26	17.26	16.26	16.26
Police	75.50	70.50	72.50	73.00	73.00
Development Services:					
Community Development	17.73	17.27	16.03	15.95	14.76
Code Compliance	23.78	23.78	23.78	23.78	23.92
Public Works	6.85	7.11	6.61	6.61	6.26
General Fund Total	**155.66**	**149.52**	**149.78**	**149.20**	**147.80**
Economic Development Funds	10.33	10.00	8.00	8.00	7.00
Public Works Fund	28.55	28.25	27.75	27.75	27.40
Water District Fund	72.54	69.77	68.77	69.23	67.98
Sewer District Fund	5.50	4.50	4.50	4.50	4.50
Fire District Fund	59.00	57.40	48.40	66.73	67.10
Total Full & Part-Time By Fund	**331.58**	**319.44**	**307.20**	**325.41**	**321.78**

Comments:

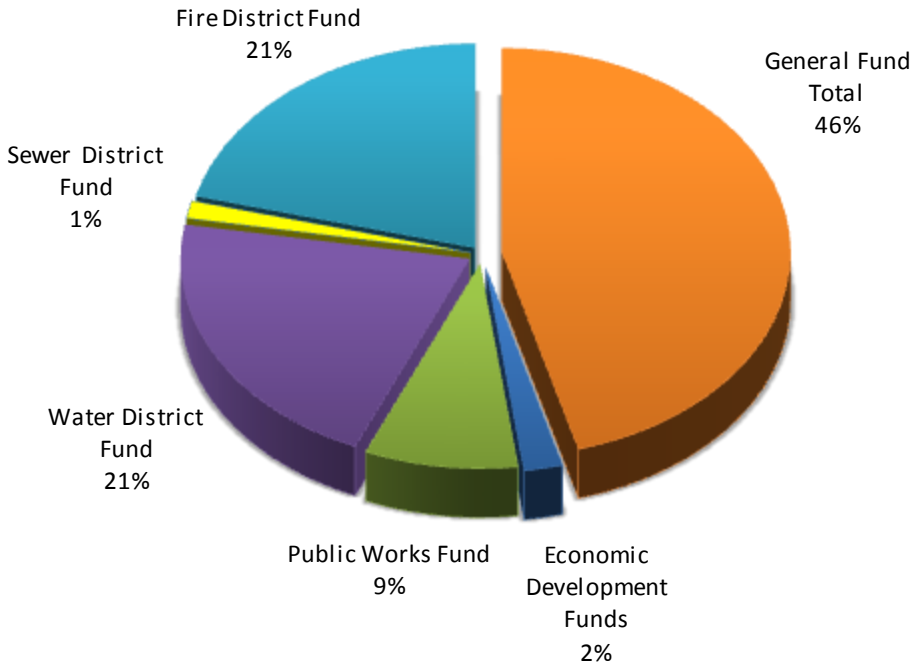
The FY 2014-15 Budget decreases City staffing by 3.63 full-time equivalents (FTE) or 1.1% from the FY 2013-14 Budget. By comparing the proposed budget to FY 2007-08, which was the high point in terms of FTE, the City has reduced staffing by 29.64 FTE or 8.4%.

- Due to contract reallocations, the Fire District includes the net addition of 0.37 FTE, which is primarily in Fire Prevention.
- As a whole, Police and Fire represent 43.5% of the overall FTE count. Police totals 49% of the General Fund FTE count and 23% of the overall FTE count, while Fire totals 21%.

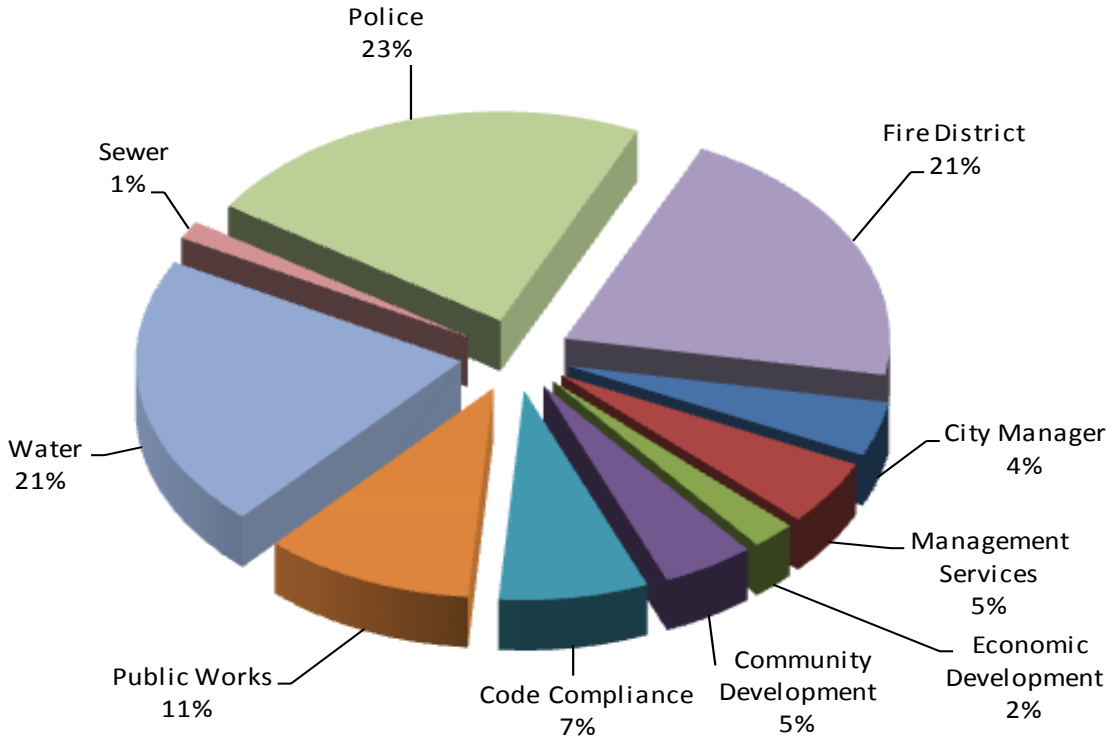
10 YEAR HISTORY OF FULL-TIME AND PART-TIME STAFF BY FUND



2014-15 FULL-TIME AND PART-TIME STAFF BY FUND

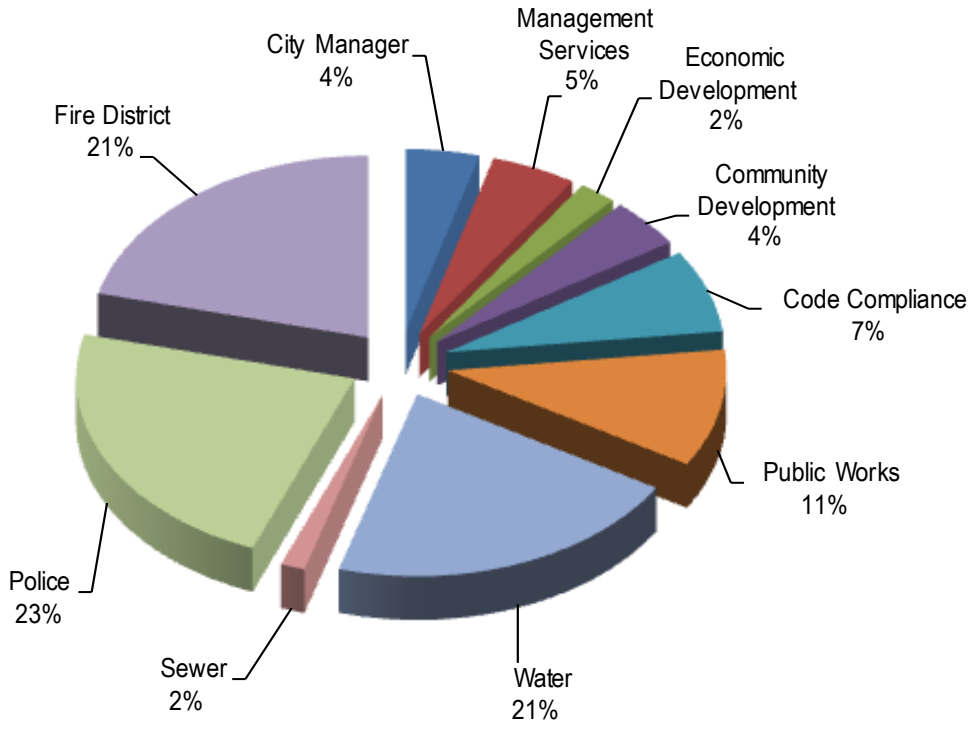


2014-15 BUDGET FULL-TIME AND PART-TIME STAFF BY DEPARTMENT



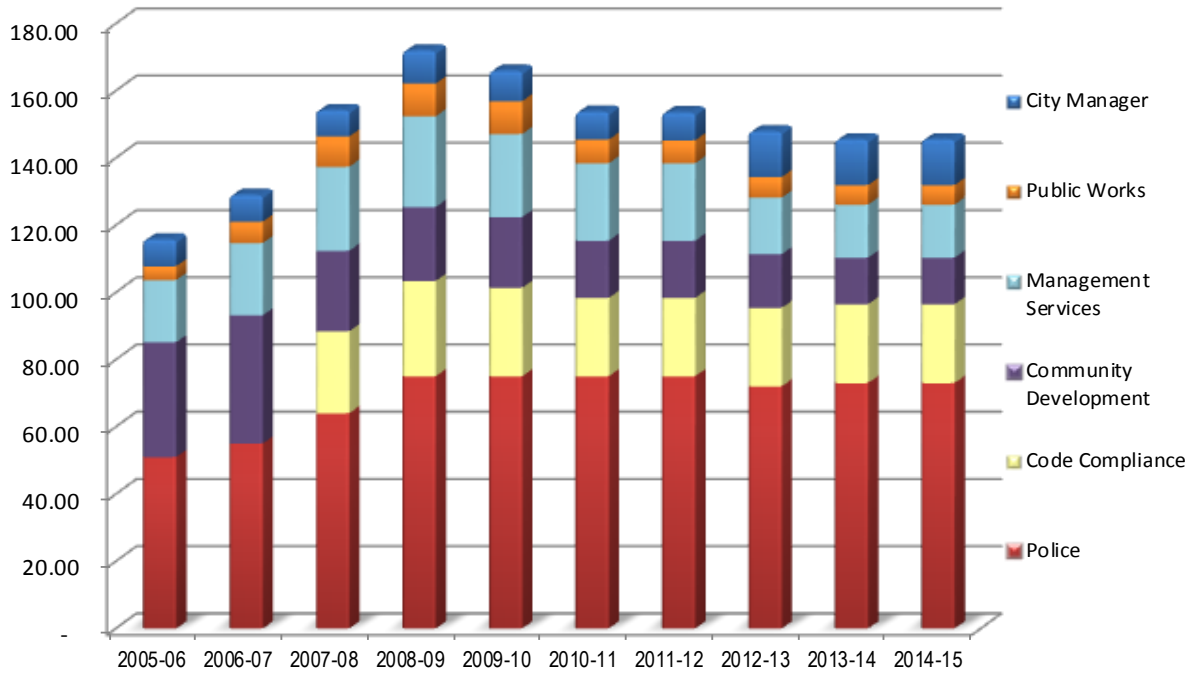
Departments	2011-12	2012-13	2013-14	2014-15	% Change From 2013-14 Budget
City Manager	12.60	13.60	13.60	13.60	0%
Management Services	18.26	17.26	16.26	16.26	0%
Economic Development	10.00	8.00	8.00	7.00	-13%
Development Services:					0%
Community Development	17.27	16.03	15.95	14.76	-7%
Code Compliance	23.78	23.78	23.78	23.92	1%
Public Works	35.36	34.36	34.36	33.66	-2%
Water	69.77	68.77	69.23	67.98	-2%
Sewer	4.50	4.50	4.50	4.50	0%
Development Services Total	150.68	147.44	147.82	144.82	-2%
Sub-Total Non-Police & Fire District	**191.54**	**186.30**	**185.68**	**181.68**	**-2%**
Police	70.50	72.50	73.00	73.00	0%
Fire District	57.40	48.40	66.73	67.10	1%
Sub-Total Police & Fire District	**127.90**	**120.90**	**139.73**	**140.10**	**0%**
Total Full & Part-Time Staff	**319.44**	**307.20**	**325.41**	**321.78**	**-1%**
Change Amount	n/a	-12.24	18.21	-3.63	
Percentage	n/a	-3.8%	5.9%	-1.1%	

2014-15 BUDGET FULL-TIME STAFF BY DEPARTMENT



Departments	2011-12	2012-13	2013-14	2014-15	% Change From 2013-14 Budget
City Manager	12.60	13.60	13.60	13.60	0%
Management Services	17.80	16.80	15.80	15.80	0%
Economic Development	10.00	8.00	8.00	7.00	-13%
Development Services:					
Community Development	17.03	16.03	15.03	13.84	-8%
Code Compliance	23.32	23.32	23.32	23.46	1%
Public Works	34.90	33.90	33.90	33.20	-2%
Water	68.85	67.85	67.85	66.60	-2%
Sewer	4.50	4.50	4.50	4.50	0%
Development Services Total	148.60	145.60	144.60	141.60	-2%
Sub-Total Non-Police & Fire District	**189.00**	**184.00**	**182.00**	**178.00**	**-2%**
Police	70.00	72.00	73.00	73.00	0%
Fire District	57.40	48.40	66.73	67.10	1%
Sub-Total Police & Fire District	**127.40**	**120.40**	**139.73**	**140.10**	**0%**
Total Full-Time Staff	**316.40**	**304.40**	**321.73**	**318.10**	**-1%**
Change Amount	n/a	-12.00	17.33	-3.63	
Percentage	n/a	-3.8%	5.7%	-1.1%	

2014-15 BUDGET GENERAL FUND FULL-TIME POSITIONS



General Fund	2005-06	2006-07	2007-08	2008-09	2009-10
City Manager	8.00	7.84	9.84	9.84	9.03
Management Services	21.50	25.00	27.00	27.00	24.75
Police	55.00	64.00	73.00	75.00	75.00
Development Services:					
Community Development	38.15	23.98	23.03	22.03	21.03
Code Compliance	0.00	24.37	29.32	28.32	26.32
Public Works	6.35	9.00	9.75	9.75	7.05
General Fund Total	**129.00**	**154.19**	**171.94**	**171.94**	**163.18**

General Fund	2010-11	2011-12	2012-13	2013-14	2014-15
City Manager	8.34	12.60	13.60	13.60	13.60
Management Services	23.00	17.80	16.80	15.80	15.80
Police	75.00	70.00	72.00	73.00	73.00
Development Services:					
Community Development	17.03	17.03	16.03	15.03	13.84
Code Compliance	23.32	23.32	23.32	23.32	23.46
Public Works	6.85	6.65	6.15	6.15	5.80
General Fund Total	**153.54**	**147.40**	**147.90**	**146.90**	**145.50**

Comments:

The full-time positions for the General Fund are decreasing by 1.40 FTE. The following positions will be eliminated in FY 2014-15, some of which are partial funded by the General Funds: one Deputy City Manager, one Senior Office Assistant, one Senior Community Development Technician, one Construction Inspector, and one Senior Engineering Technician. The following positions will be added one Administrative Analyst and one Administrative Secretary is added.

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.

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

	2011-12	2012-13	2013-14	2014-15
City Manager Department				
Total City Manager Staff	**12.60**	**13.60**	**13.60**	**13.60**
Management Services Department				
Total Full-Time Staff	17.80	16.80	15.80	15.80
Total Part-Time Staff	0.46	0.46	0.46	0.46
Total Management Services Staff	**18.26**	**17.26**	**16.26**	**16.26**
Economic Development Department				
Total Economic Development Staff	**10.00**	**8.00**	**8.00**	**7.00**
D.S.-Community Development				
Total Full-Time Staff	17.03	16.03	15.03	13.84
Total Part-Time Staff	0.24	0.00	0.92	0.92
Total D.S.-Community Development Staff	**17.27**	**16.03**	**15.95**	**14.76**
D.S.-Code Compliance				
Total Full-Time Staff	23.32	23.32	23.32	23.46
Total Part-Time Staff	0.46	0.46	0.46	0.46
Total D.S.-Code Compliance Staff	**23.78**	**23.78**	**23.78**	**23.92**
D.S.-Public Works Department				
Total Full-Time Staff	34.90	33.90	33.90	33.20
Total Part-Time Staff	0.46	0.46	0.46	0.46
Total D.S.-Public Works Staff	**35.36**	**34.36**	**34.36**	**33.66**
D.S.-Water				
Total Full-Time Staff	68.85	67.85	67.85	66.60
Total Part-Time Staff	0.92	0.92	1.38	1.38
Total D.S.-Water Staff	**69.77**	**68.77**	**69.23**	**67.98**
D.S.-Sewer				
Total Full-Time Staff	4.50	4.50	4.50	4.50
Total Part-Time Staff	0.00	0.00	0.00	0.00
Total D.S.-Sewer Staff	**4.50**	**4.50**	**4.50**	**4.50**
Total Development Services	**150.68**	**147.44**	**147.82**	**144.82**
Police Department				
Total Full-Time Staff	70.00	72.00	73.00	73.00
Total Part-Time Staff	0.50	0.50	0.00	0.00
Total Police Staff	**70.50**	**72.50**	**73.00**	**73.00**
Fire District				
Total Fire District Staff (Contract)	**57.40**	**48.40**	**66.73**	**67.10**
TOTAL FULL-TIME CITY STAFF	316.40	304.40	321.73	318.10
TOTAL PART-TIME CITY STAFF	3.04	2.80	3.68	3.68
TOTAL CITY STAFF	**319.44**	**307.20**	**325.41**	**321.78**

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Full-Time Position Listing by Department

	2011-12	2012-13	2013-14	2014-15
City Manager Department				
Assistant City Clerk	1.00	1.00	1.00	1.00
Assistant to the City Manager-Community Relations	1.00	0.00	0.00	0.00
City Clerk	0.00	0.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00
Community Relations and Media Coordinator	0.60	0.60	0.60	0.60
Deputy City Clerk	1.00	1.00	0.00	0.00
Deputy City Manager	0.00	1.00	1.00	0.00
Emergency Services Coordinator	0.50	0.50	0.50	0.50
Environmental Programs Coordinator	0.50	0.50	0.50	0.50
Executive Secretary	0.00	0.00	0.00	1.00
Information Systems Specialist	4.00	4.00	4.00	4.00
Information Systems Technician	1.00	1.00	1.00	1.00
Management Analyst	1.00	2.00	2.00	2.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Total City Manager Full-Time Staff	**12.60**	**13.60**	**13.60**	**13.60**
Management Services Department				
Accountant	2.00	3.00	2.00	2.00
Accounting Technician	0.00	0.00	1.00	1.00
Administrative Analyst	1.00	0.00	0.00	0.00
Assistant City Manager/Management Services	0.90	0.90	0.90	0.90
Deputy Finance Director	0.90	0.90	0.90	0.90
Deputy Human Resources/Risk Management Director	1.00	0.00	0.00	0.00
Executive Secretary	1.00	1.00	1.00	1.00
Financial Analyst	0.00	0.00	2.00	2.00
Human Resources Analyst	1.00	1.00	0.00	0.00
Human Resources Specialist	0.00	0.00	1.00	1.00
Information Systems Specialist	0.00	0.00	0.00	0.00
Information Systems Technician	0.00	0.00	0.00	0.00
Personnel Technician	2.00	2.00	1.00	1.00
Purchasing Analyst	1.00	1.00	0.00	0.00
Purchasing Supervisor	1.00	1.00	0.00	0.00
Senior Account Clerk	2.00	2.00	1.00	1.00
Senior Accountant	2.00	2.00	1.00	1.00
Senior Financial Analyst	0.00	0.00	2.00	2.00
Senior Human Resources Analyst	0.00	0.00	1.00	1.00
Senior Management Analyst	1.00	1.00	0.00	0.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Total Management Services Full-Time Staff	**17.80**	**16.80**	**15.80**	**15.80**

Full-Time Position Listing by Department (Continued)

	2011-12	2012-13	2013-14	2014-15
Economic Development Department				
Administrative Aide	1.00	1.00	1.00	0.00
Administrative Analyst	3.00	2.00	2.00	2.00
Administrative Secretary	1.00	1.00	1.00	1.00
Deputy Economic Development Director	1.00	1.00	1.00	0.00
Director of Economic Development	0.00	0.00	0.00	1.00
Management Analyst	2.00	2.00	2.00	2.00
Senior Management Analyst	2.00	1.00	1.00	1.00
Total Economic Development Full-Time Staff	**10.00**	**8.00**	**8.00**	**7.00**
D.S.-Community Development				
Administrative Analyst	0.00	0.00	0.00	0.85
Administrative Secretary	0.00	0.00	0.00	0.10
Assistant Planner	1.00	1.00	1.00	1.00
Building and Safety Manager	0.00	0.00	1.00	1.00
Building Inspector	1.00	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	0.00	0.00
Community Development Technician	1.75	1.75	0.75	0.75
Director of Development Services	0.14	0.14	0.14	0.14
Executive Secretary	0.14	0.14	0.14	0.00
Management Analyst	1.00	0.00	0.00	0.00
Plans Examiner	2.00	2.00	2.00	2.00
Principal Planner	1.00	1.00	1.00	1.00
Senior Community Development Technician	2.00	2.00	2.00	1.00
Senior Office Assistant	1.00	1.00	1.00	0.00
Senior Office Specialist	1.00	1.00	1.00	1.00
Senior Planner	2.00	2.00	2.00	2.00
Total D.S.-Community Development Full-Time Staff	**17.03**	**16.03**	**15.03**	**13.84**

Full-Time Position Listing by Department (Continued)

	2011-12	2012-13	2013-14	2014-15
D.S.-Code Compliance				
Administrative Secretary	0.00	0.00	0.00	0.30
Animal Control Officer	2.00	3.00	3.00	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	5.00	5.00	4.00	4.00
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	0.00
Office Assistant	4.00	4.00	4.00	4.00
Senior Animal Control Officer	2.00	1.00	1.00	1.00
Senior Code Enforcement Officer	1.00	1.00	2.00	2.00
Senior Office Assistant	2.00	2.00	2.00	2.00
Shelter Supervisor	1.00	1.00	1.00	1.00
Total D.S.-Code Compliance Full-Time Staff	**23.32**	**23.32**	**23.32**	**23.46**
D.S.-Public Works				
Administrative Analyst	0.50	0.50	0.50	0.50
Administrative Secretary	0.50	0.50	0.50	0.80
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	1.15
Custodian	1.50	1.00	1.00	1.00
Director of Development Services	0.30	0.30	0.30	0.30
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	0.00
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	1.50	1.00	1.00	1.00
Project Construction Manager	0.75	0.75	0.75	0.75
Public Works Director	0.00	0.00	0.50	0.50
Public Works Manager	0.50	0.50	0.00	0.00
Public Works Supervisor	1.00	1.00	1.00	1.00
Senior Custodian	0.00	0.50	0.50	0.50
Senior Engineer	0.50	0.00	0.00	0.00
Senior Engineering Technician	0.40	0.40	0.40	0.00
Senior Maintenance Worker	5.90	5.90	5.90	5.90
Senior Office Assistant	1.15	1.15	1.15	1.15
Total D.S.-Public Works Full-Time Staff	**34.90**	**33.90**	**33.90**	**33.20**

Full-Time Position Listing by Department (Continued)

	2011-12	2012-13	2013-14	2014-15
Total D.S.-Water Full				
Administrative Secretary	0.50	0.50	0.50	0.80
Administrative Analyst	0.50	0.50	0.50	0.65
Assistant City Manager-Management Services	0.05	0.05	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	0.40	0.40	0.40	0.40
Construction Inspection Supervisor	0.65	0.65	0.65	0.65
Construction Inspector	1.55	1.55	1.55	0.85
Custodian	2.50	2.00	2.00	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	0.10	0.10	0.10	0.10
Director of Development Services	0.40	0.40	0.40	0.40
Emergency Services Coordinator	0.50	0.50	0.50	0.50
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	0.00
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	13.00	13.00	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	1.50	1.00	1.00	1.00
Project Construction Manager	0.25	0.25	0.25	0.25
Public Works Director	0.00	0.00	0.50	0.50
Public Works Manager	0.50	0.50	0.00	0.00
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	0.50	0.50	0.50
Senior Customer Service Representative	2.00	2.00	2.00	2.00
Senior Engineer	0.50	0.00	0.00	0.00
Senior Engineering Technician	0.60	0.60	0.60	0.00
Senior Maintenance Worker	6.40	6.40	6.40	6.40
Senior Office Assistant	0.85	0.85	0.85	0.85
Senior Pump Operator	0.95	0.95	0.95	0.95
Senior Warehouse Technician	1.00	1.00	1.00	1.00
Utility Line Locator	1.00	1.00	1.00	1.00
Warehouse Technician	1.00	1.00	1.00	1.00
Water Conservation Specialist	1.00	1.00	1.00	1.00
Water Quality Technician	1.00	1.00	1.00	1.00
Total D.S.-Water Full-Time Staff	**68.85**	**67.85**	**67.85**	**66.60**

Full-Time Position Listing by Department (Continued)

	2011-12	2012-13	2013-14	2014-15
D.S.-Sewer				
Assistant City Manager-Management Services	0.05	0.05	0.05	0.05
Maintenance Crew Supervisor	0.70	0.70	0.70	0.70
Maintenance Worker	2.90	2.90	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	0.00	0.00	0.00	0.00
Senior Pump Operator	0.05	0.05	0.05	0.05
Total D.S.-Sewer Full-Time Staff	**4.50**	**4.50**	**4.50**	**4.50**
Police Department				
Sworn Officers (Contract)				
Captain	1.00	1.00	1.00	1.00
Lieutenant	1.00	1.00	1.00	1.00
Sergeant	8.00	7.00	7.00	7.00
Detective/Corporal	5.00	5.00	5.00	5.00
Sheriff Deputy	37.00	40.00	41.00	41.00
Total Sworn Officers	52.00	54.00	55.00	55.00
Non-Sworn Staff (Contract)				
Sheriff's Service Specialist	8.00	8.00	8.00	8.00
Secretary	1.00	1.00	1.00	1.00
Office Specialist	8.00	8.00	9.00	9.00
Supervising Office Specialist	1.00	1.00	0.00	0.00
Total Non-Sworn Staff	18.00	18.00	18.00	18.00
Total Police Sworn & Non-Sworn Full-Time Staff	**70.00**	**72.00**	**73.00**	**73.00**
Fire District				
County Safety Detail (Contract)				
Battalion Chief	1.50	1.50	1.30	1.18
Captain	9.00	6.00	9.00	9.00
Division Chief	0.40	0.40	0.43	0.39
Engineer	9.00	6.00	12.00	12.00
Firefighter/Paramedic	21.00	18.00	9.00	9.00
Firefighter/Paramedic - Limited Term	0.00	0.00	15.00	15.00
Firefighter - Limited Term	12.00	12.00	15.00	15.00
Total County Full-Time Safety Staff	52.90	43.90	61.73	61.57
County Non-Safety Staff (Contract)				
Account Representative	2.00	2.00	2.00	0.00
Deputy Fire Marshall	0.00	0.00	0.00	0.03
Collection Officer	0.00	0.00	0.00	2.00
Office Assistant III	0.50	0.50	0.00	0.50
Fire Prevention Officer/Arson	0.50	0.50	0.50	0.50
Fire Prevention Specialist	0.50	0.50	0.50	0.50
Fire Prevention Supervisor	0.50	0.50	0.50	0.50
Front Counter Technician (Account Clerk I)	0.50	0.50	0.50	0.50
Publice Service Employee	0.00	0.00	1.00	1.00
Senior Plans Examiner - Arson (Fire Prevention Specialist)	0.00	0.00	0.00	0.00
Total County Full-Time Non-Safety Staff	4.50	4.50	5.00	5.53
Total Safety & Non-Safety Staff	**57.40**	**48.40**	**66.73**	**67.10**
TOTAL FULL-TIME CITY STAFF	**316.40**	**304.40**	**321.73**	**318.10**

CITY POSITION SUMMARIES AND SALARY RANGE TABLES

Part-Time Position Listing by Department

	2011-12	2012-13	2013-14	2014-15
Management Services Department				
Payroll Analyst	0.46	0.46	0.00	0.00
Senior Account Clerk	0.00	0.00	0.46	0.46
Total Management Services Department	**0.46**	**0.46**	**0.46**	**0.46**
D.S.-Community Development				
Receptionist	0.00	0.00	0.92	0.92
Senior Plans Examiner	0.24	0.00	0.00	0.00
Total D.S.-Community Development Part-Time Staff	**0.24**	**0.00**	**0.92**	**0.92**
D.S.-Code Compliance				
Animal Control Technician	0.46	0.46	0.46	0.46
Total D.S.-Code Compliance Part-Time Staff	**0.46**	**0.46**	**0.46**	**0.46**
D.S.-Public Works				
Custodian	0.46	0.46	0.46	0.46
Total D.S.-Public Works Part-Time Staff	**0.46**	**0.46**	**0.46**	**0.46**
D.S.-Water				
Custodian	0.46	0.46	0.46	0.46
Customer Service Representative	0.46	0.46	0.92	0.92
Total D.S.-Water Part-Time Staff	**0.92**	**0.92**	**1.38**	**1.38**
Police Department				
Administrative Aide	0.50	0.50	0.00	0.00
Total Police Department Part-Time Staff	**0.50**	**0.50**	**0.00**	**0.00**
Total Part-Time City Staff	**3.04**	**2.80**	**3.68**	**3.68**

Salary Range Tables

The following Range Tables for represented and non-represented positions are the basis for calculation of the 2014-15 Budget Salaries.

REPRESENTED FULL-TIME

SAN BERNARDINO PUBLIC EMPLOYEES ASSOCIATION (SBPEA)

2014-15 Fiscal Year (Salaries Effective the First Full Pay Period After July 1, 2014)

CLASSIFICATION TITLE	RANGE #	A	B	C	D	E
Account Clerk	9	3149	3307	3472	3646	3828
Animal Control Officer	12	3646	3828	4019	4220	4431
Animal Control Technician	7	2856	2999	3149	3307	3472
Building Inspector	17	4653	4886	5130	5387	5656
Code Enforcement Officer	16	4431	4653	4886	5130	5387
Community Development Technician	12	3646	3828	4019	4220	4431
Custodian	8	2999	3149	3307	3472	3646
Customer Service Representative	10	3307	3472	3646	3828	4019
Engineering Aide	11	3472	3646	3828	4019	4220
Engineering Technician	12	3646	3828	4019	4220	4431
Equipment Operator	12	3646	3828	4019	4220	4431
Equipment Operator/Water*	12.5	3737	3924	4120	4326	4542
Maintenance Worker	10	3307	3472	3646	3828	4019
Maintenance Worker/Water*	10.5	3390	3560	3738	3925	4121
Meter Reader	10	3307	3472	3646	3828	4019
Pump Maintenance Worker	12	3646	3828	4019	4220	4431
Pump Operator	12	3646	3828	4019	4220	4431
Receptionist	6	2720	2856	2999	3149	3307
Registered Veterinary Technician	10	3307	3472	3646	3828	4019
Senior Account Clerk	12	3646	3828	4019	4220	4431
Senior Animal Control Officer	14	4019	4220	4431	4653	4886
Senior Custodian	10	3307	3472	3646	3828	4019
Senior Customer Service Representative	12	3646	3828	4019	4220	4431
Senior Maintenance Worker	13	3828	4019	4220	4431	4653
Senior Maintenance Worker/Water*	13.5	3924	4120	4326	4542	4769
Senior Pump Maintenance Worker	14	4019	4220	4431	4653	4886
Senior Pump Operator	14	4019	4220	4431	4653	4886
Senior Warehouse Technician	12	3646	3828	4019	4220	4431
Utility Line Locator	10	3307	3472	3646	3828	4019
Warehouse Technician	10	3307	3472	3646	3828	4019
Water Conservation Specialist	14	4019	4220	4431	4653	4886
Water Quality Technician	12	3646	3828	4019	4220	4431
Water Resource Specialist	19	5130	5387	5656	5939	6236

*Plus 2.5% - Provided employee has and maintains the required certifications as defined in the job description.

Salary Range Tables (Continued)

NON-REPRESENTED FULL-TIME

2014-15 Fiscal Year (Salaries Effective the First Full Pay Period After July 01, 2014)

CLASSIFICATION TITLE	RANGE#	1	2	3	4	5	6	7	8	9	10	11
GENERAL												
Accountant	33	4493	4583	4675	4769	4864	4961	5060	5161	5264	5369	5476
Accounting Technician	31	4075	4157	4240	4325	4412	4500	4590	4682	4776	4872	4969
Administrative Aide	27	3352	3419	3487	3557	3628	3701	3775	3851	3928	4007	4087
Administrative Secretary	30	3881	3959	4038	4119	4201	4285	4371	4458	4547	4638	4731
Construction Inspector	34	4718	4812	4908	5006	5106	5208	5312	5418	5526	5637	5750
Deputy City Clerk	28	3520	3590	3662	3735	3810	3886	3964	4043	4124	4207	4291
Executive Secretary	33	4493	4583	4675	4769	4864	4961	5060	5161	5264	5369	5476
Geographical Information Systems Technician	31	4075	4157	4240	4325	4412	4500	4590	4682	4776	4872	4969
Information Systems Technician	31	4075	4157	4240	4325	4412	4500	4590	4682	4776	4872	4969
Maintenance Crew Supervisor	36	5202	5306	5412	5520	5630	5743	5858	5975	6095	6217	6341
Office Assistant	24	2895	2953	3012	3072	3133	3196	3260	3325	3392	3460	3529
Payroll Analyst	32	4279	4365	4452	4541	4632	4725	4820	4916	5014	5114	5216
Personnel Technician	32	4279	4365	4452	4541	4632	4725	4820	4916	5014	5114	5216
Purchasing Analyst	33	4493	4583	4675	4769	4864	4961	5060	5161	5264	5369	5476
Senior Code Enforcement Officer	34	4718	4812	4908	5006	5106	5208	5312	5418	5526	5637	5750
Senior Community Development Technician	32	4279	4365	4452	4541	4632	4725	4820	4916	5014	5114	5216
Senior Engineering Technician	34	4718	4812	4908	5006	5106	5208	5312	5418	5526	5637	5750
Senior Office Assistant	28	3520	3590	3662	3735	3810	3886	3964	4043	4124	4207	4291
Senior Office Specialist	28	3520	3590	3662	3735	3810	3886	3964	4043	4124	4207	4291
PROFESSIONAL/SUPERVISORY												
Administrative Analyst	34	4718	4812	4908	5006	5106	5208	5312	5418	5526	5637	5750
Animal Control Supervisor	35	4954	5053	5154	5257	5362	5469	5578	5690	5804	5920	6038
Assistant City Clerk	35	4954	5053	5154	5257	5362	5469	5578	5690	5804	5920	6038
Assistant Engineer	38	5735	5850	5967	6086	6208	6332	6459	6588	6720	6854	6991
Assistant Planner	35	4954	5053	5154	5257	5362	5469	5578	5690	5804	5920	6038
Associate Planner	38	5735	5850	5967	6086	6208	6332	6459	6588	6720	6854	6991
Building Inspection Supervisor	40	6323	6450	6579	6711	6845	6982	7122	7264	7409	7557	7708
Code Enforcement Supervisor	36	5202	5306	5412	5520	5630	5743	5858	5975	6095	6217	6341
Community Development Coordinator	34	4718	4812	4908	5006	5106	5208	5312	5418	5526	5637	5750
Construction Inspection Supervisor	39	6022	6142	6265	6390	6518	6648	6781	6917	7055	7196	7340
Customer Service Supervisor	36	5202	5306	5412	5520	5630	5743	5858	5975	6095	6217	6341
Emergency Services Coordinator	38	5735	5850	5967	6086	6208	6332	6459	6588	6720	6854	6991
Environmental Programs Coordinator	34	4718	4812	4908	5006	5106	5208	5312	5418	5526	5637	5750
Facilities Supervisor	36	5202	5306	5412	5520	5630	5743	5858	5975	6095	6217	6341
Financial Analyst	35	4954	5053	5154	5257	5362	5469	5578	5690	5804	5920	6038
Human Resources Analyst	37	5462	5571	5682	5796	5912	6030	6151	6274	6400	6528	6659
Human Resources Specialist	35	4954	5053	5154	5257	5362	5469	5578	5690	5804	5920	6038
Management Analyst	37	5462	5571	5682	5796	5912	6030	6151	6274	6400	6528	6659
Plans Examiner	37	5462	5571	5682	5796	5912	6030	6151	6274	6400	6528	6659
Public Works Supervisor	38	5735	5850	5967	6086	6208	6332	6459	6588	6720	6854	6991
Secretary to the City Manager	34	4718	4812	4908	5006	5106	5208	5312	5418	5526	5637	5750
Shelter Supervisor	35	4954	5053	5154	5257	5362	5469	5578	5690	5804	5920	6038

Salary Range Tables (Continued)

NON-REPRESENTED FULL-TIME

2014-15 Fiscal Year (Salaries Effective the First Full Pay Period After July 01, 2014)

CLASSIFICATION TITLE	RANGE#	1	2	3	4	5	6	7	8	9	10	11
MANAGEMENT												
Building and Safety Manager	40	6323	6450	6579	6711	6845	6982	7122	7264	7409	7557	7708
Code Compliance Manager	41	6639	6772	6907	7045	7186	7330	7477	7627	7780	7936	8095
Community Relations and Media Coordinator	37	5462	5571	5682	5796	5912	6030	6151	6274	6400	6528	6659
Geographical Information Systems Manager	41	6639	6772	6907	7045	7186	7330	7477	7627	7780	7936	8095
Information Systems Manager	43	7320	7466	7615	7767	7922	8080	8242	8407	8575	8747	8922
Information Systems Specialist	37	5462	5571	5682	5796	5912	6030	6151	6274	6400	6528	6659
Principal Planner	44	7686	7840	7997	8157	8320	8486	8656	8829	9006	9186	9370
Project Construction Manager	43	7320	7466	7615	7767	7922	8080	8242	8407	8575	8747	8922
Purchasing Supervisor	38	5735	5850	5967	6086	6208	6332	6459	6588	6720	6854	6991
Senior Accountant	38	5735	5850	5967	6086	6208	6332	6459	6588	6720	6854	6991
Senior Engineer	43	7320	7466	7615	7767	7922	8080	8242	8407	8575	8747	8922
Senior Financial Analyst	40	6323	6450	6579	6711	6845	6982	7122	7264	7409	7557	7708
Senior Human Resources Analyst	40	6323	6450	6579	6711	6845	6982	7122	7264	7409	7557	7708
Senior Management Analyst	40	6323	6450	6579	6711	6845	6982	7122	7264	7409	7557	7708
Senior Planner	41	6639	6772	6907	7045	7186	7330	7477	7627	7780	7936	8095
Senior Plans Examiner	40	6323	6450	6579	6711	6845	6982	7122	7264	7409	7557	7708
SENIOR MANAGEMENT												
City Engineer	48	9343	9530	9721	9915	10113	10315	10521	10731	10946	11165	11388
Deputy Director of Development Services/Community Development	48	9343	9530	9721	9915	10113	10315	10521	10731	10946	11165	11388
Director of Economic Development	48	9343	9530	9721	9915	10113	10315	10521	10731	10946	11165	11388
Deputy Finance Director	46	8474	8644	8817	8993	9173	9357	9544	9735	9930	10129	10332
Deputy Human Resources/Risk Management Director	46	8474	8644	8817	8993	9173	9357	9544	9735	9930	10129	10332
Public Works Director	46	8474	8644	8817	8993	9173	9357	9544	9735	9930	10129	10332
AT WILL SENIOR MANAGEMENT												
Assistant City Manager/Management Services	52	11357	11584	11816	12052	12293	12539	12790	13046	13307	13573	13845
City Clerk	45	8070	8231	8396	8564	8735	8910	9088	9270	9455	9644	9837
Deputy City Manager	47	8898	9076	9258	9443	9632	9825	10022	10222	10426	10635	10848
Director of Development Services	51	10816	11032	11253	11478	11708	11942	12181	12425	12674	12928	13187

An Administrative Intern temporary/part-time classification and is paid at the following hourly pay rates: $12.00, $13.00, $14.00, $15.00

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- Division - City Council F-3
- Division - City Attorney F-5

DEPARTMENT - CITY MANAGER **F-6**
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DEPARTMENT - MANAGEMENT SERVICES **F-16**
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FUND: GENERAL FUND 100
DEPARTMENT: CITY COUNCIL 01

DEPARTMENT EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 39,609	$ 42,470	$ 51,000	$ 45,000	$ 51,000	0%
Benefits	77,056	75,888	72,280	75,194	73,910	2%
Materials	3,442	4,491	7,450	6,347	8,290	11%
Contractual	579,348	444,887	474,100	635,000	491,600	4%
Other Operating	46,959	53,536	54,528	53,811	58,178	7%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 746,414**	**$ 621,272**	**$ 659,358**	**$815,352**	**$ 682,978**	**4%**

DIVISION EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
100 City Council	$ 297,018	$ 316,229	$ 309,358	$437,352	$ 382,978	24%
102 City Attorney	449,396	305,043	350,000	378,000	300,000	-14%
TOTAL	**$ 746,414**	**$ 621,272**	**$ 659,358**	**$815,352**	**$ 682,978**	**4%**

DEPARTMENT GOALS FOR 2014-15

- Provide policy direction on City Council priorities identified at the February 11, 2014, City Council Goal Setting Workshop, which include:
  - Public Safety – Ensure adequate public safety resources are available for our citizens, families, children, businesses and visitors.
  - Financial Health - Assure Hesperia's financial health by continuing to provide structurally balanced budgets for its operating funds.
  - Future Development – Actively manage growth to ensure cohesive development including Industrial, Commercial, Residential, Freeway, Main Street and Ranchero Corridors.
  - Future Vision – Agree on a 'vision' of what Hesperia should be in 5, 15, 25 years.
  - Organizational Health – Establish and maintain a healthy and efficient organization to provide City services.
  - Capital Improvement – Create Capital Improvement Funding after Redevelopment's elimination.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- Addition of $48,000 for State legislative lobbyist services to assist with the identification of grant opportunities at the State level, as well as providing advocacy for priority projects, including the recycled water pipeline distribution system.
- Funding in the amount of $12,500 is included to aid in supporting the Victor Valley Museum.

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

DIVISION EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 39,609	$ 42,470	$ 51,000	$ 45,000	$ 51,000	0%
Benefits	77,056	75,888	72,280	75,194	73,910	2%
Materials	3,442	4,491	7,450	6,347	8,290	11%
Contractual	129,952	139,844	124,100	257,000	191,600	54%
Other Operating	46,959	53,536	54,528	53,811	58,178	7%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 297,018**	**$ 316,229**	**$ 309,358**	**$437,352**	**$ 382,978**	**24%**

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

- Addition of $48,000 for State legislative lobbyist services to assist with the identification of grant opportunities at the State level, as well as providing advocacy for priority projects, including the recycled water pipeline distribution system.
- Funding in the amount of $12,500 is included to aid in supporting the Victor Valley Museum.

2013-14 DIVISION ACCOMPLISHMENTS

- Facilitated a Goal Setting Workshop to identify both short and long-term City Council priorities.
- 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 re-opening of Fire Station 301.
- Approved the purchase of 200 acre feet of water rights from Summit Valley Ranch.
- Provided policy direction with regards to the dissolution of the Hesperia Redevelopment Agency.
- Implemented a monthly Coffee with the Mayor meeting where citizens discuss City issues prior to the monthly Hesperia Chamber of Commerce luncheon.
- Oversaw the 25th City Anniversary community celebrations.

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

2014-15 DIVISION GOALS AND OBJECTIVES

- Provide policy direction on City Council priorities identified at the February 11, 2014, City Council Goal Setting Workshop, which include:
  - Public Safety – Ensure adequate public safety resources are available for our citizens, families, children, businesses and visitors.
  - Financial Health - Assure Hesperia's financial health by continuing to provide structurally balanced budgets for its operating funds.
  - Future Development – Actively manage growth to ensure cohesive development including Industrial, Commercial, Residential, Freeway, Main Street and Ranchero Corridors.
  - Future Vision – Agree on a 'vision' of what Hesperia should be in 5, 15, 25 years.
  - Organizational Health – Establish and maintain a healthy and efficient organization to provide City services.
  - Capital Improvement – Create Capital Improvement Funding after Redevelopment's elimination.
- Continue to provide leadership and policy direction on a variety of issues and projects important to the citizens of the City of Hesperia.
- Demand transparency in government at all levels.
- Oversee the completion of the Ranchero Road/I-15 Interchange Project.
- Oversee construction of Fire Station 301 with construction restricted funds.
- Continue to seek alternative funding sources via Federal, State, and County grants.
- Continue to support the Citizen's Academy and Youth in Government Day to encourage involvement between citizens and local government.
- Continue to actively meet with citizens and other elected officials through quarterly Coffee with the Mayor meetings and monthly Mayors meetings.
- Represent the City as a Board Member or Commissioner of the following:
  - League of California Cities Desert/Mountain Division.
  - San Bernardino Associated Governments (SANBAG).
  - Mojave Desert Air Quality Management Desert (MDAQMD).
  - Victor Valley Wastewater Reclamation Authority (VVWRA).
  - San Bernardino County Solid Waste Task Force.
  - Victor Valley Economic Development Authority (VVEDA).
  - Victor Valley Transit Authority (VVTA).

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

DIVISION EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	449,396	305,043	350,000	378,000	300,000	-14%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 449,396**	**$ 305,043**	**$ 350,000**	**$378,000**	**$300,000**	**-14%**

DIVISION DESCRIPTION

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

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- None

2013-14 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; there is currently no active litigation handled by the City Attorney's office where the City is the defendant.
- Assisted in negotiation, drafting, and implementation of agreements to further economic development, capital improvement, and affordable housing programs.
- Assisted in implementation of Assembly Bills AB 1X 26 and 1484 eliminating redevelopment agencies.
- Assisted in the City's successful enforcement of a ban on illegal marijuana dispensaries.
- Assisted in the acquisition of right-of-way for the Ranchero Road Interchange.

2014-15 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	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 1,005,229	$ 1,084,975	$ 1,141,392	$ 1,176,326	$ 1,151,468	1%
Benefits	394,154	375,370	422,757	410,235	415,052	-2%
Materials	272,177	260,032	265,905	238,611	238,378	-10%
Contractual	356,468	568,604	444,730	436,575	550,021	24%
Other Operating	75,150	105,640	124,633	128,523	118,375	-5%
Capital Outlay	16,080	104,782	75,000	105,093	305,000	307%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 2,119,258**	**$ 2,499,403**	**$ 2,474,417**	**$ 2,495,363**	**$ 2,778,294**	**12%**

DIVISION EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
200 City Manager	$ 1,044,771	$ 1,042,335	$ 1,123,647	$ 1,198,172	$ 1,163,461	4%
215 Information Technology	1,074,487	1,457,068	1,350,770	1,297,191	1,614,833	20%
TOTAL	**$ 2,119,258**	**$ 2,499,403**	**$ 2,474,417**	**$ 2,495,363**	**$ 2,778,294**	**12%**

DEPARTMENT STAFFING	2011-12	2012-13	2013-14	2014-15
Total Full-Time Staff	12.60	13.60	13.60	13.60
Total City Manager Staff	**12.60**	**13.60**	**13.60**	**13.60**

DEPARTMENT GOALS FOR 2014-15

- 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.
- Ensure the highest level of solid waste and recycling services to citizens, and maintain above a 70% diversion in accordance with the newly adopted Solid Waste Franchise Agreement.
- Continue to work with the Hesperia Recreation and Parks District to develop and conduct activities at the City's Civic Plaza Park car shows, pet walks, and other special events at the Downtown Center.
- Continue providing Citizen Emergency Response Team (CERT) Training to citizens to prepare them to respond in support of first responders in a major disaster.
- Commence planning, design and financing of Recycled Water Distribution System.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- Funding for the 2014 Municipal Election is added in the amount of $34,000.
- Eliminate one vacant Deputy City Manager (1.00 FTE) position to reduce expenditures during the continuing economic downturn.
- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (1.00 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements.
- Funding of $305,000 is included to upgrade the storage capacity and create mirror servers that will allow for complete replication of the City's computing environment. This will allow the City to have the capacity to restore the infrastructure and allow for normal business operations, should a primary system fail; thereby saving downtime costs.
- To improve effectiveness and add efficiencies to the Development Services Department automated land management system (CRW TRAKiT), funding of $131,200 is included to add two modules. The software system, which currently is used by Building and Safety for permitting and land management, will be expanded to include LicenseTRAK and CodeTRAK. LicenseTrak will serve as the software for business license management, while CodeTRAK will serve as the code enforcement module. All CRW TRACKiT modules will be integrated to offer the Development Services Department a complete software management system.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Assistant City Clerk	1.00	1.00	1.00	1.00
Assistant to the City Manager-Community Relations	1.00	0.00	0.00	0.00
City Clerk	0.00	0.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00
Community Relations and Media Coordinator	0.60	0.60	0.60	0.60
Deputy City Clerk	1.00	1.00	0.00	0.00
Deputy City Manager	0.00	1.00	1.00	0.00
Emergency Services Coordinator	0.50	0.50	0.50	0.50
Environmental Programs Coordinator	0.50	0.50	0.50	0.50
Executive Secretary	0.00	0.00	0.00	1.00
Information Systems Specialist	4.00	4.00	4.00	4.00
Information Systems Technician	1.00	1.00	1.00	1.00
Management Analyst	1.00	2.00	2.00	2.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Total Full-Time Staff	**12.60**	**13.60**	**13.60**	**13.60**

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

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 681,319	$ 648,105	$ 711,852	$ 768,303	$ 729,776	3%
Benefits	272,255	226,997	264,032	269,052	265,540	1%
Materials	26,412	32,753	51,230	50,780	48,050	-6%
Contractual	8,000	42,815	8,390	8,390	36,750	338%
Other Operating	56,785	91,665	88,143	96,093	83,345	-5%
Capital Outlay	0	0	0	5,554	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 1,044,771**	**$ 1,042,335**	**$ 1,123,647**	**$ 1,198,172**	**$ 1,163,461**	**4%**

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; 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; ensure 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; social media; oversight of Volunteer Network, management of Citywide Mentoring Program, coordination of Citizen's Academy, and advertising. Legislative Advocacy: Grant application and management; legislative outreach at the federal and state level; annual legislative priorities. Environmental Programs: Compliance with Federal and State 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 response to citizen concerns and special events and projects.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Funding for the 2014 Municipal Election is added in the amount of $34,000.
- Eliminate one vacant Deputy City Manager (0.75 FTE) position to reduce expenditures during the continuing economic downturn.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES (Continued)

- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (1.00 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements.

PROGRAM STAFFING	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Assistant City Clerk	1.00	1.00	1.00	1.00
Assistant to the City Manager-Community Relations	1.00	0.00	0.00	0.00
City Clerk	0.00	0.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00
Community Relations and Media Coordinator	0.60	0.60	0.60	0.60
Deputy City Clerk	1.00	1.00	0.00	0.00
Deputy City Manager	0.00	0.75	0.75	0.00
Emergency Services Coordinator	0.50	0.50	0.50	0.50
Environmental Programs Coordinator	0.50	0.50	0.50	0.50
Executive Secretary	0.00	0.00	0.00	1.00
Management Analyst	1.00	1.00	1.00	1.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Total Full-Time Staff	**7.60**	**7.35**	**7.35**	**7.60**

2013-14 DIVISION ACCOMPLISHMENTS

- Continued to work with neighboring cities and numerous agencies such as the California League of Cities, Tri-Agency, San Bernardino Associated Governments, Southern California Association of 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.
- Presented the annual Priority Project requests, and worked with State and Federal delegates on behalf of Hesperia citizens.
- Continued to oversee 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.
- Oversaw the construction of the Interstate 15/Ranchero Road Interchange Project in coordination with San Bernardino Association of Governments and Caltrans.
- City Manager led the development efforts for a Public Safety Joint Powers Authority Feasibility Study on behalf of the Cities of Adelanto, Hesperia, Victorville, and Town of Apple Valley. A final report will be delivered in Summer of 2014.
- Conducted 14 Community Emergency Response Team training sessions.
- Partnered with the Hesperia Recreation and Park District to host the 65th Annual Hesperia Days Celebration, sponsoring special Hometown Hesperia games in recognition of Hesperia's 25th Anniversary.
- Hosted the third annual Citizen's Academy providing residents with a bus tour of Hesperia, tours of City facilities, and five educational sessions explaining City operations and policies.
- Produced a special 25th Anniversary State of the City address, viewed at Cinema West Theaters.
- Collaborated with the Hesperia Unified School District, Hesperia Recreation and Park District, and Hesperia Chamber of Commerce on a 25th Anniversary Time Capsule.

2013-14 DIVISION ACCOMPLISHMENTS (Continued)

- Submitted applications for CalRecycle City/County Payment Program, Waste Tire Amnesty Event Grant, Sharps Container Grant Program, and CDBG grant funds.
- Conducted two electronic waste events, held in partnership with the Hesperia Chamber of Commerce.
- Continued to expand the City's Citizen Emergency Response Team training (CERT). CERT members met regularly to coordinate efforts toward a united emergency response.
- The City website sustained over one million views per month. City Facebook and Twitter accounts have 2,100 followers.
- Continued promoting Volunteer Network to increase both the number of active agencies and volunteers.
- Hosted the third annual Volunteer Appreciation Dinner for the City's CERT members, Volunteer Network participants, and Committee Members. Attendees were recognized for their service to the community, and a Volunteer of the Year Award was presented.

2014-15 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 (SANBAG), Southern California Association of Governments (SCAG), 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 Federal and State 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.
- Continue to evaluate the City's organizational structure to ensure efficiencies and a high level of customer service and satisfaction.
- Oversee the construction of Fire Station 301 using funds dedicated solely for the construction of fire facilities.
- Oversee the completion of the Ranchero Road/I15 Interchange Project.
- Continue to expand the City's environmental programs relating to water conservation, storm water awareness, graffiti abatement, and maintain above 70% 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 the City's Civic Plaza Park car shows, pet walks, 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, including design of the City's Emergency Operations Center (EOC).
- 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 immunization clinic annually.
- Expand the availability of documents electronically, and maintain efficient management of records.

2014-15 DIVISION GOALS AND OBJECTIVES (Continued)

- 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 Federal and State grants for City projects.
- Continue to manage citizen requests and complaints.
- Implement Automated Public Records Request Processing software to reduce response time and provide greater transparency to the public.
- Commence planning, design and financing of Recycled Water Distribution System.

PERFORMANCE AND WORKLOAD INDICATORS	2011-12	2012-13	2013-14	2014-15
City Manager				
Number of community events	18	12	14	12
Number of Twitter followers	591	707	1,100	1,500
Number of Facebook Likes	144	410	750	875
Number of valid website hits	11,948,603	13,373,521	14,000,000	14,250,000
Number of grants submitted	8	9	9	10
Number of legislative letters	29	26	30	40
Number of environmental school programs presented	14	12	8	8
Number of recycling/clean-up events held	45	60	65	66
Number of Streets adopted	37	42	44	44
Number of Mentoring participants	17	6	6	4
Number of Volunteers referred	85	75	81	75
Number of CERT trainings held	10	14	14	15
Number of EERP Applicants	n/a	n/a	10	20

PERFORMANCE AND WORKLOAD INDICATORS	2011-12	2012-13	2013-14	2014-15
City Clerk				
Annual Number of Ordinances Processed	22	17	16	14
Annual Number of Resolutions Processed	145	133	142	154
Annual Contracts Approved and Processed	142	141	143	152
Annual Claims/Lawsuits Processed	82	88	75	74
Recorded Documents Processed	65	53	52	54
Public Hearing Notices/Postings	30	25	33	32
Records Requests/Pages Provided	390/12,400	365/11,055	355/11,975	350/11,500
Maps Processed	10	3	6	4
Records Requested from Storage	140	135	120	125
Bonds Processed	8	4	4	3
Archived Boxes in Records Storage	1,780	1,820	1,940	1,914
Library Community Room Bookings	408	422	428	430
Conflict of Interest Form 700 Processed	106	108	107	105
Mayoral Proclamations Processed	30	36	41	41

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

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 323,910	$ 436,870	$ 429,540	$ 408,023	$ 421,692	-2%
Benefits	121,899	148,373	158,725	141,183	149,512	-6%
Materials	245,765	227,279	214,675	187,831	190,328	-11%
Contractual	348,468	525,789	436,340	428,185	513,271	18%
Other Operating	18,365	13,975	36,490	32,430	35,030	-4%
Capital Outlay	16,080	104,782	75,000	99,539	305,000	307%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 1,074,487**	**$ 1,457,068**	**$ 1,350,770**	**$ 1,297,191**	**$ 1,614,833**	**20%**

DIVISION DESCRIPTION

The Information Technology (IT) Division is responsible for coordinating the technological needs of all City departments in order to advance the overall mission of the City. To accomplish this, the IT Division is responsible for the design, development, administration, and maintenance of a wide variety of 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 focus of this Division is to support programs that assist employees in providing the highest level of customer service, as well as allowing citizens easy access to City documents, the website, videos of City Council/Planning Commission Meetings, free wireless internet in the Civic Plaza, and emergency alerts when necessary.

The IT Division supports both computing, internet, and telecommunications for a Wide Area Network comprised of four distinct locations and five 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.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Deputy City Manager	0.00	0.25	0.25	0.00
Information Systems Specialist	4.00	4.00	4.00	4.00
Information Systems Technician	1.00	1.00	1.00	1.00
Management Analyst	0.00	1.00	1.00	1.00
Total Full-Time Staff	**5.00**	**6.25**	**6.25**	**6.00**

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Eliminate one vacant Deputy City Manager (0.25 FTE) position to reduce expenditures during the continuing economic downturn.
- Funding of $305,000 is included to upgrade the storage capacity and create mirror servers that will allow for complete replication of the City's computing environment. This will allow the City to have the capacity to restore the infrastructure and allow for normal business operations, should a primary system fail; thereby saving downtime costs.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES (Continued)

- To improve effectiveness and add efficiencies to the Development Services Department automated land management system (CRW TRAKiT), funding of $131,200 is included to add two modules. The software system, which currently is used by Building and Safety for permitting and land management, will be expanded to include LicenseTRAK and CodeTRAK. LicenseTrak will serve as the software for business license management, while CodeTRAK will serve as the code enforcement module. All CRW TRACKiT modules will be integrated to offer the Development Services Department a complete software management system.

2013-14 DIVISION ACCOMPLISHMENTS

- Completed setup of Training Center, expanding the use and functionality to include Emergency Operations.
- Windows 7 and Office 2010 successfully upgraded.
- Conducted monthly Technology Steering Committee meetings in order to better plan strategic initiatives and implement technology initiatives that improve City staff efficiency and public communications.
- Implemented the Code Enforcement module of CRW TRAKiT, which will interface with the New World Financial System.
- Offered quarterly Citywide technology training classes.
- Implemented a data storage infrastructure that allows for separate Tier 1, Tier 2, and Tier 3 storage that is designed to provide redundancy for disaster recovery.
- Upgraded data circuits between sites for increased speed and capacity.
- Deployed plan review workstations for Engineering, Planning, and Building & Safety, decreasing costs to developers, as well as the City, and expediting the review process.
- Continued deployment of electronic tablet computers to field staff to enhance communication and efficiency by enabling easy access to web-based systems from the field.
- Provided training to IT staff on the deployment and maintenance of the virtual desktop infrastructure.
- Implemented QR Code technology for use in City communications.

2014-15 DIVISION GOALS AND OBJECTIVES

- Provide the highest level of customer service to all City employees and citizens, reducing response times and improving employee access to cost effective technology solutions.
- Implement new IP address scheme to accommodate past and future network growth, in addition to simplifying future network trouble shooting.
- Implement barcode based IT asset control to improve the efficiency and accuracy of tracking IT managed assets.
- Implement new server naming convention to simplify the maintenance and troubleshooting of network servers.
- Perform an equipment failure/disaster simulation to identify areas of technology that need to be improved/hardened.
- Conduct quarterly Technology Steering Committee meetings in order to better plan strategic initiatives and implement technology initiatives that improve City staff efficiency and public communications. Provide quarterly Technology Steering Committee updates to management.
- Implement new router/switch naming convention to simplify the maintenance and troubleshooting of network routers and switches.
- Conduct quarterly and ad hoc Citywide technology training classes.

2014-15 DIVISION GOALS AND OBJECTIVES (Continued)

- Continue to move users to a virtual environment utilizing virtual servers to improve services, while reducing on-going equipment and maintenance costs.
- Consolidate networked and attached data volumes to accommodate data volume growth, and provide data redundancy.
- Install redundant servers in the Police Department server room to support the City's Business Continuity & Disaster Recovery solution.
- Complete enhancement of an Animal Control animal licensing and sheltering solution, which will interface with New World Financial System.

PERFORMANCE AND WORKLOAD INDICATORS	2011-12	2012-13	2013-14	2014-15
City Sites Serviced	5	6	6	6
Databases Managed	24	42	84	80
Local Area Networks Managed	6	28	28	28
Operating Systems Managed	6	6	6	6
Software Applications Supported	169	122	127	128
Computer Devices Managed	347	402	435	440
▪ Physical Servers	24	22	20	23
▪ Virtual Servers	48	68	69	73
▪ Workstations	156	122	55	45
▪ Virtual Clients	29	63	168	200
▪ Laptops	74	67	69	69
▪ Electronic Tablets	16	49	54	55
Other Devices Managed				
▪ Routers and Switches Managed	43	33	32	30
▪ Printers, Plotters, and Copiers Supported	57	57	58	59
▪ Smart Phones	41	42	42	42
Data Storage Devices	5	6	6	3
▪ Data storage capacity	21TB	29TB	29TB	50TB
▪ Tape storage	33TB	33TB	33TB	33TB
Data Processing				
Data Backed Up Nightly (Gigabytes)	6,200	7,100	7,200	7,500
E-mails Processed (Outgoing)	156,329	184,124	194,448	200,000
E-mails Processed (Incoming)	1,449,347	2,148,311	2,394,760	2,800,000
▪ Valid Emails (Incoming)	527,071	599,102	760,474	780,000
▪ Spam Emails (Incoming)	922,276	1,469,896	1,634,286	2,000,000
Help Desk Statistics				
▪ Trouble Calls Processed	6,113	6,258	7,071	6,000
▪ Average Time Per Trouble Call	40 min	59 min	47 min	35 min

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

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
User Accounts Managed	1,260	1,227	1,292	1,292
▪ Network Accounts	260	260	267	268
▪ Telephone and wireless accounts	522	539	540	541
▪ Wireless Network Clients	146	159	160	165
▪ New World .Net Accounts	121	100	134	135
▪ Accela (TRAKiT) Accounts	80	82	86	86
▪ CityWorks Accounts	131	87	44	44

FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19

DEPARTMENT EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 1,239,988	$ 1,151,700	$ 1,141,497	$ 1,259,629	$ 1,231,266	8%
Benefits	503,011	495,028	454,900	483,669	495,494	9%
Materials	154,165	144,951	163,174	172,556	158,296	-3%
Contractual	1,152,284	796,041	789,410	838,400	757,295	-4%
Other Operating	71,937	48,972	52,559	52,556	54,738	4%
Capital Outlay	261,275	30,091,989	0	565,500	500,000	100%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 3,382,660**	**$ 32,728,681**	**$ 2,601,540**	**$ 3,372,310**	**$ 3,197,089**	**23%**

DIVISION EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
220 Finance	$ 1,741,092	$ 31,567,431	$ 1,432,528	$ 2,112,838	$ 1,999,702	40%
225 Human Resources/ Risk Management	1,641,568	1,161,250	1,169,012	1,259,472	1,197,387	2%
TOTAL	**$ 3,382,660**	**$ 32,728,681**	**$ 2,601,540**	**$ 3,372,310**	**$ 3,197,089**	**23%**

DEPARTMENT STAFFING	2011-12	2012-13	2013-14	2014-15
Total Full-Time Staff	17.80	16.80	15.80	15.80
Total Part-Time Staff	0.46	0.46	0.46	0.46
Total Management Services Staff	**18.26**	**17.26**	**16.26**	**16.26**

DEPARTMENT GOALS FOR 2014-15

- Continue to manage the City's resources in a fiscally prudent manner, with a structurally balanced budget, during the current prolonged economic downturn.
- Continue the administration of Redevelopment Agency wind-down (in conjunction with the Economic Development Department), including administration of debt obligations, preparation of the Recognized Obligation Payment schedules, and responding to inquiries by the State and the County of San Bernardino.
- Coordinate with CalPERS the implementation of the employee cost sharing provision effective July 1, 2015.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- On March 4, 2014, the Council approved the purchase of 200 acre feet of permanent water rights from Summit Valley Ranch for $1,000,000, with the first half ($500,000) paid in FY 2013-14. The second half ($500,000) is included in the FY 2014-15 Budget.

PROGRAM STAFFING	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Accountant	2.00	3.00	2.00	2.00
Accounting Technician	0.00	0.00	1.00	1.00
Administrative Analyst	1.00	0.00	0.00	0.00
Assistant City Manager/Management Services	0.90	0.90	0.90	0.90
Deputy Finance Director	0.90	0.90	0.90	0.90
Deputy Human Resources/Risk Management Director	1.00	0.00	0.00	0.00
Executive Secretary	1.00	1.00	1.00	1.00
Financial Analyst	0.00	0.00	2.00	2.00
Human Resources Analyst	1.00	1.00	0.00	0.00
Human Resources Specialist	0.00	0.00	1.00	1.00
Personnel Technician	2.00	2.00	1.00	1.00
Purchasing Analyst	1.00	1.00	0.00	0.00
Purchasing Supervisor	1.00	1.00	0.00	0.00
Senior Account Clerk	2.00	2.00	1.00	1.00
Senior Accountant	2.00	2.00	1.00	1.00
Senior Financial Analyst	0.00	0.00	2.00	2.00
Senior Human Resources Analyst	0.00	0.00	1.00	1.00
Senior Management Analyst	1.00	1.00	0.00	0.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Total Full-Time Staff	**17.80**	**16.80**	**15.80**	**15.80**
Part-Time Staff				
Payroll Analyst	0.46	0.46	0.00	0.00
Senior Account Clerk	0.00	0.00	0.46	0.46
Total Part-Time Staff	**0.46**	**0.46**	**0.46**	**0.46**
Total Full & Part-Time Staff	**18.26**	**17.26**	**16.26**	**16.26**

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

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 877,465	$ 871,402	$ 866,409	$ 945,929	$ 930,768	7%
Benefits	324,404	358,277	304,646	325,926	334,645	10%
Materials	110,498	100,359	116,354	126,956	113,206	-3%
Contractual	103,128	104,323	105,610	109,400	81,195	-23%
Other Operating	64,322	41,081	39,509	39,127	39,888	1%
Capital Outlay	261,275	30,091,989	0	565,500	500,000	100%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 1,741,092**	**$ 31,567,431**	**$ 1,432,528**	**$ 2,112,838**	**$1,999,702**	**40%**

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.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Accountant	2.00	3.00	2.00	2.00
Accounting Technician	0.00	0.00	1.00	1.00
Administrative Analyst	1.00	0.00	0.00	0.00
Assistant City Manager/Management Services	0.60	0.60	0.60	0.60
Deputy Finance Director	0.90	0.90	0.90	0.90
Executive Secretary	0.65	0.65	0.65	0.65
Financial Analyst	0.00	0.00	2.00	2.00
Purchasing Analyst	1.00	1.00	0.00	0.00
Purchasing Supervisor	1.00	1.00	0.00	0.00
Senior Account Clerk	2.00	2.00	1.00	1.00
Senior Accountant	2.00	2.00	1.00	1.00
Senior Financial Analyst	0.00	0.00	2.00	2.00
Senior Management Analyst	1.00	1.00	0.00	0.00
Senior Office Assistant	0.65	0.65	0.65	0.65
Total Full-Time Staff	**12.80**	**12.80**	**11.80**	**11.80**

PROGRAM STAFFING (Continued)	2011-12	2012-13	2013-14	2014-15
Part-Time Staff				
Payroll Analyst	0.46	0.46	0.00	0.00
Senior Account Clerk	0.00	0.00	0.46	0.46
Total Part-Time Staff	**0.00**	**0.00**	**0.46**	**0.46**
Total Full & Part-Time Staff	**12.80**	**12.80**	**12.26**	**12.26**

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- On March 4, 2014, the Council approved the purchase of 200 acre feet of permanent water rights from Summit Valley Ranch for $1,000,000, with the first half ($500,000) paid in FY 2013-14. The second half ($500,000) is included in the FY 2014-15 Budget.

2013-14 DIVISION ACCOMPLISHMENTS

- Completed the City's Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2012-13. The City received notification from the Governmental Finance Officers' Association (GFOA) that the Fiscal Year 2011-12 CAFR earned the award for Excellence in Financial Reporting. This is the eleventh consecutive year that the City has earned this recognition.
- Coordinated the Fiscal Year 2014-15 Budget Process.
- Updated the City and Subsidiary District's Statement of Investment Policy for Fiscal Year 2013-14 and provided monthly Treasurer's Reports verifying the City's cash and investment position.
- Conducted the Fiscal Year 2013-14 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.
- 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, and Water, as well as the City's Street Report.
- Prepared annual continuing disclosures, financial compliance calculations, and budget and insurance certifications for City and subsidiary district/agency debt issues, as required by the respective bond indentures and applicable letter of credit instruments.
- Refinanced the 2005 Civic Plaza Certificates of Participation into the 2013 Refunding Lease Revenue Bonds, taking advantage of the low interest rate environment.
- Secured an alternate credit facility for the expiring Letters of Credit (LOC) related to the 2004 Streets Revenue Bonds and the 1998 A and B Water Bonds, including the issuance of remarketing memorandums as well as amendments to the bond documents.
- Completed the update to the City's Purchasing Ordinance.
- Began the close-out of Assessment District 91-1.
- Analyzed financing options to unencumber Eagle Plaza.
- Monitored SAFER (Staffing for Adequate Fire and Emergency Response) grant expenditures and provided draw information to City management.

2013-14 DIVISION ACCOMPLISHMENTS (Continued)

- Continued work resulting from the wind-down of the Redevelopment Agency, including administration of debt obligations, preparation of the Recognized Obligation Payment schedules and Property Management Plan (in conjunction with the Economic Development Department), and preparation of responses to inquiries made by the Department of Finance and County of San Bernardino.

2014-15 DIVISION GOALS AND OBJECTIVES

- Continue to manage the City's resources in a fiscally prudent manner during this challenging economic environment.
- Complete the CAFR for Fiscal Year 2013-14 and submit the CAFR to the Governmental Finance Officers' Association (GFOA) for evaluation and award consideration.
- Coordinate the Fiscal Year 2015-16 Budget Process and submit the Fiscal Year 2014-15 Budget to the Governmental Finance Officers' Association (GFOA) for evaluation and award consideration.
- Review and update the Statement of Investment Policy for the City and subsidiary districts and provide monthly Treasurer's Reports verifying the City's cash and investment position.
- Develop and present the Fiscal Year 2014-15 First Quarter, Mid-Year, and Fourth Quarter Budget Reviews for the City Council's consideration.
- 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.
- Prepare annual continuing disclosures, financial compliance calculations, and budget and insurance certifications for City and subsidiary district/agency debt issues, as required by the respective bond indentures and applicable letter of credit instruments.
- Submit State Controller's Reports for the City, Fire, and Water, as well as the City's 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.
- Host a "How to Conduct Business with Hesperia" seminar, and distribute the corresponding guidebook to aid local businesses in their efforts to respond to City bids.
- Continue the work to close-out Assessment District 91-1.
- Evaluate the feasibility of refinancing the Community Facilities District (CFD) 2005-1 (Belgate Development Restructuring) Special Tax Bonds in an effort to obtain an overall lower interest rate.
- Implement financing solution for disposition of Eagle Plaza.
- Evaluate financing options for recycled water pipeline improvement project.
- Begin initial phase of special tax analysis (community facilities district) for Tapestry Project.
- Continue to monitor SAFER (Staffing for Adequate Fire and Emergency Response) grant expenditures, and provide draw information to City management for the second (final) year of the grant.
- Continue the administration of Redevelopment Agency wind-down (in conjunction with the Economic Development Department), including administration of debt obligations, preparation of the Recognized Obligation Payment schedules, and responding to inquiries by the State and the County of San Bernardino.

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

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Invoices Processed	10,197	8,736	8,250	8,250
Accounts Payable Checks Issued	5,557	5,415	5,600	5,500
Number of Payroll Checks/Direct Deposits Processed	6,465	6,290	6,630	6,356
Average Annual Yield	0.38%	0.31%	0.26%	0.29%
Number of Monthly Financial Reports Issued	183	235	236	235
Number of Requests for Proposal/Qualification	7	15	23	25
Number of Informal Bids Produced	83	102	144	135
Number of Contracts Issued	64	75	85	95
Number of Amendments to Contracts	52	57	60	70
Number of Purchase Orders Issued	812	678	695	700
Number of Contracts Administered	646	530	490	530

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

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 362,523	$ 280,298	$ 275,088	$ 313,700	$ 300,498	9%
Benefits	178,607	136,751	150,254	157,743	160,849	7%
Materials	43,667	44,592	46,820	45,600	45,090	-4%
Contractual	1,049,156	691,718	683,800	729,000	676,100	-1%
Other Operating	7,615	7,891	13,050	13,429	14,850	14%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 1,641,568**	**$ 1,161,250**	**$ 1,169,012**	**$ 1,259,472**	**$ 1,197,387**	**2%**

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.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Assistant City Manager/Management Services	0.30	0.30	0.30	0.30
Deputy Human Resources/Risk Management	1.00	0.00	0.00	0.00
Executive Secretary	0.35	0.35	0.35	0.35
Human Resources Analyst	1.00	1.00	0.00	0.00
Human Resources Specialist	0.00	0.00	1.00	1.00
Personnel Technician	2.00	2.00	1.00	1.00
Senior Human Resources Analyst	0.00	0.00	1.00	1.00
Senior Office Assistant	0.35	0.35	0.35	0.35
Total Full-Time Staff	**5.00**	**4.00**	**4.00**	**4.00**

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

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- None

2013-14 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 two-year successor Memorandum of Understanding (MOU).
- Coordinated annual open enrollment for health, dental, and optical insurance coverage, updated employee beneficiaries, 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.
- Coordinated and assigned City and County of San Bernardino Work Experience Program volunteers to various City departments.
- Assisted management staff of all City Departments and Division's to resolve employee labor matters.
- Coordinated and assisted with the implementation of various employee-related programs.
- Completed and submitted bi-annual EEO-4 report mandated by the U.S. Equal Employment Opportunity Commission (EEOC).
- Informed City staff and implemented provisions of Health Care Reform as outlined in the Affordable Care Act.

Risk Management

- Administered the City's general liability insurance pool programs according to the Joint Powers Agreement (JPA). Coordinated and assisted with the administration of insurance coverage/policies for all City-owned property, fixed assets, and City-sponsored events. Conducted field inspections for damage assessment of general liability claims and lawsuits.
- Monitored, processed, and managed workers' compensation claims the third-party administrators.
- Assisted and responded to legal counsel inquiries regarding liability claims and lawsuit settlements, and prepared workers' compensation reporting and settlement authority.
- Coordinated, administered and managed the City's employee training programs in compliance with City, State, and Federal mandates.

2014-15 DIVISION GOALS AND OBJECTIVES

Human Resources

- Process, update, and implement City-sponsored comprehensive benefit plans such as medical, dental, optical, life, disability, IRS 125 Cafeteria Plan, 457(b), 401(a), and optional insurance plans, and conduct a review of plans to determine which are cost-effective to the City and employees in accordance with the Affordable Care Act.
- Assist employees with the California Public Employees Retirement System (CalPERS) dependent eligibility verification project.
- Coordinate City and County of San Bernardino Work Experience Program volunteers and assign to various City departments.
- Monitor, update, and implement revisions to policies, procedures, programs, and forms to ensure consistency and compliance with City rules and regulations and State and Federal laws.

2014-15 DIVISION GOALS AND OBJECTIVES (Continued)

Human Resources (Continued)

- Coordinate with CalPERS and assist with the implementation of the employee cost sharing provision effective July 1, 2015.

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.
- Continue to manage and update employee incident, injury, illness, and vehicle accident reporting system; and develop, promote, and manage employee safety awareness and training.
- Manage, process, and coordinate workers' compensation claims with third party administrator.
- Reactivate the Safety Committee and reevaluate the Safety Committee Program.
- Continue to monitor and implement the Employee Return to Work Program, and coordinate with the City's workers' compensation third party administrator.
- Update and monitor changes affecting employee safety and training programs.
- Continue analyzing events and incidents that include damaged City property within the City to reduce potential liability.

PERFORMANCE AND WORKLOAD INDICATORS	2011-12	2012-13	2013-14	2014-15
Human Resources				
Advertising/Marketing	13	12	21	10
Background Checks (includes rescinds and hires)	56	50	42	40
Benefit Worksheets Processed	520	700	675	500
Employee Evaluations Processed	126	108	90	100
Employee Promotions Processed	2	3	7	3
Employment Separations/Retirements Processed	19	25	13	10
Employment Applications Reviewed/Processed	843	981	1,000	900
Employment Interviews Coordinated and Monitored	21	29	50	20
Employment Testing and Assessments Proctored	4	3	4	1
New Employees (hires) Processed	17	17	20	10
Personnel Action Forms Processed	75	432	640	245
Records Retention Program Processed	5	40	10	10
Recruitments and Selection	12	13	18	10
Staff Professional Development Attended	25	25	25	20
Volunteers Processed	22	27	30	25

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

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Risk Management				
Court Appearances	2	0	1	0
Damaged City Property Claims Recovery	30	40	34	40
Field Inspections	1	0	0	0
Insurance Certificates Received/Processed	1,426	1,371	900	1,000
Lawsuits Filed and Monitored	10	6	6	3
Lawsuits Settled	2	4	5	4
Liability Claims	35	28	16	20
Liability Claims Settled	4	3	1	0
Liability Investigations Handled	19	1	0	0
Liability Subrogation Notices Sent	21	36	42	30
Subpoenas Processed	25	6	10	5
Training and Drills Coordinated	14	14	23	15
Workers' Compensation Claims Processed/Monitored	18	26	16	15
Workers' Compensation Claims Settled	13	20	12	12

FUNDS: VARIOUS
DEPARTMENT: ECONOMIC DEVELOPMENT 25

FUND EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 649,980	$ 550,586	$ 582,203	$ 566,852	$ 561,155	-4%
Benefits	256,894	187,996	209,879	192,139	200,963	-4%
Materials	349,785	277,364	199,010	219,205	214,621	8%
Contractual	6,084,113	277,263	1,564,046	314,550	1,244,000	-20%
Other Operating	231,721	323,227	290,840	323,835	360,623	24%
Capital Outlay	1,933,208	957,320	837,879	257,757	452,400	-46%
Debt Service	10,067,680	152,383	160,000	151,300	150,380	-6%
TOTAL	**$ 19,573,381**	**$ 2,726,139**	**$ 3,843,857**	**$ 2,025,638**	**$ 3,184,142**	**-17%**

ECONOMIC DEVELOPMENT DEPARTMENT EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Community Development Commission Funds						
170 Community Development Commission	$ 210	$ 436,949	$ 378,894	$ 363,766	$ 346,253	-9%
Hesperia Housing Authority Funds						
370 Hesperia Housing Authority	$ 216,381	$ 293,542	$ 536,203	$ 287,798	$ 582,884	9%
371 VVEDA Housing Authority	15,840	0	225,000	0	225,000	0%
Subtotal Hesperia Housing Authority	$ 232,221	$ 293,542	$ 761,203	$ 287,798	$ 807,884	6%
Community Development Block Grant						
251 CDBG Administration	$ 699,915	$ 1,412,319	$ 1,507,415	$ 797,796	$ 1,141,371	-24%
252 CDBG HOME Grant	0	0	0	0	0	0%
253 CDBG Revolving Loans	89,853	89,442	554,020	96,505	313,951	-43%
257 CDBG Neighborhood Stabilization Program	616,473	493,887	642,325	479,773	574,683	-11%
Sub-Total CDBG	$ 1,406,241	$ 1,995,648	$ 2,703,760	$ 1,374,074	$ 2,030,005	-25%
Redevelopment Agency						
385 RDA Low/Moderate Income	$ 4,642,553	$ 0	$ 0	$ 0	$ 0	0%
388 VVEDA Low/Moderate Income	57,565	0	0	0	0	0%
389 RDA Administration (150) (See note)	525,459	0	0	0	0	0%
486 RDA Project Area #1 D/S	11,314,259	0	0	0	0	0%
487 RDA Project Area #2 D/S	1,336,464	0	0	0	0	0%
586 RDA Project Area #1-CIP	58,409	0	0	0	0	0%
587 RDA Project Area #2-CIP	0	0	0	0	0	0%
588 RDA VVEDA	0	0	0	0	0	0%
Sub-Total Redevelopment Agency	$ 17,934,709	$ 0	$ 0	$ 0	$ 0	0%
Other City Related Funds						
150 Redevelopment Agency Administation (See note)	0	0	0	0	0	0%
Sub-Total Other City Related Funds	0	0	0	0	0	0%
Total Economic Development	**$ 19,573,381**	**$ 2,726,139**	**$ 3,843,857**	**$ 2,025,638**	**$ 3,184,142**	**-17%**

Note: References for former HCRA funds (385, 389, 486, 487, 488, 586, 587, & 588) will be for illustrative and legacy purposes only. In essence, the aforementioned HCRA funds were closed via closing journal entries in February 2012.

FUNDS: VARIOUS
DEPARTMENT: ECONOMIC DEVELOPMENT 25

PROGRAM STAFFING	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Administrative Aide	1.00	1.00	1.00	0.00
Administrative Analyst	3.00	2.00	2.00	2.00
Administrative Secretary	1.00	1.00	1.00	1.00
Deputy Economic Development Director	1.00	1.00	1.00	0.00
Economic Development Director	0.00	0.00	0.00	1.00
Management Analyst	2.00	2.00	2.00	2.00
Senior Management Analyst	2.00	1.00	1.00	1.00
Total Full-Time Staff	**10.00**	**8.00**	**8.00**	**7.00**

DEPARTMENT GOALS FOR 2014-15

- Prepare and submit a NSP Substantial Amendment.
- Develop and incorporate Economic Development Ordinance into City's Municipal Code.
- Pursue 501(c)(3) designation for ED&H non-profit corporation from Internal Revenue Service.
- Implement Long Range Property Management Plan (LRPMP) including Disposition/Development objectives.
- Evaluate potential of infrastructure financing districts.
- Submit Accredited Economic Development Organization (AEDO).
- Effectuate sale of Eagle Plaza.
- 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.
- Negotiate Compensation Agreement(s) with Taxing Entities.

SIGNIFICANT DEPARTMENT EXPENDITURES AND STAFFING CHANGES

- As approved with the 2013-14 Mid-Year Budget review, the Deputy Director of Economic Development position classification title is changed to Economic Development Director position classification title, with no change in compensation, to more accurately reflect the functions performed by the incumbent.
- Eliminate one vacant Administrative Aide (1.00 FTE) position to reduce expenditures during the continuing economic downturn.
- The 1996 $3,000,000 HUD Section 108 Loan will be paid in full on August 1, 2014.
- Expenditure reduction in contract services is related to a reduction in anticipated Community Development Block Grant (CDBG) inducement support, stemming from a reduction in available funding.
- The reduction in FY 2014-15 Capital Outlay is the result of a temporary reduction in CDBG Economic Development Program spending due to project timing.
- Increase in Economic Development account attributed to restoration of Hesperia Housing Authority's (HHA) Downpayment Assistance Program (DAP) and Housing Rehabilitation Loan Program (HRLP) that were mired by the redevelopment wind down process. The receipt of the Finding of Completion (FoC) by the Department of Finance (DOF) has enabled the HHA to begin accepting applications for these programs. Additional consultancy services are also included to expedite loan processing.
- Contractual increase (7500) due to passage of redevelopment dissolution bills which added additional auditing requirements for the housing successor (HHA). White Nelson Diehl Evans (WNDE) will be retained to prepare the required audits/review. Additional funds will be utilized for consultants involved in construction management of the HRLP program.

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

PROGRAM EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 0	$ 80,712	$ 87,636	$ 78,808	$ 78,941	-10%
Benefits	0	27,354	32,168	26,718	28,112	-13%
Materials	210	236,981	130,040	175,390	148,850	14%
Contractual	0	46,387	84,000	40,050	51,800	-38%
Other Operating	0	45,515	45,050	42,800	38,550	-14%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 210**	**$ 436,949**	**$ 378,894**	**$363,766**	**$346,253**	**-9%**

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, 2011, 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. As part of the State of California's Fiscal Year 2013-14 budget cycle, AB 93 was chaptered into law eliminating the EZ Program effective January 1, 2014. To provide for a "wind-down" of EZ activities, the bill allowed EZs to issue hiring credit vouchers for qualified persons hired prior to December 31, 2013. The HCDC will continue to serve as the Vouchering Agent for the EZ until December 31, 2014, at which time the program will cease to exist in its entirety.

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.

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

PROGRAM STAFFING	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Administrative Aide	0.00	0.25	0.25	0.00
Administrative Secretary	0.00	0.30	0.30	0.30
Deputy Economic Development Director	0.00	0.30	0.30	0.00
Economic Development Director	0.00	0.00	0.00	0.30
Management Analyst	0.00	0.30	0.30	0.30
Total Full-Time Staff	**0.00**	**1.15**	**1.15**	**0.90**

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
Community Development Commission (170)						
Interest						
CDC Fund–Interest Income 170 25 261 0000 5600	$ 459	$ 185	$ 0	$ 1,150	$ 1,200	n/a
Total Interest Income	$ 459	$ 185	$ 0	$ 1,150	$ 1,200	n/a
Other						
Rents & Leases 170 25 261 0000 5700	$ 25,000	$ 70,000	$ 60,000	$ 60,000	$ 60,000	0%
Reimbursements/Other Agencies 170 25 261 0000 5800	0	0	0	61,777	12,499	n/a
Off Highway Vehicle Grant 170 25 261 0000 4790	31,000	4,650	0	0	0	n/a
Proceeds from Land Sale 170 19 220 0000 5900	0	0	0	8,003	624,091	n/a
Misc. Revenue 170 25 261 0000 5950	1,662	668,452	40,800	25,060	29,325	-28%
Total CDC Other	$ 57,662	$ 743,102	$ 100,800	$ 154,840	$ 725,915	620%
Total Community Development Commission	**$ 58,121**	**$ 743,287**	**$ 100,800**	**$ 155,990**	**$ 727,115**	**621%**

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Eliminate one vacant Administrative Aide (0.25 FTE) position to reduce expenditures during the continuing economic downturn.

2013-14 DIVISION ACCOMPLISHMENTS

- Performed all Successor Agency (of the former HCRA) duties including Oversight Board administration.

2013-14 DIVISION ACCOMPLISHMENTS (Continued)

- Prepared the Long Range Property Management Plan (LRPMP) and submitted it to the Department of Finance (DOF) for approval.
- Obtained a Finding of Completion (FoC) from the DOF after successfully negotiating resolution of outstanding issues related to the Low and Moderate Income Housing Fund (LMIHF) Due Diligence Review (DDR).
- Successfully negotiated reduction in DOF's demands for LMIHF cash and cash equivalents from $42M to $4.4M.
- Obtained Oversight Board approval of, and made timely submittals to DOF of Recognized Obligation Payment Schedules 13-14B & 14-15A.
- Made timely payments of Enforceable Obligations, including bond payments.
- Assisted Cinema West at Alcoholic Beverage Control protest hearing pertaining to its conditional liquor license.
- Conducted Meet & Confer sessions with DOF in Sacramento regarding ROPS 13-14B, LMIHF DDR, and LRPMP.
- Co-created loan agreements to memorialize (i) City advances to the Successor Agency; and (ii) loans from the Victor Valley Economic Development Agency (VVEDA) LMIHF to its non-housing fund to make Supplemental Educational Revenue Augmentation Fund (SERAF) payments and public improvements.
- Prepared new Administrative Services Cooperative Agreement between Successor Agency and City, Hesperia Housing Authority, and HCDC.
- Completed transfer of High Desert Government Center (HDGC) to San Bernardino County through a Purchase and Sale Agreement (PSA).
- Facilitated the optioning of the Ross property near Main and US 395 to The Lewis Group of Companies.
- Discharged City's real estate functions, including purchase/sale of former police headquarters, exchange of property between the Hesperia Fire District and Hesperia Housing Authority, and support of capital projects requiring real estate activities.
- Performed property management function of City real estate assets including Eagle Plaza. Negotiated and renewed leases. Facilitated necessary repairs with Public Works and third-party contractors.
- Managed City's cellular tower license/lease functions, including negotiations of new agreements and administration of existing contracts.
- Secured venue and provided permit facilitation for "God and Country" Event.
- Provided support and secured venue for Desert Rocks Film Festival.
- Assisted in preparation of California State Parks OHV Grant application.
- Managed former HCRA real estate portfolio, including operating leases of Competitive Edge Motocross Park and Hesperia Golf and Country Club.
- Consummated sale of former redevelopment agency property to Sultan Financial, enabling construction of 15,000SF Aaron's and Family Dollar at SWC of Main and Hickory.
- Completed subordination of former redevelopment agency's deed of trust for PJ Machinery.
- Facilitated location and opening of Fitness 19.
- Progress was made on the façade improvements, signage and retenanting efforts for Hesperia Town Center anchored by Stater Bros. at Main and Ninth. Discussions with restaurants, a health club, and possible sale of Eagle Plaza rounded out efforts in revitalizing the downtown and civic plaza area.

2013-14 DIVISION ACCOMPLISHMENTS (Continued)

- Façade improvements and positive retail tenant attraction was accomplished in conjunction with property owners of the shopping centers located at Main and "I," Main and "G," and Main and Eleventh. New tenants of these shopping centers include 99 Cent Only, Vallarta, Fitness 19, Family Dollar, Dollar General, Baskin Robbins, and Flame Broiler.
- Discussions with numerous developers ensued for retail projects along Ranchero Road now that the underpass is completed and work has begun on the interchange.
- Co-tenancy at the Hesperia Marketplace, anchored by Walmart Supercenter, continues to expand with the addition of Panda Express and Hesperia Speed Wash.
- Mountain Vista Plaza located at Main and Escondido added Wingstop to their list of tenants this year.
- High Desert Gateway, anchored by Super Target, began construction of the corner pads for Phase II.
- Cinnabon and McDonalds have committed to future expansion efforts at the travel centers located at I-15 and Joshua.
- Hosted Ribbon Cutting Ceremonies for Panda Express, WingStop, Hot Dog on a Stick, Menchie's Frozen Yogurt Vallarta Supermarkets, and Baskin Robbins.
- Facilitated a Ground Breaking Ceremony for Hesperia Speedwash.
- Implemented the Hesperia RMDZ Memorandum of Understanding (MOU) with the following results:
  - Attended two (2) trade shows/workshops;
  - Referred one (1) business to CalRecycle for RMDZ assistance.
- Implemented the Hesperia Enterprise Zone (EZ) Memorandum of Understanding (MOU), with FY 2013-14 representing the fourth year of its fifteen year designation with the following accomplishments:
  - Processed 459 EZ hiring credit vouchers in calendar year 2013, of which 444 were approved.
  - Sponsored and attended the West Coast Franchise Expo with over 2,500 attendees.
  - Sponsored and attended Hesperia Chamber Mega Mixer.
  - Sponsored and attended, Small Business Assistance Day in conjunction with High Desert Hispanic Chamber of Commerce.
- As lead municipality, participated in Opportunity High Desert, a five-community regional partnership, resulting in successful retail attraction, increased sales and property taxes, and job creation, garnering a state-wide economic development award.
- Held, attended or exhibited at fifteen trade and industry shows including International Conference of Shopping Centers (ICSC), I.E. Manufacturing Summit, Enterprise Funding, and local shows such as Opportunity High Desert and the High Desert Economic Summit. Subsequent to the shows staff conducted eighteen meetings that resulted in five new projects.
- Established and engaged in forty-eight active business attraction and development leads, and responded to sixty requests for information.
- Produced a monthly Enterprise Zone e-Newsletter, providing easy-to-read explanations of available benefits, as well as Hesperia Enterprise Zone updates and informative articles for business owners.
- Enterprise Zone marketing via direct mail program included mailings of 1,700 postcards and more than 2,000 flyers sent with business license renewals.

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

2014-15 DIVISION GOALS AND OBJECTIVES

- Develop and incorporate Economic Development Ordinance into City's Municipal Code.
- Pursue 501(c)(3) designation for ED&H non-profit corporation from Internal Revenue Service.
- Secure approval of Successor Agency's Long Range Property Management Plan (LRPMP).
- Implement Long Range Property Management Plan including Disposition/Development Objectives.
- Support expansion of local RMDZ business(es) through CalRecycle's loan program.
- Evaluate potential of Infrastructure Financing Districts.
- Effectuate sale of Eagle Plaza.
- Negotiate Compensation Agreement(s) with Taxing Entities to facilitate implementation of Long Range Property Management Plan (LRPMP), and ensure payment of Enforceable Obligations of the Successor Agency.
- "Wind-down" the Hesperia Enterprise Zone (EZ) and terminate program effective 12/31/2014.
- Submit Accredited Economic Development Organization (AEDO) application to the International Economic Development Council (IEDC).

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Properties Managed	59	84	85	85
Grant Applications Submitted	1	2	1	1
Grants Approved	0	1	1	1
EZ Hiring Credit Vouchers Processed	260	430	459	502
EZ Hiring Credit Vouchers Approved (Calendar Year)	240	372	416	432
Exclusive Negotiation Agreements (ENAs) Approved	2	3	n/a	0
Active Development Leads	n/a	94	48	45
Proposals Prepared and RFI Responses	n/a	42	60	50
Business Recruitments	n/a	n/a	10	10
Newsletter Issues	n/a	21	13	12
Focused Event Sponsorships	n/a	11	8	8
Groundbreakings	n/a	0	1	2
Ribbon Cuttings	n/a	6	8	4
Advertising Placements	n/a	42	30	30
Trade Shows/Exhibitions Attended and Booth Displayed	n/a	17	17	15
Feet on the Street Business Surveys/Visits	n/a	271	16	100
Recycling Market Development Zone Commitments Satisfied	n/a	80%	80%	80%
Enterprise Zone MOU Commitments Satisfied (%)	n/a	80%	80%	n/a

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 58,473	$ 90,724	$ 99,297	$ 93,048	$ 90,707	-9%
Benefits	19,733	30,213	35,861	31,045	31,854	-11%
Materials	84,983	4,285	11,645	4,360	12,473	7%
Contractual	50,515	151,404	332,700	120,000	429,200	29%
Other Operating	2,612	16,369	37,300	39,345	18,250	-51%
Capital Outlay	65	547	19,400	0	400	-98%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 216,381**	**$ 293,542**	**$ 536,203**	**$287,798**	**$ 582,884**	**9%**

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 Housing Successor Entity, 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**

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Aide	0.00	0.30	0.30	0.00
Administrative Analyst	0.00	0.15	0.15	0.15
Administrative Secretary	0.00	0.15	0.15	0.15
Deputy Economic Development Director	0.00	0.30	0.30	0.00
Director of Economic Development	0.00	0.00	0.00	0.30
Senior Management Analyst	0.00	0.35	0.35	0.35
Total Full-Time Staff	**0.00**	**1.25**	**1.25**	**0.95**

REVENUE DETAIL	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**%Change From 2013-14 Budget**
Hesperia Housing Authority (HHA) Funds (370, 371)						
370 Hesperia Housing Authority						
Interest						
Housing Authority - Interest 370 19 220 0000 5600	$ 253,009	$ 100,359	$ 105,184	$ 52,503	$ 52,601	-50%
Total Interest	**$ 253,009**	**$ 100,359**	**$ 105,184**	**$ 52,503**	**$ 52,601**	**-50%**
Other						
Loan Repayments 370 25 263 0000 4746	$ 81,464	$ 82,283	$ 0	$ 0	$ 0	n/a
Rents & Leases 370 25 263 0000 5700	16,123	18,800	43,800	22,800	27,900	-36%
Proceeds from Land Sales 370 25 263 0000 5900	0	0	0	128,139	327,450	n/a
Miscellaneous 370 25 263 0000 5950	3,000	1,575	3,000	3,000	3,000	0%
Total Other	**$ 100,587**	**$ 102,658**	**$ 46,800**	**$ 153,939**	**$ 358,350**	**666%**
Total Hesperia Housing	**$ 353,596**	**$ 203,017**	**$ 151,984**	**$ 206,442**	**$ 410,951**	**170%**
371 WEDA Housing Authority						
Taxes						
WEDA Housing Authority - Tax Increment 371 25 261 0000 4068	$ 72,662	$ 329,913	$ 0	$ 155,489	$ 0	n/a
WEDA Housing Authority - Low/Mod 371 25 263 2700 4078	198,780	0	0	0	0	n/a
Total Taxes	**$ 271,442**	**$ 329,913**	**$ 0**	**$ 155,489**	**$ 0**	**n/a**
Interest						
WEDA Housing Authority - Interest 371 19 220 0000 5600	$ 1,904	$ 4,039	$ 3,726	$ 3,730	$ 3,730	0%
Total Interest	**$ 1,904**	**$ 4,039**	**$ 3,726**	**$ 3,730**	**$ 3,730**	**0%**
Total WEDA Housing	**$ 1,904**	**$ 4,039**	**$ 3,726**	**$ 3,730**	**$ 3,730**	**0%**
Total HHA Funds	**$ 626,942**	**$ 536,969**	**$ 155,710**	**$ 365,661**	**$ 414,681**	**166%**

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

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Contractual increase (7500) due to passage of redevelopment dissolution bills which added additional auditing requirements for the housing successor (HHA). White Nelson Diehl Evans (WNDE) will be retained to prepare the required audits/review. Additional funds will be utilized for consultants involved in construction management of the HRLP program.
- Increase in Economic Development account attributed to restoration of Hesperia Housing Authority's (HHA) Downpayment Assistance Program (DAP) and Housing Rehabilitation Loan Program (HRLP) that were mired by the redevelopment wind down process. The receipt of the Finding of Completion (FoC) by the Department of Finance (DOF) has enabled the HHA to begin accepting applications for these programs. Additional consultantcy services are also included to expedite loan processing.
- Eliminate one vacant Administrative Aide (0.30 FTE) position to reduce expenditures during the continuing economic downturn.

2013-14 DIVISION ACCOMPLISHMENTS

- Negotiated a settlement with Hesperia Housing Investors (formerly Simpson Housing Solutions) related to the affordable family housing project at Olive and G Avenue.
- Identified developer and commenced negotiations to convert former affordable family project at Olive and G to multi-family senior housing with increased density per acre.
- Aggressively lobbied to maintain Hesperia Housing Authority's (HHA) existing Payment in Lieu of Taxes Agreements (PILOT), which have been targeted for elimination by the Board of Equalization (BOE).
- Sold, leased, and managed all HHA residential properties.
- Funded playground relocation at San Remo Apartments.
- Complied with AB 987 requirements, which requires disclosure of affordable units counted.
- Completed annual on-site monitoring of affordable HOME units and HHA units.
- Completed biannual review and monitoring of HOME and HHA unit reports through U.S. Communities Housing Compliance Services software.
- Prepared HHA Annual Report and Audit.
- Continued efforts to identify and provide support to affordable housing developments.
- Implemented affordable housing monitoring guidelines for affordable units restricted by HOME regulations.
- Completed minor repairs to prepare HHA residential properties for lease.
- Underwrote applications for the HHA's Housing Rehabilitation Loan Program with integrated Sewer Connection Program (HRLP-SCP) in the Township Area.
- Assisted in completion of the Housing Element and Annual Report.

2014-15 DIVISION GOALS AND OBJECTIVES

- Identify candidate properties wherein HHA could purchase long-term affordability covenants.
- Establish revised Downpayment Assistance Program (DAP) Guidelines to provide affordable homeownership opportunities.
- Establish Seller Mortgage CarryBack Program for the HHA, which was originally funded through NSP to assist low income households in purchasing NSP properties.
- Cause preparation HHA Annual Report and Audit required by SB 341.

2014-15 DIVISION GOALS AND OBJECTIVES (Continued)

- Ensure compliance with SB 341 and AB 471 relating to housing successor agencies specifically as they relate to spending of former LMIHF.
- Complete bi-annual and monitoring of HOME and HHA unit reports through U.S. Communities Housing Compliance Services software.
- Develop Strategic Plan for HHA.
- Manage HHA rental properties and assets.
- Comply with AB 987 requirements, which requires disclosure of affordable units counted.

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
DAP Loans Submitted	n/a	3	0	5
DAP Loans Approved	n/a	0	0	2
Deed Restricted Units Funded	n/a	3	0	15
Housing Developer Proposal Reviews	1	0	1	2
HRLP and Sewer Loans Submitted	n/a	1	3	5
HRLP Loans and Sewer Approved	n/a	0	0	3
Affordability Covenants Purchased	0	0	0	0
HHA Affordable Units Monitored	619	625	625	625
Real Property Purchase Contracts Negotiated	0	2	0	0

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

DEPARTMENT EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 11,405	$ 0	$ 0	$ 0	$ 0	0%
Benefits	4,435	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	0	0	225,000	0	225,000	0%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
Total	**$ 15,840**	**$ 0**	**$ 225,000**	**$ 0**	**$ 225,000**	**0%**

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

- None

2013-14 DIVISION ACCOMPLISHMENTS

- Promoted the HHA's Housing Rehabilitation Loan Program with integrated Sewer Connection Program (HRLP-SCP).
- Continued efforts to identify and provide financial support to affordable housing developments within the former VVEDA Project Area.
- Reported VVEDA Enforceable Obligations on Successor Agency's 13-14B and 14-15A ROPS.
- Co-developed loan agreements by and between VVEDA's non-housing and LMIHF to gain recognition from the DOF and facilitate their repayment.

2014-15 DIVISION GOALS AND OBJECTIVES

- Support and fund the HHA's Downpayment Assistance Program (DAP) and Housing Rehabilitation Loan Program (HRLP).
- Continue efforts to identify and provide support to affordable housing developments.
- Support and participate in programs, projects, and initiatives of the HHA including the provision of funding.
- Endeavor to satisfy Inclusionary Housing Obligations of dissolved VVEDA allocated to the City of Hesperia.
- Collect repayment of loans due the VVEDA LMIHF from VVEDA Successor Agency.

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

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
HRLP Loans Submitted	n/a	1	0	0
HRLP Loans Approved	n/a	4	0	0
Affordability Covenants Purchased	n/a	8	0	0

Indicators for Fund 371 reported in Fund 370 (HHA)

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	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 438,783	$ 379,150	$ 395,270	$ 394,996	$ 391,507	-1%
Benefits	169,838	130,429	141,850	134,376	140,997	-1%
Materials	25,798	36,098	57,325	39,455	53,298	-7%
Contractual	75,095	79,472	922,346	154,500	538,000	-42%
Other Operating	167,784	261,343	208,490	241,690	303,823	46%
Capital Outlay	375,638	956,773	818,479	257,757	452,000	-45%
Debt Service	153,305	152,383	160,000	151,300	150,380	-6%
TOTAL	**$ 1,406,241**	**$ 1,995,648**	**$ 2,703,760**	**$1,374,074**	**$2,030,005**	**-25%**

DIVISION EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Community Development Block Grant						
251 CDBG Administration	$ 699,915	$ 1,412,319	$ 1,507,415	$ 797,796	$1,141,371	-24%
252 CDBG HOME Grant	0	0	0	0	0	0%
253 CDBG Revolving Loans	89,853	89,442	554,020	96,505	313,951	-43%
257 CDBG Neighborhood Stabilization	616,473	493,887	642,325	479,773	574,683	-11%
Total CDBG	**$ 1,406,241**	**$ 1,995,648**	**$ 2,703,760**	**$1,374,074**	**$2,030,005**	**-25%**

PROGRAM STAFFING	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Administrative Aide	0.60	0.45	0.45	0.00
Administrative Analyst	2.25	1.85	1.85	1.85
Administrative Secretary	0.35	0.55	0.55	0.55
Deputy Economic Development Director	0.40	0.40	0.40	0.00
Economic Development Director	0.00	0.00	0.00	0.40
Management Analyst	2.00	1.70	1.70	1.70
Senior Management Analyst	1.30	0.65	0.65	0.65
Total Full-Time Staff	**6.90**	**5.60**	**5.60**	**5.15**

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

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Community Development Block Grant (CDBG) Funds (251, 252, 253, 257)						
251 CDBG Fund						
Reimbursement 251 25 270 2700 4730	$ 688,769	$ 1,412,321	$ 1,429,826	$ 913,452	$ 1,029,826	-28%
CDBG Loan Repayment 251 25 270 2700 4746	8,419	0	15,000	15,000	0	-100%
CDBG Interest 251 19 220 0000 5600	0	0	0	0	0	n/a
CDBG Administration Reimbursement 251 29 700 7091 4730	0	0	0	0	0	n/a
Total CDBG Fund 251	**$ 697,188**	**$ 1,412,321**	**$ 1,444,826**	**$ 928,452**	**$ 1,029,826**	**-29%**
252 HOME Grant Fund						
Interest						
CDBG HOME Grant Program Interest Income 252 19 220 0000 5600	$ 17,110	$ 22,833	$ 59	$ 14,900	$ 14,515	24502%
Total Interest Income	$ 17,110	$ 22,833	$ 59	$ 14,900	$ 14,515	24502%
Grants						
CDBG HOME Grant 2000 252 25 264 2700 4750	$ 0	$ 0	$ 0	$ 10	$ 0	n/a
1999 Home-HRLP Loan Repayment 252 25 264 2700 4748	0	0	0	0	0	n/a
CDBG 2002 HOME Construction 252 25 264 2700 4756	0	0	0	0	0	n/a
DOIM Income from Home Activites 252 25 264 2700 4758	0	0	2,275	1,477	1,600	-30%
Total Grants	$ 0	$ 0	$ 2,275	$ 1,487	$ 1,600	-30%
Total HOME Fund 252	**$ 17,110**	**$ 22,833**	**$ 2,334**	**$ 16,387**	**$ 16,115**	**590%**
253 CDBG-Revolving Loan						
CDBG Revolving Loan Program Interest Income 253 19 220 0000 5600	$ 3,551	$ 2,641	$ 2,607	$ 2,176	$ 2,035	-22%
CDBG-Revolving Loan Fund - Miscellaneous Income	0	0	0	0	0	n/a
Total CDBG-Revolving Loan Fund 253	**$ 3,551**	**$ 2,641**	**$ 2,607**	**$ 2,176**	**$ 2,035**	**-22%**
257 CDBG-Neighborhood Stabilization Program (NSP) Fund						
NSP Interest Income 257 19 220 0000 5600	$ 3,340	$ 1,848	$ 2,058	$ 1,350	$ 1,350	-34%
Neighborhood Stabilization Program 257 270 2700 0000 4760	0	0	238,030	0	238,030	0%
NSP - Proceeds from Sales 257 270 2700 0000 5901	0	142,550	1,500,000	659,448	594,929	-60%
NSP - Rents/Lease 257 270 2700 0000 5870	0	0	78,200	4,425	78,200	0%
Program Income from NSP Activities 257 25 270 2700 5903	0	15,839	0	90,870	79,692	n/a
NSP Miscellaneous	0	225	0	300	300	n/a
Total CDBG-Neighborhood Stabilization Fund 257	**$ 3,340**	**$ 160,462**	**$ 1,818,288**	**$ 756,393**	**$ 992,501**	**-45%**
Total CDBG Funds (251, 252, 253, 257)	**$ 721,189**	**$ 1,598,257**	**$ 3,268,055**	**$ 1,703,408**	**$ 2,040,477**	**-38%**

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

DIVISION EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 228,190	$ 213,458	$ 229,744	$ 223,478	$ 219,674	-4%
Benefits	89,942	75,401	85,006	76,613	80,749	-5%
Materials	3,285	5,730	8,750	11,965	16,745	91%
Contractual	57,570	71,911	450,346	138,500	310,000	-31%
Other Operating	167,623	227,661	175,990	195,940	263,823	50%
Capital Outlay	0	665,775	397,579	0	100,000	-75%
Debt Service	153,305	152,383	160,000	151,300	150,380	-6%
TOTAL	**$ 699,915**	**$ 1,412,319**	**$ 1,507,415**	**$ 797,796**	**$ 1,141,371**	**-24%**

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) 2013-14, the City received a CDBG entitlement in the amount of $913,452. For PY 2014-15, the CDBG Entitlement shall be $895,488, which represents a decrease of +/-2%. 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). FY 14-15 represents the final year of the Con Plan and staff has commenced preparation of its successor.

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 Section 108 Economic Development Revolving Loan Fund (EDRLF), although the implementation is accounted for in Fund 253, is paid annually from the City's CDBG entitlement. The final payment on the City's Section 108 loan will be paid in FY 2014-15.

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

PROGRAM STAFFING	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Administrative Aide	0.40	0.45	0.45	0.00
Administrative Analyst	1.35	1.30	1.30	1.30
Administrative Secretary	0.20	0.35	0.35	0.35
Deputy Economic Development Director	0.20	0.25	0.25	0.00
Economic Development Director	0.00	0.00	0.00	0.25
Management Analyst	1.40	1.15	1.15	1.15
Senior Management Analyst	0.25	0.00	0.00	0.00
Total Full-Time Staff	**3.80**	**3.50**	**3.50**	**3.05**

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Eliminate one vacant Administrative Aide (0.45 FTE) position to reduce expenditures during the continuing economic downturn.
- The 1996 $3,000,000 HUD Section 108 Loan will be paid in full on August 1, 2014.
- The reduction in FY 2014-15 Capital Outlay is the result of a temporary reduction in Economic Development spending due to project timing.

2013-14 DIVISION ACCOMPLISHMENTS

- Successfully implemented the new Energy Efficiency Rehabilitation Program.
- Received and reviewed CDBG Housing Rehabilitation Loan Program applications.
- Received and reviewed Energy Efficiency Rehabilitation Program.
- 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) 2014-15 Action Plan to the U.S. Department of Housing and Urban Development (HUD) consistent with CDBG regulations.
- Supported development of affordable, safe, and decent housing within the CDBG target Areas including, the rehabilitation of Neighborhood Stabilization Program (NSP) properties.
- Prepared and submitted required financial and performance reports to HUD, including the Section 3 Report.
- Submitted PY 2012-13 Consolidated Annual Performance and Evaluation Report (CAPER).
- Conducted on-site monitoring visits of public service provider programs and contracts to ensure compliance with CDBG and cross-cutting requirements, such as procurement and financial management.
- Conducted desk monitoring of public service providers, including review of reimbursement requests for compliance with CDBG regulations, and review of quarterly performance reports.
- Provided two Technical Assistance Workshops to CDBG-funded public services providers, and provided additional TA throughout the year to new and existing public service providers to ensure understanding and compliance with CDBG regulations.
- Submitted the close-out documents for the City's CDBG-R Grant.
- Satisfied goals and objectives pertaining to housing, economic development, and special needs services set forth in the City's Consolidated Plan.

2013-14 DIVISION ACCOMPLISHMENTS (Continued)

- Initiated the process for the 2015-19 Consolidated Plan and Analysis of Impediments to Fair Housing Choice. Developed and disseminated surveys to obtain stakeholder and citizen feedback on community needs; conducted stakeholder interviews; and summarized data.
- Developed and received approval of the 2015-19 Citizen Participation Plan, which incorporated new HUD requirements, and governs the process for the 2015-19 Consolidated Plan and related documents.
- Developed program guidelines for the CDBG-funded Minor Home Repair Program and Energy Efficiency Program.
- Developed and implemented CDBG Policies and Procedures manuals for the day-to-day management of CDBG-funded programs in accordance with HUD regulations and cross-cutting elements such as Davis-Bacon Act and the National Environmental Protection Act (NEPA).
- Prepared for and participated in HUD CDBG Monitoring Visit.
- Rehabilitated and rented or sold Neighborhood Stabilization Program (NSP) properties previously acquired in prior program years.
- Managed the NSP Disaster Recovery Grant Reporting (DRGR) System, including the submission of Quarterly Performance Reports (QPRs) and financial accounting, program income tracking, and drawdowns from HUD.
- Met HUD timelines test for Program Year (PY) 2013-14.
- Continued staffing support for the City's HOME Grant Program (Fund 252) and Economic Development Revolving Loan Fund (Fund 253).

2014-15 DIVISION GOALS AND OBJECTIVES

- Initiate CDBG funded Emergency Rehabilitation Loan Program (Minor Rehabilitation).
- Through citizen participation and engagement, develop and submit PY 2015-16 CDBG Action Plan, 2015-19 Consolidated Plan, and 2015-19 Analysis of Impediments to Fair Housing Choice (A.I.) to U.S. Department of Housing and Urban Development (HUD) utilizing HUD's new e-Con Planning Suite.
- Satisfy goals and objectives pertaining to housing, economic development, and special needs services set forth in the City's new 2015-19 Consolidated Plan.
- Continue funding and support of CDBG Housing Rehabilitation Loan Program (HRLP), Emergency Repair Program, and Energy Efficiency Program.
- Refine and intensify the City's strategy to expand economic opportunities and create/retain jobs through CDBG-funded special economic development and microenterprise assistance activities.
- Commence first phase of rehabilitation of Intergenerational Center.
- Continue to develop and implement CDBG Policies and Procedures manuals for the day-to-day management of CDBG-funded programs to ensure compliance with HUD regulations.
- Continue to manage the Integrated Disbursement and Information System (IDIS) and Disaster Recovery Grant Reporting (DRGR System).
- Develop and submit PY 2014-15 Consolidated Annual Performance and Evaluation Report (CAPER).
- Prepare and submit required financial and performance reports to HUD, including the Section 3 Report.
- Conduct on-site monitoring and desk monitoring of public service provider programs and contracts to ensure compliance with CDBG and cross-cutting requirements.
- Provide Technical Assistance to new and existing public service providers to ensure understanding and compliance with CDBG regulations.
- Continue to rehabilitate and rent or sell Neighborhood Stabilization Program (NSP) properties.

2014-15 DIVISION GOALS AND OBJECTIVES (Continued)

- Meet HUD timeliness test for Program Year (PY) 2014-15.
- Provide staffing support to the City's HOME Programs (Fund 252) and Housing Rehabilitation Loan Program (HRLP).

PERFORMANCE AND WORKLOAD INDICATORS	2011-12	2012-13	2013-14	2014-15
HRLP Loans Funded	2	3	0	3
HRLP Loans Submitted	0	3	4	5
Emergency Rehabilitation Loan Program		0	0	5
Energy Efficiency Rehabilitation Program		0	9	10
Annual IDIS Draw-downs	4	12	8	5
Public Service Agencies Funded	12	12	13	10
Timeliness Test	*Requested Waiver	Pass	Pass	Pass

*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	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 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%
TOTAL	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0%**

DIVISION DESCRIPTION

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

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

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

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

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

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

In November 2005, the City was awarded a 2005 HOME grant totaling $4,000,000 for the 72-unit Sunrise Terrace II family apartment complex. 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, particularly with the loss of redevelopment funding for affordable housing. 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

2013-14 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.

2014-15 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 affordable project.

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
HOME Program Funds Remaining	0%	0%*	0%	0%
HOME Asset Portfolio	$14 Mil	$14 Mil	$14 Mil	$14M
Cumulative Units Constructed	247	247	247	247
Projects Monitored	3	3	3	3
HOME Grant Application	n/a	n/a	1	1

*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	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 64,736	$ 64,047	$ 64,828	$ 68,896	$ 68,099	5%
Benefits	25,117	21,895	22,692	23,659	24,852	10%
Materials	0	3,500	9,500	200	6,000	-37%
Contractual	0	0	455,000	0	210,000	-54%
Other Operating	0	0	2,000	3,750	5,000	150%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 89,853**	**$ 89,442**	**$ 554,020**	**$ 96,505**	**$ 313,951**	**-43%**

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. As mentioned previously the Section 108 loan that funded the EDRLF will be retired in FY 2014-15. Depending upon the availability of suitable collateral the City is contemplating seeking additional HUD funds to recapitalize the EDRLF.

DIVISION STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Analyst	0.45	0.35	0.35	0.35
Management Analyst	0.60	0.55	0.55	0.55
Total Full-Time Staff	**1.05**	**0.90**	**0.90**	**0.90**

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Expenditure reduction in FY 2014-15 is the result of a reduction in anticipated inducement support, stemming from a reduction in available funding. Additional inducement funding for projects will be evaluated on a case-by-case basis.

2013-14 DIVISION ACCOMPLISHMENTS

- Made 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**	

2014-15 DIVISION GOALS AND OBJECTIVES

- Identify appropriate collateral and submit an application for Section 108 loan funding to recapitalize EDRLF.
- Fully encumber EDRLF.
- Implement Feet on the Street Program to identify potential loan applicants.

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Percentage of Section 108 Loan Encumbered	65%	75%	75%	100%
Inducement Offers Made	0	2	0	2
Job Creation	40	20	0	20

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	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 145,857	$ 101,645	$ 100,698	$102,622	$ 103,734	3%
Benefits	54,779	33,133	34,152	34,104	35,396	4%
Materials	22,513	26,868	39,075	27,290	30,553	-22%
Contractual	17,525	7,561	17,000	16,000	18,000	6%
Other Operating	161	33,682	30,500	42,000	35,000	15%
Capital Outlay	375,638	290,998	420,900	257,757	352,000	-16%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 616,473**	**$ 493,887**	**$ 642,325**	**$479,773**	**$ 574,683**	**-11%**

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. On May 15, 2012, the City Council approved Amendment No. 3 allowing the City to sell homes that had originally been designated for lease.

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 2013-14, the City completed the rehabilitation phase and began selling or leasing the properties. Program income generated from the sale or lease of Neighborhood Stabilization Project (NSP) properties will be re-invested in other approved activities/programs.

DIVISION STAFFING	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Administrative Aide	0.20	0.00	0.00	0.00
Administrative Analyst	0.45	0.20	0.20	0.20
Administrative Secretary	0.15	0.20	0.20	0.20
Deputy Economic Development Director	0.20	0.15	0.15	0.00
Economic Development Director	0.00	0.00	0.00	0.15
Senior Management Analyst	1.05	0.65	0.65	0.65
Total Full-Time Staff	**2.05**	**1.20**	**1.20**	**1.20**

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- FY 2014-15 reduction in Capital Outlay is the result of minimizing budgeted funds related to the acquisition of residential property. Properties will be considered on a case-by-case basis, as NSP revenues are realized.

2013-14 DIVISION ACCOMPLISHMENTS

- Submitted timely quarterly reports on the Disaster Recovery Grant Reporting (DRGR) system.
- Completed additional draws on the DRGR System as necessary.
- Managed NSP Rehabilitation RFB solicitation and contract management.
- Continued management of contracts for landscape maintenance, pest control, security services, and emergency repair services.
- Issued Request for Bids (RFB) for the final group of seven (7) NSP properties.
- Completed rehabilitation on seven (7) NSP properties.
- Performed real estate brokerage services for NSP properties in lieu of third-party contractor at direction of City Council.
- Listed and sold seven (7) rehabilitated NSP homes for sale.
- Leased two (2) NSP-rehabilitated homes for lease.

2014-15 DIVISION GOALS AND OBJECTIVES

- Market and sell or lease the remaining fifteen (15) newly rehabilitated properties.
- Submit timely quarterly reports on the DRGR Reporting System.
- Complete additional draws on the DRGR System as necessary.
- 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 derived from the sale and lease of NSP properties.

2014-15 DIVISION GOALS AND OBJECTIVES (Continued)

- Prepare and submit Substantial Amendment to allocate all Program Income to rehabilitation activities.
- Commence close-out procedures for NSP once national objectives are met.
- Sell the final unrehabilitated property to the HHA for disposition through the HHA.

PERFORMANCE AND WORKLOAD INDICATORS	2011-12	2012-13	2013-14	2014-15
Real Property Purchase Contracts Negotiated	0	0	0	2
Real Property Escrows Opened	0	2	5	13
Real Property Escrows Closed	0	1	6	13
Real Property Rehabilitation	5	10	7	0
Real Property Sale	0	1	6	13
Real Property Lease	0	0	2	0

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

FUND EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 141,319	$ 0	$ 0	$ 0	$ 0	0%
Benefits	62,888	0	0	0	0	0%
Materials	238,794	0	0	0	0	0%
Contractual	5,958,503	0	0	0	0	0%
Other Operating	61,325	0	0	0	0	0%
Capital Outlay	1,557,505	0	0	0	0	0%
Debt Service	9,914,375	0	0	0	0	0%
TOTAL	**$ 17,934,709**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0%**

DEPARTMENT EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	From 2013-14 Budget
Redevelopment Agency						
385 RDA Low/Moderate Income	$ 4,642,553	$ 0	$ 0	$ 0	$ 0	0%
388 VVEDA Low/Moderate Income	57,565	0	0	0	0	0%
389 RDA Administration (150)	525,459	0	0	0	0	0%
486 RDA Project Area #1 D/S	11,314,259	0	0	0	0	0%
487 RDA Project Area #2 D/S	1,336,464	0	0	0	0	0%
586 RDA Project Area #1-CIP	58,409	0	0	0	0	0%
587 RDA Project Area #2-CIP	0	0	0	0	0	0%
588 RDA VVEDA	0	0	0	0	0	0%
TOTAL	**$ 17,934,709**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0%**

REDEVELOPMENT STAFFING SUMMARY	2011-12	2012-13	2013-14	2014-15
Total Full-Time Staff	0.90	0.00	0.00	0.00
Total Full-Time Staff	**0.90**	**0.00**	**0.00**	**0.00**

SIGNIFICANT DEPARTMENT EXPENDITURES AND STAFFING CHANGES

- Redevelopment Agency Dissolution Wind-down – As of February 1, 2012, all California redevelopment agencies were dissolved by ABx1 26. Post February 1, 2012, only enforceable obligations (EO) approved by the Department of Finance (DOF) on a Recognized Obligation Payment Schedule (ROPS) may be paid by the Successor Agency. Twice annually the San Bernardino County Auditor-Controller (SBCAC) allocates funds to the Redevelopment Property Tax Trust Fund (RPTTF) which is then forwarded to the Successor Agency for payment of EOs.

  Total expenditures are predicated on disbursements by the SBCAC that result from property taxes collected in the redevelopment project areas and fluctuate year to year. As EOs are paid off over time, the amount disbursed and corresponding expenditures will decrease.

  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.

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 of 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	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 51,669	$ 0	$ 0	$ 0	$ 0	0%
Benefits	21,023	0	0	0	0	0%
Materials	3,677	0	0	0	0	0%
Contractual	758,204	0	0	0	0	0%
Other Operating	2,377	0	0	0	0	0%
Capital Outlay	1,508,157	0	0	0	0	0%
Debt Service	2,297,446	0	0	0	0	0%
TOTAL	**$ 4,642,553**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0%**

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) 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

PROGRAM STAFFING	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Administrative Analyst	0.15	0.00	0.00	0.00
Administrative Secretary	0.30	0.00	0.00	0.00
Deputy Economic Development Director	0.35	0.00	0.00	0.00
Senior Management Analyst	0.40	0.00	0.00	0.00
Total Full-Time Staff	**1.20**	**0.00**	**0.00**	**0.00**

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 (EO) 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.).
- 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. Twice annually the San Bernardino County Auditor-Controller (SBCAC) allocates funds to the Redevelopment Property Tax Trust Fund (RPTTF), which is then forwarded to the Successor Agency for payment of EOs. As EOs are paid off over time, the amount disbursed and corresponding expenditures will decrease.
- 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).

2013-14 DIVISION ACCOMPLISHMENTS

- Accomplishments reported in Fund 370 - Hesperia Housing Authority (HHA).

2014-15 DIVISION GOALS AND OBJECTIVES

- None

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

PERFORMANCE AND WORKLOAD INDICATORS	2011-12	2012-13	2013-14	2014-15
DAP Loans Approved	0	n/a	n/a	n/a
DAP Loans Submitted	2	n/a	n/a	n/a
Deed Restricted Units Funded	0	n/a	n/a	n/a
Housing Developer Proposal Reviews	1	n/a	n/a	n/a
HRLP & Sewer Loans Submitted	1	n/a	n/a	n/a
HRLP Loans & Sewer Approved	2	n/a	n/a	n/a
Inclusionary Housing Production Requirement	0	n/a	n/a	n/a
Inclusionary Units Constructed	0	n/a	n/a	n/a
Low-Mod Funds Committed via Owner Participation Agreements to support affordable housing	$0	n/a	n/a	n/a
Real Property Purchase Contracts Negotiated	0	n/a	n/a	n/a
Real Property Escrows Opened	1	n/a	n/a	n/a
Real Property Escrows Closed	1	n/a	n/a	n/a

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

DEPARTMENT EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 40,882	$ 0	$ 0	$ 0	$ 0	0%
Benefits	16,683	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%
SUBTOTAL	**$ 57,565**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0%**

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 Resolution No. 2011-027 thereby designating the City of Hesperia to be 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

PROGRAM STAFFING	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Administrative Analyst	0.20	0.00	0.00	0.00
Administrative Secretary	0.30	0.00	0.00	0.00
Deputy Economic Development Director	0.20	0.00	0.00	0.00
Senior Management Analyst	0.30	0.00	0.00	0.00
Total Full-Time Staff	**1.00**	**0.00**	**0.00**	**0.00**

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.
- 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.
- With the close-out of Fund 388, all Successor Housing Agency staffing and assets will be reported in Fund 370 (HHA).

2013-14 DIVISION ACCOMPLISHMENTS

- For Fiscal Year 2013-14 Division Accomplishments will be reported in Fund 371.

2014-15 DIVISION GOALS AND OBJECTIVES

- None

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

DEPARTMENT EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 48,768	$ 0	$ 0	$ 0	$ 0	0%
Benefits	25,182	0	0	0	0	0%
Materials	235,117	0	0	0	0	0%
Contractual	157,444	0	0	0	0	0%
Other Operating	58,948	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
SUBTOTAL	**$ 525,459**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0%**

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.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Aide	0.40	0.00	0.00	0.00
Administrative Analyst	0.40	0.00	0.00	0.00
Administrative Secretary	0.05	0.00	0.00	0.00
Deputy Economic Development Director	0.05	0.00	0.00	0.00
Total Full-Time Staff	**0.90**	**0.00**	**0.00**	**0.00**

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). This fund is reported for legacy purposes only.

2013-14 DEPARTMENT ACCOMPLISHMENTS

- For Fiscal Year 2013-14 Department Accomplishments will be reported in Fund 170 (Community Development commission).

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

2014-15 DEPARTMENT GOALS AND OBJECTIVES

- None

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Active Development Leads	60	n/a	n/a	n/a
Formal Proposals Prepared and Submitted	30	n/a	n/a	n/a
Quarterly Newsletters	10	n/a	n/a	n/a
Focused Event Sponsorships	10	n/a	n/a	n/a
Groundbreakings	1	n/a	n/a	n/a
Ribbon Cuttings	0	n/a	n/a	n/a
Advertising Placements	26	n/a	n/a	n/a
Trade Shows/Exhibitions Attended and Booth Displayed	10	n/a	n/a	n/a
Feet on the Street Business Surveys/Visits	300	n/a	n/a	n/a
Recycling Market Development Zone Commitments Satisfied	90%	n/a	n/a	n/a
Enterprise Zone MOU Commitments Satisfied (%)	95%	n/a	n/a	n/a

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

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	5,033,794	0	0	0	0	0%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	7,616,929	0	0	0	0	0%
TOTAL	**$ 12,650,723**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0%**

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.

2014-15 DIVISION GOALS AND OBJECTIVES

- Goals and Objectives will be reported in Successor Agency Funds 160, 161, and 162.
- No goals and Objectives to be reported going forward.

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

PROGRAM EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	9,061	0	0	0	0	0%
Other Operating	0	0	0	0	0	0%
Capital Outlay	49,348	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
SUBTOTAL	**$ 58,409**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0%**

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.

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.
- No expenditures budgeted.

2014-15 DIVISION GOALS AND OBJECTIVES

- None

PERFORMANCE AND WORKLOAD INDICATORS	2011-12	2012-13	2013-14	2014-15
Real Property Purchase Negotiated	2	n/a	n/a	n/a
Real Property Escrows Opened	0	n/a	n/a	n/a
Real Property Escrows Closed	0	n/a	n/a	n/a
Owner Participation Agreements (OPAs) Negotiated – Redevelopment Project Areas	1	n/a	n/a	n/a
OPAs Negotiated for Enterprise Zone	4	n/a	n/a	n/a
Job Creation via OPAs	60	n/a	n/a	n/a
Exclusive Negotiation Agreements (ENA) Approved	2	n/a	n/a	n/a

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

DEPARTMENT EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 48,768	$ 0	$ 0	$ 0	$ 0	0%
Benefits	25,182	0	0	0	0	0%
Materials	235,117	0	0	0	0	0%
Contractual	157,444	0	0	0	0	0%
Other Operating	58,948	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
SUBTOTAL	**$ 525,459**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0%**

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 Housing Successor Entity 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**

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Active Development Leads	32	n/a	n/a	n/a
Formal Proposals Prepared and Submitted	10	n/a	n/a	n/a
Newsletter Issues	9	n/a	n/a	n/a
Focused Event Sponsorships	10	n/a	n/a	n/a
Groundbreakings	1	n/a	n/a	n/a
Ribbon Cuttings	2	n/a	n/a	n/a
Advertising Placements	28	n/a	n/a	n/a
Trade Shows/Exhibitions Attended and Booth Displayed	10	n/a	n/a	n/a
Feet on the Street Business Surveys/Visits	300	n/a	n/a	n/a
Recycling Market Development Zone Commitments Satisfied	90%	n/a	n/a	n/a
Enterprise Zone MOU Commitments Satisfied (%)	95%	n/a	n/a	n/a

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

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 1,193,269	$ 1,081,916	$ 1,103,978	$ 1,154,909	$ 1,084,637	-2%
Benefits	449,636	372,345	387,303	392,477	400,432	3%
Materials	17,971	19,738	23,615	27,117	25,608	8%
Contractual	91,163	29,242	58,997	53,082	90,611	54%
Other Operating	27,785	24,225	25,785	24,685	28,295	10%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 1,779,824**	**$ 1,527,466**	**$ 1,599,678**	**$ 1,652,270**	**$ 1,629,583**	**2%**

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Planning	$ 998,141	$ 840,346	$ 849,044	$ 855,580	$ 831,060	-2%
Building & Safety	781,683	687,120	750,634	796,690	798,523	6%
TOTAL	**$ 1,779,824**	**$ 1,527,466**	**$ 1,599,678**	**$ 1,652,270**	**$ 1,629,583**	**2%**

	2011-12	**2012-13**	**2013-14**	**2014-15**
DEPARTMENT STAFFING				
Total Full-Time Staff	17.03	16.03	15.03	13.84
Total Part-Time Staff	0.24	0.00	0.92	0.92
Total D.S. Community Development Staff	**17.27**	**16.03**	**15.95**	**14.76**

DIVISION GOALS FOR 2014-15

- Complete the environmental review and approval process for the Tapestry Specific Plan to include an Environmental Impact Report (EIR), development agreement, and subdivisions in the first phase.
- Complete an ordinance revising the City's animal regulations.
- Convert the Business License Program from New World Systems to TrakiT to complete the suite of development modules in the land management system. Adding Business Licensing will allow for a complete view of all land use activity to be viewed in one system and utilization by Building and Safety staff for issuance of Business Licenses and enforcement by Code Enforcement staff as necessary.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Funding of $45,760 is included for one part-time contract building inspector. The recent increase in permit activity has caused an increase in building inspection requests. One part-time contract inspector was brought on during Fiscal Year 2013-14, and staff anticipates that this service will be necessary during Fiscal Year 2014-15 to ensure same day inspection requests are filled.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES (Continued)

- The retirement of one Senior Community Development Technician (1.00 FTE) position creates a vacancy and the position will be eliminated and one Senior Office Assistant (1.00 FTE) is being eliminated; with one Administrative Analyst (1.00 FTE) position being added to provide administrative support to the land management system (TrakiT) and lead the Business License program and implementation of the new automated Business License and Code Enforcement modules.
- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.14 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.10 FTE) is being added.

DIVISION STAFFING	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Administrative Analyst	0.00	0.00	0.00	0.85
Administrative Secretary	0.00	0.00	0.00	0.10
Assistant Planner	1.00	1.00	1.00	1.00
Building and Safety Manager	0.00	0.00	1.00	1.00
Building Inspector	1.00	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	0.00	0.00
Community Development Technician	1.75	1.75	0.75	0.75
Director of Development Services	0.14	0.14	0.14	0.14
Executive Secretary	0.14	0.14	0.14	0.00
Management Analyst	1.00	0.00	0.00	0.00
Plans Examiner	2.00	2.00	2.00	2.00
Principal Planner	1.00	1.00	1.00	1.00
Senior Community Development Technician	2.00	2.00	2.00	1.00
Senior Office Assistant	1.00	1.00	1.00	0.00
Senior Office Specialist	1.00	1.00	1.00	1.00
Senior Planner	2.00	2.00	2.00	2.00
Total Full-Time Staff	**17.03**	**16.03**	**15.03**	**13.84**
Part-Time Staff				
Receptionist	0.00	0.00	0.92	0.92
Senior Plans Examiner	0.24	0.00	0.00	0.00
Total Part-Time Staff	**0.24**	**0.00**	**0.92**	**0.92**
Total Full and Part-Time Staff	**17.27**	**16.03**	**15.95**	**14.76**

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 700,403	$ 605,511	$ 595,671	$611,562	$574,317	-4%
Benefits	264,686	205,576	209,593	209,094	216,243	3%
Materials	4,671	2,971	4,960	5,254	6,970	41%
Contractual	9,822	11,177	23,000	14,000	13,100	-43%
Other Operating	18,559	15,111	15,820	15,670	20,430	29%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 998,141**	**$ 840,346**	**$ 849,044**	**$855,580**	**$ 831,060**	**-2%**

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.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Analyst	0.00	0.00	0.00	0.35
Administrative Secretary	0.00	0.00	0.00	0.05
Assistant Planner	1.00	1.00	1.00	1.00
Building and Safety Manager	0.00	0.00	0.25	0.25
Community Development Coordinator	0.50	0.50	0.50	0.50
Community Development Supervisor	0.25	0.25	0.00	0.00
Community Development Technician	1.75	1.75	0.75	0.75
Director of Development Services	0.10	0.10	0.10	0.10
Executive Secretary	0.10	0.10	0.10	0.00
Management Analyst	1.00	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	0.50
Senior Office Assistant	0.60	0.60	0.60	0.00
Senior Office Specialist	1.00	1.00	1.00	1.00
Senior Planner	2.00	2.00	2.00	2.00
Total Full-Time Staff	**10.30**	**9.30**	**8.30**	**7.50**

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- The retirement of one Senior Community Development Technician (0.50 FTE) position creates a vacancy and the position will be eliminated and one Senior Office Assistant (0.60 FTE) is being eliminated; with one Administrative Analyst (0.35 FTE) position being added to provide administrative support to the land management system (TrakiT) and lead the Business License program and implementation of the new automated Business License and Code Enforcement modules.
- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.10 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.05 FTE) is being added to Planning.

2013-14 PROGRAM ACCOMPLISHMENTS

- Numerous Development Code amendments were completed including temporary business signs, freeway pylon signs, and outdoor hoists for RV repair. Ordinances were also completed for supportive and transitional housing and emergency shelters related to the housing element. Staff revised the Main Street and Freeway Corridor Specific Plan to permit health clubs and medical services in the pedestrian commercial zone.
- Staff completed the adoption of Housing Element Update in 2014. Staff also held workshops and a public hearing with the Planning Commission on open space policies and implementation measures.
- Several major projects were reviewed and entitled this year. This includes the first draft of the Tapestry Specific Plan and Environmental Impact Report (EIR). Staff also completed the public facility review for the VVWRA wastewater reclamation plant to include outdoor percolation basins. The Primaco golf course and hotel project received entitlement by the Planning Commission. Other major entitlements included the Suncor healthcare facility, the Speedwash carwash and the Fitness 19 gym.
- Staff prepared California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) documents for the Safe Routes to School Program and the H–01 drainage line. Additionally, staff also completed the first review of Love's Travel Center Project (EIR in Progress).
- Planning staff participated in a City-wide fee schedule revision, which included lowering and revising many fees to accommodate the streamlining of many processes, including document review related to EIR's and Negative Declarations.
- Completed an Ordinance regarding park activities during large special events.
- Completed amendments to the General Plan and the Main Street and Freeway Corridor Specific Plan regarding open space.

2014-15 PROGRAM GOALS AND OBJECTIVES

- Complete the environmental review and approval process for the Tapestry Specific Plan to include an EIR, development agreement and subdivisions in the first phase.
- Process the EIR for the Love's Travel Center when provided by the developer.
- Complete amendments to the General Plan and the Main Street and Freeway Corridor Specific Plan regarding open space.
- Complete an ordinance revising the City's animal regulations.

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

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Conditional Use Permits/Revised CUP's	11	11	16	20
Development Code Amendments	8	8	7	12
Parcel Maps	5	5	2	7
Tentative Tracts	0	0	0	0
Site Plan Reviews/Revised Site Plan Reviews	31	21	23	33
Submit New DRC Items	86	85	63	128
General Plan Amendments/Zone Changes	2	n/a*	n/a*	n/a*
Total Applications	160	n/a*	n/a*	n/a*
Apartment Units Approved	0	n/a*	n/a*	n/a*
Public Hearings	46	24	28	50
Home Occupation Permits	164	110	171	190
Business Licenses (new and renewal)	3,365	3,395	3,192	3,500
Plan Review	352	304	622	600
Subtotal of New Non DRC Items	3,881	3,834	3,391	4,000
Grand Total of New Items	3,967	3,454	3,454	4,128

*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	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 492,866	$ 476,405	$ 508,307	$543,347	$510,320	0%
Benefits	184,950	166,769	177,710	183,383	184,189	4%
Materials	13,300	16,767	18,655	21,863	18,638	0%
Contractual	81,341	18,065	35,997	39,082	77,511	115%
Other Operating	9,226	9,114	9,965	9,015	7,865	-21%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 781,683**	**$ 687,120**	**$ 750,634**	**$796,690**	**$798,523**	**6%**

PROGRAM DESCRIPTION

Building and Safety is responsible for permitting, plan checking, building inspection, and land grading for compliance with adopted building codes and Federal and State Laws. Technicians at the public counter process permits and provide public information for a wide variety of development related issues. 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.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Analyst	0.00	0.00	0.00	0.50
Administrative Secretary	0.00	0.00	0.00	0.05
Building and Safety Manager	0.00	0.00	0.75	0.75
Building Inspector	1.00	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	0.00	0.00
Director of Development Services	0.04	0.04	0.04	0.04
Executive Secretary	0.04	0.04	0.04	0.00
Plans Examiner	2.00	2.00	2.00	2.00
Senior Community Development Technician	1.00	1.00	1.00	0.50
Senior Office Assistant	0.40	0.40	0.40	0.00
Total Full-Time Staff	**6.73**	**6.73**	**6.73**	**6.34**
Part-Time Staff				
Receptionist	0.00	0.00	0.92	0.92
Senior Plans Examiner	0.24	0.00	0.00	0.00
Total Part-Time Staff	**0.24**	**0.00**	**0.92**	**0.92**
Total Full & Part-Time Staff	**6.97**	**6.73**	**7.65**	**7.26**

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGE

- Funding of $45,760 is included for one part-time contract building inspector. The recent increase in permit activity has caused an increase in building inspection requests. One part-time contract inspector was brought on during Fiscal Year 2013-14, and staff anticipates that this service will be necessary during Fiscal Year 2014-15 to ensure same day inspection requests are filled.
- The retirement of one Senior Community Development Technician (0.50 FTE) position creates a vacancy and the position will be eliminated and one Senior Office Assistant (0.40 FTE) is being eliminated; with one Administrative Analyst (0.50 FTE) position being added to provide administrative support to the land management system (TrakiT) and lead the Business License program and implementation of the new automated Business License and Code Enforcement modules.
- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.04 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.05 FTE) is being added to Building and Safety.

2013-14 PROGRAM ACCOMPLISHMENTS

- Staff prepared for and completed the 2013 triennial Building Code adoption. This process included presenting the item to the City Council Advisory Committee and City Council for approval, purchasing codes and supplements, and attending training on the new codes.
- Plan reviews were completed on Aaron's, Panda Express, and the expansion of Country Oak and Stoves.
- Staff in Building and Safety and IT began the process of assisting Code Enforcement's implementation of the Code Enforcement module in TrakiT. Staff met with CRW representatives to complete a Business Process Analysis of Code Enforcements processes in order for CRW to provide a quote for the implementation. This process was also completed for the Business Licensing Program in Building and Safety in anticipation of the launch of the Business License module in conjunction with Code Enforcement.
- Worked together with a locally-formed group of affected government agencies during the development of an Integrated Regional Management Plan. As part of the Local Agency Management Plan (LAMP), monitored Lahontan and Mojave Water Agency activity to ensure that the LAMP, which will establish tier-based standards for allowing the continued use of new and replacement on-site water treatment systems (OWTS), is in place by the required deadline of 2015. This plan identified levels of nitrate loading and percability of soils within the region.
- Staff assumed administration duties for TrakiT, the land management system used by Development Services. As part of this transition, several custom reports have been written in-house including the automation of the Certification of Occupancy application, the automation of Project Acceptance and Approval letters used by Planning staff, and the plan correction letter used by Building and Safety. Additionally, staff also began the process of automating the Conditions of Approval in TrakiT, which will allow all conditions to be complied and tracked via the automated system.

2014-15 PROGRAM GOALS AND OBJECTIVES

- Convert the Business License Program from New World Systems to TrakiT to complete the suite of development modules in the land management system. Adding Business Licensing will allow for a complete view of all land use activity to be viewed in one system and utilization by Building and Safety staff for issuance of Business Licenses and enforcement by Code Enforcement staff as necessary.
- Integrate the Police Multiple Disturbance Program and the Mobile Home Park Permit to Operate Program into TrakiT. This will make program information available to all staff accessing TrakiT and integrate additional land use and enforcement information into the system with the eventual goal of providing a complete picture of all activity on a property through one system. As a cost saving measure, all forms and reports for these programs will be created in-house by Building and Safety staff.

2014-15 PROGRAM GOALS AND OBJECTIVES (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 Engineering and Public Works 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.
- As part of the Local Agency Management Plan (LAMP), continue to monitor Lahontan and Mojave Water Agency activity to ensure that the LAMP, which will establish tier-based standards for allowing the continued use of new and replacement on-site water treatment systems (OWTS), is in place by the required deadline of 2015. This plan identifies levels of nitrate loading and percability of soils within the region.
- Utilize contract inspection and plan review services to supplement existing staff, which will enable the Division to meet same day inspection requests and complete plan reviews within the two-week turnaround, as per City policy.

PERFORMANCE AND WORKLOAD INDICATORS	2011-12	2012-13	2013-14	2014-15
Permits Issued	2,332	2,202	3,113	3,270
New Residential Permits	0	3	50	100
Plans Reviewed	1,294	1,463	2,742	2,874
Inspections	5,216	5,259	6,385	6,704
Inspections Per Day Per Inspector	14.0	14.0	16.4	17.0
Rental Housing – Inspections	1,392	0*	0*	0*
Rental Housing – Certificates Issued	1,032	0*	0*	0*
Fats, Oil, Grease (FOG) Program – Inspections Performed	151	178	217	210

*Program discontinued by Council on June 19, 2012

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

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 1,255,837	$ 1,119,971	$ 1,175,633	$ 1,227,899	$ 1,228,174	4%
Benefits	526,263	476,476	510,997	494,279	532,943	4%
Materials	204,458	203,818	225,994	211,755	223,913	-1%
Contractual	271,014	294,036	322,178	305,500	316,615	-2%
Other Operating	30,244	34,642	28,635	42,285	45,029	57%
Capital Outlay	0	0	0	8,743	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 2,287,816**	**$ 2,128,943**	**$ 2,263,437**	**$ 2,290,461**	**$ 2,346,674**	**4%**

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Code Enforcement	$ 859,641	$ 834,277	$ 863,784	$ 900,757	$ 935,438	8%
Animal Control	1,428,175	1,294,666	1,399,653	1,389,704	1,411,236	1%
TOTAL	**$ 2,287,816**	**$ 2,128,943**	**$ 2,263,437**	**$ 2,290,461**	**$ 2,346,674**	**4%**

	2011-12	**2012-13**	**2013-14**	**2014-15**
DEPARTMENT STAFFING				
Total Full-Time Staff	23.32	23.32	23.32	23.46
Total Part-Time Staff	0.46	0.46	0.46	0.46
Total D.S. Code Compliance Staff	**23.78**	**23.78**	**23.78**	**23.92**

DIVISION GOALS FOR 2014-15

- 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.
- Use new regular weekend Code Enforcement hours to proactively address illegal vendors, illegal signage, and various other violations in addition to regular complaints.
- Continue to implement the in-house vet contract, and monitor the effectiveness of the commercial inspection program.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.16 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.30 FTE) is being added to Code Enforcement.

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

DIVISION STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Secretary	0.00	0.00	0.00	0.30
Animal Control Officer	2.00	3.00	3.00	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	5.00	5.00	4.00	4.00
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	0.00
Office Assistant	4.00	4.00	4.00	4.00
Senior Animal Control Officer	2.00	1.00	1.00	1.00
Senior Code Enforcement Officer	1.00	1.00	2.00	2.00
Senior Office Assistant	2.00	2.00	2.00	2.00
Shelter Supervisor	1.00	1.00	1.00	1.00
Total Full-Time Staff	**23.32**	**23.32**	**23.32**	**23.46**
Part-Time Staff				
Animal Control Technician	0.46	0.46	0.46	0.46
Total Part-Time Staff	**0.46**	**0.46**	**0.46**	**0.46**
Total Full & Part-Time Staff	**23.78**	**23.78**	**23.78**	**23.92**

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 501,918	$ 478,028	$ 521,006	$540,899	$544,552	5%
Benefits	215,327	188,191	209,915	202,013	211,439	1%
Materials	46,629	56,874	48,954	52,595	58,756	20%
Contractual	85,973	103,020	75,359	93,500	106,827	42%
Other Operating	9,794	8,164	8,550	11,750	13,864	62%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 859,641**	**$ 834,277**	**$ 863,784**	**$900,757**	**$935,438**	**8%**

PROGRAM DESCRIPTION

Code Enforcement provides enforcement of City health, safety, aesthetic, housing, development, and dangerous building codes. Code Enforcement testifies in support of civil, administrative, and criminal court cases. Code Enforcement operates seven days per week, with officers working various hours on special projects and a clean-up crew working Monday through Thursdays.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Secretary	0.00	0.00	0.00	0.15
Code Enforcement Officer	5.00	5.00	4.00	4.00
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	0.00
Office Assistant	1.00	1.00	1.00	1.00
Senior Code Enforcement Officer	1.00	1.00	2.00	2.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Total Full-Time Staff	**9.20**	**9.20**	**9.20**	**9.25**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.10 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.15 FTE) is being added to Code Enforcement.

2013-14 PROGRAM ACCOMPLISHMENTS

- Continued to utilize the work release clean-up crew, Restoring the Environment for a Cleaner Hesperia (REACH) Program, thirty-six hours per week to remove weeds, illegally dumped and illegally discarded tires, and trash and debris throughout the City.

2013-14 PROGRAM ACCOMPLISHMENTS (Continued)

- Officers worked outside of regular business hours for special enforcement, such as commercial vehicle parking, illegal dumping, street vendors and hawkers, and unpermitted yard sales.
- Conducted multi-city Code Enforcement Task Force sweeps dealing with issues of business licenses and residential violations.
- Effectively forced closure of all illegal medical marijuana store front dispensaries.

2014-15 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, illegally dumped tires, illegally dumped trash and debris throughout the City, as well as assist in four Tire Amnesty Days.
- Use new regular weekend Code Enforcement hours to proactively focus on reducing illegal street vendors, illegal signage, unpermitted yard/garage sales and various other violations in addition to regular complaints on a seven-day service schedule.
- Continue to conduct special enforcement programs, concentrating on illegal dumping and commercial vehicle enforcement outside of regular business hours.
- Continue to conduct multi-city Code Enforcement Task Force sweeps addressing various municipal code violations.

PERFORMANCE AND WORKLOAD INDICATORS	2011-12	2012-13	2013-14	2014-15
New Enforcement Cases	2,669	2,468	2,300	2,500
Inspections (New and Recheck)	8,776	7,072	4,500	5,500
Notices Issued	2,373	1,691	1,450	1,500
Citations	593	813	675	700
Warrants	249	135	240	250
Court Hearings	184	163	150	150
Administrative Citations	1,852	1,214	*350	*550
Contracted Abatements	31	43	25	25
City Abatements	102	91	85	100

*Administrative Citations has decreased significantly due to closing of marijuana dispensaries.

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 753,919	$ 641,943	$ 654,627	$ 687,000	$ 683,622	4%
Benefits	310,936	288,285	301,082	292,266	321,504	7%
Materials	157,829	146,944	177,040	159,160	165,157	-7%
Contractual	185,041	191,016	246,819	212,000	209,788	-15%
Other Operating	20,450	26,478	20,085	30,535	31,165	55%
Capital Outlay	0	0	0	8,743	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 1,428,175**	**$ 1,294,666**	**$ 1,399,653**	**$ 1,389,704**	**$ 1,411,236**	**1%**

PROGRAM DESCRIPTION

Animal Control provides a number of public safety functions including rabies control, dog licensing, 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 the on-site veterinarian provides weekly vaccination and spay/neuter clinics for High Desert residents.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Secretary	0.00	0.00	0.00	0.15
Animal Control Officer	2.00	3.00	3.00	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	0.00
Office Assistant	3.00	3.00	3.00	3.00
Senior Animal Control Officer	2.00	1.00	1.00	1.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Shelter Supervisor	1.00	1.00	1.00	1.00
Total Full-Time Staff	**14.12**	**14.12**	**14.12**	**14.21**
Part-Time Staff				
Animal Control Technician	0.46	0.46	0.46	0.46
Total Part-Time Staff	**0.46**	**0.46**	**0.46**	**0.46**
Total Full & Part-Time Staff	**14.58**	**14.58**	**14.58**	**14.67**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.06 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.15 FTE) is being added to Animal Control.

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

2013-14 PROGRAM ACCOMPLISHMENTS

- Continued "Buy One, Get One Free" (BOGO) Program to increase adoptions and decrease euthanasia.
- Drafted a revision to the new spay/neuter ordinance and implemented an enforcement program to accomplish the goals of the ordinance.
- Staff continued to successfully operate 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. There were 196 cat adoptions from July 2013 through February 2014.
- Maintained a Hesperia Animal Shelter Facebook Page.
- Continued community outreach education of Animal Control through the Hesperia City events, school programs, shelter tours, and community programs.
- Participated in the Rachel Ray $100,000 ASPCA Challenge to win grant money and increase adoptions of animals by nearly 50% during the challenge period. Won $1,000 grant to attend a debriefing seminar and the Society of Animal Welfare Administrators (SAWA) conference in Arizona.
- Hesperia Animal Control, in cooperation with other High Desert Animal Control Departments, is working together in preparing animal disaster preparedness procedures. Participated in the Animal Cruelty Taskforce and Rural Crimes Taskforce.
- Continued the established Volunteer Program to include the County WEX volunteers to assist with shelter operations. Increase volunteer base to include volunteers available for events and shelter operations.
- Revised all fees to reflect increasing costs.
- Explored and implemented a shelter software program to include impounding of animals and dispatching calls.
- Increased visibility of animal services through media, events, webpage, and Facebook page.
- Review and update forms to indicate new ordinances and procedures.

2014-15 PROGRAM GOALS AND OBJECTIVES

- Continue the established Volunteer Program to include the County WEX volunteers to assist with shelter operations. Increase volunteer base to include volunteers available for events and shelter operations.
- Identify sources and apply for a targeted spay/neuter grant.
- Review and update Animal Control Ordinances. Implement a breeder's permit.
- Evaluate providing Shelter services for the City of Adelanto.
- Increase visibility of animal services through media, events, webpage, and Facebook page.
- Continue to provide proactive enforcement on a five-day service, and emergency services on weekends, focusing on animal licensing and public safety.
- Renew veterinary services contract.
- Review and revise department policies and procedures as necessary.

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

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Officer call response	10,148	9,244	9,200	10,000
Warrants	15	33	20	30
Citations	n/a	n/a	720	800
Hearings	n/a	n/a	30	30
Owner Turn-in-Alive	970	1,200	1,123	1,160
Owner Turn-in-DOA	128	111	50	100
Strays Recovered-Alive	6,485	5,338	4,578	4,958
Strays Recovered-DOA	487	547	700	567
Seized/Abandoned/Agency Assist	73	145	150	148
Return to Owners	683	723	642	683
Animals Adopted/Rescued	2,122	2,232	2,166	2,195
Animals Euthanized	4,663	3,942	3,048	3,495
Transfer to another Agency	25	4	20	20
Animal Licenses Issued	9,578	9,844	10,000	11,000
Number of Animals Processed (Intake)	7,455	6,538	5,701	6,120

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

DIVISION EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 1,891,351	$ 1,872,324	$ 1,934,157	$ 1,983,081	$ 1,932,574	0%
Benefits	824,382	755,543	803,397	765,876	822,701	2%
Materials	804,813	897,845	937,595	917,125	978,497	4%
Contractual	530,396	536,774	737,005	693,451	1,143,150	55%
Other Operating	200,580	293,468	260,992	356,321	315,065	21%
Capital Outlay	6,500	65,284	0	35,492	287,000	100%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 4,258,022**	**$ 4,421,238**	**$ 4,673,146**	**$ 4,751,346**	**$ 5,478,987**	**17%**

DIVISION EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Street Maintenance (263)						
3150 Street Maintenance	3,006,913	3,065,942	3,287,043	3,221,369	3,515,579	7%
Total Fund Street Maintenance (Fund 263)	**$ 3,006,913**	**$ 3,065,942**	**$ 3,287,043**	**$ 3,221,369**	**$ 3,515,579**	**7%**
General Fund (100)						
3100 Engineering	$ 479,896	$ 505,698	$ 569,383	$ 602,790	$ 672,278	18%
3110 Building Maintenance	771,213	849,598	816,720	927,187	1,057,930	30%
CIP	0	0	0	0	233,200	100%
Total General Fund (100)	**$ 1,251,109**	**$ 1,355,296**	**$ 1,386,103**	**$ 1,529,977**	**$ 1,963,408**	**42%**
Total Public Works	**$ 4,258,022**	**$ 4,421,238**	**$ 4,673,146**	**$ 4,751,346**	**$ 5,478,987**	**17%**

DEPARTMENT STAFFING	2011-12	2012-13	2013-14	2014-15
Total Full-Time Staff	34.90	33.90	33.90	33.20
Total Part-Time Staff	0.46	0.46	0.46	0.46
Total D.S. Public Works Staff	**35.36**	**34.36**	**34.36**	**33.66**

DIVISION GOALS FOR 2014-15

- 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.

DIVISION GOALS FOR 2014-15 (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 regular basis.
  - Keep all traffic signals operating as efficiently as possible.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Funding of $114,000 is included to upgrade the cabinets, controllers, and video detection systems at two signalized intersections (Main Street/G Avenue and Main Street/Topaz Avenue) in order to reduce traffic delays and improving operational efficiency.
- Funding of $192,000 is included to expand the City's current stormwater pollution program to meet the region's Municipal Storm Sewer System (MS4) General Permit issued by the State. The City is currently in the first year of its new General Permit, and year two will bring additional permit regulations which must be met by City forces as well as hiring consultants to assist the City in meeting these requirements. The City continues to be a member of the Mojave River Watershed Group which enables some of the costs associated with the program to be shared by all its members.
- Street sweeping costs will increase due to the development of the Ranchero underpass and the Ranchero/I-15 interchange.
- Funding of $17,000 is included to provide irrigation repair and plant replacement, electrical repair of electrical systems at each facility, and store front door maintenance, operating hardware maintenance and replacement.
- Funding of $118,500 is included to provide a complete roof restoration at the County Library and Animal Control facility, and a roof repair at City Hall.
- Funding of $57,000 is included to upgrade the intersection of Cottonwood Avenue and Main Street. It was requested that the City provide the traffic signal equipment, while the developers will pay for the cost of installation of the intersection upgrades. The equipment will cost $57,000 and will include an upgraded cabinet, controller, battery backup, complete video detection system, ADA compliant crossing system, and LED street lights.
- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.30 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.30 FTE) is being added.
- Eliminate one vacant Senior Engineering Technician (0.40 FTE) position to reduce expenditures during the continuing economic downturn, and related reduced development activity.
- The retirement of one Construction Inspector (0.30 FTE) creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, and related reduced development activity.

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

DIVISION STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Analyst	0.50	0.50	0.50	0.50
Administrative Secretary	0.50	0.50	0.50	0.80
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	1.15
Custodian	1.50	1.00	1.00	1.00
Director of Development Services	0.30	0.30	0.30	0.30
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	0.00
Facilities Supervisor	0.50	0.50	0.50	0.50
Geographical Information Systems	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	1.50	1.00	1.00	1.00
Project Construction Manager	0.75	0.75	0.75	0.75
Public Works Director	0.00	0.00	0.50	0.50
Public Works Manager	0.50	0.50	0.00	0.00
Public Works Supervisor	1.00	1.00	1.00	1.00
Senior Custodian	0.00	0.50	0.50	0.50
Senior Engineer	0.50	0.00	0.00	0.00
Senior Engineering Technician	0.40	0.40	0.40	0.00
Senior Maintenance Worker	5.90	5.90	5.90	5.90
Senior Office Assistant	1.15	1.15	1.15	1.15
Total Full-Time Staff	**34.90**	**33.90**	**33.90**	**33.20**
Part-Time Staff				
Custodian	0.46	0.46	0.46	0.46
Total Part-Time Staff	**0.46**	**0.46**	**0.46**	**0.46**
Total Full & Part-Time Staff	**35.36**	**34.36**	**34.36**	**33.66**

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**From 2013-14 Budget**
Salaries	$ 1,472,515	$ 1,466,052	$ 1,523,764	$ 1,560,505	$ 1,528,259	0%
Benefits	655,798	603,505	643,562	606,170	659,411	2%
Materials	392,559	422,535	504,120	443,160	488,912	-3%
Contractual	335,245	300,364	423,000	367,800	439,400	4%
Other Operating	144,296	208,202	192,597	208,242	227,597	18%
Capital Outlay	6,500	65,284	0	35,492	172,000	100%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 3,006,913**	**$ 3,065,942**	**$ 3,287,043**	**$ 3,221,369**	**$ 3,515,579**	**7%**

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.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Analyst	0.25	0.25	0.25	0.25
Administrative Secretary	0.50	0.50	0.50	0.65
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 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	0.00
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	1.30	0.80	0.80	0.80
Public Works Director	0.00	0.00	0.50	0.50
Public Works Manager	0.50	0.50	0.00	0.00

PROGRAM STAFFING (Continued)	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Public Works Supervisor	1.00	1.00	1.00	1.00
Senior Engineering Technician	0.20	0.20	0.20	0.00
Senior Maintenance Worker	5.90	5.90	5.90	5.90
Senior Office Assistant	0.80	0.80	0.80	0.80
Total Full-Time Staff	**28.25**	**27.75**	**27.75**	**27.40**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Funding of $114,000 is included to upgrade the cabinets, controllers, and video detection systems at two signalized intersections (Main Street/G Avenue and Main Street/Topaz Avenue) in order to reduce traffic delays and improving operational efficiency.
- Street sweeping costs will increase due to the development of the Ranchero underpass and the Ranchero/I-15 interchange.
- Funding of $57,000 is included to upgrade the intersection of Cottonwood Avenue and Main Street. It was requested that the City provide the traffic signal equipment, while the developers will pay for the cost of installation of the intersection upgrades. The equipment will cost $57,000 and will include an upgraded cabinet, controller, battery backup, complete video detection system, ADA compliant crossing system, and LED street lights.
- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.30 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.15 FTE) is being added to Streets Maintenance.
- Eliminate one vacant Senior Engineering Technician (0.20 FTE) position to reduce expenditures during the continuing economic downturn, and related reduced development activity.

2013-14 PROGRAM ACCOMPLISHMENTS

- Used 1,500 tons of asphalt to pave 150,000 square feet of roads, trench repairs, and 9,300 linear feet of berm.
- Used 180 tons of cold mix to repair 20,000 potholes.
- Completed 38,000 square feet of trench repair for Water Division.
- Hauled 15,800 yards of material in the process of debris removal, shoulder backfill, and dirt road rebuilding.
- Graded 50 miles of dirt roads.
- Crack-sealed 200,000 linear feet of cracks on 15 miles of road.
- Maintained 6,500 street signs and replaced 600 street signs due to vandalism, theft, and traffic collisions.
- Used 960 gallons of paint, and painted 1,100 legends and crosswalks throughout the City.
- Removed graffiti from 4,100 public and private locations within the City.
- Administered and utilized court-appointed, work-sentence personnel at 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, Seventh Avenue, and Ranchero Road.
- Provided annual striping services to maintain safe guidance for all motorists, and provided services for traffic signals to maintain consistent operation of the entire system.
- Provided services for weed abatement to provide a clean appearance to the right-of-way.

2013-14 PROGRAM ACCOMPLISHMENTS (Continued)

- Provided services for bus shelter maintenance to provide clean shelters for the public and improved service by adding four new shelters.
- Cleaned and maintained 56 seepage pits located in stormwater retention basins.
- Twenty-five percent of the storm drain system was hydro-cleaned and flushed as part of the second year of a three-year program.

2014-15 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.
  - Inspect traffic control signs identified in the Manual on Uniform Traffic Control Devices (MUTCD) every 18 months for reflectivity by utilizing a retroreflectometer.
  - 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 develop strategies to fight graffiti collectively with law enforcement and the community.
  - 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 500,000 linear feet).
  - 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 WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Pavement Repaired (Square Feet)	113,269	153,704	150,000	150,000
Pavement Repaired/Water Patches (sq. ft.)	40,721	27,179	38,000	30,000
Berms Constructed (Feet)	9,000	9,300	9,500	8,000
Hot Mix (Tons)	1,779	1,474	1,500	1,500
Potholes Repaired	9,156	12,678	20,000	15,000
Cold Mix (Tons)	109	149.85	180	150
Dirt Roads Graded (Miles)	115	126	50	75
Shoulders Graded (Miles)	75	71	25	40
Debris Removed (Loads)	746	995	1,450	1,450
Fill Dirt (Loads)	1,400	1,073	790	500
Legends Painted	992	1,381	1,100	1,200
Signs Maintained	6,776	6,622	6,500	7,000
Graffiti Sites Addressed	8,771	5,888	4,100	4,800
Striping (Feet)	300,000	710,452	693,500	500,000
Street Sweeping (Curb Miles)	3,500	3,500	3,500	3,650
Storm Drains Cleaned (Counts)	35	328	850	1,000
Crack-Seal (feet)	186,879	271,313	200,000	250,000
Roads Crack-Sealed (Miles)	21	18.3	15	20

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 304,247	$ 294,969	$ 296,243	$301,093	$284,345	-4%
Benefits	117,716	102,102	107,861	103,788	104,684	-3%
Materials	16,783	19,519	19,195	16,625	17,707	-8%
Contractual	31,134	78,600	130,165	153,051	247,300	90%
Other Operating	10,016	10,508	15,919	28,233	18,242	15%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 479,896**	**$ 505,698**	**$ 569,383**	**$602,790**	**$672,278**	**18%**

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 Twenty 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, traffic, 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 the on-going requirements from the State of California in connection with the Federal Clean Water Act.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Analyst	0.25	0.25	0.25	0.25
Administrative Secretary	0.00	0.00	0.00	0.15
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	0.85
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	0.15	0.15	0.15	0.15
Office Assistant	0.20	0.20	0.20	0.20
Project Construction Manager	0.75	0.75	0.75	0.75
Senior Engineer	0.50	0.00	0.00	0.00
Senior Engineering Technician	0.20	0.20	0.20	0.00
Senior Office Assistant	0.35	0.35	0.35	0.35
Total Full-Time Staff	**4.65**	**4.15**	**4.15**	**3.80**

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Funding of $192,000 is included to expand the City's current stormwater pollution program to meet the region's Municipal Storm Sewer System (MS4) General Permit issued by the State. The City is currently in the first year of its new General Permit, and year two will bring additional permit regulations which must be met by City forces as well as hiring consultants to assist the City in meeting these requirements. The City continues to be a member of the Mojave River Watershed Group which enables some of the costs associated with the program to be shared by all its members.
- The retirement of one Construction Inspector (0.30 FTE) creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, and related reduced development activity.
- Eliminate one vacant Senior Engineering Technician (0.20 FTE) position to reduce expenditures during the continuing economic downturn, and related reduced development activity.
- One Administrative Secretary (0.15 FTE) is being added to assist with workload requirements.

2013-14 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 City's FY 2012-13 Annual Street Improvement Program. This project was advertised in FY 2012-13, with the work being completed in October, 2013. This work included the Bear Valley Road bus stop, the Sequoia Street bicycle facility, paving of Smoketree Street in cooperation with VVTA, and the Choiceana Avenue and Talisman Street realignment.
- The Geographical Information Systems (GIS) staff completed system and software upgrades to GIS version 10.0, Cityworks Server version 2013, and Geoviewer 8.0. GIS staff worked closely with the City's Public Works staff during the Cityworks update and addressed issues regarding the new interface of the system. Current user licenses were increased from 30 to 45 to meet the required user licenses of Cityworks. The GIS staff is currently working on reconciling water meter billing data to provide more accurate GIS data.
- 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.
- Development Services staff continued to file its Annual Report for compliance with the City's MS4 Stormwater Permit based upon the requirements of its first year under the new General Permit. Staff worked with the Mojave River Watershed Group and the Regional Water Quality Control Board (Lahontan) to develop its implementation plan to meet the requirements of the new General Permit. One of these new requirements includes stormwater monitoring and testing for pollutants after rain events. Public education continues to be a key component of the permit and will be the most expensive annual cost to the group.

  City staff continues to maintain their credentials as required under the General Construction Stormwater Permit. The two categories that City staff maintains certifications in are Qualified Stormwater Pollution Prevention Plan (SWPPP) Developer (QSD) and Qualified SWPPP Practitioner (QSP). The City currently has three staff members with QSP certifications and one with a QSD certification. These certifications require annual training and bi-annual renewal fees to remain current, which staff has met. It is expected that the State will make continuing education a requirement for renewal during the next renewal cycle (FY 2015-16).
- City Staff continued the 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 and submitted the Preliminary Environmental Study (PES) to Caltrans for their review. Caltrans has since requested specialized environmental studies be completed before the project can move forward. Depending on the conditions and mitigations from the environmental review, this project may or may not be economically viable.

2013-14 PROGRAM ACCOMPLISHMENTS (Continued)

- Staff has worked closely with the Victor Valley Transit Agency (VVTA) and its consultant during the first year implementation of 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. First year changes to Hesperia's routes were minor, but one of the third year recommendations is to incorporate a new route to serve the Oak Hills community, along with San Joaquin Valley College on Mariposa Road. This new route would necessitate the relocation of the City's transfer point to City Hall.
- The City Engineer's Office submitted a grant application for Traffic Light Synchronization Program (TLSP) funds to be utilized on Main Street. SANBAG notified staff that there were TLSP funds remaining from the synchronization projects that were constructed in the Valley region over the last two years. These funds were being offered to the High Desert communities if they could complete an application within a very short timeframe and under very restrictive conditions. The City Engineer's Office was able to submit a completed application that met the requirements by the deadline. Unfortunately the California Transportation Commission (CTC) decided to "bank" the surplus funds for future projects.
- Engineering staff prepared a site plan to expand the existing Park and Ride located at Joshua Street and Highway 395 using survey generated by a consultant and obtained a land use entitlement through the City's Development Review Committee (DRC). Tom Dodson and Associates was hired to prepare the Preliminary Environmental Assessment, which was submitted to Caltrans for review in March, 2012. Since that time, Caltrans has asked for additional environmental documents, which Tom Dodson is now preparing. Engineering staff has completed the entire set of civil engineering plans, including grading, street, lighting, and landscape plans. All design work is being performed in-house.
- Staff continued to work with SANBAG to complete the annual Measure I reporting, as well as addressed any issues or questions that arose during the Measure I audit. The new Measure I transportation bill, which was passed by the voters in 2010, has done away with differentiating between arterial and local roadway expenditures, but the frequency of reporting has increased to an annual basis.
- The FY 2013-14 Annual Street Improvement Program included improvements to the Main Street Bridge over the BNSF railroad tracks. These required improvements included re-coating the concrete bridge deck, back-filling erosion on the earthen banks, and a small concrete patch on the underside of the bridge. These bridge repairs are required as a result of deficiencies discovered during the Caltrans bridge inspections.

2014-15 PROGRAM GOALS AND OBJECTIVES

- The FY 2013-14 Annual Street Improvement Program will be completed utilizing Measure I transportation funds to maintain roadways throughout the City. The City will once again perform a crack seal and slurry seal project to maintain many of the roadways that it has rehabilitated over the last ten years. Additionally, Main Street, from Mariposa Road to Escondido Avenue, will see a full-depth rehabilitation. Traffic Signal upgrades and rehabilitation of three residential roads are also included in this contract.
- The FY 2014-15 Annual Street Improvement Program will once again concentrate on the maintenance of roadways throughout the City. The City will perform a crack seal and slurry seal project to maintain many of the roadways that it has rehabilitated over the last ten years. As in previous years, full-depth rehabilitation of a section of Main Street will be the highest priority, as well as traffic signal upgrades. Staff will present to the City Council options for paving rehabilitation versus improving dirt roads that can be completed with the remaining funds.
- 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.
- Staff will continue to work with Tom Dodson and Associates to finalize the environmental clearance from Caltrans for the construction of mitigation improvements at the outlet of the H-01 storm drain facility between Fourth and Third Avenues. The available FEMA funds are for construction only, so any significant mitigation requirements that are conditioned on the project by the reviewing agencies may prove too burdensome for the project to continue.

2014-15 PROGRAM GOALS AND OBJECTIVES (Continued)

- Continue to support and update geospatial information in all Geographical Information System (GIS) embedded software, with the goal of advancing in technologies that will assist staff and encourage public access through GIS enabled portals. Depending on funding levels, future integration with New World (Finance software) could provide seamless e-communication between all departments and divisions throughout the City. In addition, the new version of Cityworks software has a number of new features that would benefit the City, including a pavement management module that integrates directly into the GIS map.
- 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 during the implementation of the year two recommendations from the Comprehensive Operational Analysis (COA). It is imperative to recommend to the VVTA Board a logical plan for incorporating new services that address any unmet transit needs for Hesperia residents, while ensuring a small percentage of Local Transportation Funds (LTF) come 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. Chief among this task is the support for Grants, such as Active Transportation Program (ATP) and future Article 3 Grants.
- Continue to provide timely and professional plan checking and inspection services to the development community utilizing existing City staff. Due to the large scale of the project, a consultant will be utilized to provide engineering services during the review period of the Tapestry Project.
- Work with the Mojave River Watershed Group (MRWG) and City of Hesperia staff to implement the year two requirements of the City's new MS4 Stormwater Permit. The new permit also has requirements that will be costly to comply with, both in staff time requirements and possible consultant costs. Staff will work with the MRWG and Lahontan to devise plans that meet these new requirements in the most economical manner.
- Ensure that the City complies with the State's 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. At the same time, staff will ensure that all new development meet the requirements under the permit and upload the project on the State's internet based tracking system, called the Stormwater Multi Application Reporting and Tracking System (SMARTS).
- Prepare a Request for Proposals (RFP) for engineering services to survey and design the Willow Street Paseo project. This project will construct a pedestrian/bicycle paseo along both sides of Willow Street from Third to Eighth Avenues, connecting with the Eighth Avenue Paseo. Staff is currently working with Tom Dodson and Associates to complete the environmental clearance phase and get project authorization for expenditures. Once this is complete, the City can be reimbursed for all phases of the project, including the engineering design services. This project which is being funded through a Federal Safe Routes to School Grant is expected to be under construction in FY 2014-15.
- Continue to work toward the completion of the expansion of the Park and Ride facility on Joshua Street at Highway 395. Engineering staff will complete the construction bid package, file a SWPPP for the project with the State, and continuing to assist Tom Dodson and Associates with obtaining environmental clearance through Caltrans. Once all these tasks are complete, the project can be bid for construction. State and local air quality grants are being utilized to fund the project, and it is anticipated that the project will be constructed in FY 2014-15.
- Engineering staff continues to work on a system to prioritize roadways for rehabilitation and maintenance. This system will utilize new templates that operate within the latest version of the Cityworks program and will be completely integrated with the City's GIS Map. The templates will have ratings for all roadways throughout the City based on visual inspections of the streets. Many of these inspections have already been completed by City Construction Inspectors and staff will work on developing the templates.

2014-15 PROGRAM GOALS AND OBJECTIVES (Continued)

- In order to conform to the American with Disabilities Act (ADA), the City is required to inventory all its roadway paths of travel (sidewalks) to ensure that they meet the latest standards for accessible paths of travel. Although all the improvements do not have to be constructed immediately, a plan describing the necessary improvements and a schedule for their construction needs to be completed. This plan is called a Transition Plan, and it is anticipated that the field inspection work will continue this fiscal year, and some improvements will be completed utilizing Community Development Block Grant (CDBG) funds.

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 114,589	$ 111,303	$ 114,150	$121,483	$ 119,970	5%
Benefits	50,868	49,936	51,974	55,918	58,606	13%
Materials	395,471	455,791	414,280	457,340	471,878	14%
Contractual	164,017	157,810	183,840	172,600	223,250	21%
Other Operating	46,268	74,758	52,476	119,846	69,226	32%
Capital Outlay	0	0	0	0	115,000	100%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 771,213**	**$ 849,598**	**$ 816,720**	**$927,187**	**$ 1,057,930**	**30%**

PROGRAM DESCRIPTION

The Building Maintenance Division shall support all City departments and facilities through a Predictive/Preventive Maintenance (PPM) Program that reduces facility depreciation and 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 computerized maintenance management 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 and landscape management of City Hall and County Library (9700 and 9650 Seventh Avenue), Animal Control (11011 East Santa Fe Avenue), Police Department (15840 Smoke Tree), Fire Department facilities 301, 302, 304, 305, the City of Hesperia Park and Ride Facility (Joshua at Highway 395), Eighth Street Paseo, and the Township project.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Custodian	1.50	1.00	1.00	1.00
Facilities Supervisor	0.50	0.50	0.50	0.50
Senior Custodian	0.00	0.50	0.50	0.50
Total Full-Time Staff	**2.00**	**2.00**	**2.00**	**2.00**
Part-Time Staff				
Custodian - Part-Time	0.46	0.46	0.46	0.46
Total Part-Time Staff	**0.46**	**0.46**	**0.46**	**0.46**
Total Full & Part-Time Staff	**2.46**	**2.46**	**2.46**	**2.46**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Funding of $17,000 is included to provide irrigation repair and plant replacement, electrical repair of electrical systems at each facility, and store front door maintenance, operating hardware maintenance and replacement.

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES (Continued)

- Funding of $118,500 is included to provide a complete roof restoration at the County Library and Animal Control facility, and a roof repair at City Hall.

2013-14 PROGRAM ACCOMPLISHMENTS

- Continued to provide guidance to all subcontractors under the direction of Building Maintenance.
- Provided a safe, clean work environment for all employees at City Hall, the County Library, Animal Control, Police Department, and the Park and Ride.
- Reduced the number of unforeseen trouble calls through the use of preventive/predictive maintenance.
- Provided quality climate 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.
- Reduced irrigation water usage facility-wide.
- Provided secure environment at City Hall and Hesperia Branch Library through contracted security company.
- Provided landscape management at City Hall, County Library, Police Department, Eighth Street Paseo, Township Project, Hesperia Park and Ride, and Animal Control facility.
- Developed a new computerized maintenance management software for facility management.

2014-15 PROGRAM GOALS AND OBJECTIVES

- 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.
- 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.
- Provide secure environment at City Hall and County Library through contracted security company.

PERFORMANCE AND

WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Backlog Work Orders	0	0	60	30
Contracts Administered	9	10	11	11
Customer Service Request Orders	157	127	211	300
Carpets Deep Cleaned (square feet)	3,100	7,600	21,000	14,000
Painting (square feet)	0	1,500	90	500
Hard Surface Cleaning (square feet)	4,539	9,600	28,882	20,000
Sub Contract Invoices Processed	156	221	279	200

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

DIVISION EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 3,663,674	$ 3,731,298	$ 3,777,053	$ 3,834,914	$ 3,834,357	2%
Benefits	1,597,926	1,460,152	1,416,919	1,368,813	1,465,988	3%
Materials	5,909,631	6,257,003	6,188,319	6,148,472	6,527,515	5%
Contractual	719,928	1,570,268	1,709,103	1,560,788	926,901	-46%
Other Operating	2,022,036	1,913,898	1,997,945	2,140,840	1,971,534	-1%
Capital Outlay	82,258	101,255	25,000	168,800	145,000	480%
Debt Service	2,948,713	2,961,980	2,975,535	3,075,096	2,974,770	0%
TOTAL	**$ 16,944,166**	**$ 17,995,854**	**$ 18,089,874**	**$ 18,297,723**	**$ 17,846,065**	**-1%**

DIVISION EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Water Operating (700)						
4010 Source of Supply	$ 2,598,472	$ 2,737,454	$ 2,532,176	$ 2,534,331	$ 2,764,565	9%
4020 Production	2,768,433	2,848,778	3,175,002	3,353,210	3,285,566	3%
4030 Distribution	1,114,903	1,052,379	1,134,873	1,091,123	1,161,964	2%
4035 Pipeline Maintenance	1,134,469	1,224,537	1,250,924	1,144,224	1,201,465	-4%
4040 Engineering	822,714	810,812	838,863	745,442	757,342	-10%
4050 Customer Service	1,152,566	1,150,273	1,159,749	1,181,973	1,194,632	3%
4060 Utility Billing	898,342	944,621	1,007,842	1,008,489	1,002,860	0%
4070 Administration	6,171,513	6,152,442	6,070,908	6,230,916	6,083,671	0%
4080 Property Management	282,754	301,336	319,237	333,869	354,000	0% 11%
Total Water Operating	**$ 16,944,166**	**$ 17,222,632**	**$ 17,489,574**	**$ 17,623,577**	**$ 17,806,065**	**2%**
Water CIP (701)	$ 0	$ 773,222	$ 600,300	$ 674,146	$ 40,000	-93%
Total Water Operating & Capital Projects	**$ 16,944,166**	**$ 17,995,854**	**$ 18,089,874**	**$ 18,297,723**	**$ 17,846,065**	**-1%**

DEPARTMENT STAFFING	2011-12	2012-13	2013-14	2014-15
Total Full-Time Staff	68.85	67.85	67.85	66.60
Total Part-Time Staff	0.92	0.92	1.38	1.38
Total D.S. Water Staff	**69.77**	**68.77**	**69.23**	**67.98**

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

DIVISION GOALS FOR 2014-15

- 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

Source of Supply

- It is estimated that the FY 2014-15 production of water will be 15,050 acre-feet (AF), which exceeds the Water District's production allowance of 8,213 AF by 6,837 AF. To offset the overage, the Water District will utilize 965 AF from inventory claim and lease 4,707 AF of water, of which 3,742 AF will be obtained from the City of Hesperia. The remaining 1,742 will be leased from the Mojave Water Basin Watermaster (Watermaster) at a rate of $448. The FY 2014-15 Budget includes the Watermaster rate increase of $23 per AF (FY 2013-14 rate was $425), which accounts for the majority of the $232,540 increase from the FY 2013-14 Budget to the proposed FY 2014-15 Budget.

Production

- Funding of $130,000 is included to upgrade 4 programmable logic controllers (PLCs) within the City's Supervisory Control and Data Acquisition (SCADA) Program, which has been in operation since 1999, with little or no significant failures. This years funding would be phase one of a three year plan to replace eleven (11) PLCs.
- It is anticipated that electricity costs will increase during the next fiscal year, as Southern California Edison (SCE) filed a request to increase rates with the California Public Utilities Commission (CPUC). While no approval of rates have been granted by the CPUC, the FY 2014-15 Budget assumes a two percent increase over the FY 2013-14 Revised for electricity costs.

Engineering

- The retirement of one Construction Inspector (0.70 FTE) creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, and related reduced development activity.
- Eliminate one vacant Senior Engineering Technician (0.60 FTE) position to reduce expenditures during the continuing economic downturn, and related reduced development activity.
- One Administrative Secretary (0.10 FTE) is being added to assist with workload requirements.

Administration

- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.40 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.20 FTE) is being added.
- With two positions eliminated in Community Development; one Administrative Analyst (0.15 FTE) position is being added to provide administrative support to the land management system (TrakiT).

Property Management

- Funding of $18,500 is included to provide electrical repair of electrical systems at each facility, plumbing repair to existing plumbing fixtures, annual and fire riser inspections in addition to annual fire extinguisher re-charge certification, store front door maintenance, operating hardware maintenance and replacement.
- Funding of $15,000 is included to provide roof repair at the Mojave Yard Administration building to extend the life of the existing roof.

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

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
Water Operating Fund (700)						
Taxes						
Secured Property Taxes	$ 271,677	$ 272,256	$ 243,000	$ 273,000	$ 273,000	12%
700 29 400 4070 4000						
VVEDA Pass Through	5,130	5,608	6,000	6,500	6,600	10%
700 29 400 4070 4095						
Other Taxes	6,667	7,711	7,400	51,291	7,200	-3%
Total Taxes	$ 283,474	$ 285,575	$ 256,400	$ 330,791	$ 286,800	12%
Interest						
Interest Income	$ 5,572	$ 6,970	$ 5,632	$ 6,100	$ 6,598	17%
700 29 400 4070 5605						
Other Interest	0	0	0	3	0	n/a
Total Interest	$ 5,572	$ 6,970	$ 5,632	$ 6,103	$ 6,598	17%
Intergovernmental						
City Rent Charge	$ 52,537	$ 52,537	$ 52,537	$ 52,537	$ 52,537	0%
700 29 400 4070 5880						
Total Intergovernmental	$ 52,537	$ 52,537	$ 52,537	$ 52,537	$ 52,537	0%
Charges for Services						
Water Sales/Residential	$ 7,879,407	$ 8,185,399	$ 8,328,065	$ 8,106,000	$ 8,153,780	-2%
700 29 400 4060 5100						
Water Sales/Business	381,053	447,474	460,220	445,222	478,427	4%
700 29 400 4060 5101						
Water Sales/Public Building	478,674	498,500	524,194	504,194	520,000	-1%
700 29 400 4060 5102						
Water Sales/Irrigation	210,405	263,637	295,885	256,000	268,320	-9%
700 29 400 4060 5103						
Water Sales/Construction	205,918	312,287	160,000	250,000	300,000	88%
700 29 400 4060 5104						
Water Sales/Industrial	2,990	2,368	2,368	3,708	4,000	69%
700 29 400 4060 5105						
Water Availability Charge	6,445,510	6,535,900	6,570,000	6,575,000	6,654,000	1%
700 29 400 4060 5110						
Sub-total	15,603,957	16,245,565	16,340,732	16,140,124	16,378,527	0%
Water Meter Fees	15,161	8,582	25,750	27,284	52,000	102%
700 29 400 4070 5140						
Reconnection Fees	210,731	196,330	190,000	190,000	190,000	0%
700 29 400 4070 5130						
Water Inspection	2,064	688	1,250	3,653	3,653	192%
700 29 400 4070 5180						
New Account Setup	0	0	0	57,000	132,000	n/a
700 29 400 4060 5191						
Rent Eagle Plaza	177,431	178,349	186,924	168,234	145,380	-22%
700 29 400 4070 5875						
Other Charges for Services	46,189	49,135	31,499	106,269	121,714	286%
Total Charges for Services	$ 16,055,533	$ 16,678,649	$ 16,776,155	$ 16,692,564	$ 17,023,274	1%
Other Operating						
Other Operating	$ 177,260	$ 227,113	$ 186,913	$ 187,876	$ 191,232	2%
Total Other Operating	$ 177,260	$ 227,113	$ 186,913	$ 187,876	$ 191,232	2%
All Other						
All Other	$ 323,291	$ 763,906	$ 26,000	$ 32,722	$ 25,300	-3%
Total All Other	$ 323,291	$ 763,906	$ 26,000	$ 32,722	$ 25,300	-3%
Total Water Operating Fund	**$ 16,897,667**	**$ 18,014,750**	**$ 17,303,637**	**$ 17,302,593**	**$ 17,585,741**	**2%**

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

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
Water Capital Fund (701)						
Charges for Services						
Capital Facility Charges 701 29 400 4070 5120	$ 307,599	$ 157,211	$ 160,000	$ 220,309	$ 218,000	36%
Total Water Capital Fund	**$ 307,599**	**$ 157,211**	**$ 160,000**	**$ 220,309**	**$ 218,000**	**36%**
Total Water Operating and Capital Fund Revenue	**$ 17,205,266**	**$ 18,171,961**	**$ 17,463,637**	**$ 17,522,902**	**$ 17,803,741**	**2%**

DIVISION STAFFING	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Administrative Secretary	0.50	0.50	0.50	0.80
Administrative Analyst	0.50	0.50	0.50	0.65
Assistant City Manager/Management	0.05	0.05	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	0.40	0.40	0.40	0.40
Construction Inspection Supervisor	0.65	0.65	0.65	0.65
Construction Inspector	1.55	1.55	1.55	0.85
Custodian	2.50	2.00	2.00	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	0.10	0.10	0.10	0.10
Director of Development Services	0.40	0.40	0.40	0.40
Emergency Services Coordinator	0.50	0.50	0.50	0.50
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	0.00
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	13.00	13.00	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**

DIVISION STAFFING (Continued)	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Meter Reader	4.00	4.00	4.00	4.00
Office Assistant	1.50	1.00	1.00	1.00
Project Construction Manager	0.25	0.25	0.25	0.25
Public Works Director	0.00	0.00	0.50	0.50
Public Works Manager	0.50	0.50	0.00	0.00
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	0.50	0.50	0.50
Senior Customer Service Representative	2.00	2.00	2.00	2.00
Senior Engineer	0.50	0.00	0.00	0.00
Senior Engineering Technician	0.60	0.60	0.60	0.00
Senior Maintenance Worker	6.40	6.40	6.40	6.40
Senior Office Assistant	0.85	0.85	0.85	0.85
Senior Pump Operator	0.95	0.95	0.95	0.95
Senior Warehouse Technician	1.00	1.00	1.00	1.00
Utility Line Locator	1.00	1.00	1.00	1.00
Warehouse Technician	1.00	1.00	1.00	1.00
Water Conservation Specialist	1.00	1.00	1.00	1.00
Water Quality Technician	1.00	1.00	1.00	1.00
Total Full-Time Staff	**68.85**	**67.85**	**67.85**	**66.60**
Part-Time Staff				
Custodian	0.46	0.46	0.46	0.46
Customer Service Representative	0.46	0.46	0.92	0.92
Total Part-Time Staff	**0.92**	**0.92**	**1.38**	**1.38**
Total Full & Part-Time Staff	**69.77**	**68.77**	**69.23**	**67.98**

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 105,764	$ 91,776	$ 114,372	$ 118,267	$ 119,773	5%
Benefits	42,227	31,707	40,700	40,370	43,156	6%
Materials	2,449,069	2,611,776	2,374,399	2,374,249	2,598,931	9%
Contractual	0	0	0	0	0	0%
Other Operating	1,412	2,195	2,705	1,445	2,705	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 2,598,472**	**$ 2,737,454**	**$ 2,532,176**	**$ 2,534,331**	**$2,764,565**	**9%**

PROGRAM DESCRIPTION

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

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Community Relations and Media Coordinator	0.40	0.40	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
Total Full-Time Staff	**1.90**	**1.90**	**1.90**	**1.90**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- It is estimated that the FY 2014-15 production of water will be 15,050 acre-feet (AF), which exceeds the Water District's production allowance of 8,213 AF by 6,837 AF. To offset the overage, the Water District will utilize 965 AF from inventory claim and lease 4,707 AF of water, of which 3,742 AF will be obtained from the City of Hesperia. The remaining 1,742 will be leased from the Mojave Water Basin Watermaster (Watermaster) at a rate of $448. The FY 2014-15 Budget includes the Watermaster rate increase of $23 per AF (FY 2013-14 rate was $425), which accounts for the majority of the $232,540 increase from the FY 2013-14 Budget to the proposed FY 2014-15 Budget.

2013-14 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, Serendipity Days at Topaz Elementary School, and The Alliance for Water Awareness and Conservation (AWAC) booth at the Home Depot plant sale.
- Three hundred Water Conservation kits were assembled and distributed to Hesperia residents.
- The Water Awareness Coloring Contest was held again this year with the theme being "Wide World of Water".

2013-14 PROGRAM ACCOMPLISHMENTS (Continued)

- Partnered with other water districts through the Alliance of Water Awareness and Conservation (AWAC) 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.
- 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 100 Cash for Grass pre-inspections.
- Acquired 5,971 acre feet of permanent water rights to use City's Rancho Las Flores water right purchase, which can be leased by the Water District.

2014-15 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 (AWAC).
- Continue to participate in the Cash for Grass Program, which offers rebate cash incentives from MWA to remove grass and replace it with water efficient landscaping.
- Pursue purchase of permanent water rights that become available to offset replacement/make-up water needed annually.

PERFORMANCE AND WORKLOAD INDICATORS	2011-12	2012-13	2013-14	2014-15
Water Lease Purchases (Acre-Feet)				
▪ Make-up Water (Centro)	0	0	0	950
▪ Carryover Water (Alto)	6,385	6,865	6,961	6,837
Permanent Water Purchase (Acre-Feet) (Alto)	40	0	0	0
Coloring Contest Participants	0	300	100	300
Community Event Participation	14	14	14	14
School Presentations Made	13	12	12	12
Commercial Water Audits Performed	4	4	3	4
Residential Water Audits Performed	50	50	30	40
Nuisance Water Complaints Addressed	134	206	175	150
Cash for Grass Inspections	67	103	100	100
Conservation Kits Distributed	200	200	300	300

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 429,922	$ 443,356	$ 431,957	$ 449,028	$ 447,990	4%
Benefits	160,117	148,707	152,280	156,446	167,198	10%
Materials	1,943,628	2,099,500	2,164,020	2,278,290	2,338,728	8%
Contractual	112,177	125,124	376,800	260,000	158,500	-58%
Other Operating	40,331	32,091	49,945	40,646	43,150	-14%
Capital Outlay	82,258	0	0	168,800	130,000	100%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 2,768,433**	**$ 2,848,778**	**$ 3,175,002**	**$ 3,353,210**	**$ 3,285,566**	**3%**

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.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
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 Operator	0.95	0.95	0.95	0.95
Water Quality Technician	1.00	1.00	1.00	1.00
Total Full-Time Staff	**7.85**	**7.85**	**7.85**	**7.85**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Funding of $130,000 is included to upgrade 4 programmable logic controllers (PLCs) within the City's Supervisory Control and Data Acquisition (SCADA) Program, which has been in operation since 1999, with little or no significant failures. This years funding would be phase one of a three year plan to replace eleven (11) PLCs.
- It is anticipated that electricity costs will increase during the next fiscal year, as Southern California Edison (SCE) filed a request to increase rates with the California Public Utilities Commission (CPUC). While no approval of rates have been granted by the CPUC, the FY 2014-15 Budget assumes a two percent increase over the FY 2013-14 Revised for electricity costs.

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

2013-14 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 System Control and Data Acquisition (SCADA).
- Maintained compliance with State Health Department regulation to the Cross-Connection Control Program. This program has monitored the testing of more than 1,210 backflow assemblies.
- Provided 2013 Consumer Confidence Report to the citizens of Hesperia.
- Maintained Hesperia Golf Course well and booster pump site.
- Complied with United States Environmental Protection Agency (USEPA) and State Department of Health Services (DHS) Title 22 requirements including Unregulated Containment Monitoring Regulation (UCMR 3).
- Remodeled existing chlorine delivery rooms, drainage, and wall board.
- Completed upgrade to software for the City's SCADA Program.

2014-15 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.
- Complete inspection of the interior of all water reservoirs by a certified diving company.
- Complete upgrade of 4 programmable logic controllers (PLCs) within the City's SCADA Program.

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Water Produced (Acre-Feet)	14,500	15,189	15,052	15,050
Water Samples	1,400	1,580	2,501	1,900
Reservoirs	14	14	14	14
Wells	18	18	18	18
Water Booster Station	6	6	6	6
Test Backflow Assemblies	1,118	1,192	1,214	1,254

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 603,661	$ 592,981	$ 637,538	$ 603,021	$ 645,195	1%
Benefits	249,860	230,511	238,585	221,924	249,237	4%
Materials	216,406	188,002	209,596	208,230	213,978	2%
Contractual	574	804	500	500	500	0%
Other Operating	44,402	40,081	48,654	57,448	53,054	9%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 1,114,903**	**$ 1,052,379**	**$ 1,134,873**	**$ 1,091,123**	**$ 1,161,964**	**2%**

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.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Equipment Operator	0.70	0.70	0.70	0.70
Maintenance Crew Supervisor	1.00	1.00	1.00	1.00
Maintenance Worker	6.00	6.00	6.00	6.00
Senior Maintenance Worker	3.40	3.40	3.40	3.40
Utility Line Locator	1.00	1.00	1.00	1.00
Total Full-Time Staff	**12.10**	**12.10**	**12.10**	**12.10**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- None

2013-14 PROGRAM ACCOMPLISHMENTS

- Assisted the construction inspectors on all new public and private waterline projects.
- Serviced 1,100 fire hydrants and 2,900 valves throughout the City.
- Repaired 255 water leaks, including water services, meters, and hydrant leaks.
- Installed 35 water meter sets throughout the City, and replaced 75 old service lines.
- Flushed 500 water lines within the City.
- Completed 4,000 locates for Utility Underground Service Alerts (USA/DigAlert).
- Serviced 110 air release valves throughout the City.
- Completed 10 fire flow tests for new commercial construction.

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

2014-15 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	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Water Leaks Repaired	90	63	75	75
Water Service Line Leaks Repaired	164	197	150	150
Water Meter Leaks Repaired	25	31	30	25
Valves Serviced	2,814	3,561	2,900	3,000
Fire Hydrants Serviced (Total of 5,445 Citywide)	1,166	1,429	1,100	1,200
Water Lines Flushed/Blowoffs	708	139	500	300
New Meter Sets	9	8	35	50
Service Replacements	121	94	75	100
Utility Line Locates	4,906	4,982	4,000	4,000
Air release valves serviced	655	670	110	300
Fire Flow Tests	36	9	10	10

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 346,411	$ 366,185	$ 359,703	$ 372,155	$ 378,103	5%
Benefits	146,638	134,205	134,841	130,989	143,498	6%
Materials	582,546	636,252	676,060	558,430	602,709	-11%
Contractual	4,005	13,671	16,500	6,500	11,500	-30%
Other Operating	54,869	68,014	63,820	76,150	65,655	3%
Capital Outlay	0	6,210	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 1,134,469**	**$ 1,224,537**	**$ 1,250,924**	**$ 1,144,224**	**$ 1,201,465**	**-4%**

PROGRAM DESCRIPTION

This Program was established for the purpose of repairing, maintaining, and replacing water lines and related infrastructure within the water system throughout the City.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Equipment Operator	2.00	2.00	2.00	2.00
Maintenance Crew Supervisor	1.00	1.00	1.00	1.00
Maintenance Worker	3.00	3.00	3.00	3.00
Senior Maintenance Worker	1.00	1.00	1.00	1.00
Total Full-Time Staff	**7.00**	**7.00**	**7.00**	**7.00**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- None

2013-14 PROGRAM ACCOMPLISHMENTS

- Installed 22,760 feet of new 8-inch and 1,430 feet of 12-inch PVC pipe this year totaling 24,190 feet of new water main installed. This includes a portion of CO #3404 in southwest quadrant of City which will be 75% completed and over 42,600 feet of 8-inch PVC water main has been installed to date on project.
- Completed Smoke Tree emergency water line installation of 1,430 feet of 12-inch PVC water main.
- Completed Hesperia Golf Course bypass line of 800 feet of 8” PVC water main.
- Completed Mesquite Elementary water and fire service change-overs, and installed over 2,000 feet of 8-inch PVC water main with 1 fire hydrant and 2 air vacuum release valves.
- Installed 111 new water isolation valves.
- Installed 39 new fire hydrants/flush points.
- Installed 13 new air release valves.
- Changed over 218 water services.

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

2014-15 PROGRAM GOALS AND OBJECTIVES

- Complete pipeline replacement on CO #3404, in southwest quadrant of the City by mid-year.
- Move to new water line project in center of City west of Maple Avenue and Main Street.
- Replace five miles of old, undersized steel water mains with new 8-inch and 12-inch lines, including isolation valves, fire hydrants, and service lines.

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Replace old pipeline with new pipeline (in miles)	4.7	4	4.5	5
Hydrant Replacements/Flush points installed (each)	41	38	39	40
Water services changed over (each)	236	271	218	220
Water isolation valves replaced or installed (each)	96	67	111	100

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 542,583	$ 537,485	$ 543,771	$496,774	$482,251	-11%
Benefits	218,325	192,827	204,277	175,113	179,238	-12%
Materials	9,324	10,162	10,500	9,890	10,838	3%
Contractual	39,408	47,336	64,565	48,360	68,300	6%
Other Operating	13,074	10,663	15,750	15,305	16,715	6%
Capital Outlay	0	12,339	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 822,714**	**$ 810,812**	**$ 838,863**	**$745,442**	**$757,342**	**-10%**

PROGRAM DESCRIPTION

The Engineering Program is responsible for the planning, design, and construction of potable and recycled water, as well as sanitary sewer infrastructure, to address the needs of the community today, as well as Twenty 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 2008 Water, Wastewater, and Recycled Water Master Plan Updates will be updated in FY 2014-15 and will remain the guiding plan for the City's Capital Improvement Plan. With the approval of the VVWRA Subregional Wastewater Plant, the City will soon be involved in the sale and distribution of recycled water for irrigation purposes.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Analyst	0.25	0.25	0.25	0.25
Administrative Secretary	0.00	0.00	0.00	0.10
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	0.85
Engineering Technician	0.60	0.60	0.60	0.60
Office Assistant	0.50	0.50	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	0.00	0.00	0.00
Senior Engineering Technician	0.60	0.60	0.60	0.00
Senior Office Assistant	0.35	0.35	0.35	0.35
Total Full-Time Staff	**9.30**	**8.80**	**8.80**	**7.60**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- The retirement of one Construction Inspector (0.70 FTE) creates a vacancy and the position will be eliminated to reduce expenditures during the continuing economic downturn, and related reduced development activity.

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES (Continued)

- Eliminate one vacant Senior Engineering Technician (0.60 FTE) position to reduce expenditures during the continuing economic downturn, and related reduced development activity.
- One Administrative Secretary (0.10 FTE) is being added to to assist with workload requirements.

2013-14 PROGRAM ACCOMPLISHMENTS

- Prepared the City's 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.
- Engineering and Public Works staff continued to partner with Westbound Communications to help meet the public outreach goals for the City as part of its Municipal Stormwater Program. Westbound Communications is the public outreach firm that is under contract with the Mojave River Watershed Group, of which the City is a member. The firm visits schools, home improvement stores, and special events to educate the public on the effects that surface pollutants have on potable water sources in the Alto Basin. City staff has assisted Westbound at special events such as Hesperia Days and the Home Show.
- Public Works staff continued to utilize the Cityworks Program to generate, track, and execute work orders within the City's GIS Map. Public Works staff continues to work 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, the GIS map has been updated to include the number and locations of water meters as well as recycled water pipeline.
- The Engineering GIS staff continued to work with Public Works staff to ensure that the new GIS-based water, sewer and storm drain atlases have the most accurate information possible based on actual field conditions. Continued efforts to verify the location of the storm drain catch basins, mainlines, and culverts throughout the City will occur.
- The Geoviewer Program continues to be the main portal for the balance of City staff outside Public Works to access and utilize the GIS map from their desktop computers. The latest version, Geoviewer 8.0, has additional features that make it more powerful, and the new aerial photograph that was flown in early spring 2013 has been uploaded into Geoviewer. In addition, the user may choose aerial photographs taken from 2001 through 2013 for comparisons.
- The construction of the interchange at Interstate 15 and Ranchero Road necessitated the relocation of the existing water lines in Mariposa and Caliente Roads. Termed the "frontage roads", the Engineering Division produced the relocation plans for the City and County water lines. Engineering staff worked closely with San Bernardino Associated Governments (SANBAG), its representatives, and the contractor, Christianson Brothers Contractors, to ensure the utilities were constructed to City standards. The project was completed in November, 2013.
- Engineering staff worked with representatives from Victor Valley Wastewater Reclamation Authority (VVWRA) to move the City's subregional wastewater treatment plant forward by approving its land use on Mojave Street and agreeing on a location adjacent to the site for percolation ponds. This enabled VVWRA to obtain the discharge permit through the regional water quality control board.

2013-14 PROGRAM ACCOMPLISHMENTS (Continued)

- Engineering coordinated with Infrastructure Engineering Corporation (IEC), who is the consultant that prepared the City's new water model utilizing InfoWater software. This new water model that runs within the City's existing GIS map eliminated the need to maintain two system maps. The fully functional InfoWater model will be the basis for the City's Water and Recycled Water master plan updates.
- Continued to support the various departments and divisions within the City through the production of maps, exhibits, standards, and other documents related to water, sanitary sewer, and storm drain facilities located throughout the City.

2014-15 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. Due to the large scale of the Tapestry Project, a consultant will be utilized to provide engineering services during the review.
- 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. One additional inspector is planning to get certificated as a QSP.
- Continue to improve and update the features of the City's Geographical Information System (GIS) map by maintaining Geoviewer and adding new features requested by other City divisions. GIS staff will continue to work with Public Works (PW) staff to ensure that the water system map stays updated with the new pipelines being installed, and will add features such as meters and valves in their actual locations. GIS staff continues to update the paper atlases used by PW, and these books allow field crews to make annotations that can then be updated on the GIS map.
- Both Engineering and Public Works staff will work closely with Infrastructure Engineering Corporation (IEC) during the updates to the Water, Sewer, and Recycled Water Master Plans to ensure that the resulting InfoWater and InfoSewer models are as accurate as possible. Upon completion of the master plan updates (expected to be completed early in the fiscal year), the City will have three fully functioning utility models that will be constantly updated with the City's GIS map, and will be able to be manipulated with model runs by City staff.
- The Engineering Division is once again designing the Annual Pipeline Replacement Program utilizing in-house engineering staff. The survey work was completed in FY 2013-14, and staff is expecting to complete the design shortly after the beginning of the fiscal year. This design project will be concentrating on replacing the four-inch steel water lines in the old residential subdivision west of Topaz Road, just north of Main Street. Staff will also begin the FY 2014-15 design project by contracting for the design survey, and will begin the design for replacement of four-inch steel water lines at various locations across the northern quarter of the City.
- Continue to support other City departments and divisions by providing data and mapping services through the GIS system for water, sewer, and storm drain facilities.
- Continue to work with VVWRA staff on the construction of the City's subregional water reclamation plant on Mojave Road. It is anticipated that the project will be bid for construction at the beginning of the fiscal year. The project does include off-site sewer, water, and street improvements that will be inspected by Engineering staff.
- Staff will continue to work as part of the Mojave River Watershed Group (MRWG) to meet the new requirements of the latest MS4 Municipal Stormwater Permit designed to protect the City's precious potable water sources. Stormwater monitoring and testing are two new requirements that are part of the new permit, and the MRWG will work closely with the Regional Water Quality Control Agency (Lahontan) to devise methodology that meets the new requirements while balancing the financial resources of the local agencies.

2014-15 PROGRAM GOALS AND OBJECTIVES (Continued)

- Once the VVWRA subregional water reclamation plant is complete and comes on-line, the City will need to have a completed recycled water distribution system (purple pipe) in place. Engineering staff has already defined a preliminary alignment for the first phase of the system that will convey recycled water to the Hesperia Golf Course. Staff will continue to refine this alignment, develop detailed material lists, and provide cost estimates that can be used to develop a financing plan to ensure a distribution system is in place prior to the recycled water being available at the plant.

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 432,958	$ 448,104	$ 433,760	$ 491,120	$ 457,464	5%
Benefits	175,710	165,872	166,849	171,848	183,559	10%
Materials	499,594	484,401	509,760	475,960	511,324	0%
Contractual	17,872	15,616	17,920	17,920	17,920	0%
Other Operating	26,432	28,488	31,460	25,125	24,365	-23%
Capital Outlay	0	7,792	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 1,152,566**	**$ 1,150,273**	**$ 1,159,749**	**$ 1,181,973**	**$ 1,194,632**	**3%**

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.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Maintenance Crew Supervisor	1.00	1.00	1.00	1.00
Maintenance Worker	2.00	2.00	2.00	2.00
Meter Reader	4.00	4.00	4.00	4.00
Senior Maintenance Worker	2.00	2.00	2.00	2.00
Total Full-Time Staff	**9.00**	**9.00**	**9.00**	**9.00**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- None

2013-14 PROGRAM ACCOMPLISHMENTS

- Replaced a combination of 1,000 domestic, irrigation, and commercial water meters.
- Completed 9,172 various water meter-related maintenance repairs.
- Performed 20,725 field service requests.
- Obtained 157,400 meter reads for billing purposes.

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

2014-15 PROGRAM GOALS AND OBJECTIVES

- Provide accurate meter reading on a scheduled basis.
- Replace 1,000 water meters to improve accuracy of recorded water consumption.
- Provide customers with a properly functioning meter assembly.
- Address customer complaints/concerns in a timely and courteous manner.
- Implement a new Automated Meter Reading (AMR) provider and install 2,000 of the new AMR units. The City's previous AMR provider, Datamatic, Ltd., declared bankruptcy in September 2013, and can no longer supply AMR units.

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Customer Service Requests	22,647	21,302	20,725	23,000
Meter Reads	157,054	157,187	157,400	157,500
Meter Repairs	9,189	8,784	9,172	9,200
Meters Rotated/Replaced	1,082	1,185	1,000	1,000
Automated Meter Reading Units (AMR)	2,565	2,959	1,400	2,000
New Meter Sets (Tract Homes)	0	0	1	12

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 485,514	$ 527,963	$ 524,590	$ 550,972	$ 544,533	4%
Benefits	182,145	169,074	170,771	173,447	180,004	5%
Materials	111,971	113,136	141,665	142,584	145,008	2%
Contractual	114,403	123,916	136,166	137,110	128,211	-6%
Other Operating	4,309	4,547	34,650	4,376	5,104	-85%
Capital Outlay	0	5,985	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 898,342**	**$ 944,621**	**$ 1,007,842**	**$ 1,008,489**	**$ 1,002,860**	**0%**

PROGRAM DESCRIPTION

The Utility Billing Section provides customer service to over 26,200 customers of the Hesperia Water District, which provides water and sewer services. Customer service consists of establishing new services, moving customers in and out of existing accounts, shut-offs, inbound and outbound phone calls, response to customer service requests, notification to customers of scheduled and emergency maintenance/shut downs, and posting all payments. Utility Billing also manages all aspects of billing, including scheduling meter reads, calculating bills, and processing delinquent accounts; and manages the on-line customer bill presentment/payment service. This section also serves as the central cashier for the City Hall location and processes all bad checks and credit card chargebacks.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
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	0.10	0.10	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
Total Full-Time Staff	**10.10**	**10.10**	**10.10**	**10.10**
Part-Time Staff				
Customer Service Representative	0.46	0.46	0.92	0.92
Total Part-Time Staff	**0.46**	**0.46**	**0.92**	**0.92**
Total Full & Part-Time Staff	**10.56**	**10.56**	**11.02**	**11.02**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- None

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

2013-14 PROGRAM ACCOMPLISHMENTS

- Calculated and mailed over 208,000 water/sewer bills to customers.
- Refined procedures and strengthened staff skills in New World Logos.Net software and CRW.
- Implemented the one-time-payment module that enables customers to make on-line payments for water/sewer bills without enrollment.
- Refined billing procedures and worksheet to facilitate the billing/penalty dates.
- Upgraded the call center software.
- Upgraded payment processing software to be compatible with Windows 7.
- Cross-trained Customer Service Representatives to perform some senior duties.
- Implemented an automated process to notify customers of past due balances on closed accounts.
- Adopted a new fee schedule.
- Entered into a contract with a new collection agency.
- Developed a monthly process for referring bad debt to collections.
- Developed and trained the Police Department to process revenue collections in New World Logos.Net.

2014-15 PROGRAM GOALS AND OBJECTIVES

- Reorganize Utility Billing staff duties.
- Continue cross-training program for Customer Service Representatives in payment processing.
- Improve call center management, and provide exceptional customer service.
- Effectively support customers using the Electronic Bill Payment/Presentment (E-Pay).
- Improve workflow and communications with other divisions.

PERFORMANCE AND WORKLOAD INDICATORS	2011-12	2012-13	2013-14	2014-15
Bills Processed	204,569	207,213	207,500	208,000
New Accounts Established (New Meters)	21	10	55	100
Accounts Transferred	5,643	4,840	4,500	4,600
Water Service Accounts	26,189	26,198	26,253	26,353
Sewer Service Accounts	5,350	5,405	5,415	5,430
E-Pay Account Enrollment	6,892	8,559	9,650	10,000
E-Pay Paperless Account Enrollment	1,992	2,399	2,675	2,975
On-line Customer Service Requests	775	649	650	650
Incoming Phone Calls	76,940	78,500	79,000	78,000
Past Due Notices Mailed	58,448	61,616	62,000	62,250
Door Hangers Distributed	2,268	2,315	2,150	2,100
Automated Delinquency Reminder Calls	21,104	20,937	21,400	21,500
Accounts Shut Off for Non-Payment	3,761	3,395	3,400	3,450

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 575,601	$ 576,717	$ 582,571	$ 600,754	$ 602,664	3%
Benefits	354,415	321,316	238,922	234,822	248,414	4%
Materials	64,008	65,940	65,719	64,399	68,767	5%
Contractual	404,155	442,103	461,600	381,500	469,670	2%
Other Operating	1,824,621	1,715,457	1,721,561	1,874,345	1,719,386	0%
Capital Outlay	0	68,929	25,000	0	0	-100%
Debt Service	2,948,713	2,961,980	2,975,535	3,075,096	2,974,770	0%
TOTAL	**$ 6,171,513**	**$ 6,152,442**	**$ 6,070,908**	**$ 6,230,916**	**$ 6,083,671**	**0%**

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.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Administrative Analyst	0.25	0.25	0.25	0.40
Administrative Secretary	0.50	0.50	0.50	0.70
Assistant City Manager/Management Services	0.05	0.05	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	0.50	0.50	0.50	0.50
Executive Secretary	0.40	0.40	0.40	0.00
Management Analyst	1.00	1.00	1.00	1.00
Office Assistant	1.00	0.50	0.50	0.50
Public Works Director	0.00	0.00	0.50	0.50
Public Works Manager	0.50	0.50	0.00	0.00
Public Works Supervisor	1.00	1.00	1.00	1.00
Senior Office Assistant	0.50	0.50	0.50	0.50
Senior Warehouse Technician	1.00	1.00	1.00	1.00
Warehouse Technician	1.00	1.00	1.00	1.00
Total Full-Time Staff	**8.60**	**8.10**	**8.10**	**8.05**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- As approved with the 2013-14 Mid-Year Budget review, the Development Services Executive Secretary (0.40 FTE) position is being transferred to the City Manager Department to reflect the current staffing requirements and one Administrative Secretary (0.20 FTE) is being added to Water District Administration.

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES (Continued)

- With two positions eliminated in Community Development; one Administrative Analyst (0.15 FTE) position is being added to provide administrative support to the land management system (TrakiT).

2013-14 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 wastemaster for the Mojave River Basin.
- Continued to work in conjunction with the Victor Valley Wastewater Reclamation Authority (VVWRA) for the design of the sub-regional wastewater facility in the northwest quadrant of the City to provide an additional source of irrigation water for use throughout the City.
- Continued to maintain a leading presence with the Mojave Water Agency (MWA).
- Continued to work with MWA and San Bernardino County Flood Control District in joint projects, such as the Ranchero Road Recharge Basin on the Antelope Valley Wash.
- Continued on the Alto Sub-Basin Committee for the Mojave River Basin Watermaster.

2014-15 PROGRAM GOALS AND OBJECTIVES

- To promote certification for Water Division's staff through continuing education.
- To continue to promote and support Cityworks Asset Management Program.
- To continue to provide support to the staff of the Water Division.
- To continue to maintain a leading presence with the Mojave Water Agency (MWA).
- Continue to work in conjunction with the Victor Valley Wastewater Reclamation Authority (VVWRA) for the construction of the sub-regional wastewater facility in the northwest quadrant of the City to provide an additional source of irrigation water for use throughout the City.

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 141,260	$ 146,731	$ 148,791	$152,823	$156,384	5%
Benefits	68,489	65,933	69,694	63,854	71,684	3%
Materials	33,085	47,834	36,600	36,440	37,232	2%
Contractual	27,334	28,476	34,752	34,752	32,300	-7%
Other Operating	12,586	12,362	29,400	46,000	41,400	41%
Capital Outlay	0	0	0	0	15,000	100%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 282,754**	**$ 301,336**	**$ 319,237**	**$333,869**	**$354,000**	**11%**

PROGRAM DESCRIPTION

Property Management under Facility Maintenance supports all Water Division and district facilities to include leased property. The objective of this Program is to provide a clean, safe, well-maintained work environment for all employees and tenants 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 Faciliworks computerized maintenance management system, will better serve customers with planned maintenance, while reducing the affects of catastrophic mechanical/structural failures leading to prolonged customer inconvenience and disruptions of daily operations.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Custodian	2.50	2.00	2.00	2.00
Facilities Supervisor	0.50	0.50	0.50	0.50
Senior Custodian	0.00	0.50	0.50	0.50
Total Full-Time Staff	**3.00**	**3.00**	**3.00**	**3.00**
Part-Time Staff				
Custodian - Part-Time	0.46	0.46	0.46	0.46
Total Part-Time Staff	**0.46**	**0.46**	**0.46**	**0.46**
Total Full & Part-Time Staff	**3.46**	**3.46**	**3.46**	**3.46**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Funding of $18,500 is included to provide electrical repair of electrical systems at each facility, plumbing repair to existing plumbing fixtures, annual and fire riser inspections in addition to annual fire extinguisher re-charge certification, store front door maintenance, operating hardware maintenance and replacement.
- Funding of $15,000 is included to provide roof repair at the Mojave Yard Administration building to extend the life of the existing roof.

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

2013-14 PROGRAM ACCOMPLISHMENTS

- Provided a clean, safe, well-maintained work environment for employees and tenants located at 17282 Mojave Street and 15776 Main Street.
- Provided a clean, safe work environment for all employees at 17282 Mojave Street.
- Provided property maintenance and repair, at 15776 Main Street with in-house staff and sub-contracted activities.
- Provided maintenance, repair and surveillance at 9393 Santa Fe Avenue utilizing in-house staff.
- Developed a new computerized maintenance management software for facility management.
- Provided monitoring and guidance to all sub-contractors under the direction of Public Works Property Management to ensure all requirements of each sub-contractor are met.
- Provided landscape management based on current planting and irrigation.

2014-15 PROGRAM GOALS AND OBJECTIVES

- Maintain 9393 Santa Fe Avenue including landscape.
- Provide a clean, safe work environment at all Water Division and District facilities.
- Build the Faciliworks database to provide better cost control over facility maintenance.
- 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	2011-12	2012-13	2013-14	2014-15
Work Orders Processed	26	54	32	50
Service Contracts Administered	9	10	12	12
Soft Floor Deep Cleaning (square feet)	2,500	5,500	0	5,500
Hard Floor Deep Cleaning (square feet)	2,700	4,600	1,228	3,000

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

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 206,659	$ 197,115	$ 222,571	$ 248,327	$ 243,790	10%
Benefits	79,227	91,889	87,523	89,833	97,940	12%
Materials	1,751,085	2,087,442	1,987,300	2,101,745	2,268,056	14%
Contractual	52,204	54,765	271,300	84,280	402,300	48%
Other Operating	411,131	207,684	223,854	229,074	206,543	-8%
Capital Outlay	0	30,021	110,000	129,000	188,136	71%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 2,500,306**	**$ 2,668,916**	**$ 2,902,548**	**$ 2,882,259**	**$ 3,406,765**	**17%**

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Sewer Operations (710)	$ 2,500,306	$ 2,668,916	$ 2,702,548	$ 2,717,279	$ 3,056,765	13%
Sewer Capital (711)	0	0	200,000	164,980	350,000	75%
Total Sewer	**$ 2,500,306**	**$ 2,668,916**	**$ 2,902,548**	**$ 2,882,259**	**$ 3,406,765**	**17%**

	2011-12	**2012-13**	**2013-14**	**2014-15**
DEPARTMENT STAFFING				
Total Full-Time Staff	4.50	4.50	4.50	4.50
Total D.S. Sewer Staff	**4.50**	**4.50**	**4.50**	**4.50**

DIVISION GOALS FOR 2014-15

- 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 (VVWRA) on the construction for the sub-regional wastewater reclamation facility.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The FY 2014-15 Budget includes the recent 9% rate increase assessed by Victor Valley Wastewater Reclamation Authority (VVWRA) for treatment of the City's wastewater effluent. The FY 2013-14 rate was $2,528 per million gallon (mg); whereas the FY 2014-15 Budget reflects the rate of $2,756 mg, which is a projected increase of $162,000.
- The FY 2014-15 includes $188,136 for the purchase of the camera inspection truck, which was approved during the FY 2013-14 Mid-Year Budget. It was originally anticipated the vehicle would be received prior to the close of the fiscal year; however, it appears that the delivery date will occur in July 2014, which requires that funding be carried over to the new fiscal year.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES (Continued)

- The FY 2014-15 Budget includes $144,000 for the monthly sewer charges assessed by the San Bernardino County Special District for Zone SP-2.

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
Sewer Operating Fund (710)						
Interest						
Interest Income 710 19 220 0000 5600	$ 3,849	$ 5,043	$ 5,442	$ 5,442	$ 5,448	0%
Total Interest	$ 3,849	$ 5,043	$ 5,442	$ 5,442	$ 5,448	0%
Charges for Services						
Sewer Billing 710 29 420 4200 5200	$ 3,189,429	$ 3,342,146	$ 3,300,000	$ 3,375,000	$ 3,409,000	3%
Zone J Sewer Billing 710 29 420 4200 5210	56,189	74,999	56,200	69,215	69,215	23%
Sewer Inspections 710 29 420 4200 5260	6,195	2,450	4,000	4,000	3,000	-25%
Other Charges for Services	0	0	500	0	0	-100%
Total Charges for Service	$ 3,251,813	$ 3,419,595	$ 3,360,700	$ 3,448,215	$ 3,481,215	4%
Total Sewer Operating Fund	**$ 3,255,662**	**$ 3,424,638**	**$ 3,366,142**	**$ 3,453,657**	**$ 3,486,663**	**4%**
Sewer Capital Fund (711)						
Charges for Services						
Sewer Connections 711 29 420 4200 5220	$ 102,478	$ 79,685	$ 50,000	$ 65,000	$ 53,145	6%
Interest Income 711 19 220 0000 5600	2,170	2,556	2,796	3,554	3,364	20%
Total Sewer Capital Fund	**$ 104,648**	**$ 82,241**	**$ 52,796**	**$ 68,554**	**$ 56,509**	**7%**
Total Sewer Operating & Capital	**$ 3,360,310**	**$ 3,506,879**	**$ 3,418,938**	**$ 3,522,211**	**$ 3,543,172**	**4%**

PROGRAM STAFFING	2011-12	2012-13	2013-14	2014-15
Full-Time Staff				
Assistant City Manager/Management Services	0.05	0.05	0.05	0.05
Maintenance Crew Supervisor	0.70	0.70	0.70	0.70
Maintenance Worker	2.90	2.90	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 Operator	0.05	0.05	0.05	0.05
Total Full-Time Staff	**4.50**	**4.50**	**4.50**	**4.50**

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

PROGRAM EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 206,659	$ 197,115	$ 222,571	$ 248,327	$ 243,790	10%
Benefits	79,227	91,889	87,523	89,833	97,940	12%
Materials	1,751,085	2,087,442	1,987,300	2,101,745	2,268,056	14%
Contractual	52,204	54,765	71,300	48,300	52,300	-27%
Other Operating	411,131	207,684	223,854	229,074	206,543	-8%
Capital Outlay	0	30,021	110,000	0	188,136	71%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 2,500,306**	**$ 2,668,916**	**$ 2,702,548**	**$ 2,717,279**	**$ 3,056,765**	**13%**

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 (VVWRA), a Joint Powers Authority (JPA), comprised of Hesperia and other local agencies.

PROGRAM STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Full-Time Staff				
Assistant City Manager/Management Services	0.05	0.05	0.05	0.05
Maintenance Crew Supervisor	0.70	0.70	0.70	0.70
Maintenance Worker	2.90	2.90	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 Operator	0.05	0.05	0.05	0.05
Total Full-Time Staff	**4.50**	**4.50**	**4.50**	**4.50**

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- The FY 2014-15 Budget includes the recent 9% rate increase assessed by Victor Valley Wastewater Reclamation Authority (VVWRA) for treatment of the City's wastewater effluent. The FY 2013-14 rate was $2,528 per million gallon (mg); whereas the FY 2014-15 Budget reflects the rate of $2,756 mg, which is a projected increase of $162,000.
- The FY 2014-15 includes $188,136 for the purchase of the camera inspection truck, which was approved during the FY 2013-14 Mid-Year Budget. It was originally anticipated the vehicle would be received prior to the close of the fiscal year; however, it appears that the delivery date will occur in July 2014, which requires that funding be carried over to the new fiscal year.
- The FY 2014-15 Budget includes $144,000 for the monthly sewer charges assessed by the San Bernardino County Special District for Zone SP-2.

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

2013-14 PROGRAM ACCOMPLISHMENTS

- Hydro-cleaned over 6% of the wastewater collection system.
- Completed second year of the three-year proactive maintenance program to have all the wastewater collection lines cleaned in the City.
- Cleaned and inspected over 6% of the wastewater manholes.
- Completed the second year of 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.
- Completed second year of the three-year proactive maintenance program to have all wastewater collection lines in the City inspected and recorded with closed circuit television.

2014-15 PROGRAM GOALS AND OBJECTIVES

- Keep the wastewater collection system free and unobstructed.
- Complete the third year of a three-year proactive maintenance program to have all wastewater collection lines and manholes cleaned in the City.
- Complete the third year of a three-year proactive maintenance program to have all the wastewater collection lines in the City inspected and documented with closed circuit television recordings.
- Operate and maintain I Avenue sewage lift station.

PERFORMANCE AND WORKLOAD INDICATORS	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Wastewater Lines Cleaned (miles)	44	28	8	10
Manholes Maintained (Total of 2,220 Citywide)	821	447	86	90
Wastewater Lines Videotaped (miles)	37	36	11	15
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	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 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	200,000	35,980	350,000	75%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	129,000	0	0%
Debt Service	0	0	0	0	0	0%
Total	**$ 0**	**$ 0**	**$ 200,000**	**$164,980**	**$ 350,000**	**75%**

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	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 9,191	$ 3,375	$ 0	$ 0	$ 0	0%
Benefits	1,027	621	0	0	0	0%
Materials	52,321	48,637	63,740	59,040	65,170	2%
Contractual	11,349,071	12,381,049	12,654,847	12,884,847	13,376,386	6%
Other Operating	51,552	73,983	124,282	119,077	87,182	-30%
Capital Outlay	0	7,499	0	0	6,500	100%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 11,463,162**	**$ 12,515,164**	**$ 12,842,869**	**$ 13,062,964**	**$ 13,535,238**	**5%**

DEPARTMENT DESCRIPTION

The Police Department of the City of Hesperia provides law enforcement and public safety services to the residents of the City and to 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 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.

DEPARTMENT STAFFING	2011-12	2012-13	2013-14	2014-15
Total Full-Time Staff	70.00	72.00	73.00	73.00
Total Part-Time Staff	0.50	0.50	0.00	0.00
Total Police Staff	**70.50**	**72.50**	**73.00**	**73.00**

DEPARTMENT GOALS FOR 2014-15

- Continue the successful efforts of the Gang Team, which handles gang-related and graffiti investigations. A full-time Gang Sergeant will continue to oversee and coordinate gang-related investigations, stepping up proactive and targeted gang-related issues. The six deputy team has allowed three full-time Gang Teams to supplement the patrol division's efforts to conduct proactive, targeted, and selected enforcement activities. The Gang Team 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.

DEPARTMENT GOALS FOR 2014-15 (Continued)

- With the creation of the Juvenile Officer, the Hesperia Police Department has expanded the support of the Crime Free Multi-Housing Program, which is a coalition of Law Enforcement, Business and Apartment Owners, Apartment Managers and Tenants, committed to providing a safer living environment for residents and children in apartment complexes throughout the City of Hesperia.
- Coordinate with the City to establish a city ordinance that would require owners of rental units, within the City to register and participate in the Crime Free Multi-Housing Program. In addition, create a citation program and fine schedule to those rental owners who rent to tenants who continually violate the Crime Free Multi-Housing mandates. This ordinance will prompt rental owners to manage their tenants more effectively, and will establish a basis for removal through eviction for those tenants involved in criminal activity.
- Enhance the Department's Traffic Division through the addition of traffic deputies, making it safer to drive in the City of Hesperia. The City has experienced a trend in alcohol/drug related traffic collisions, many of which have resulted in fatalities. A means to combat such a trend is to enhance traffic enforcement efforts/personnel.
- 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.
- Research the feasibility and advantages of the use of stationary Automated License Plate Readers at specific locations throughout the City to assist in developing investigative leads for criminal activity that occurs in the City of Hesperia.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- The FY 2013-14 Budget for the police services contract was budgeted at $12,210,462. In order to continue current level law enforcement services, the County Contract increased by 4.8% or $586,754, for a FY 2014-15 Schedule A total of $12,797,216. The primary reason for the contract cost increases are salary and benefit increases for Sworn and Non-Sworn County contract staff.
- Continue to remove Booking Fees of $200,000 from the FY 2014-15 Budget. Currently, the State is committed to reimburse the County directly for booking fees as they have done in FY 2012-13 and FY 2013-14.
- The City receives contract credits from vacant positions or while personnel are on long-term leave. These credits are used to offset any overtime charges. For the FY 2014-15 Budget, it is assumed that overtime costs will be managed to match the contract vacancy credits; thereby Police overtime will not be budgeted in FY 2014-15
- Funding in the amount of $6,500 is included for a carport cover for the Command Post trailer.

DEPARTMENT STAFFING	2011-12	2012-13	2013-14	2014-15
Sworn Officers (Contract)				
Captain	1.00	1.00	1.00	1.00
Lieutenant	1.00	1.00	1.00	1.00
Sergeant	8.00	7.00	7.00	7.00
Detective/Corporal	5.00	5.00	5.00	5.00
Sheriff Deputy	37.00	40.00	41.00	41.00
Total Sworn Full Time Staff	**52.00**	**54.00**	**55.00**	**55.00**

DEPARTMENT STAFFING (Continued)	2011-12	2012-13	2013-14	2014-15
Non-Sworn Staff (Contract)				
Office Specialist	8.00	8.00	9.00	9.00
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	0.00	0.00
Total Non Sworn Full-Time Staff	**18.00**	**18.00**	**18.00**	**18.00**
Total Sworn & Non-Sworn Staff	**70.00**	**72.00**	**73.00**	**73.00**
Part-Time Staff				
Administrative Aide	0.50	0.50	0.00	0.00
Total Part-Time Staff	**0.50**	**0.50**	**0.00**	**0.00**
Total Sworn, Non-Sworn & Part-Time	**70.50**	**72.50**	**73.00**	**73.00**

2013-14 DEPARTMENT ACCOMPLISHMENTS

- Volunteer units continued to exceed all other High Desert volunteer units in the total number of hours volunteered to the community. In 2013, Hesperia Police volunteers donated 40,997 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 27,319 hours. The C.O.P., Explorers, Reserves, and Equestrian Unit consistently supply the needed manpower to staff community events such as sobriety checkpoints, the Hesperia Days Parade, National Night Out, Movies at the Park, High Desert Farmer's Market, and other events requiring command post, traffic control, or crime scene security.
- The Hesperia Police Activities League (H.P.A.L.) continues to be a widely successful program. As it stands, the program is at full capacity with youth participants and volunteers. By moving a full-time deputy to manage the PAL program, an excellent rapport and mutual understanding has been maintained between the young people in the community and the Police Department. The addition of a martial arts component to the program was added this year and has already prompted an overabundance of participation.
- 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.
- The Crime-Free Multi-Housing Program continues to be a very successful and worthwhile program. The responsibility of overseeing this program rests with the Public Information Officer and Juvenile Intervention/Community Relations Officer. Training has been conducted at the Hesperia Police Department to train local multi-unit property owners to increase awareness of the Crime Free Housing Program. Every year more local renters have voluntarily joined this program.
- The Hesperia Police Department continues to participate in the "Shoulder Tap" Program. During the program, a minor decoy, under the direct supervision of law enforcement officers, solicits adults outside ABC licensed stores to buy alcohol for the minor decoy. Any person furnishing alcohol to the minor decoy is arrested (either cited or booked) for furnishing alcohol to a minor (a violation of Section 25658(a) Business and Professions Code). According to studies, 46% of all juveniles use this method to obtain alcohol.
- A daytime traffic car was added to increase the traffic enforcement from two motor officers and one evening DUI car, to four total traffic units. The Traffic Division has adjusted personnel hours to target peak times for potential traffic-related issues.

2013-14 DEPARTMENT ACCOMPLISHMENTS (Continued)

- The Department made great strides in enforcement and compliance of the large population of criminals released in the City as a result of AB109. A multitude of compliance checks and sweeps performed by Hesperia deputies resulting in the arrests of 146 persons just this year.

DEPARTMENT GOALS AND OBJECTIVES FOR 2014-15

- Continue enhanced efforts and target problem areas in traffic control and enforcement to reduce the number of fatal and major injury traffic collisions within the City of Hesperia. Proactive patrol and a visual presence will be more effective with the addition of a traffic unit. This will help enhance the safety of those operating motor vehicles within the city.
- The Hesperia Gang Team will continue to conduct proactive, targeted, and selected enforcement activities. The Gang Team 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.
- Continue efforts to support and expand participation in the Hesperia Police Activities League (HPAL) through the efforts of the new Juvenile Officer and station volunteers (this program 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). The feasibility of creating a Hesperia "SHOCK" Program may also be reviewed.
- Continue to expand the Crime Free Housing and Crime Free Multi-Housing Program by utilizing the Juvenile Officer to work closely with the PIO in order to identify and deal appropriately with specific residential locations and/or persons who generate repeat calls for service. Establish a City ordinance that will require rental owners to participate in the Crime Free Multi-Housing Program, and establish a citation program with a fine schedule for those tenants who are responsible for conducting criminal activity in the City. This fine will be attached to the property in hopes of prompting rental owners to adhere to the Crime Free Multi-Housing eviction addendum.
- The Off-Highway Vehicle (OHV) Enforcement Grant funds patrols 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 the "Shoulder Tap" Program to reduce underage consumption of, and access to, alcohol by deterring adults from furnishing to minors outside of licensed premises, expanding the enforcement of underage drinking laws, and raising public awareness about the problem.
- Implement the use of automated license plate readers at strategic points within the City to assist in establishing investigative leads for use in identifying and prosecuting those responsible for conducting criminal acts within the City.

FUND: GENERAL FUND 100
DEPARTMENT: POLICE 51

PERFORMANCE AND WORKLOAD INDICATORS	2011	2012	2013	2014
Part I Offenses				
Homicide	2	6	1	3
Rape	25	18	17	20
Robbery	95	69	84	83
Assaults	694	785	675	718
Burglary	668	918	874	820
Theft	1,181	1,188	1,060	1,143
Theft Motor Vehicle	400	402	409	404
Total Part I Offenses	3,065	3,386	3,120	3,191
Part II Offenses	6,651	5,463	5,965	6,027
Arrests				
Adult	2,262	2,372	2,963	2,533
Juvenile	241	123	152	172
Total Arrests	2,503	2,495	3,115	2,705
Total Calls for Service (CFS)	74,967	82,407	85,515	80,963
▪ Reactive (Dispatched only)	39,215	44,511	41,106	41,611
▪ Proactive (On-views)	14,862	14,945	20,612	16,807
▪ Others (Info, cancelled, pre-empted)	20,890	22,951	23,797	22,546
Reports	9,634	9,621	9,905	9,720
Traffic Collisions				
Fatal	6	13	15	13
Injury	174	253	179	202
Non-Injury	629	674	844	716
Total Collisions	809	940	1,038	931
Citations	2,793	2,529	4,454	3,259
DUI Arrests	336	304	423	355

2014 estimates are based on figures from the 2013 Annual Report and a three-year average.

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FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55

DEPARTMENT EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	21,689	18,809	99,190	99,190	246,542	149%
Materials	3,017	7,371	10,156	6,491	13,374	32%
Contractual	8,872,949	8,443,583	9,097,518	9,228,987	9,659,137	6%
Other Operating	8,176	7,930	974,350	1,001,950	1,067,275	10%
Capital Outlay	0	34,070	13,650	55,940	315,000	2208%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 8,905,831**	**$ 8,511,763**	**$ 10,194,864**	**$ 10,392,558**	**$ 11,301,328**	**11%**

DEPARTMENT EXPENDITURE SUMMARY	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	% Change From 2013-14 Budget
520 Operations and Community Safety	$ 8,555,920	$ 8,253,239	$ 8,897,812	$ 8,897,812	$ 9,449,751	6%
521 Administration	349,911	258,524	327,702	525,396	814,114	148%
528 SAFER Grant	0	0	969,350	969,350	1,037,463	7%
Total Fire District	**$ 8,905,831**	**$ 8,511,763**	**$ 10,194,864**	**$ 10,392,558**	**$ 11,301,328**	**11%**

	2011-12	2012-13	2013-14	2014-15
DEPARTMENT STAFFING				
Total Full-Time Staff (Contract)	57.40	48.40	66.73	67.10
Total Full-Time Staff (Non-Contract)	0.00	0.00	0.00	0.00
Total Fire District Staff	**57.40**	**48.40**	**66.73**	**67.10**

DEPARTMENT GOALS FOR 2014-15

- Initiate appropriate Emergency Management Dispatch (EMD) procedures.
- Improve communication with City staff and Council.
- Maintain equitable response ratios with surrounding fire agencies.
- Provide a Glen Helen Inmate Crew available to the City for fifty (50) work-days.
- Implement Engine Company inspections for non-permitted occupancies.

FUND: **HESPERIA FIRE DISTRICT 200**
DEPARTMENT: **FIRE DISTRICT 55**

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- The County contract for the current level of service has increased from $8,897,812 to $9,449,751 for a $551,939, or 6.2%, increase paid to County Fire. $220,277 of this increase is related to operating expenses and $331,662 is personnel based. Including the additional staff funded by the SAFER grant ($1,037,463 in Division 528) the total FY 2014-15 County Fire contract will be $10,487,214 representing an increase of $620,052, or 6.3% over the FY 2013-14 Budget of $9,867,162.
- For FY 2014-15, the County is restructuring the staffing allocations to more accurately reflect workload related to the services provided to the City.
  - Two Collection Officer positions (2.00 FTE) will be added and two Account Representative positions (2.00 FTE) will be eliminated.
  - Due to contract reallocation, a (0.50 FTE) Office Assistant III position will be added.
  - Due to contract reallocation, a (0.03 FTE) Deputy Fire Marshall position will be added.
  - Due to contract reallocation, a Division Chief position will be reduced from 0.43 FTE to 0.39 FTE (0.04 FTE Reductions).
  - Due to contract reallocation, 1.30 FTE Battalion Chief positions will be reduced to 1.18 FTE (0.12 FTE Reduction).
- Funding of $315,000 is included to replace nine (9) defibrillators in the District.
- Retirement costs paid to CalPERS will increase significantly from $89,786 ($79,868 for Safety and $9,918 for Miscellaneous) for FY 2013-14 to $245,096 ($233,880 for Safety and $11,216 for Miscellaneous) for FY 2014-15.
- Funding of $84,000 for roof repairs at Station 302 ($29,000) and Station 305 ($55,000) are included in the overall City FY 2014-15 Budget and are funded in the Fire Capital Fund 502.

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
200 Fire District Fund						
Taxes						
Secured Property Taxes 200 55 521 0000 4000	$ 3,777,315	$ 3,783,638	$ 3,810,000	$ 3,870,000	$ 3,910,000	3%
Fire Assessment 200 55 521 0000 4020	0	53	0	0	0	n/a
CFD #94-1 200 55 521 0000 4030	508,570	536,074	544,800	550,458	555,963	2%
CFD #2005-1 200 55 521 0000 4031	376,805	322,733	326,850	326,850	214,144	-34%
Redevelopment Agency Pass-Through 200 55 521 0000 4090	1,090,804	1,087,371	1,147,427	1,802,960	1,182,567	3%
VVEDA Pass-Through 200 55 521 0000 4095	76,615	83,760	70,000	139,476	100,217	43%
Total Taxes	$ 5,830,109	$ 5,813,629	$ 5,899,077	$ 6,689,744	$ 5,962,891	1%

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55

REVENUE DETAIL	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget	%Change From 2013-14 Budget
200 Fire District Fund (Continued)						
Interest						
Interest Income 200 19 220 0000 5600	$ 1,616	$ 2,071	$ 0	$ 700	$ 500	100%
Other Interest	3,396	3,155	3,396	3,800	3,396	0%
Total Interest	$ 5,012	$ 5,226	$ 3,396	$ 4,500	$ 3,896	15%
Charges for Services						
State Regulated Inspections 200 55 523 0000 5330	$ 465	$ 450	$ 500	$ 990	$ 600	20%
Tenant Improvement Plans 200 55 523 0000 4963	0	45	0	150	150	n/a
Burn Permits 200 55 523 0000 4340	6,970	4,910	6,000	4,700	4,800	-20%
Paramedic Ambulance Fees 200 55 525 0000 5300	2,124,516	1,979,662	2,701,087	2,400,000	2,500,000	-7%
Ground Emergency Medical Transportation (GEMT) 200 55 525 0000 5303	0	0	0	0	480,528	n/a
Non-Transport EMS Charge 200 55 525 0000 5315	176,371	170,952	169,000	170,000	201,924	19%
Ambulance Membership Service 200 55 525 0000 5305	15,900	14,475	14,000	12,000	12,500	-11%
Fire Hazard Inspection 200 55 523 0000 5335	131,913	127,843	121,430	105,349	146,898	21%
City/County HazMat Contract 200 55 527 0000 5368	152,686	152,686	152,686	152,686	152,686	0%
Other Charges for Services	85,532	101,775	65,500	88,013	82,700	26%
Total Charges for Services	$ 2,694,353	$ 2,552,798	$ 3,230,203	$ 2,933,888	$ 3,582,786	11%
Grants						
Thermal Imaging Camera Grant 200 55 521 0000 4762	$ 0	$ 21,541	$ 0	$ 0	$ 0	n/a
FEMA SAFER Grant 200 55 528 0000 4816	0	0	794,778	578,000	580,000	-27%
Total Grants	$ 0	$ 21,541	$ 794,778	$ 578,000	$ 580,000	-27%
Other Operating						
Cell Tower Rent 200 19 220 0000 5885	$ 50,469	$ 52,721	$ 53,219	$ 55,328	$ 58,095	9%
Total Other Operating	$ 50,469	$ 52,721	$ 53,219	$ 55,328	$ 58,095	9%
All Other						
All Other	$ 50	$ 1,827	$ 44,000	$ 47,083	$ 0	-100%
Total All Other	$ 50	$ 1,827	$ 44,000	$ 47,083	$ 0	-100%
Total Fire District Fund	**$ 8,579,993**	**$ 8,447,742**	**$ 10,024,673**	**$ 10,308,543**	**$ 10,187,668**	**2%**

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55

DEPARTMENT STAFFING	2011-12	2012-13	2013-14	2014-15
County Full-Time Safety Staff (Contract)				
Battalion Chief	1.50	1.50	1.30	1.18
Captain	9.00	6.00	9.00	9.00
Division Chief	0.40	0.40	0.43	0.39
Engineer	9.00	6.00	12.00	12.00
Firefighter/Paramedic	21.00	18.00	9.00	9.00
Firefighter/Paramedic - Limited Term	0.00	0.00	15.00	15.00
Firefighter - Limited Term	12.00	12.00	15.00	15.00
Full-Time Safety	**52.90**	**43.90**	**61.73**	**61.57**
County Full-Time Non-Safety Staff (Contract)				
Account Representative	2.00	2.00	2.00	0.00
Collection Officer	0.00	0.00	0.00	2.00
Office Assistant III	0.50	0.50	0.00	0.50
Public Service Employee	0.00	0.00	1.00	1.00
Subtotal - Office Staff	2.50	2.50	3.00	3.50
Deputy Fire Marshall	0.00	0.00	0.00	0.03
Fire Marshall	0.00	0.00	0.00	0.00
Fire Prevention Officer	0.00	0.00	0.00	0.00
Fire Prevention Officer/Arson	0.50	0.50	0.50	0.50
Fire Prevention Specialist	0.50	0.50	0.50	0.50
Fire Prevention Supervisor	0.50	0.50	0.50	0.50
Front Counter Technician (Account Clerk I)	0.50	0.50	0.50	0.50
Subtotal - Fire Prevention Staff	2.00	2.00	2.00	2.03
Total County Full-Time Non-Safety Staff	**4.50**	**4.50**	**5.00**	**5.53**
Total County Full-Time Safety and Non-Safety Staff (Contract)	**57.40**	**48.40**	**66.73**	**67.10**

FUND:	**HESPERIA FIRE DISTRICT**	**200**
DEPARTMENT:	**FIRE DISTRICT**	**55**
DIVISION:	**OPERATIONS AND COMMUNITY SAFETY**	**520**

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	8,555,920	8,253,239	8,897,812	8,897,812	9,449,751	6%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 8,555,920**	**$ 8,253,239**	**$ 8,897,812**	**$ 8,897,812**	**$ 9,449,751**	**6%**

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.

DIVISION STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
County Full-Time Safety Staff (Contract)				
Battalion Chief	1.50	1.50	1.30	1.18
Captain	9.00	6.00	9.00	9.00
Division Chief	0.40	0.40	0.43	0.39
Engineer	9.00	6.00	12.00	12.00
Firefighter/Paramedic	21.00	18.00	9.00	9.00
Firefighter/Paramedic - Limited Term	0.00	0.00	0.00	0.00
Firefighter - Limited Term	12.00	12.00	12.00	12.00
Total County Full-Time Safety Staff	**52.90**	**43.90**	**43.73**	**43.57**
County Full-Time Non-Safety Staff (Contract)				
Account Representative	2.00	2.00	2.00	0.00
Collection Officer	0.00	0.00	0.00	2.00
Office Assistant III	0.50	0.50	0.00	0.00
Public Service Employee	0.00	0.00	1.00	1.00
Subtotal - Office Staff	2.50	2.50	3.00	3.00

FUND:	**HESPERIA FIRE DISTRICT**	**200**
DEPARTMENT:	**FIRE DISTRICT**	**55**
DIVISION:	**OPERATIONS AND COMMUNITY SAFETY**	**520**

DIVISION STAFFING (Continued)	**2011-12**	**2012-13**	**2013-14**	**2014-15**
County Full-Time Non-Safety Staff (Contract)				
Administrative Supervisor I	0.00	0.00	0.00	0.00
Assistant Fire Chief	0.00	0.00	0.00	0.00
Deputy Fire Marshall	0.00	0.00	0.00	0.03
Fire Marshall	0.00	0.00	0.00	0.00
Fire Prevention Officer	0.00	0.00	0.00	0.00
Fire Prevention Officer/Arson	0.50	0.50	0.50	0.50
Fire Prevention Specialist	0.50	0.50	0.50	0.50
Fire Prevention Supervisor	0.50	0.50	0.50	0.50
Front Counter Technician (Account Clerk I)	0.50	0.50	0.50	0.50
Office Assistant III	0.00	0.00	0.00	0.50
Subtotal - Fire Prevention Staff	2.00	2.00	2.00	2.53
Total County Full-Time Non-Safety Staff	**4.50**	**4.50**	**5.00**	**5.53**
Total County Full-Time Safety and Non-Safety Staff (Contract)	**57.40**	**48.40**	**48.73**	**49.10**

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The County contract for the current level of service has increased from $8,897,812 to $9,449,751 for a $551,939, or 6.2%, increase paid to County Fire. $220,277 of this increase is related to operating expenses and $331,662 is personnel based.
- For FY 2014-15, the County is restructuring the staffing allocations to more accurately reflect workload related to the services provided to the City.
  - Two Collection Officer positions (2.00 FTE) will be added and two Account Representative positions (2.00 FTE) will be eliminated.
  - Due to contract reallocation, a (0.50 FTE) Office Assistant III position will be added.
  - Due to contract reallocation, a (0.03 FTE) Deputy Fire Marshall position will be added.
  - Due to contract reallocation, a Division Chief position will be reduced from 0.43 FTE to 0.39 FTE (0.04 FTE Reductions).
  - Due to contract reallocation, 1.30 FTE Battalion Chief positions will be reduced to 1.18 FTE (0.12 FTE Reduction).

2013-14 DIVISION ACCOMPLISHMENTS

- Completed facility improvements at Station 303 (County grant).
- Departmental goal of reconstruction of Station 301 delayed due to construction cost increases.
- Implemented the SAFER Grant and returned Medic Engine 301, and Medic Ambulance 301 to service. Increased ambulance fleet from four (4) to five (5) daily. Added one (1) Engineer to Medic Engine 40.
- Implemented plan to reduce hospital Emergency Room bed delay impact to ambulance availability.
- Improved communication with City staff and Council by providing monthly stats and reports.
- Provided 5 year Fleet Replacement Plan.
- Implemented regular preventative maintenance of station bay doors and HVAC systems.

FUND:	**HESPERIA FIRE DISTRICT**	**200**
DEPARTMENT:	**FIRE DISTRICT**	**55**
DIVISION:	**OPERATIONS AND COMMUNITY SAFETY**	**520**

2014-15 DIVISION GOALS AND OBJECTIVES

- Initiate appropriate Emergency Management Dispatch (EMD) procedures.
- Continue to improve communication with City staff and Council.
- Maintain equitable response ratios with surrounding fire agencies.
- Develop a regional all-risk strategic plan that emphasizes efficiency, cost effectiveness, and eliminates duplication.
- Provide a Glen Helen Inmate Crew available to the City for fifty (50) work-days.
- Implement Engine Company inspections for non-permitted occupancies within the City.
- Continue working with the City to develop a Fleet Replacement and Station Improvement Plan.
- Develop a sustainable ambulance model and explore implementation of non-safety Ambulance Operator positions on City ambulances. Explore innovative ambulance staffing models.

PERFORMANCE AND WORKLOAD INDICATORS	**2011**	**2012**	**2013**	**2014**
Fire Prevention				
Classes and Talks	0	0	0	0
Juvenile Fire Setters Counseled	23	18	20	10
Inspections Outside Normal Hours	1	0	0	0
New Business Inspections	31	n/a	n/a	20
Model Rocket Launching Site Inspection	0	1	1	0
Day Care and Adult Care Facility Inspections	13	18	20	10
State Regulated Inspections-Apartments Under 100 Units	26	51	51	40
State Regulated Inspections-Apartments Over 100 Units	n/a	0	0	0
School Site Inspections	2	7	7	15
School Programs Attendance	n/a	0	0	0
Inspections				
Assembly (Churches, Assembly Inspections)	70	84	89	80
Auto Wrecking Yards	2	5	7	5
Christmas Tree Lot Inspections/Permits	6	3	3	3
Dust-Producing Inspections/Permits	4	6	6	4
Haunted House Inspections/Permits	0	0	0	1
High-Piles Combustible Storage Inspections	12	12	12	12
Lumber Yard Inspections/Permits	2	0	0	0
Motor Vehicle Fuel Dispensing Station Inspections	18	10	13	15
Tents, Canopies/Temporary Membrane	1	1	1	1
Special Event	9	12	10	10
Permits				
Assembly (Churches, Assembly Inspections)	53	55	60	80
Auto Wrecking Yards	8	8	9	5
Christmas Tree Lot Inspections/Permits	6	3	3	3
Dust-Producing Inspections/Permits	12	11	11	4
Haunted House Inspections/Permits	0	0	0	1
High-Piles Combustible Storage Inspections	21	19	19	12
Lumber Yard Inspections/Permits	0	0	0	0
Motor Vehicle Fuel Dispensing Station Inspections	8	7	9	15

FUND:	HESPERIA FIRE DISTRICT	200
DEPARTMENT:	FIRE DISTRICT	55
DIVISION:	OPERATIONS AND COMMUNITY SAFETY	520

PERFORMANCE AND WORKLOAD INDICATORS (Continued)	2011	2012	2013	2014
Permits (Continued)				
Tents, Canopies/Temporary Membrane	1	1	2	1
Special Event	20	12	15	10
Battery Systems	2	0	0	0
Compressed Gases	10	10	11	12
Dry Cleaning Plants	1	1	1	1
Flammable/Combustible Liquids	29	27	25	20
Hot Works Operations	71	65	68	60
Ovens, Baking, Drying	4	4	4	2
Pallet Yards	5	3	3	3
Repair Garages	101	99	103	90
Spraying/Dipping	23	22	22	20
Tire Storage	12	14	14	14
ESS Spray Booth/Hood & Duct Systems	69	68	70	60
Refrigeration Equipment	2	1	1	1
Fire Plan Review				
Modification of Sprinklers	15	15	18	15
Parcel Map	3	5	7	5
Plan Review Alarm System	15	29	33	30
Plan Review Spray Booth	2	0	0	2
Plan Review Sprinkler System	9	11	13	20
Site Plan Review	49	28	31	30
Structural Plans Review/Inspection	16	23	20	20
Tenant Improvement Plans Inspection	58	53	58	50
Vegetation Management				
Burn Permits	709	709	485	485
Public Service Station Tours/Public Education	94	94	94	96
Total	803	803	579	581
Emergency Responses:				
Advanced Life Support	7,359	7,434	7,287	7,400
Basic Life Support	n/a	n/a	n/a	n/a
Bomb Threats	0	2	n/a	n/a
Fire Alarm Systems	277	248	n/a	n/a
Fires-Grass	59	123	59	60
Fires-Miscellaneous	72	213	79	75
Fires-Refuse	32	6	n/a	n/a
Fires-Structure	99	84	92	90
Fires-Truck	25	26	n/a	n/a
Fires-Vehicle	79	81	66	70
Sub-total Fires	643	781	296	295

*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)	2011	2012	2013	2014
Emergency Responses (Continued):				
Hazardous Conditions	146	123	84	85
Hazardous Materials	10	7	16	15
Investigations	357	355	606	600
Mass Casualty Incidents	7	2	n/a	n/a
Mutual Aids	2,585	117	n/a	n/a
Public Service	146	688	1,183	1,200
Rescues	15	25	15	15
Strike Team	n/a	n/a	n/a	n/a
Traffic Collisions	830	855	670	675
Traffic Extrications	47	54	n/a	n/a
Total	12,145	10,443	10,157	10,285
Household Collection Center				
Number of Participants	3,468	2,502	2,489	2,517
Used Oil Collection	66,492	32,018	31,854	32,693
E-waste Only (Pounds)	71,031	52,643	53,364	55,149
Waste Materials Collected (Pounds-includes oil and E-wastes)	267,032	167,634	166,763	171,171
Hazardous Materials				
Underground Tank Operation Inspections	45	49	47	56
Hazardous Materials Inspections	107	109	107	107
Certified Unified Program Agency Inspections	155	148	151	163

*Calendar year, not fiscal year

The above spreadsheet omits some data representing workload indicators for plan check CY 2012: 322 inspections completed, 40 permits and 42 plan checks.

Red stats are inputted by City staff.

FUND:	**HESPERIA FIRE DISTRICT**	**200**
DEPARTMENT:	**FIRE DISTRICT**	**55**
DIVISION:	**ADMINISTRATION**	**521**

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 Budget**
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	21,689	18,809	99,190	99,190	246,542	149%
Materials	3,017	7,371	10,156	6,491	13,374	32%
Contractual	317,029	190,344	199,706	331,175	209,386	5%
Other Operating	8,176	7,930	5,000	32,600	29,812	496%
Capital Outlay	0	34,070	13,650	55,940	315,000	2208%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 349,911**	**$ 258,524**	**$ 327,702**	**$525,396**	**$814,114**	**148%**

DIVISION DESCRIPTION

Starting in the 2004-05 Budget, this program will reflect Fire District initiatives and expenditures that are non-County contract expenditures.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Retirement costs paid to CalPERS will increase significantly from $89,786 ($79,868 for Safety and $9,918 for Miscellaneous) for FY 2013-14 to $245,096 ($233,880 for Safety and $11,216 for Miscellaneous) for FY 2014-15.
- Funding of $315,000 is included to replace nine (9) defibrillators in the District.

2013-14 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.
- Managed the maintenance and repair costs of the various Fire Stations.

2014-15 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.

FUND:	**HESPERIA FIRE DISTRICT**	**200**
DEPARTMENT:	**FIRE DISTRICT**	**55**
DIVISION:	**SAFER GRANT**	**528**

DIVISION EXPENDITURE SUMMARY	**2011-12 Actual**	**2012-13 Actual**	**2013-14 Budget**	**2013-14 Revised**	**2014-15 Budget**	**% Change From 2013-14 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	969,350	969,350	1,037,463	7%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
TOTAL	**$ 0**	**$ 0**	**$ 969,350**	**$969,350**	**$ 1,037,463**	**7%**

DIVISION DESCRIPTION

During FY 2012-13 the City of Hesperia secured financing from the SAFER (Staffing for Adequate Fire and Emergency Response) grant from the Federal Emergency Management Agency (FEMA) to add back positions reduced during FY 2011-12. The SAFER grant is funding 18 Limited-Term Firefighters (LT) for fiscal years 2013-14 and 2014-15. Six of these LTs will staff a 5th ambulance added to the Fire District's fleet. The District will claim reimbursement for salaries, overtime, and benefits but not the contract management fee.

DEPARTMENT STAFFING	**2011-12**	**2012-13**	**2013-14**	**2014-15**
County Full-Time Safety Staff (Contract)				
Firefighter/Paramedic - Limited Term	0.00	0.00	15.00	15.00
Firefighter - Limited Term	0.00	0.00	3.00	3.00
Total Full-Time Safety Staff	**0.00**	**0.00**	**18.00**	**18.00**

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The County contract portion for the SAFER grant increased from $969,350 to $1,037,463 for a $68,113, or 7.0% increase paid to County Fire. $13,259 of this increase is the contract management fee and $54,854 is personnel based.

2013-14 DIVISION ACCOMPLISHMENTS

- Monitored budget impact of SAFER grant costs.

2014-15 DIVISION GOALS AND OBJECTIVES

- Monitor budget impact of LT vacancies and overtime costs. Finding qualified LT candidates, particularly paramedics, continues to be a greater and greater challenge due to fire departments in Southern California increased hiring.

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CAPITAL IMPROVEMENT PROGRAM (C I P)

- *Overview and Summary*
- *C I P Expenditures by Project*
- *C I P Expenditures By Fund and Project*
- *C I P Project Listing*
- *C I P Project Descriptions*

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OVERVIEW

The Capital Improvement Program (CIP) Summary includes new and continued capital projects funded in the Fiscal Year (FY) 2014-15 Budget. Information on capital projects completed in FY 2013-14 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 2011-12 and Fiscal Year 2012-13 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:

C I P Major Categories	Projects Completed in FY 2013-14	Projects Continued in 2014-15 Budget	New Projects Included in 2014-15 Budget	New & Continued Projects Included in 2014-15 Budget
Streets C I P Projects	$2,595,895	$4,762,338	$2,601,000	$ 7,363,338
Storm Drainage	0	1,185,537	0	1,185,537
Facilities	0	1,607,961	233,200	1,841,161
Water	648,146	0	40,000	40,000
Sewer	0	0	0	0
Total C I P Projects	$3,244,041	$7,555,836	$2,874,200	$10,430,036

Streets C I P Projects - $7,363,338 (2014-15 Budget)

- 2014-15 Street Improvement Project – $2,500,000 has been included in the FY 2014-15 Budget. The program history is as follows:

	Expenditures	Miles Paved	Slurry Seal Miles
2000-01 Street Improvement Project	$ 2,226,573	18.0	0
2001-02 Street Improvement Project	$ 2,148,349	19.4	0
2002-03 Street Improvement Project	$ 1,993,142	16.5	0
2003-04 Street Improvement Project	$ 2,033,719	17.1	0
2004-05 Street Improvement Project	$ 3,166,412	18.2	12.4
2005-06 Street Improvement Project	$ 6,221,264	51.1	14.2
2006-07 Street Improvement Project	$10,994,391	57.0	11.0
2007-08 Street Improvement Project	$19,134,056	57.0	4.0
2008-09 Street Improvement Project	$ 9,193,091	28.0	0
2009-10 Street Improvement Project	$ 5,726,868	13.9	0
2010-11 Street Improvement Project	$ 0	0	0
2011-12 Street Improvement Project	$ 2,446,984	2.5	7.5
2012-13 Street Improvement Project	$ 1,705,349	2.3	6.6
2013-14 Street Improvement Project	$ 2,003,000	1.8	9.3
Fourteen Year Total	$68,993,198	302.8	65.0
2014-15 Street Improvement Project	**$ 2,500,000**	2.0	25.0
Fifteen Year Total	$71,493,198	304.8	90.0

- One Other New Street Project – 1 Project $101,000 – Funding in the amount of $101,000 has been included in the FY 2014-15 Budget for the 2014-15 Americans With Disabilities Act (ADA) Transition Plan.

- Ranchero Road Related Projects – 3 Projects $1,604,000 – Included in the FY 2014-15 Budget are 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	$ 240,000
• Ranchero Road I-15 Interchange	902,000
• Ranchero Road Improvement – Seventh Avenue to Mariposa Road	462,000
	$1,604,000

- Three Other Streets Projects – 3 Projects $3,158,338 – Included in the FY 2014-15 Budget are three other continuing street projects. These projects include a carryover of a Street Improvement Project:

• 2013-14 Street Improvement Project	$1,953,000
• Willow Street Paseo	905,338
• Aqueduct Crossing Improvements – Widen Bridge at Main Street Design and Right-Of-Way Acquisition	300,000
	$3,158,338

Storm Drainage C I P Project - 1 Project $1,185,537 – Included in the FY 2014-15 Budget is the continuation of one drainage project as shown below:

• H-01 Drainage Facility – (Section 3A) Third Avenue to Fourth Avenue	$1,185,537
	$1,185,537

One New Facility Project – 1 Project $233,200 – Funding in the amount of $233,200 has been included in the FY 2014-15 Budget for the Animal Control Sewer Project.

Other Facilities C I P Projects – 2 Projects $1,607,961 – The following 2 projects, totaling $1,607,961, will be continued in Fiscal Year 2014-15 as follows:

• Fire Station 301 Construction/Property	$ 885,615
• Park and Ride Facility	722,346
	$1,607,961

Water C I P Project – 1 New Project $40,000 – Funding in the amount of $40,000 has been included in the FY 2014-15 Budget for the Reclaimed Water Distribution System Project.

Project Number	Project Title	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
New Streets Projects in FY 2014-15						
7129	2014-15 Street Improvement Project	$ 0	$ 0	$ 0	$ 0	$ 2,500,000
7400	2014-15 ADA Transition Plan	0	0	0	0	101,000
	Sub-Total New 2014-15 Streets C I P Projects	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 2,601,000**
Streets CIP Projects Continued in FY 2014-15						
7046	Ranchero Road Undercrossing -Design, Right-of-Way, Construction	$ 13,341,909	$ 10,918,738	$ 1,636,600	$896,359	$ 240,000
7086	Ranchero Road I-15 Interchange Project Approval and Environmental Document - Design, Right-of-Way, Construction	9,926,770	3,650,579	650,000	1,020,770	902,000
7094	Ranchero Road Improvements – 7th Avenue to Mariposa Road, Phase 1 – Engineering & Right-of-Way Identification	191,422	273,285	460,000	210,000	462,000
7096	Aqueduct Crossing Improvements – Widen Bridge at Main Street – Design and Right-of-Way Acquisition	0	0	300,000	0	300,000
7123	Willow Street Paseo	0	0	918,088	12,750	905,338
7128	2013-14 Street Improvement Project	0	0	1,861,500	50,000	1,953,000
	Sub-Total CIP Projects Continued in FY 2014-15	**$ 23,460,101**	**$ 14,842,602**	**$ 5,826,188**	**$ 2,189,879**	**$ 4,762,338**
Streets CIP Projects Completed in FY 2013-14 and Temporarily Suspended Projects that may Resume in Future Years						
7098	Muscatel Street Overpass, Phase 1 – Project Study Report/Project Development Study (PSR/PDS)	$ 0	$ 0	$ 0	$ 0	$ 0
7104	Railroad Crossing Feasibility Study	0	0	0	0	0
7105	Main Street Corridor Design (395 to 11th Avenue)	0	0	0	0	0
7121	2011-12 Street Improvement Project	484,872	1,962,111	0	0	0
7122	Choiceana/Talisman Realignment	4,235	0	205,374	205,374	0
7124	Sequoia Bike Routes	0	17,217	481,888	555,847	0
7125	2012-13 Street Improvement Project	0	675	1,735,482	1,704,674	0
7127	Main Street Overhead Railroad Bridge Rehab	0	0	100,000	130,000	0
	Sub-Total Streets CIP Projects Completed in FY 2013-14 and Temporarily Suspended Projects that may Resume in Future Years	**$ 489,107**	**$ 1,980,003**	**$ 2,522,744**	**$ 2,595,895**	**$ 0**
Streets CIP Projects Completed in FY 2012-13						
7126	Cinema West Site*	$ 6,231	$ 1,497,870	$ 0	$ 0	$ 0
	Sub-Total Streets CIP Projects Completed in FY 2012-13	**$ 6,231**	**$ 1,497,870**	**$ 0**	**$ 0**	**$ 0**

*Project funded in part by the Successor Agency to the Former Redevelopment Agency. Expenditures related to the project will not be included in the City Budget and will instead be shown in the Successor Agency Budget.

Project Number	Project Title	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Streets CIP Projects Completed in FY 2011-12						
7100	New Traffic Signal – Main Street & Rock Springs Road - Construction, Design	$ 871,900	$ 0	$ 0	$ 0	$ 0
7102	Township Improvements and Redevelopment - Construction (Spruce/Smoketree)*	299,426	0	0	0	0
7108	Industrial Park Lead Track Project -Design, ROW Acquisition, Construction	4,513,863	0	0	0	0
	Sub-Total Streets CIP Projects Completed in FY 2011-12	$ 5,685,189	$ 0	$ 0	$ 0	$ 0
Total Summary Streets C I P Projects		$ 29,640,628	$ 18,320,475	$ 8,348,932	$ 4,785,774	$ 7,363,338
Storm Drainage C I P Projects						
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)	80,664	12,504	1,200,000	14,463	1,185,537
Total Storm Drainage C I P Projects		$ 80,664	$ 12,504	$ 1,200,000	$ 14,463	$ 1,185,537
Facilities Projects						
6517	Fire Station 301 Construction/Property	55,356	60,854	3,562,000	613	885,615
6520	High Desert County Government Center	3,522,021	7,711,226	0	0	0
6521	Fire Station 304 Expansion Project	47,098	0	0	0	0
6523	Park and Ride Facility	2,158	4,935	743,593	21,795	722,346
6524	Animal Control Sewer Project	0	0	0	0	233,200
Total Facilities Projects		$ 3,626,633	$ 7,777,015	$ 4,305,593	$ 22,408	$ 1,841,161
New Water Project in FY 2014-15						
8087	Reclaimed Water Distribution System (NEW)	$ 0	$ 0	$ 0	$ 26,000	$ 40,000
Total New Water Project in FY 2014-15		$ 0	$ 0	$ 0	$ 26,000	$ 40,000
Water C I P Projects Completed in FY 2013-14 and Temporarily Suspended Projects that will Resume in Future Years						
8077	Interstate 15 Corridor – New Water System Design	$ 0	$ 0	$ 0	$ 0	$ 0
8078	Property Acquisition for Reservoir Expansion @ Sites 19A & 21, New Reservoir to Serve Freeway Corridor	0	0	0	0	0
8086	Interstate 15 & Ranchero Road: Frontage Road Water Improvements	0	773,222	600,300	648,146	0
Total Water C I P Projects Completed in FY 2013-14		$ 0	$ 773,222	$ 600,300	$ 648,146	$ 0
Total Water C I P Projects		$ 0	$ 773,222	$ 600,300	$ 674,146	$ 40,000
Total Summary Streets C I P Projects		$ 29,640,628	$ 18,320,475	$ 8,348,932	$ 4,785,774	$ 7,363,338
Total Storm Drainage C I P Projects		80,664	12,504	1,200,000	14,463	1,185,537
Total Facilities Projects		3,626,633	7,777,015	4,305,593	22,408	1,841,161
Total Water C I P Projects		0	773,222	600,300	674,146	40,000
Grand Total		$ 33,347,925	$ 26,883,216	$ 14,454,825	$ 5,496,791	$ 10,430,036

Note #1 - Sewer funds have been used to partially fund a streets project and a facilities project and the sewer funding is shown with those specific projects.

*Project funded in part by the Successor Agency to the Former Redevelopment Agency. Expenditures related to the project will not be included in the City Budget and will instead be shown in the Successor Agency Budget.

Project Number	Project Title	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
100 General Fund						
6524	Animal Control Sewer Project	$ 0	$ 0	$ 0	$ 0	$ 233,200
7129	2014-15 Street Improvement Project	0	0	0	0	500,000
	Total General Fund 100	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 733,200**
160 Obligation Retirement Fund P/A #1						
7102	Township Improvements*	$ 2,650	$ 0	$ 0	$ 0	$ 0
7126	Cinema West Site*	6,231	1,497,870	0	0	0
	Total Obligation Retirement Fund P/A #1	**$ 8,881**	**$ 1,497,870**	**$ 0**	**$ 0**	**$ 0**
201 Measure I – Arterial Fund						
7121	2011-12 Street Improvement Project	$ 94,772	$ 141,665	$ 0	$ 0	$ 0
	Total Measure I – Arterial Fund 201	**$ 94,772**	**$ 141,665**	**$ 0**	**$ 0**	**$ 0**
204 Measure I Renewal						
6523	Park and Ride Facility	$ 2,158	$ 4,935	$ 51,247	$ 21,795	$ 30,000
7094	Ranchero Road Improvements – 7th Avenue to Mariposa Road, Phase 1 – Engineering & Right-of-Way Identification	0	0	300,000	0	0
7096	Aqueduct Crossing Improvements - Widen Bridge at Main Street - Design and Right-of-Way Acquisition	0	0	300,000	0	0
7121	2011-12 Street Improvement Project	291,443	298,998	0	0	0
7122	Choiceana/Talisman Realignment	4,235	0	205,374	205,374	0
7123	Willow Street Paseo	0	0	83,188	12,750	70,438
7124	Sequoia Bike Routes & Bus Stop	0	17,217	31,888	11,291	0
7125	2012-13 Street Improvement Project	0	675	1,560,116	1,523,168	0
7127	Main Street Overhead Railroad Bridge Rehab	0	0	100,000	130,000	0
7128	2013-14 Annual Street Improvement	0	0	1,670,000	50,000	1,953,000
7129	2014-15 Street Improvement Project	0	0	0	0	2,000,000
7400	2014-15 ADA Transition Plan	0	0	0	0	50,250
	Total Measure I Renewal Fund 204	**$ 297,836**	**$ 321,825**	**$ 4,301,813**	**$ 1,954,378**	**$ 4,103,688**
207 Local Transportation Fund Article 8 (LTF)						
7046	Ranchero Road Undercrossing	$ 0	$ 0	$ 0	$ 539,000	$ 0
7094	Ranchero Road Improvements – 7th Avenue to Mariposa Road, Phase 1 – Engineering & Right-of-Way Identification	0	0	0	66,237	462,000
7096	Aqueduct Crossing Improvements - Widen Bridge at Main Street - Design and Right-of-Way Acquisition	0	0	0	0	300,000
	Total Local Transportation Fund 207	**$ 0**	**$ 0**	**$ 0**	**$ 605,237**	**$ 762,000**
251 Community Development Block Grant (CDBG)						
7400	2014-15 ADA Transition Plan	$ 0	$ 0	$ 0	$ 0	$ 50,750
	Total CDBG Fund 251	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 50,750**
300 Development Impact Fee (DIF)-Streets Fund						
7046	Ranchero Undercrossing	$ 288,020	$ 4,201,783	$ 919,871	$ 329,583	$ 240,000
7086	Ranchero Road I-15 Interchange Project Approval and Environmental Document	2,784,004	3,650,579	650,000	1,020,770	902,000
7094	Ranchero Road Improvements - 7th Avenue to Mariposa Road - Phase 1	8,078	(86,143)	0	48,734	0
7100	New Traffic Signal - Main Street and Rock Springs Road	19,208	0	0	0	0
	Total DIF Fund–Streets 300	**$ 3,099,310**	**$ 7,766,219**	**$ 1,569,871**	**$ 1,399,087**	**$ 1,142,000**

*Project funded in part by the Successor Agency to the Former Redevelopment Agency. Expenditures related to the project will not be included in the City Budget and will instead be shown in the Successor Agency Budget.

Project Number	Project Title	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
301 Development Impact Fee (DIF)-Storm Drainage						
7091	H-01 Drainage Facility - Section 3A (Third Avenue to Fourth Avenue)	$ 0	$ 0	$ 0	$ 0	$ 0
	Total DIF-Storm Drainage Fund 301	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
302 Development Impact Fee (DIF) - Fire						
6517	Fire Station 301 Construction/Property	$ 55,356	$ 60,854	$ 840,615	$ 613	$ 0
6521	Fire Station 304 Expansion	47,098	0	0	0	0
	Total DIF-Fire Fund 302	**$ 102,454**	**$ 60,854**	**$ 840,615**	**$ 613**	**$ 0**
502 Fire Capital Fund						
6517	Fire Station 301 Construction	$ 0	$ 0	$ 2,521,385	$ 0	$ 535,615
	Total Fire Capital Fund 502	**$ 0**	**$ 0**	**$ 2,521,385**	**$ 0**	**$ 535,615**
503 County - High Desert Government Center						
6520	High Desert County Government Center	$ 3,522,021	$ 7,711,226	$ 0	$ 0	$ 0
	Total County Govt. Center Fund 503	**$ 3,522,021**	**$ 7,711,226**	**$ 0**	**$ 0**	**$ 0**
504 City Wide Projects						
6523	Park and Ride Facility	$ 0	$ 0	$ 692,346	$ 0	$ 692,346
7091	H-01 Drainage Facility - Section 3A (Third Avenue to Fourth Avenue)	80,664	12,504	1,200,000	14,463	1,185,537
7094	Ranchero Road Improvements – 7th Avenue to Mariposa Road, Phase 1 – Engineering & Right-of-Way Identification	183,344	359,428	160,000	59,049	0
7100	New Traffic Signal - Main Street and Rock Springs Road	852,692	0	0	0	0
7121	2011-12 Street Improvement Project	98,657	1,521,448	0	0	0
7123	Willow Street Paseo	0	0	834,900	0	834,900
7124	Sequoia Bike Routes & Bus Stop Improvements	0	0	450,000	544,556	0
7125	2012-13 Street Improvement Project	0	0	175,366	181,506	0
7128	2013-14 Street Improvement Project	0	0	191,500	0	0
	Total City Wide Projects Fund 504	**$ 1,215,357**	**$ 1,893,380**	**$ 3,704,112**	**$ 799,574**	**$ 2,712,783**
506 Industrial Park Lead Track						
7108	Industrial Park Lead Track Project	$ 4,513,863	$ 0	$ 0	$ 0	$ 0
	Total Industrial Park Lead Track	**$ 4,513,863**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
507 Township Capital						
7102	Township Improvements and Redevelopment	$ 287,715	$ 0	$ 0	$ 0	$ 0
	Total Township Capital Fund 507	**$ 287,715**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
508 Ranchero Undercrossing-Local						
7046	Ranchero Road Undercrossing	$ 8,292,730	$ 0	$ 0	$ 0	$ 0
	Total Ranchero Undercrossing-Local	**$ 8,292,730**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
586 Redevelopment Capital - Project Area No. 1						
6521	Fire Station 304 Expansion Project	$ 0	$ 0	$ 0	$ 0	$ 0
7046	Ranchero Road Undercrossing	0	0	0	0	0
7102	Township Improvements and Redevelopment	9,061	0	0	0	0
	Total Redevelopment Capital - Project Area No. 1 586	**$ 9,061**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

C I P EXPENDITURES BY FUND AND PROJECT

Project Number	Project Title	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
600 Ranchero Road Undercrossing Fund						
7046	Ranchero Road Undercrossing	$ 4,761,159	$ 6,716,955	$ 716,729	$ 27,776	$ 0
	Total Ranchero Road Undercrossing Fund 600	**$ 4,761,159**	**$ 6,716,955**	**$ 716,729**	**$ 27,776**	**$ 0**
602 Ranchero/I-15 Interchange Fund						
7086	Ranchero Road/I-15 Interchange	$ 7,142,766	$ 0	$ 0	$ 0	$ 0
	Total Ranchero/I-15 Interchange Fund 602	**$ 7,142,766**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
701 Water Capital Fund						
701	Water C I P Projects					
	(See Water C I P for Project Detail)	$ 0	$ 773,222	$ 600,300	$ 674,146	$ 40,000
	Total Water Capital Fund 701*	**$ 0**	**$ 773,222**	**$ 600,300**	**$ 674,146**	**$ 40,000**
711 Sewer Capital Fund						
6517	Fire Station 301	$ 0	$ 0	$ 200,000	$ 0	$ 350,000
7094	Ranchero Road Improvements – 7th Avenue to Mariposa Road, Phase 1 – Engineering & Right-of-Way Identification	0	0	0	35,980	0
	Sewer C I P Projects (See Sewer CIP for Project Detail)	0	0	0	0	0
	Total Sewer Capital Fund 711*	**$ 0**	**$ 0**	**$ 200,000**	**$ 35,980**	**$ 350,000**
	TOTAL ALL C I P FUNDS	**$ 33,347,925**	**$ 26,883,216**	**$ 14,454,825**	**$ 5,496,791**	**$ 10,430,036**

*Note: Differences may exist between the total Water CIP and Sewer CIP expenditures shown in section D of this document. These differences are due to capital 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.

Project Number	Project Title	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Streets and Storm Drain Related						
100	General Fund	$ 0	$ 0	$ 0	$ 0	$ 500,000
160	Obligation Retirement Fund P/A #1	8,881	1,497,870	0	0	0
201	Measure I – Arterial Fund	94,772	141,665	0	0	0
204	Measure I - Renewal Fund	295,678	316,890	4,250,566	1,932,583	4,073,688
207	Local Transportation Fund Article 8 (LTF)	0	0	0	605,237	762,000
251	Community Development Block Grant Fund	0	0	0	0	50,750
300	Development Impact Fee-Streets Fund	3,099,310	7,766,219	1,569,871	1,399,087	1,142,000
301	Development Impact Fee-Storm Drainage	0	0	0	0	0
504	City-wide Projects	1,215,357	1,893,380	3,011,766	799,574	2,020,437
506	Industrial Park Lead Track	4,513,863	0	0	0	0
507	Township Capital	287,715	0	0	0	0
508	Ranchero Undercrossing-Local	8,292,730	0	0	0	0
586	Redevelopment Capital - P/A #1	9,061	0	0	0	0
600	Ranchero Road Undercrossing Fund	4,761,159	6,716,955	716,729	27,776	0
602	Ranchero/I-15 Interchange Fund	7,142,766	0	0	0	0
711	Sewer Capital	0	0	0	35,980	0
	Total Streets and Storm Drain Related	**$ 29,721,292**	**$ 18,332,979**	**$ 9,548,932**	**$ 4,800,237**	**$ 8,548,875**

C I P EXPENDITURES BY FUND AND PROJECT

Project Number	Project Title	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Facilities Related						
100	General Fund	$ 0	$ 0	$ 0	$ 0	$ 233,200
204	Measure I - Renewal Fund	2,158	4,935	51,247	21,795	30,000
302	Development Impact Fee - Fire	102,454	60,854	840,615	613	0
502	Fire Capital Fund	0	0	2,521,385	0	535,615
503	County - High Desert Government Center	3,522,021	7,711,226	0	0	0
504	Park and Ride Facility	0	0	692,346	0	692,346
711	Sewer Capital Fund	0	0	200,000	0	350,000
	Total City Facilities Related	**$ 3,626,633**	**$ 7,777,015**	**$ 4,305,593**	**$ 22,408**	**$ 1,841,161**
Water and Sewer Related						
701	Water Capital Fund	$ 0	$ 773,222	$ 600,300	$ 674,146	$ 40,000
711	Sewer Capital Fund	0	0	0	0	0
	Total Water and Sewer Related	**$ 0**	**$ 773,222**	**$ 600,300**	**$ 674,146**	**$ 40,000**
	Total City Capital Improvement Program (C I P)	**$ 33,347,925**	**$ 26,883,216**	**$ 14,454,825**	**$ 5,496,791**	**$ 10,430,036**

CIP PROJECT LISTING

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8087 Reclaimed Water Distribution System G-55

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 BNSF 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 2013-2014:

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 was substantially complete by the end of June 2013. The project was accepted as complete by the Council at its August 20, 2013 council meeting. Submittal of the project close-out documentation was prepared and initially submitted to Caltrans in October 2013. The final grant reimbursements were received by the City and all close-out documents were approved by Caltrans in March 2014. Final reporting to the California Transportation Commission should be completed by summer 2014. The environmental mitigation work commenced in October 2013 and will be ongoing for a period of 5 years, as required by the conditions of the environmental permits issued by the U.S. Army Corps of Engineers and the Regional Water Quality Control Board.

Project Schedule for 2014-15 Budget:

The environmental permits issued by the U.S. Army Corps of Engineers and the Regional Water Quality Control Board included a condition that the City repair and restore natural habitat and vegetation in areas disturbed during construction and at a separate parcel of land some distance from the construction site as mitigation for loss of habitat that resulted from construction of the project. The restoration requirements are outlined in a Habitat Mitigation & Monitoring Plan (HMMP) that was reviewed and approved by the two agencies. The HMMP calls for the seeding and planting of various natural elements (grasses, plants, trees, rocks, etc.) in the disturbed areas and for annual monitoring and reporting related to the success of such efforts. These monitoring and reporting efforts are stipulated to continue for a period of 5 years after completion of construction (i.e., from 2013 to 2018). Some restoration work was completed in Fiscal Year 2013-14, but will continue during Fiscal Year 2014-15 as well as monitoring and reporting efforts, resulting in a FY 2014-15 Budget of $240,000.

Project Title: Ranchero Road Undercrossing (Continued)

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
207-700-7046 Contractual	$ 0	$ 0	$ 0	$ 539,000	$ 0
300-700-7046 Contractual	288,020	4,201,783	919,871	329,583	240,000
508-700-7046 Contractual*	8,218,511	0	0	0	0
508-700-7046 Project Management Transfer Out*	74,219	0	0	0	0
586-700-7046 Right -of-Way Acquisition	0	0	0	0	0
586-700-7046 Construction	0	0	0	0	0
586-700-7046 Project Management - Transfer Out	0	0	0	0	0
586-700-7046 Contractual	0	0	0	0	0
600-700-7046 Contractual	0	0	0	0	0
600-700-7046 Right-of-Way Acquisition	0	0	0	0	0
600-700-7046 Construction	4,761,159	6,716,955	716,729	27,776	0
Total Expenditures	$ 13,341,909	$ 10,918,738	$ 1,636,600	$ 896,359	$ 240,000
Source of Funds					
207 Local Transportation Article 8	$ 0	$ 0	$ 0	$ 539,000	$ 0
300 DIF Streets	288,020	4,201,783	919,871	329,583	240,000
508 Ranchero Undercrossing-Local	8,292,730	0	0	0	0
586 Redevelopment Capital P/A #1	0	0	0	0	0
600 NCPDP Grant (4835)	510,529	440,169	59,832	** 13,536	0
600 SAFETEA-LU (4833)	1,731,175	1,646,240	171,842	** 222,185	0
600 SANBAG-STP (4834)	1,206,963	2,218,134	229,304	** 224,903	0
600 FHWA-STP (4700)	981,944	1,804,892	183,806	** 183,164	0
600 California Prop. 1B-SLPP (4843)	330,548	607,520	71,945	** 61,932	0
Total Source of Funds	$ 13,341,909	$ 10,918,738	$ 1,636,600	$ 1,574,303	$ 240,000

*Note - RDA Housing Funds were loaned to RDA Non-Housing via a Public Improvement Promissory Note in March 2011 in order to complete the Ranchero Road Undercrossing Project which began in Fiscal Year 1998-99.

**Note - Due to the timing of when grant reimbursements are received, $677,944 in expenditures were over-allocated to Fund 300 in previous years. Now that final grant reimbursements have been received in FY 2013-14, the $677,944 will be reimbursed to Fund 300 for the previous over-allocations.

Project Title: Ranchero Road Undercrossing (Continued)

Project Funding Narrative:

The total project expenditures are estimated to be $30.6 million and have been funded from Streets Development Impact Fees, the Redevelopment Agency, Measure I, Local Transportation (Article 8) Funds and Federal and State grant funds. The City has completed all environmental work, design work, secured all required regulatory permits, and completed all necessary right-of-way acquisition at a cost of approximately $3.3 million. The City utilized NCPDP Federal grant funds of $391,153 towards acquisition of right-of-way. Construction and construction related costs are estimated to be a total of $27.3 million. The construction costs were split between the Streets Development Impact Fee Fund, Local Transportation Fund, and the Redevelopment Agency, which are estimated to fund a combined $14.67 million or 54% of the total construction related costs and various Federal and State grant appropriations identified below, which are funded $12.33 million, or 46% of the total construction related 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 net available to City $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 net available to City $2,970,000…… $2,970,000
- 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. A total of $391,153 of these funds was utilized for engineering and right-of-way acquisition, and $964,235 was utilized for construction related costs. The balance of $144,612 was ineligible for reimbursement due to early completion of the project…… $1,355,388
- 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…… $12,574,988

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.

Project Title: Ranchero Road / I-15 Interchange
Phase I – Project Study Report/Project Development Support (PSR/PDS) – Completed 2006
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 (ROW) (Completed 2012)
Phase V – 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 2013-2014:

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 included monthly Project Development Team (PDT) meetings with Caltrans staff. The required Value Analysis (VA) process was concluded in April 2007. 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. The Traffic Study received final approval from Caltrans in March 2008. In November 2008, the Geometrical Approval Drawings (GAD) and bridge type selection were approved by Caltrans. The Federal Highway Administration (FHWA) issued a Finding of Acceptability for the New Connection Report (NCR) in July 2009, a preliminary approval.

Parsons continued to work on the various individual environmental studies required within the ED and work on the PA&ED continued and was completed in March 2010 with receipt of a Caltrans and Federally-approved ED 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 in order to prevent the loss of funding. Final approval for the NCR was given by the FHWA in July 2010. A Request for Authorization to Proceed with ROW 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 consulting services. Portions of twelve (12) properties from eight (8) owners were needed for ROW on this project. Eleven (11) properties were obtained through Purchase and Sale Agreements while the last final remaining purchase was subject to eminent domain action.

Project Title: Ranchero Road/I-15 Interchange (Continued)

Existing Situation and Work Completed Through Fiscal Year 2013-2014 (Continued):

A court order for Prejudgment Possession of the last portion of right-of-way was issued in July 2012. The ROW Acquisition phase of the project concluded in August 2012 upon receipt of a fully signed Right-Of-Way Certification, which was signed by the City, Caltrans, and the FHWA.

Preliminary "at-risk" design transformed into Final Design (PS&E Phase) upon approval of the ED in March 2010. Final design work continued through FY 2010-11 and FY 2011-12. The PS&E phase of the project concluded in May 2012 upon receipt of a Ready to List (RTL) memo from Caltrans. The RTL memo provided State and Federal authorization to proceed with advertising and award of a construction contract for the project. Construction on the project, however, was delayed because the two primary funding sources were all but eliminated due to the state-wide dissolution of redevelopment agencies in February 2012 and the negative effects of the 2009-2013 recession on revenues (DIF Fees).

In late January 2012, however, the San Bernardino Associated Governments (SANBAG) approached the City and 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 of the project, and if needed, would front 100% of the funding shortfall. The City and SANBAG entered into a Cooperative Funding Agreement in April 2012, paving the way for construction on the project to move forward in FY 2012-13, while concurrently applying 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, and 100% funding for construction of the project was in place.

All regulatory permits were obtained, right-of-way acquisition concluded, and PS&E were approved by Caltrans. SANBAG took over as lead agency for construction of the project and was responsible for Advertising, Award, and Administration (AAA) of the project's construction phase. The project was advertised for bids in September 2012; bids were opened in October 2012; the SANBAG Board awarded the bid to Security Paving Company, Inc. in November 2012; and construction commenced in January 2013. Although SANBAG is providing project management for the project, the City continues to provide engineering support directly through Parsons, the original design engineer and Engineer of Record for the project and to pay the costs of any fees or permits. The vast majority of all roadway work and all other miscellaneous work within the City's right-of-way will be completed by June 2014; only construction of the bridge will remain. Based on the progress of the project through early 2014, it was expected that the project would be 75% complete by the end of Fiscal Year 2013-14. However, a catastrophic fire to the interchange bridge falsework on May 5, 2014 resulted in complete demolition of the structure. This resulted in a significant delay of the project (4-6 months), from the anticipated completion by November 2014. Some minor environmental mitigation work commenced in October 2013 and will be ongoing for a period of 5 years, as required by the conditions of the environmental permits issued by the U.S. Army Corps of Engineers and the Regional Water Quality Control Board.

Project Schedule for 2013-14 Budget:

Construction will continue in FY 2014-15 with completion of construction work expected in late spring 2015. Project close-out through Caltrans is expected to be completed in the summer of 2015. Based on the increased project construction schedule, further contractual costs may be bourn before the project is completed. These costs will not be known by budget adoption.

The environmental permits for this project that were issued by the U.S. Army Corps of Engineers and the Regional Water Quality Control Board included a condition that the City repair and restore natural habitat and vegetation in areas disturbed during construction and at a separate parcel of land some distance from the construction site as mitigation for loss of habitat that resulted from construction of the project. The restoration requirements are outlined in a Habitat Mitigation & Monitoring Plan (HMMP) that was reviewed and approved by the two agencies. The HMMP calls for the seeding and planting of various natural elements (grasses, plants, trees, rocks, etc.) in the disturbed areas and for annual monitoring and reporting related to the success of such efforts. These monitoring and reporting efforts are stipulated to continue for a period of 5 years after completion of construction (i.e., from 2014 to 2019). Some minor restoration work was completed in Fiscal Year 2013-14, but will escalate and continue during Fiscal Year 2014-15 as well as monitoring and reporting efforts.

Project Title: Ranchero Road/I-15 Interchange (Continued)

Project Schedule for 2013-14 Budget (Continued):

Upon project completion and final close-out, total project costs will be reconciled with SANBAG and 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:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
300-700-7086 Contractual	$ 665,153	$ 3,650,579	$ 650,000	*** $ 521,400	$ 902,000
300-700-7086 Project Management Transfer Out	19,740	0	0	0	0
300-700-7086 Land Acquisition	2,099,111	* 0	0	499,370	0
602-700-7086 Contractual	2,764	0	0	0	0
602-700-7086 STIP/RIP Land	7,140,002	0	0	0	0
Total Expenditures	$ 9,926,770	$ 3,650,579	$ 650,000	$ 1,020,770	$ 902,000
Source of Funds					
300 DIF Streets	$ 2,784,004	$ 3,650,579	$ 650,000	$ 1,020,770	$ 902,000
602 Ranchero/I-15 Interchange (SANBAG STIP)	7,142,766	0	0	0	0
Total Source of Funds	$ 9,926,770	$ 3,650,579	$ 650,000	$ 1,020,770	$ 902,000

*Of the $2,099,111 land acquisition, $1,500,904 is attributable to the interchange use of a portion of apn#3039-441-20, which was purchased in FY 2007 and classified as land on the financial statements until utilized for this project and expensed.

**FY 2012-13 Revised includes a $3,000,000 deposit with SANBAG for the Interchange Project as well as the establishment of a trust account in the amount of $350,000, as required by the Army Corps of Engineers.

***$650,000 budgeted for FY 2013-14 construction management. The budget was amended at mid-year in the amount of $499,370 for final acquisition costs related to condemnation of needed right-of-way. There was additional legal costs as well that were related to the condemnation process in the amount of $173,485.

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. Upon completion, the City will have three years to repay the SANBAG loan; otherwise, the City's Measure I Renewal funds will be used to repay the loan. 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
  Note: This grant funding was transferred to SANBAG for use in construction of the project
- SANBAG/State Transportation Improvement Program (STIP) Regional Improvement Program (RIP) – (Appropriated 2008)……. 7,034,000
  Note: The original grant amount was $7,979,000 – Caltrans transferred $945,000 for AAA fees, the remaining balance of $7,034,000 was utilized by the City for acquisition of right-of-way
- Measure I (2010-2040) Victor Valley Major Local Highway Program (MLHP)……. 4,549,000
  Note: This grant funding was transferred to SANBAG for use in construction of the project
- SAFETEA-LU IMD Program, HR1105 Omnibus Appropriation Act for 2009……... 650,750
  Note: This grant funding was transferred to SANBAG for use in construction of the project
- SAFETEA-LU IMD Program, Continuing Appropriation Resolution 2010, P.L. 111-68……. 1,000,000
  Note: This grant funding was transferred to SANBAG for use in construction of the project
- Development Impact Fee (Fund 300 – DIF) Streets Fund……. 12,200,000
  Note: $3,000,000 of DIF Funding was transferred to SANBAG for use in construction of the project
- CTC –Resolution No. SLPP-P-1112-09 (SLPP Bond Funding) …… 4,550,000
  Note: This grant funding was transferred to SANBAG for use in construction of the project
- CTC – Resolution No. CMIA-PA-1112-017 & CMIA-P-1112-018B (CMIA Funding) …… 21,135,000
  Note: This grant funding was transferred to SANBAG for use in construction of the project

Total Federal/State Project Funding Commitments $52,475,560

Project Impact on Operating Budget:

None at this time.

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 completion of the underpass, traffic on Ranchero Road increased dramatically. In addition, construction of the interchange is expected to further increase traffic. 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. A Cooperative Agreement with the County has been executed to establish funding responsibilities.

Existing Situation and Work Completed Through Fiscal Year 2013-2014:

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 clearance work and design of the roadway. Roadway design plans will be completed by summer 2014 and the environmental document was completed in June 2013. Design coordination with DWR for the aqueduct crossing should resume in summer 2014. Right-of-way acquisition has been suspended and will resume upon funding availability.

Project Schedule for 2014-15 Budget:

Design plans, right-of-way identification and cost estimates for the roadway will continue and be completed in summer 2014. Aqueduct crossing design and coordination with DWR, as well as environmental clearance work and right-of-way identification will continue through the fiscal year. Complete aqueduct crossing design is estimated for spring 2016.

Project Title: Ranchero Road Improvements – Seventh Avenue to Mariposa Road (Continued)

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
204-700-7094 Contractual	$ 0	$ 0	$ 300,000	$ 0	$ 0
207-700-7094 Contractual	0	0	0	66,237	462,000
300-700-7094 Contractual	8,078	(86,143) ***	0	48,734	0
504-700-7094 Contractual	183,344	359,428 ***	160,000 **	59,049	0
711-700-7094 Contractual	0	0	0	35,980	0
Total Expenditures	$ 191,422	$ 273,285	$ 460,000	$ 210,000	$ 462,000
Source of Funds					
204 Measure I Renewal	$ 0	$ 0	$ 300,000	$ 0	$ 0
207 Local Transportation Article 8	0	0	0	66,237	462,000
300 DIF Streets	8,078	0	0	48,734	0
504 Citywide Projects (County Reimbursement)	97,764 *	136,606 *	105,628 *	59,049	0
711 Sewer Capital	0	0	0	35,980	0
Total Source of Funds	$ 105,842	$ 136,606	$ 405,628	$ 210,000	$ 462,000

*50% Reimbursement from San Bernardino County. There may be timing differences between when expenditures were made and when reimbursement is received.

**Funds expensed from 504-Citywide Projects may need to be reallocated to 204 Measure I Renewal or 300 DIF Streets at mid-year FY 2013-14 due to timing of County Reimbursement.

***Due to the timing difference between the initial expenditures of the project and the receipt of County reimbursements, a reconciliation was performed to allocate the expenditures by funding source, which resulted in a shift in expenditures from DIF to the Citywide Projects (reimbursement fund).

Project Funding Narrative:

The total cost of Phase 1 and Design work of Phase 2 is $1,367,611. Funding which is being reimbursed by the County of San Bernardino ($542,772 through FY 2012-13 year-end) for work advanced by the City has been utilized in FY 2011-12, FY 2012-13 and FY 2013-14. The balance of the reimbursement ($59,049 for FY 2013-14 year-end) will be used to complete the design/environmental work. The FY 2014-15 Budget will be funded by Local Transportation Funds.

Project Impact on Operating Budget:

This project will have no impact on the operating budget at this time.

Project Title: Aqueduct Crossing Improvements – Widen Bridge at Main Street
Phase 1 Design and Right-of-Way Identification
Phase 2 Right-of-Way Acquisition and Construction

Project Number: 7096

Department/Program: Development Services – Streets CIP

Project Description and Location:

The bridge along Main Street which crosses the California Aqueduct currently has capacity for only four lanes, two in each direction. The City's Master Plan of arterial highways identifies Main Street as a major arterial roadway, which has a total of six lanes, three in each direction from Interstate 15 to 11th Avenue. In addition, the completion of Walmart has impacted Main Street with additional traffic and new retail developments within the Walmart Shopping Center will have further impact. 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, environmental clearance and outside agency coordination. Cost estimates 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 2013-2014:

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, design, and environmental work was suspended in June 2010 due to changes in the economy and slowed development.

Project Schedule for Fiscal Year 2014-15 Budget:

Design work, right-of-way identification, and environmental clearance work will continue through the fiscal year. Design completion is anticipated for spring 2016. Right-of-way acquisition will begin upon funding availability.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
204-700-7096 Contractual	$ 0	$ 0	$ 300,000	$ 0	$ 0
207-700-7096 Contractual	0	0	0	0	300,000
Total Expenditures	$ 0	$ 0	$ 300,000	$ 0	$ 300,000
Source of Funds					
204 Measure I Renewal	$ 0	$ 0	$ 300,000	$ 0	$ 0
207 Local Transportation Article 8	0	0	0	0	300,000
Total Source of Funds	$ 0	$ 0	$ 300,000	$ 0	$ 300,000

Project Title: Aqueduct Crossing Improvements – Widen Bridge at Main Street (Continued)

Project Funding Narrative:

Phase 1 is estimated to cost $675,000, and the right-of-way acquisition portion of Phase 2 is estimated at $350,000. The construction portion of Phase 2 would begin when funds become available. This project is to be funded by a combination of Local Transportation Fund Article 8 (LTF) and other funding as available.

Project Impact on Operating Budget:

This project will have no effect on the operating budget at this time.

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 2013-2014:

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 2014-15 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:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
300-700-7098 Contractual	$ 0	$ 0	$ 0	$ 0	$ 0
Total Expenditures	$ 0	$ 0	$ 0	$ 0	$ 0
Source of Funds					
300 DIF Streets	$ 0	$ 0	$ 0	$ 0	$ 0
Total Source of Funds	$ 0	$ 0	$ 0	$ 0	$ 0

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 funds become available.

Project Impact on Operating Budget:

This project will have no effect on the operating budget at this time.

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 Ranchero 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 2013-2014:
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 Matich 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 2014-15 Budget:
The project is complete. SANBAG authorized the City to utilize the balance of the grant funds for the Lemon Street paving project (C.O. 7121).

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
300-700-7100 Contractual	$ 19,208	$ 0	$ 0	$ 0	$ 0
300-700-7100 Land	0	0	0	0	0
504-700-7100 Contractual	852,692	0	0	0	0
Total Expenditures	$ 871,900	$ 0	$ 0	$ 0	$ 0
Source of Funds					
300 DIF Streets	$ 19,208	$ 0	$ 0	$ 0	$ 0
504 City Wide Projects (SANBAG Grant)	852,692	0	0	0	0
Total Source of Funds	$ 871,900	$ 0	$ 0	$ 0	$ 0

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 ($143,383) was funded by Measure I Arterial funds and DIF Streets. Right-of-way acquisition ($68,292) by DIF and construction ($831,636) was funded by San Bernardino Associated Governments (SANBAG) Local Stimulus grant funds, which became available in fall 2009, and DIF Streets ($19,208) and a reimbursement from VVTA ($22,040) for ADA improvements.

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 resulted in an increase to Operation and Maintenance expenses due to the construction of a new traffic signal at Main Street and Rock Springs Road.

Project Title: Township Improvements and Redevelopment

Project Number: 7102 (Completed FY 2011-12)

Department - Program: Development Services – Streets CIP

Project Description and Location:

The original residential land subdivision within the City of Hesperia is located primarily north of Main Street and west of Hesperia Road to 7th Avenue. This area is primarily served by septic tanks and steel water lines located within easements behind the homes. The lots are very small and some of the homes are in poor condition. Development of this area is stymied by the State's requirement that does not allow septic systems on lots smaller than 15,000 square feet, so until sewer lines are constructed, it is not possible to build on these lots, unless they are combined.

The City invested millions of dollars in developing the Civic/Library Complex adjacent to this area. Redevelopment of this Township Area will upgrade the housing adjacent to the new Civic Complex. The City is committing, as part of this project, to improve two streets the first year and complete the project over the following years in the Township Area. These improvements would consist of water and sewer line installation, streetscape landscaping, and full street improvements with curb, gutter, and sidewalk.

Existing Situation and Work Completed Through Fiscal Year 2013-2014:

Project was completed June 2012.

Project Status:

The project is complete.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
160-700-7102 Contractual	$ 2,650	$ 0	$ 0	$ 0	$ 0
507-700-7102 Contractual**	287,715	0	0	0	0
586-700-7102 Contractual	9,061	0	0	0	0
Total Expenditures	$ 299,426	$ 0	$ 0	$ 0	$ 0
Source of Funds					
160 Obligation Retirement Fund P/A#1*	$ 2,650	$ 0	$ 0	$ 0	$ 0
507 Township Capital	287,715	0	0	0	0
586 Redevelopment Capital P/A #1	9,061	0	0	0	0
Total Source of Funds	$ 299,426	$ 0	$ 0	$ 0	$ 0

Note* - Project paid for by the Successor Agency to the Former Redevelopment Agency. Expenditures related to the project were not included in the City Budget and were instead shown in the Successor Agency Budget.

Note** - RDA Housing Funds were loaned to RDA Non-Housing via a Public Improvement Note in March 2011 in order to complete the Township Project which began in FY 2006-07.

Project Funding Narrative:

This project was funded by a combination of Redevelopment, Water Capital and Sewer 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 City. Design of the next two streets is undetermined, pending funding availability.

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, Main Street and Ranchero Road are the only crossings of the railroad tracks that serve the City. 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 2013-2014:

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:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
300-700-7104 Contractual	$ 0	$ 0	$ 0	$ 0	$ 0
Total Expenditures	$ 0	$ 0	$ 0	$ 0	$ 0
Source of Funds					
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.

Project Title: Main Street Corridor
Design (U.S. 395 to 11th Ave)
Phase 1 Right-of-Way Acquisition & Construction (Mariposa Road to Maple Avenue)

Project Number: 7105

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the engineering design and right-of-way needs identification of the City's primary east-west roadway. Rehabilitation of this corridor is one of the City's legislative priorities, and will create an identity linkage for travelers going from I-15 through the City's downtown. This project will assist in the implementation of the Main Street and Freeway Corridor Specific Plan, which has been in preparation since 2005 and was completed in the first half of Fiscal Year 2008-09. The infrastructure component is key to establishing a unifying theme. While the Specific Plan extends west of U.S. Highway 395 to "I" Avenue, this project design will cover over four miles of the seven-mile corridor that is adjacent to Interstate 15 and U.S. Highway 395. Landscaping within street medians will be included in the design. The project will be implemented in three phases: Phase 1 (Mariposa Road to Maple Avenue); Phase 2 (Maple Avenue to Eleventh Avenue), and Phase 3 (US 395 to Cataba Road).

Existing Situation and Work Completed Through Fiscal Year 2013-2014:

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 2014-15 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:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
586-700-7105 Contractual	$ 0	$ 0	$ 0	$ 0	$ 0
Total Expenditures	$ 0	$ 0	$ 0	$ 0	$ 0
Source of Funds					
586 Redevelopment Capital	$ 0	$ 0	$ 0	$ 0	$ 0
Total Source of Funds	$ 0	$ 0	$ 0	$ 0	$ 0

Project Funding Narrative:

For Phase 1, design is estimated at $850,000 (excluding aqueduct work under C.O. 7096), right-of-way acquisition is estimated at $750,000 and construction is estimated at $3 million. Construction would occur once funds become available. This initial phase of the project was funded by Streets Development Impact Fees and subsequent phases by Redevelopment Project Area 1 tax increment 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.

Project Title: Industrial Park Lead Track Project

Project Number: 7108 (Completed FY 2011-12)

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 2013-2014:

Construction of this project was completed May 2012. Under the permit requirements of State and Federal regulatory agencies for this project, the City is required to perform habitat mitigation. Consequently, habitat mitigation and monitoring must occur for a period of five years. Mitigation efforts began this fiscal year and will continue through fiscal year 2018-19.

Project Status:

Construction of the project is complete. Required habitat mitigation will continue through fiscal year 2018-19.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
506-700-7108 Contractual	$ 2,483,917	$ 0	$ 0	$ 0	$ 0
506-700-7108 Project Management	29,946	0	0	0	0
Transfer Out					
506-700-7108 Grant Expense (EDA)	2,000,000	0	0	0	0
586-700-7108 Contractual	0	0	0	0	0
586-700-7108 Land	0	0	0	0	0
Total Expenditures	$ 4,513,863	$ 0	$ 0	$ 0	$ 0
Source of Funds					
506-Industrial Park Lead Track (RDA)	$ 2,513,863 *	$ 0	$ 0	$ 0	$ 0
506 Industrial Park Lead Track (Grant)	2,000,000	0	0	0	0
586 Redevelopment Capital P/A#1	0	0	0	0	0
Total Source of Funds	$ 4,513,863	$ 0	$ 0	$ 0	$ 0

*Note - RDA Housing Funds were loaned to RDA Non-Housing via a Public Improvement Promissory Note in March 2011 in order to complete the Lead Track Project which began in Fiscal Year 2007-08. Upon completion of the project, unspent funds amounting to $3.35 million were remitted to Fund 160 - Obligation Retirement Fund, as repayment against the loan.

Project Funding Narrative:

The design was funded by Redevelopment Project Area funds. Right-of-way and construction were funded by Economic Development administration grant ($2 million), and Redevelopment Project Area 1 tax increment and/or bond proceeds for grant match ($6.2 million). Design ($1.1 million) and right-of-way acquisition ($1.2 million) was carried out in Fiscal Year 2008-09 and 2009-10, and construction began in spring 2011 ($4,150,000 million budgeted, $1.4 million expended), and the balance ($4.5 million) completed in Fiscal Year 2011-12.

Project Impact on Operating Budget:

There is a minor increase in the annual Streets Maintenance budget due to the Mojave Street rail line crossing signal.

Project Title: 2011-12 Street Improvement Project

Project Number: 7121 (Completed FY 2013-14)

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 Choiceana and Santa Fe Avenues, (using State grant funds), 8th 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 2013-2014:

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 to Cooley Construction at the May 1, 2012 City Council meeting. Construction began in June and was substantially complete in December 2012. In November 2012, a change order was approved by the City Council to make additional street improvements at the Main Street/Escondido intersection. Before all work was complete, material defects were evident, necessitating repair on certain roads. The contractor provided an acceptable solution to the City after June 2013, and was accepted by the City Council on August 6, 2013.

Project Schedule for 2014-15 Budget:

The project is complete.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
201-700-7121 Contractual	$ 94,772	$ 141,665	$ 0	$ 0	$ 0
204-700-7121 Contractual	291,443	298,998	0	0	0
504-700-7121 Contractual	98,657	1,521,448	0	0	0
Total Expenditures	$484,872	$ 1,962,111	$ 0	$ 0	$ 0
Source of Funds					
201 Measure I Arterial	$ 94,772	$ 141,665	$ 0	$ 0	$ 0
204 Measure I Renewal	291,443	298,998	0	0	0
504 SRTS Grant	0	310,211	0	14,793 *	0
504 Citywide Prop 1B	98,657	1,178,005	0	0	0
504 Citywide Projects (SANBAG Grant)	0	18,439	0	0	0
Total Source of Funds	$484,872	$ 1,947,318	$ 0	$ 14,793	$ 0

* Final reimbursement for SRTS Grant

Project Funding Narrative:

This project was funded by Proposition 1B transportation funds ($1,276,662), Safe Routes to School (SRTA) Grant funds ($325,004), as well as Measure I Renewal ($468,587) and Arterial ($141,665). 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 ($121,854) and Measure I Arterial funds ($94,772) were utilized to complete the Main Street/Cataba agreement. The total project cost was $2,446,983.

Project Impact on Operating Budget:

This project resulted in a decrease to operation and maintenance expenses due to preventive maintenance of the City's roadways.

Project Title: Choiceana/Talisman Realignment

Project Number: 7122 (Completed FY 2013-14)

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 2013-2014:

Property acquisitions of the necessary right-of-way were initiated in June 2009, and were completed in November 2010. The project area was surveyed in March, 2012, and the in-house design was completed in March, 2013. The project was made part of the FY 2012-13 Street Improvement Project, which was advertised for public bid in March and was awarded in May. The project cost exceeded the estimate, resulting in additional funds being added at the time of award, prior to construction. The project was completed on December 1, 2013, and accepted by the City Council on February 18, 2014.

Project Schedule for 2014-15 Budget:

The project is complete.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
204-700-7122 Contractual	$ 4,235	$ 0	$205,374	$205,374	$ 0
Total Expenditures	$ 4,235	$ 0	$205,374	$205,374	$ 0
Source of Funds					
204 Measure I Renewal	$ 4,235	$ 0	$205,374	$205,374	$ 0
Total Source of Funds	$ 4,235	$ 0	$205,374	$205,374	$ 0

Project Funding Narrative:

This project was 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.

Project Title: 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 in FY 2012-13, 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 2013-2014:

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 has prepared the request to obligate the funding for the project. In addition, Tom Dodson & Associates was hired to prepare the NEPA Level Federal Environmental document.

Project Schedule for Fiscal Year 2014-15 Budget:

It is anticipated that the City will clear the environmental review phase late in the Fiscal Year. At that point the City will seek for an engineering consultant to prepare the required plans, and specifications for the project. The design package will be ready to advertise for construction in the summer 2015. Construction is anticipated to begin in the fall of 2015.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
204-700-7123 Contractual	$ 0	$ 0	$ 83,188	$ 12,750	$ 70,438
504-700-7123 Contractual	0	0	834,900	0	834,900
Total Expenditures	$ 0	$ 0	$918,088	$ 12,750	$ 905,338
Source of Funds					
204 Measure I Renewal	$ 0	$ 0	$ 83,188	$ 12,750	$ 70,438
504 SRTS Grant (Fed.)	0	0	834,900	0	834,900
Total Source of Funds	$ 0	$ 0	$918,088	$ 12,750	$ 905,338

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.

Project Title: Sequoia Bike Routes & Bus Stop Improvements

Project Number: 7124 (Completed FY 2013-14)

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 2013-2014:

Sequoia Avenue was surveyed in March 2012, and the in-house design for the Class II bicycle facility was completed in March, 2013. Altec Engineering was awarded the contract to design the Bear Valley Road bus stop and completed the task in March, 2013. Both projects were added to the FY 2012-13 Street Improvement Project, which was advertised for public bid in March 2013, awarded in May 2013 and began construction in July 2013. The project was completed on December 1, 2013, and was accepted by the City Council on February 18, 2014.

Project Schedule for Fiscal Year 2014-15 Budget:

The project is complete.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
204-700-7124 Contractual	$ 0	$ 17,217	$ 31,888	$ 11,291	$ 0
504-700-7124 Contractual	0	0	450,000	544,556	0
Total Expenditures	$ 0	$ 17,217	$481,888	$555,847	$ 0
Source of Funds					
204 Measure I Renewal	$ 0	$ 17,217	$ 31,888	$ 11,291	$ 0
504 TDA Article 3 Grant	0	0	450,000	544,556	0
Total Source of Funds	$ 0	$ 17,217	$481,888	$555,847	$ 0

Project Funding Narrative:

This project was funded by Transportation Development Act (TDA) Grant funds ($544,556), as well as Measure I Renewal ($28,508) funds to make up the City's match.

Project Title: 2012-13 Street Improvement Project

Project Number: 7125 (Completed FY 2013-14)

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 2013-2014:

City staff prepared the bid package for the project in March, 2013. In order to receive more competitive bids on smaller projects, Project Numbers 7122 (Choiceana/Talisman Realignment) and 7124 (Sequoia Bike Route and Bus Stop Improvements) were added to the project. In addition, a joint project with the Victor Valley Transit Authority to pave Smoketree Street between E Avenue and I Avenue to assist bus movements was agreed to, and included in the project. The project was awarded during the May 7, 2013 Council meeting and construction began in July 2013. The project was completed on December 1, 2013, and accepted by the City Council on February 18, 2014.

Project Schedule for Fiscal Year 2014-15 Budget:

The project is complete.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
204-700-7125 Contractual	$ 0	$ 675	$1,560,116	$1,523,168	$ 0
504-700-7125 Contractual	0	0	175,366	181,506	0
Total Expenditures	$ 0	$ 675	$1,735,482	$1,704,674	$ 0
Source of Funds					
204 Measure I Renewal	$ 0	$ 675	$1,560,116	$1,523,168	$ 0
504 VVTA Reimbursement	0	0	175,366	181,506	0
Total Source of Funds	$ 0	$ 675	$1,735,482	$1,704,674	$ 0

Project Funding Narrative:

This project was funded by Measure I Renewal funds ($1,523,843), and funds from the Victor Valley Transit Authority ($181,506).

Project Title: Cinema West Site Improvements

Project Number: 7126 (Completed FY 2012-13)

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 was assisted by the City. This project involved 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 2013-2014:

K&R Construction began construction of the theater building in March 2012. The City bid the project and in May 2012, which was awarded to Cooley Construction in June 2012. Construction was completed in December and accepted by the City Council on December 18, 2012.

Project Schedule for Fiscal Year 2014-15 Budget:

The project is complete.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
160-700-7126 Contractual	$ 6,231	$1,497,870	$ 0	$ 0	$ 0
Total Expenditures	$ 6,231	$1,497,870	$ 0	$ 0	$ 0
Source of Funds					
160 Obligation Retirement Fund P/A¡*	$ 6,231	$1,497,870	$ 0	$ 0	$ 0
Total Source of Funds	$ 6,231	$1,497,870	$ 0	$ 0	$ 0

Note -*- Project paid for by the Successor Agency to the Former Redevelopment Agency. Expenditures related to the project were not included in the City Budget and were instead shown in the Successor Agency Budget.

Project Funding Narrative:

The project was funded from Obligation Retirement Fund P/A #1. Construction costs totaled $1,504,101.

Project Impact on Operating Budget:
None at this time.

Project Title: Main Street Overhead Railroad Bridge Rehab (New)

Project Number: 7127

Department/Program: Development Services – Streets CIP

Project Description and Location:

The Main Street Bridge provides one of two current crossings of the BNSF Railway in the City (when completed, the Ranchero Road Undercrossing will become the third). Consequently, the State Department of Transportation (Caltrans) performed an inspection of the 39-year old bridge, the results of which include three recommended actions to maintain its life: 1.) clean the concrete deck, and seal/fill the "heavy cracking" surface with methacrylate; 2.) backfill erosion at the northwest and southwest corners of the bridge, and; 3.) re-patch the spall in the concrete diaphragm over bent cap #2. Once completed, the bridge will be restriped.

Existing Situation and Work Completed Through Fiscal Year 2013-2014:

Specifications were prepared by City staff, and all work was publicly bid. The bid opening occurred on April 17, 2014, and the City Council awarded the project on May 6, 2014. This project will be substantially complete in early summer 2014.

Project Schedule for Fiscal Year 2014-15 Budget:

No funding is proposed for this fiscal year because work is anticipated to be complete by the end of June 2014.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
204-700-7127 Contractual	$ 0	$ 0	$ 100,000	$ 130,000	$ 0
Total Expenditures	$ 0	$ 0	$ 100,000	$ 130,000	$ 0
Source of Funds					
204 Measure I Renewal	$ 0	$ 0	$ 100,000	$ 130,000	$ 0
Total Source of Funds	$ 0	$ 0	$ 100,000	$ 130,000	$ 0

Project Funding Narrative:

This project was funded by Measure I Renewal Funds.

Project Impact on Operating Budget:

This project will extend the life of the bridge, and result in a minor decrease in annual operational/maintenance costs.

Project Title: 2013-14 Street Improvement Project

Project Number: 7128

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. Full depth roadway reconstruction is planned for Main Street from Interstate 15 to Escondido Avenue. If funding is available, the City will reconstruct three roadways that are in the worst condition and require constant pot-hole repairs; these roads being sections of Mauna Loa Street, Fresno Street, and Cherry Street. All three streets were due for reconstruction under previous paving projects but had to be pulled due to funding shortfalls. Preventative maintenance in the form of crack seal and slurry 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 2013-2014:

This project was advertised for construction on March 18, 2014. The bid opening was on April 17, 2014, and due to changes in scope of the project, bids were approximately ten percent over estimate. It was awarded by Council on May 6, 2014. Construction is expected to begin in June and completed by the end of August.

Project Schedule for Fiscal Year 2014-15 Budget:

A portion of the project will carry-over into this Fiscal Year as identified above.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
204-700-7128 Contractual	$ 0	$ 0	$1,670,000	$ 50,000	$ 1,953,000
504-700-7128 Grant	0	0	191,500	0	0
Total Expenditures	$ 0	$ 0	$1,861,500	$ 50,000	$ 1,953,000
Source of Funds					
204 Measure I Renewal	$ 0	$ 0	$1,670,000	$ 50,000	$ 1,953,000
504 TLSP Grant	0	0	191,500	0	0
Total Source of Funds	$ 0	$ 0	$1,861,500	$ 50,000	$ 1,953,000

Project Funding Narrative:

This project will be funded by Measure I Renewal funds.

Project Title: 2014-15 Street Improvement Project (NEW)

Project Number: 7129

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, signal system upgrades, and dirt-road paving. Full depth roadway re-construction will occur on Main Street east of Maple Avenue, as well as some of the worst condition roads. Preventative maintenance in the form of crack seal and slurry will occur on streets that have had corrective maintenance done during the past 5-7 years to extend their usable life. Based on the options selected by the City Council during the Budget process, this preventative maintenance will be performed on approximately 25 miles of roadways throughout the City. In addition, signal upgrade will occur at the Main Street and I Avenue existing signalized intersection, and two dirt roads (Fir Street and Rodeo Road, between 11th Avenue – 7th Avenue) will also be paved.

Existing Situation and Work Completed Through Fiscal Year 2013-2014:

This is a new project.

Project Schedule for Fiscal Year 2014-15 Budget:

Prior to preparation of plans and specifications, options to the types of street to be maintained, including potential dirt-road paving, will be submitted to the City Council for approval. The project will then be advertised for bid after the start of the 2015 calendar year, and construction will begin March/April, 2015. The project will be complete by the end of the fiscal year.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
100-700-7129 Contractual	$ 0	$ 0	$ 0	$ 0	$ 500,000
204-700-7129 Contractual	0	0	0	0	2,000,000
Total Expenditures	$ 0	$ 0	$ 0	$ 0	$ 2,500,000
Source of Funds					
100 General Fund	$ 0	$ 0	$ 0	$ 0	$ 500,000
204 Measure I Renewal	0	0	0	0	2,000,000
Total Source of Funds	$ 0	$ 0	$ 0	$ 0	$ 2,500,000

Project Funding Narrative:

This project will be funded by Measure I Renewal funds and the General Fund.

Project Title: 2014-15 Street Improvement Project (NEW) (Continued)

Project Number: 7129

Department/Program: Development Services – Streets CIP

Available funding all projects $2,500,000

I. Staff recommended projects:

1.	Main Street rehabilitation (Oakwood Ave-Balsam Ave)	$ 980,000
2.	Slurry Seal preventative maintenance (Various Streets – Approx. 10 miles)	250,000
3.	Residential street rehabilitation Walnut Street (Main St.-Peach Ave.) and Del Mar Street (Willow St-Benecia Ave)	131,500
4.	Traffic Signal Upgrade (I Ave/Main St), including ADA improvements	140,000
	Total	**$1,501,500**
	Balance for Optional Projects	**$498,500**

II. Optional projects selected by Council:

1.	Slurry Seal maintenance – approximately 15.7 additional miles	$394,500
2.	Dirt Road paving – Fir Street (11th Ave – 7th Ave)	302,000
3.	Dirt Road paving – Rodeo Road (11th Ave – 7th Ave)	302,000
	Total all Optional Projects	**$998,500**

Project Title: 2014-15 ADA Transition Plan (Implementation) (NEW)

Project Number: 7400

Department/Program: Development Services – Streets CIP

Project Description and Location:

In order to comply with the Americans with Disabilities Act (ADA), the City will need to make modifications to existing infrastructure, including public buildings. To determine the magnitude of the modification, a self-evaluation and transition plan is underway and expected to take more than one year to complete. In the interim, there are public street improvements that can be initiated to reduce the outstanding number of modifications to be done. The City Council began this effort by awarding Community Development Block Grant (CDBG) funds for the federal 2014-15 fiscal year. Combined with other funding, staff will prioritize modifications to handicap ramps and similar existing facilities, focusing on the CDBG target area.

Existing Situation and Work Completed Through Fiscal Year 2013-2014:

This is a new project.

Project Schedule for Fiscal Year 2014-15 Budget:

The project will be advertised for bid during the 2015 calendar year, likely with the 2014-15 Street Improvement Project. The project will be complete by the end of the fiscal year.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
204-700-7400 Contractual	$ 0	$ 0	$ 0	$ 0	$ 50,250
251-700-7400 Grant	0	0	0	0	50,750
Total Expenditures	$ 0	$ 0	$ 0	$ 0	$ 101,000
Source of Funds					
204 Measure I Renewal	$ 0	$ 0	$ 0	$ 0	$ 50,250
251 Community Development Block Grant	0	0	0	0	50,750
Total Source of Funds	$ 0	$ 0	$ 0	$ 0	$ 101,000

Project Funding Narrative:

This project will be funded by Measure I Renewal funds and Community Development Block Grant (CDBG) funds $51,000.

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 though 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 2013-2014:

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 2014-15 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:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
301-700-7090 Contractual	$ 0	$ 0	$ 0	$ 0	$ 0
Total Expenditures	$ 0	$ 0	$ 0	$ 0	$ 0
Source of Funds					
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.

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 though 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 2013-2014:

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 study was completed and submitted to Caltrans for their review. Caltrans has since requested specialized studies such as archeology and historical property surveys. Tom Dodson & Associates continues to work through these requirements.

Project Schedule for 2014-15 Budget:

The City will be awaiting the findings of the reviews of the specialized studies. Of particular concern will be the findings and recommendations from the Army Corps of Engineers and any potential mitigation that they place on the project. Recent history with the Corps during the review process for the Ranchero Interchange project has greatly increased the project cost and if they follow suit with this project it could endanger the economic viability of the project.

Project Title: H-01 Drainage Facility – Section 3A (Fourth Avenue to Third Avenue) Design, Right-of-Way Identification, and Construction (Continued)

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
301-700-7091 Contractual	$ 0	$ 0	$ 0	$ 0	$ 0
504-700-7091 Contractual	80,664	12,504	1,200,000	14,463	1,185,537
Total Expenditures	$ 80,664	$ 12,504	$ 1,200,000	$ 14,463	$ 1,185,537
Source of Funds					
301 DIF Storm Drainage Fund	$ 0	$ 0	$ 0	$ 0	$ 0
504 City Wide Projects Fund-FEMA	80,664	* 12,504	* 1,200,000	14,463	* 1,185,537
Total Source of Funds	$ 80,664	$ 12,504	$ 1,200,000	$ 14,463	$ 1,185,537

*Note: The grant documents require completion of the project prior to submitting for reimbursement, which will cause the fund to be negative until reimbursement is obtained.

Project Funding Narrative:

The project will be funded from DIF Storm Drain and 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 $40,000 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.

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 2013-2014:

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).

With adequate local funding identified in the FY 2012-13 CIP Budget, the project was advertised for bids in September 2012 and bids were opened in October 2012. The submitted bids were substantially higher than expected, and in November 2012 the City Council rejected all bids and directed staff to "value" engineer the scope of work, and reduce the cost of the project, and to re-bid the project in calendar year 2013. WLC was directed to perform the value engineering and provide the revised plans, complete and ready to bid after July 2013. Due to other financial commitments with two major projects (Ranchero Undercrossing and Ranchero/I-15 Interchange), the project was deferred in FY 2012-13. The City received a Federal Emergency Management Agency (FEMA) Staffing for Adequate Fire and Emergency Response (SAFER) grant in July 2013, warranting establishment of temporary housing on-site until a permanent facility is built.

Project Schedule for Fiscal Year 2014-15 Budget:

Due to the financial uncertainty of Ranchero Interchange, site preparation work will be proposed this fiscal year. Consisting of off-site sewer installation, preliminary site grading and perimeter wall construction, this will allow the construction to be considered after October 2014. Building permits have been issued and will remain valid until December 31, 2014.

Project Title: Fire Station 301 Construction/Property Acquisition (Continued)

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
302-650-6517 Contractual	$ 55,356	$ 60,854	$ 840,615	$ 613	$ 0
502-650-6517 Contractual	0	0	2,521,385	0	535,615
711-650-6517 Contractual	0	0	200,000	0	350,000
Total Expenditures	$ 55,356	$ 60,854	$ 3,562,000	$ 613	$ 885,615
Source of Funds					
302 DIF Fire	$ 55,356	$ 60,854	$ 840,615	$ 613	$ 0
502 Fire Capital	0	0	2,521,385	0	535,615
711 Sewer Capital	0	0	200,000	0	350,000
Total Source of Funds	$ 55,356	$ 60,854	$ 3,562,000	$ 613	$ 885,615

Project Funding Narrative:

The estimated cost of construction (as of 2013) is $4.8 million, with an additional $900,000 in support costs and $350,000 in utility relocation costs, which will be funded, in part, by Development Impact Fees ($840,000), Fire Capital Fund ($5 million), Sewer Capital ($350,000), and other funding as available. Due to funding limitations, only a portion of the project improvements will be carried out in Fiscal Year 2014-15. The balance will be funded in future years.

Project Impact on Operating Budget:

Not applicable at this time.

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 (Completed FY 2013-14)

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 and III).

Project Status or Work Completed through Fiscal Year 2013-14:

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 continued through the fiscal year. A grand opening dedication ceremony was held by the County on May 10, 2013. Final Acceptance occurred July 2013.

Project Status:

The project is complete.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
503-650-6520 Contractual	$ 3,522,021	$ 7,711,226	$ 0	$ 0	$ 0
Total Expenditures	$ 3,522,021	$ 7,711,226	$ 0	$ 0	$ 0
Source of Funds					
503 County Government Center	$ 3,863,010	$ 7,711,226	$ 0	$ 0	$ 0
Total Source of Funds	$ 3,863,010	$ 7,711,226	$ 0	$ 0	$ 0

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 City was paid a $25,000 administrative charge during phases I and II. The project was 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 was 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 was provided by the County in the same way as Phase I and II; an "impound" account was established that allowed the City to pay for construction-related costs utilizing County funds. The construction portion of the project was estimated to cost $10.71 million. The City's administrative charge for phase III was $200,000. After all construction was complete, the County installed an estimated $7.0 million of communications equipment to operate the center.

The total project cost for all phases was $33,289,500.

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 2013-2014:

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 the plans and specifications were in a “shovel ready” state. Construction funding was unavailable through FY 2013-14, and the 2013 California Building Code updates took effect in January 2014, with new Mechanical Codes changing in July 2014. This will require plan revisions yet again before the project can be bid for construction.

Project Schedule for Fiscal Year 2014-15 Budget:

Work on this project will remain suspended until construction funding is identified.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
302-650-6521 Contractual	$ 47,098	$ 0	$ 0	$ 0	$ 0
586-650-6521 Contractual	0	0	0	0	0
Total Expenditures	$ 47,098	$ 0	$ 0	$ 0	$ 0
Source of Funds					
302 DIF Fire	$ 47,098	$ 0	$ 0	$ 0	$ 0
586 Redevelopment Capital	0	0	0	0	0
Total Source of Funds	$ 47,098	$ 0	$ 0	$ 0	$ 0

Project Funding Narrative:

The project was to be funded from Redevelopment Capital Project funds and Fire DIF, if ARRA funding was 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.

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 2013-2014:

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 a site plan was designed in-house. The project was approved through the City's Development Review Committee in October, 2012 and engineering staff began the improvement plans for the project. Tom Dodson and Associates was hired as the environmental consultant and has completed the preliminary environmental assessment. Caltrans has now requested specialized studies which are under development.

Project Schedule for 2014-15 Budget:

It is anticipated that there will be minimal environmental issues to address on the property and environmental clearance is expected early in this fiscal year. The full set of construction drawings and specifications should be completed at the same timeframe and construction is expected to begin in the fall of 2014. 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:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
204-650-6523 Contractual	$ 2,158	$ 4,935	$ 51,247	$ 21,795	$ 30,000
504-650-6523 Contractual	0	0	692,346	0	692,346
Total Expenditures	$ 2,158	$ 4,935	$743,593	$ 21,795	$ 722,346
Source of Funds					
204 Measure I Renewal	$ 2,158	$ 4,935	$ 51,247	$ 21,795	$ 30,000
504 City Wide Projects - CMAQ Grant	0	0	508,000	0	508,000
504 City Wide Projects - MDAQMD Grant	0	0	184,346	0	184,346
Total Expenditures	$ 2,158	$ 4,935	$743,593	$ 21,795	$ 722,346

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.

Project Title: Animal Control Sewer Project (New)

Project Number: 6524

Department/Program: Development Services – Facilities CIP

Project Description and Location:

The City owns and operates a building at 11011 Santa Fe Avenue East. Previously occupied by Public Works, the Code Compliance divisions of Code Enforcement and Animal Control, the site has been wholly occupied by Animal Control since 2011, as well as a contract veterinarian. The site contains holding tanks for wastewater which have to be pumped multiple times per year, due to the lack of sewer collection lines in the area. In late 2011/early 2012, the Victor Valley Wastewater Reclamation Authority (VVWRA) installed a bypass interceptor line in Santa Fe Avenue East. Called the SAFARI project (Santa Fe Avenue Relief Interceptor), this facility provides an opportunity to eliminate the on-site system at Animal Control.

Existing Situation and Work Completed Through Fiscal Year 2013-2014:

This is a new project.

Project Schedule for 2014-15 Budget:

Plans and specifications will be prepared and the project bid for construction by January 2014. Completion is expected to occur before June 2015.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
100-650-6524 Contractual	$ 0	$ 0	$ 0	$ 0	$ 233,200
Total Expenditures	$ 0	$ 0	$ 0	$ 0	$ 233,200
Source of Funds					
100 General Fund	$ 0	$ 0	$ 0	$ 0	$ 233,200
Total Source of Funds	$ 0	$ 0	$ 0	$ 0	$ 233,200

Project Funding Narrative:

The cost estimate is $233,200. The VVWRA connection fee is estimated as $45,700, and the balance is for significant site remediation (demolishing, paving, and backfill). This will be paid by General Fund reserve.

Project Impact on Operating Budget:

Once completed, on-site maintenance costs will be reduced, but will be off-set by bi-monthly sewer service charges (estimated at $407).

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 2013-2014:

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 within the limits of that project.

Project Schedule for 2014-15 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:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
701-800-8077 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 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).

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 2013-2014:

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 2014-15 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 2013-14.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
701-800-8078 Contract	$ 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 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.

Project Title: Interstate 15 & Ranchero Road: Frontage Road Water Improvements

Project Number: 8086 (Completed FY 2013-14)

Department/Program: Development Services – Water

Project Description and Location:

This project involves the relocation of existing City and County water lines within the frontage roads within the Interstate 15 and Ranchero Road interchange project (C.O. 7086). The waterlines to be replaced are located within sections of road which front both the west and east side of Interstate 15 along Caliente Avenue to the west and Mariposa Road to the east.

Existing Situation and Work Completed Through Fiscal Year 2013-2014:

The frontage road improvements were originally planned to be a separate project from the interchange, and the waterline relocation work was to be performed by the City's in-house waterline crew. However, due to timing and constraints, it was determined to bid and award the work through the competitive bid process. The project was awarded to Christensen Brothers Engineering on March 5, 2013 and construction began shortly thereafter. The City's contractor had to work under the general contractor for the Ranchero Road and Interstate 15 interchange project, which is engaged through the San Bernardino Associated Governments (SANBAG). The utility improvements were expected to be completed by July 2013, but the project schedule has delayed completion. In August 2013, a significant change order was added to the project to meet Caltrans' new requirements to remove existing waterlines instead of the standard practice of abandoning in place. The work was completed in February 2014 and was accepted by the City Council as of March 4, 2014.

Project Schedule for 2014-15 Budget:

This project is complete.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
701-800-8086 Contractual	$ 0	$773,222	$600,300	$ 648,146	$ 0
Total Expenditures	$ 0	$773,222	$600,300	$ 648,146	$ 0
Source of Funds					
701 Water Capital	$ 0	$773,222	$600,300	$ 648,146	$ 0
Total Source of Funds	$ 0	$773,222	$600,300	$ 648,146	$ 0

Project Funding Narrative:

The initial project was awarded at $1,060,670 and two change orders increased the total to $1,421,368. This project was funded by Water Capital funds. A small amount of costs to upgrade County lines will be reimbursed to the Water District.

Project Impact on Operating Budget:

The project will have no impact on the operating budget at this time.

Project Title: Reclaimed Water Distribution System (NEW)

Project Number: 8087

Department/Program: Development Services – Water

Project Description and Location:

Victor Valley Wastewater Reclamation Authority (VVWRA) will begin construction on the Hesperia Reclamation Plant during the last quarter of 2014. This project will take 18 to 24 months to construct, and upon completion will be capable of supplying one million gallons per day of reclaimed water which can be used for irrigation purposes. In order to utilize this resource, the City must build a distribution system to convey the reclaimed water to potential users. Using the City's Recycled Water Master Plan as a guide, staff has defined an alignment for the first phase of the distribution system. The primary user under this first phase will be the Hesperia Golf Course, but many other users can be served by the first phase of the distribution system, including Datura Park, Hesperia Civic Complex, and Hesperia High School. The first phase of the distribution system will include approximately 8 miles of "purple" pipe, a storage reservoir, and a boost station necessary to provide the required pressures to operate large irrigation systems.

Existing Situation and Work Completed Through Fiscal Year 2013-2014:

Staff has met with the State Department of Water Resources (DWR) to examine the viability of procuring a low interest State Revolving Fund (SRF) loan which is available for a short time as a result of the drought emergency in the State. Preliminary design concepts, initial environmental work, and the application process is expected to be completed by the end of the fiscal year. If these tasks can be completed on time, there is a high degree of probability that the City would qualify for a 1% interest loan to completely fund the $15 million project. While this task is being performed, staff will also seek competitive bids from engineering firms to perform the design survey for the system.

Project Schedule for 2014-15 Budget:

Staff will continue to work with its environmental consultants and the State to secure the SRF loan, as DWR has indicated that the review process should be completed in four to six months. Staff will design the distribution system in-house as it receives the design survey from the consulting firm. Designing the project in-house will allow the City to have immediate oversight of the development of the system and enable the project to be bid for construction in the shortest possible timeframe. It is anticipated that the project plans and specifications will be completed in January, 2015 and bid for construction that same month. This aggressive schedule would enable the system to be in place and ready to accept reclaimed water upon completion of the Hesperia reclamation plant.

Project Costs and Funding:

Expenditure Phases	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
701-800-8087 Contractual	$ 0	$ 0	$ 0	$ 26,000	$ 40,000
Total Expenditures	$ 0	$ 0	$ 0	$ 26,000	$ 40,000
Source of Funds					
701 Water Capital	$ 0	$ 0	$ 0	$ 26,000	$ 40,000
Total Source of Funds	$ 0	$ 0	$ 0	$ 26,000	$ 40,000

Project Funding Narrative:

The initial phase of this project will be funded by Water Capital funds until anticipated Revenue sources are fully secured.

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DEBT SERVICE

- *Overall Debt Obligations Summary*
- *Debt Obligations Principal Outstanding Summary*
- *Fiscal Year 2014-15 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) 2011-12 through the Fiscal Year 2014-15 Budget.

Summary

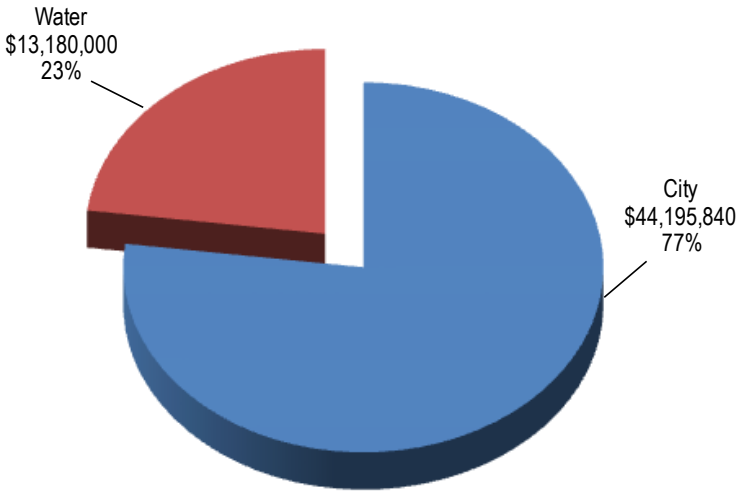
- Variable Rate Debt Letter of Credit Renewals for the two debt issues requiring Letters of Credit (LOC) were replaced in November 2013 with two-year LOC agreements.
- Due to the low interest rate environment, the variable rate 2005 Civic Plaza Certificates of Participation were refinanced into the fixed rate 2013 Refunding Lease Revenue Bonds.
- The 1996 $3,000,000 HUD Section 108 Loan will be paid in full on August 1, 2014.
- The $6,000,000 loan from the Housing Authority to the Water District will be paid in full on June 30, 2015.
- A new debt has been created to reflect a loan from the General Fund to the Development Impact Fee (DIF) – Public Services Fund. The funding sources for the 2013 Civic Plaza Refunding Lease Revenue Bonds (Refinancing of 2005 COPs) are DIF – Public Services (87.25%) and General Fund (12.75%). Though significant reserves within the 2013 Civic Plaza debt service fund will be utilized in FY 2014-15, sufficient funds do not exist within DIF – Public Services Fund for the remaining DIF contribution. Therefore, a new debt has been created to reflect a loan from the General Fund to DIF – Public Services in order to adequately fund the debt service for the bonds.

  It should be noted that for the following fiscal year (FY 2015-16), the 2013 Civic Plaza debt service fund reserves are expected to be exhausted. This will result in the need for substantially increased contributions from the General Fund and DIF – Public Services (necessitating an additional loan from the General Fund) in order to fund the annual debt service for the bonds.
- Staff has prepared a plan for the early retirement of the Series 2004 Variable Rate Revenue Bonds (Streets Bonds) by making the final payment next fiscal year (FY 2015-16), to coincide with the letter of credit termination date. Additional funds will be reserved this fiscal year (FY 2014-15) in anticipation of the early retirement in FY 2015-16.
- 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 ABx26, and paid by the Successor Agency. These debt issues are now obligations of the Successor Agency to the Former Community Redevelopment Agency and are no longer presented in the Debt Service Section of the City's Budget. Historical information may be shown for balancing purposes.

DEBT OBLIGATION PRINCIPAL OUTSTANDING SUMMARY

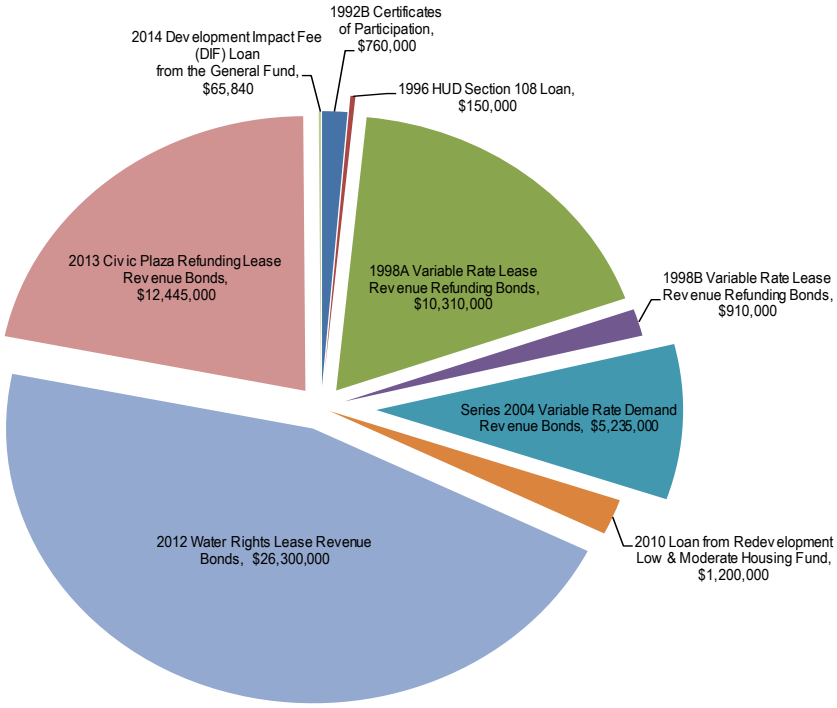
The following charts and schedules summarize all current City debt obligations, with the original principal amount and the principal outstanding as of July 1, 2014:

Estimated Principal Outstanding July 1, 2014



DEBT SERVICE

DEBT OBLIGATION PRINCIPAL OUTSTANDING SUMMARY (Continued)

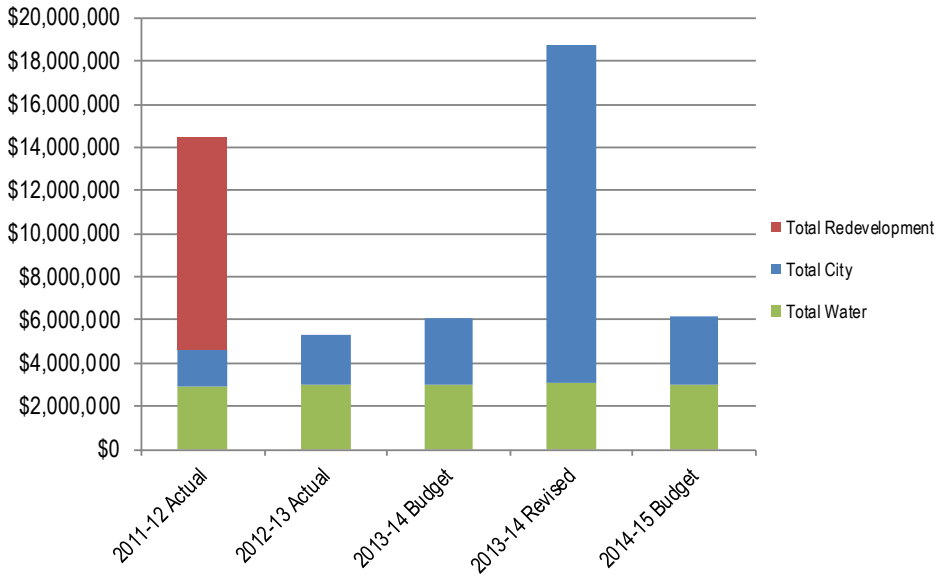


Estimated Principal Outstanding July 1, 2014

Debt Service Principal Obligations	Original Principal Amount	Estimated Principal Outstanding July 1, 2014	Maturity Date
City of Hesperia			
1996 HUD Section 108 Loan	$ 3,000,000	$ 150,000	August 1, 2014
Series 2004 Variable Rate Demand Revenue Bonds	12,525,000	5,235,000	October 1, 2021
2012 Water Rights Lease Revenue Bonds	26,735,000	26,300,000	October 1, 2042
2013 Civic Plaza Refunding Lease Revenue Bonds	12,445,000	12,445,000	October 1, 2035
2014 Development Impact Fee (DIF) Loan from the General Fund	65,840	65,840	Undetermined
Total City of Hesperia Principal Debt	$54,770,840	$44,195,840	
Hesperia Water District			
1992B Certificates of Participation	$ 1,405,000	$ 760,000	June 1, 2022
1998A Variable Rate Lease Revenue Refunding Bonds	18,040,000	10,310,000	June 1, 2026
1998B Variable Rate Lease Revenue Refunding Bonds	2,070,000	910,000	June 1, 2022
2010 Loan from Redevelopment Low and Moderate Housing Fund	6,000,000	1,200,000	June 30, 2015
Total Hesperia Water District Principal Debt	$ 27,515,000	$13,180,000	
Total Principal Debt Outstanding	$82,285,840	$57,375,840	

DEBT SERVICE

2014-15 BUDGET TOTAL PRINCIPAL AND INTEREST DEBT SERVICE PAYMENTS



	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
City of Hesperia					
Principal	$1,230,000	$1,250,000	$1,705,000	$13,905,000	$1,605,000
Interest and Admin Fees	414,261	1,059,907	1,357,835	1,750,274	1,604,246
Total City	$1,644,261	$2,309,907	$3,062,835	$15,655,274	$3,209,246
Hesperia Water District					
Principal	$1,985,000	$2,020,000	$2,055,000	$2,055,000	$2,090,000
Interest and Admin Fees	963,713	941,980	920,535	1,020,096	884,770
Total Water	$2,948,713	$2,961,980	$2,975,535	$3,075,096	$2,974,770
Hesperia Community Redevelopment Agency					
Principal	$5,570,926	$0	$0	$0	$0
Interest and Admin Fees	$4,343,449	$0	$0	$0	$0
Total Redevelopment	$9,914,375	$0	$0	$0	$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. This debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency (As noted through rest of debt section).

Total All Funds					
Principal	$8,785,926	$3,270,000	$3,760,000	$15,960,000	$3,695,000
Interest and Admin Fees	5,721,423	2,001,887	2,278,370	2,770,370	2,489,016
Total Debt Service Payments	**$14,507,349**	**$5,271,887**	**$6,038,370**	**$18,730,370**	**$6,184,016**

DEBT SERVICE

ANNUAL DEBT SERVICE PAYMENTS BY OBLIGATION AND FUND
In Chronological Order

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
City of Hesperia					
1996 HUD Section 108 Loan					
Principal	$150,000	$150,000	$150,000	$150,000	$150,000
Interest	2,905	1,983	9,600	900	280
Admin/Other costs	400	400	400	400	100
Total	$153,305	$152,383	$160,000	$151,300	$150,380
Series 2004 Variable Rate Demand Revenue Bonds					
Principal	$580,000	$600,000	$620,000	$620,000	$645,000
Interest	14,192	15,163	21,560	10,500	47,500
Admin/Other Costs	125,905	113,363	122,300	194,600	100,000
Total	$720,097	$728,526	$763,860	$825,100	$792,500
2005 Variable Rate Demand Certificates of Participation					
Principal	$500,000	$500,000	$500,000	$12,700,000	$0
Interest	28,606	32,128	49,300	8,352	0
Admin/Other Costs	242,253	234,670	244,200	78,604	0
Total	$770,859	$766,798	$793,500	$12,786,956	$0
2012 Water Rights Lease Revenue Bonds					
Principal	$0	$0	$435,000	$435,000	$555,000
Interest	0	271,448	900,475	900,475	890,575
Admin/Other Costs	0	390,752	10,000	10,000	8,000
Total	$0	$662,200	$1,345,475	$1,345,475	$1,453,575
2013 Civic Plaza Refunding Lease Revenue Bonds					
Principal	$0	$0	$0	$0	$255,000
Interest	0	0	0	230,338	546,600
Admin/Other Costs	0	0	0	316,105	11,000
Total	$0	$0	$0	$546,443	$812,600
2014 Development Impact Fee (DIF) Loan From General Fund					
Principal	$0	$0	$0	$0	$0
Interest	0	0	0	0	191
Admin/Other Costs	0	0	0	0	0
Total	$0	$0	$0	$0	$191
Total City of Hesperia Funds					
Principal	$1,230,000	$1,250,000	$1,705,000	$13,905,000	$1,605,000
Interest	45,703	320,722	980,935	1,150,565	1,485,146
Admin/Other Costs	368,558	739,185	376,900	599,709	119,100
Total	$1,644,261	$2,309,907	$3,062,835	$15,655,274	$3,209,246

ANNUAL DEBT SERVICE PAYMENTS BY OBLIGATION AND FUND (Continued)

In Chronological Order

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Hesperia Water District					
1992 B Certificates of Participation					
Principal	$55,000	$60,000	$65,000	$65,000	$70,000
Interest	84,600	79,650	74,250	74,250	68,400
Admin/Other Costs	3,975	3,975	3,975	3,975	4,300
Total	$143,575	$143,625	$143,225	$143,225	$142,700
1998 A Variable Rate Lease Revenue Refunding Bonds					
Principal	$640,000	$670,000	$695,000	$695,000	$720,000
Interest	617,018	615,893	606,050	606,080	600,650
Admin/Other Costs	219,085	210,906	199,237	302,339	181,706
Total	$1,476,103	$1,496,799	$1,500,287	$1,603,419	$1,502,356
1998 B Variable Rate Lease Revenue Refunding Bonds					
Principal	$90,000	$90,000	$95,000	$95,000	$100,000
Interest	2,564	2,691	10,050	2,000	9,100
Admin/Other Costs	20,136	19,355	17,373	26,327	15,814
Total	$112,700	$112,046	$122,423	$123,327	$124,914
2010 Loan from Redevelopment Low and Moderate Income Housing Fund					
Principal	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000
Interest	16,335	9,510	9,600	5,125	4,800
Admin/Other Costs	0	0	0	0	0
Total	$1,216,335	$1,209,510	$1,209,600	$1,205,125	$1,204,800
Total Hesperia Water District					
Principal	$1,985,000	$2,020,000	$2,055,000	$2,055,000	$2,090,000
Interest	720,517	707,744	699,950	687,455	682,950
Admin/Other Costs	243,196	234,236	220,585	332,641	201,820
Total	$ 2,948,713	$2,961,980	$ 2,975,535	$ 3,075,096	$ 2,974,770
Hesperia Community Redevelopment Agency					
2005 Tax Allocation Bonds-Series A					
Principal	$785,000	$0	$0	$0	$0
Interest	851,421	0	0	0	0
Admin/Other Costs	2,250	0	0	0	0
Total	$1,638,671	$0	$0	$0	$0

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

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Hesperia Community Redevelopment Agency (Continued)					
2005 Tax Allocation Bonds-Series B					
Principal	$860,000	$0	$0	$0	$0
Interest	68,823	0	0	0	0
Admin/Other Costs	250	0	0	0	0
Total	$929,073	$0	$0	$0	$0
2007 Series A (Tax Exempt) Revenue Bonds					
Principal	$0	$0	$0	$0	$0
Interest	2,782,100	0	0	0	0
Admin/Other Costs	2,953	0	0	0	0
Total	$2,785,053	$0	$0	$0	$0
2007 Series B (Taxable) Revenue Bonds					
Principal	$1,755,000	$0	$0	$0	$0
Interest	505,330	0	0	0	0
Admin/Other Costs	3,163	0	0	0	0
Total	$2,263,493	$0	$0	$0	$0
2008 Cappas Note					
Principal	$120,164	$0	$0	$0	$0
Interest	22,950	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$143,114	$0	$0	$0	$0
2008 Steward Note					
Principal	$129,447	$0	$0	$0	$0
Interest	28,022	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$157,469	$0	$0	$0	$0
2010 Supplemental Education Revenue Augmentation Fund (SERAF) Promissory Note					
Principal	$624,859	$0	$0	$0	$0
Interest	19,226	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$644,085	$0	$0	$0	$0

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

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Hesperia Community Redevelopment Agency (Continued)					
2010 Golf Course Note - Mega Factors					
Principal	$300,161	$0	$0	$0	$0
Interest	28,733	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$328,894	$0	$0	$0	$0
2011 Public Improvements Promissory Note					
Principal	$996,295	$0	$0	$0	$0
Interest	28,228	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$1,024,523	$0	$0	$0	$0
Total Hesperia Community Redevelopment Agency					
Principal	$5,570,926	$0	$0	$0	$0
Interest	4,334,833	0	0	0	0
Admin/Other Costs	8,616	0	0	0	0
Total	*$9,914,375	$0	$0	$0	$0

Note: 2011-12 RDA actuals reflect expenditures made/incurred within the RDA prior to dissolution on February 1, 2012.

Total All Funds					
Principal	**$8,785,926**	**$3,270,000**	**$3,760,000**	**$15,960,000**	**$3,695,000**
Interest	**5,101,053**	**1,028,466**	**1,680,885**	**1,838,020**	**2,168,096**
Admin/Other Costs	**620,370**	**973,421**	**597,485**	**932,350**	**320,920**
Total	**$14,507,349**	**$5,271,887**	**$6,038,370**	**$18,730,370**	**$6,184,016**

DEBT SERVICE

INDIVIDUAL DEBT OBLIGATION SUMMARIES

This section summarizes the individual debt service obligations of the City included in the Fiscal Year 2014-15 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.

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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, 2011	$ 600,000**
July 1, 2012	$ 450,000
July 1, 2013	$ 300,000
Estimated July 1, 2014	$ 150,000

**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.

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$150,000	$150,000	$150,000	$150,000	$150,000
Interest Amount	2,905	1,983	9,600	900	280
Admin/Other Costs	400	400	400	400	100
Total	$153,305	$152,383	$160,000	$151,300	$150,380

Analysis and Recommendation

This debt obligation will be paid in full August 1, 2014.

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, 2011	$ 7,035,000
July 1, 2012	$ 6,455,000
July 1, 2013	$ 5,855,000
Estimated July 1, 2014	$ 5,235,000

Interest Rate: Variable

Maturity Date: October 1, 2023 original maturity date; revised to October 1, 2021 due to prepayments made in FY 2005-06, FY 2006-07, and FY 2007-08.

Funding Sources: Gas Tax Revenue, Gas Tax Swap Revenue, and Local Transportation (LTF) Revenue.

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$580,000	$600,000	$620,000	$620,000	$645,000
Interest Amount	14,192	15,163	21,560	10,500	47,500
Admin/Other Costs	125,905	113,363	122,300	194,600	100,000
Total	$720,097	$728,526	$763,860	$825,100	$792,500

Analysis and Recommendation

The letter of credit was replaced in November 2013 and the most favorable rate of 1.45% has been budgeted, as that is the category the debt issue currently falls within. The letter of credit is up for renewal in November 2015.

Staff has prepared a plan to retire this debt early by making the final payment in FY 2015-16 to coincide with the letter of credit term date. In order to ensure that sufficient funds are available, the following transfers are proposed for Fiscal Year 2014-15:

Fund 205 Gas Tax	$ 625,000
Fund 206 Gas Tax Swap	20,000
Fund 207 Article 8 LTF	2,805,000
Total	$3,450,000

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, 2011	$ 13,700,000
July 1, 2012	$ 13,200,000
July 1, 2013	$ 12,700,000
Estimated July 1, 2014	0

Interest Rate: Variable

Maturity Date: November 1, 2013 COPs were refinanced into 2013 Civic Plaza Refunding Lease Revenue Bonds. (October 1, 2034 original maturity date; revised to October 1, 2031, due to prepayment made in March 2008).

Funding Sources: General Fund and Public Services Development Impact Fees

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$500,000	$500,000	$500,000	$12,700,000	0
Interest Amount	28,606	32,128	49,300	8,352	0
Admin/Other Costs	242,253	234,670	244,200	78,604	0
Total	$770,859	$766,798	$793,500	$12,786,956	0

Analysis and Recommendation

On November 1, 2013, the COPs were refinanced into the 2013 Civic Plaza Refunding Revenue Bonds to take advantage of the low interest rate environment and move to a fixed rate schedule. The $12,700,000 principal payment included the full outstanding amount due.

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

City – 2012 Lease Revenue Bonds (Water Rights Acquisition)

Purpose/History: At the November 20, 2012 City Council meeting, the City Council authorized the issuance of Lease Revenue Bonds to finance $25,000,000 in permanent water rights. The total cost of the 5,971 acre feet of water rights was $30,000,000, made up of a $5 million cash deposit and the bond issue.

Original Principal Amount: $26,735,000

Principal Outstanding Balance as of:

July 1, 2012	0
July 1, 2013	$ 26,735,000
Estimated July 1, 2014	$ 26,300,000

Interest Rate: Fixed rates ranging from 2.0% - 4.0%

Maturity Date: October 1, 2042

Funding Sources: General Fund

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	0	$ 0	$ 435,000	$ 435,000	$ 555,000
Interest Amount	0	271,448	900,475	900,475	890,575
Admin/Other Costs	0	*390,752	10,000	10,000	8,000
Total	0	$662,200	$1,345,475	$1,345,475	$1,453,575

*Note: Includes bond issuance costs as well as discount on bond issue.

Analysis and Recommendation

This obligation will be paid according to the debt service schedule.

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

City – 2013 Civic Plaza Refunding Lease Revenue Bonds (Refinancing of 2005 COPs)

Purpose/History: At the August 6, 2013 City Council meeting, the City Council authorized the issuance of the Hesperia Joint Public Finance Authority 2013 Refunding Lease Revenue Bonds (Refinancing of 2005 Civic Plaza Financing)

Original Principal Amount: $12,445,000

Principal Outstanding Balance as of:

July 1, 2013	0
Estimated July 1, 2014	$12,445,000

Interest Rate: Fixed rates ranging from 2.0% - 5.0%

Maturity Date: October 1, 2035

Funding Sources: General Fund and Public Services Development Impact Fees (DIF)

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	0	0	0	$ 0	$255,000
Interest Amount	0	0	0	230,338	546,600
Admin/Other Costs	0	0	0	*316,105	11,000
Total	0	0	0	$546,443	$812,600

*Note: Includes bond issuance costs as well as discount on bond issue

Analysis and Recommendation

This debt issue refinanced the previous 2005 Civic Plaza Certificates of Participation. This new issue has fixed interest rates and bonds cannot be called prior to October 1, 2023. The bonds will be paid according to the debt service schedule. As with the previous 2005 COPs, Public Services DIF will continue to fund 87.25% of the debt service, with the General Fund contributing the remaining 12.75%. For FY 2014-15, cash reserves within the debt service fund of $635,500 will be utilized, with the remaining funding provided by DIF Public Services and General Fund using the percentages referenced above.

Due to insufficient funds within Public Services DIF, the General Fund will provide a loan to DIF so that the required contribution for the annual debt service can be made.

It should be noted that for the following fiscal year (Fiscal Year 2015-16), the 2013 Civic Plaza – debt service fund reserves are expected to be exhausted. This will result in the need for substantially increased contributions from the General Fund and DIF Public Services (necessitating an additional loan from the General Fund) in order to fund the annual debt service for the bonds.

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

City – 2014 Development Impact Fees (DIF) Public Services – Loan from General Fund

Purpose/History: As referenced in the City – 2013 Civic Plaza Refunding Lease Revenue Bond debt, DIF Public Services contributes 87.25% of the annual debt service for the City Hall building financed by the Civic Plaza bonds. For FY 2014-15, the DIF Public Services Fund will not have sufficient cash to fully fund the 87.25% contribution of $154,520. Therefore, with the adoption of the FY 2014-15 Budget, a loan from the General Fund to DIF in the amount of $65,840 is needed in order for DIF to make the needed contribution to the debt service on the bonds.

Original Principal Amount: $65,840

Principal Outstanding Balance as of:

July 1, 2013	0
Estimated July 1, 2014	$65,840

Interest Rate: Variable (Quarterly based upon LAIF)

Maturity Date: Ongoing until sufficient DIF funds are available

Funding Sources: DIF – Public Services

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	0	0	0	0	$ 0
Interest Amount	0	0	0	0	191
Admin/Other Costs	0	0	0	0	0
Total	0	0	0	0	$191

Analysis and Recommendation

Repayment of this debt obligation will be made as soon as sufficient DIF – Public Service funds are available.

It should be noted that for the following fiscal year (FY 2015-16), the 2013 Civic Plaza debt service fund reserves are expected to be exhausted. This will result in the need for substantially increased contributions from the General Fund and DIF – Public Services (necessitating an additional loan from the General Fund) in order to fund the annual debt service for the bonds.

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, 2011	$ 940,000
July 1, 2012	$ 885,000
July 1, 2013	$ 825,000
Estimated July 1, 2014	$ 760,000

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.

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$ 55,000	$ 60,000	$ 65,000	$ 65,000	$ 70,000
Interest Amount	84,600	79,650	74,250	74,250	68,400
Admin/Other Costs	3,975	3,975	3,975	3,975	4,300
Total	$143,575	$143,625	$143,225	$143,225	$142,700

Note: Budgetary Basis Adjustment – For budgetary purposes the principal payments are reflected in the actual columns, whereas the CAFR reflects a reduction in the liability. Also, the CAFR shows an interest accrual, whereas the budget does not.

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, requiring the payment of the full amount of interest due through the maturity of the debt.

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Water District - 1998A Variable Rate Lease Revenue Refunding Bonds (Taxable)

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, 2011	$12,315,000
July 1, 2012	$11,675,000
July 1, 2013	$11,005,000
Estimated July 1, 2014	$10,310,000

Note: For financial statement purposes, the bond discount and the difference between the reacquisition price and net carrying value of the 1991 COPs have been deferred and are amortized over the remaining life of the bonds.

Interest Rate: Variable. 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

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$ 640,000	$ 670,000	$ 695,000	$ 695,000	$ 720,000
Interest Amount	617,018	615,893	606,050	606,080	600,650
Admin/Other Costs	219,085	210,906	199,237	302,339	181,706
Total	$1,476,103	$1,496,799	$1,500,287	$1,603,419	$1,502,356

Note: Budgetary Basis Adjustment – For budgetary purposes the principal payments are reflected in the actual columns, whereas the CAFR reflects a reduction in the liability. Also, the CAFR shows the interest accrual, as well as the amortization of discounts and deferred charges, whereas the budget does not.

Analysis and Recommendation

This obligation will be paid according to the debt service schedule. For the $10,000,000, swap interest is budgeted at 5.96%. The remaining $310,000 is budgeted at 1.5%. The letter of credit was replaced in November 2013 and has been budgeted at 1.45%, as that is the category the debt issue currently falls within. The letter of credit is up for renewal in November 2015.

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Water District - 1998B Variable Rate Lease Revenue Refunding Bonds (Tax Exempt)

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, 2011	$1,185,000
July 1, 2012	$1,095,000
July 1, 2013	$1,005,000
Estimated July 1, 2014	$ 910,000

Note: For financial statement purposes, the bond discount, and the difference between the reacquisition price and net carrying value of the 1992A COPs have been deferred and are amortized over the remaining life of the bonds.

Interest Rate: Variable.

Maturity Date: June 1, 2022

Funding Source: Hesperia Water District – Taxes and User Fees

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amounts	$ 90,000	$ 90,000	$ 95,000	$ 95,000	$100,000
Interest Amount	2,564	2,691	10,050	2,000	9,100
Admin/Other Costs	20,136	19,355	17,373	26,327	15,814
Total	$112,700	$112,046	$122,423	$123,327	$124,914

Note: Budgetary Basis Adjustment – For budgetary purposes the principal payments are reflected in the actual columns, whereas the CAFR reflects a reduction in the liability. Also, the CAFR shows the interest accrual, as well as the amortization of discounts, and deferred charges, whereas the budget does not.

Analysis and Recommendation

Interest has been budgeted at 1.00%. Like the 1998A issue, the Letter of Credit (LOC) was replaced in November 2013 and the most favorable rate of 1.45% has been budgeted, as that is the category the debt issue currently falls within. The letter of credit is up for renewal in November 2015.

DEBT SERVICE

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Water – 2010 Loan from the 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, 2011:	$4,800,000
July 1, 2012	$3,600,000
July 1, 2013	$2,400,000
Estimated July 1, 2014	$1,200,000

Interest Rate: Variable Rate (Quarterly based upon LAIF)

Maturity Date: June 30, 2015

Funding Source: Water Operating

Payment Amounts	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000
Interest Amount	16,335	9,510	9,600	5,125	4,800
Admin/Other Costs	0	0	0	0	0
Total	$1,216,335	$1,209,510	$1,209,600	$1,205,125	$1,204,800

Analysis and Recommendation:

This debt obligation will be paid in full on June 30, 2015.

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Redevelopment Agency – 2005 Tax Allocation Bonds – Series A

Purpose/History: Pre-February 1, 2012 – The 2005 Series A Bonds were 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 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.

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.

Original Principal Amount: $40,500,000

Principal Outstanding Balance as of:

July 1, 2011	$ 35,770,000
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. This debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency.

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

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$ 785,000	0	0	0	0
Interest Amount	851,421	0	0	0	0
Admin/Other Costs	2,250	0	0	0	0
Total	$1,638,671	0	0	0	0

Note: 2011-12 RDA actuals reflect expenditures made/incurred within the RDA prior to dissolution on February 1, 2012.

Analysis and Recommendation

As of February 1, 2012, this debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency, and funds will be provided by the County of San Bernardino, as outlined in ABX 26.

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Redevelopment Agency – 2005 Tax Allocation Bonds – Series B

Purpose/History: 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 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.

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.

Original Principal Amount: $8,785,000

Principal Outstanding Balance as of:

July 1, 2011	$ 4,060,000
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. This debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency.

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)

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$860,000	0	0	0	0
Interest Amount	68,823	0	0	0	0
Admin/Other Costs	250	0	0	0	0
Total	$929,073	0	0	0	0

Note: 2011-12 RDA actuals reflect expenditures made/incurred within the RDA prior to dissolution on February 1, 2012.

Analysis and Recommendation

As of February 1, 2012, this debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency, and funds will be provided by the County of San Bernardino, as outlined in ABX 26.

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Redevelopment Agency – 2007 Series A (Tax Exempt) Revenue Bonds

Purpose/History: Pre-February 1, 2012 – The 2007 Series A Revenue Bonds (Tax Exempt) for Redevelopment and Housing Projects were issued.

The 2007 Series A Bonds were issued to fund the following uses or purposes:

(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.

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.

Original Principal Amount: $132,150,000

Principal Outstanding Balance as of:

July 1, 2011	$ 107,040,000*
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. This debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency.

Interest Rate: 5.0% to 5.5%

Maturity Date: September 1, 2037

Funding Sources: Redevelopment Agency Tax Increment Revenue and Housing Tax Revenue

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$ 0	0	0	0	0
Interest Amount	2,782,100	0	0	0	0
Admin/Other Costs	2,953	0	0	0	0
Total	$2,785,053	0	0	0	0

Note: 2011-12 RDA actuals reflect expenditures made/incurred within the RDA prior to dissolution on February 1, 2012.

Analysis and Recommendation

As of February 1, 2012, this debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency, and funds will be provided by the County of San Bernardino, as outlined in ABX 26.

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Redevelopment Agency – 2007 Series B (Taxable) Revenue Bonds

Purpose/History: Pre-February 1, 2012 – The 2007 Series B Revenue Bonds (Taxable) for Redevelopment and Housing Projects were issued.

The 2007 Series B Bonds were issued to fund the following uses or purposes:

(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.

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.

Original Principal Amount: $22,170,000

Principal Outstanding Balance as of:

July 1, 2011	$ 17,235,000
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. This debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency.

Interest Rate: 5.864%

Maturity Date: September 1, 2021

Funding Sources: Redevelopment Agency Tax Increment Revenue and Housing Tax Revenue

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$1,755,000	0	0	0	0
Interest Amount	505,330	0	0	0	0
Admin/Other Costs	3,163	0	0	0	0
Total	$2,263,493	0	0	0	0

Note: 2011-12 RDA actuals reflect expenditures made/incurred within the RDA prior to dissolution on February 1, 2012.

Analysis and Recommendation

As of February 1, 2012, this debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency, and funds will be provided by the County of San Bernardino, as outlined in ABX 26.

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Redevelopment Agency – 2008 Cappas Limited Partnership Note

Purpose/History: 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.

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.

Original Principal Amount: $603,000

Principal Outstanding Balance as of:

July 1, 2011	$ 382,642
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. This debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency.

Interest Rate: 6%

Maturity Date: December 29, 2013

Funding Sources: Redevelopment Agency Bond Proceeds

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$120,164	0	0	0	0
Interest Amount	22,950	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$143,114	0	0	0	0

Note: 2011-12 RDA actuals reflect expenditures made/incurred within the RDA prior to dissolution on February 1, 2012.

Analysis and Recommendation

As of February 1, 2012, this debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency, and funds will be provided by the County of San Bernardino, as outlined in ABX 26.

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Redevelopment Agency – 2008 Steward Revocable Trust Note

Purpose/History: 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.

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.

Original Principal Amount: $650,000

Principal Outstanding Balance as of:

July 1, 2011	$ 415,144
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. This debt obligation is now an obligation of the Successor Agency to the Former Community Redevelopment Agency.

Interest Rate: 6.75%

Maturity Date: December 29, 2013

Funding Sources: Redevelopment Agency Bond Proceeds

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$129,447	0	0	0	0
Interest Amount	28,022	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$157,469	0	0	0	0

Note: 2011-12 RDA actuals reflect expenditures made/incurred within the RDA prior to dissolution on February 1, 2012.

Analysis and Recommendation

As of February 1, 2012, this debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency, and funds will be provided by the County of San Bernardino, as outlined in ABX 26.

DEBT SERVICE

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Redevelopment Agency – 2010 Supplemental Educational Revenue Augmentation Fund (SERAF) Promissory Note

Purpose/History: 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.

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.

Original Principal Amount:	$ 8,161,869
Additional Principal Amount:	1,680,385
Adjusted Original Principal Amount:	$9,842,254

Principal Outstanding Balance as of:

July 1, 2011	$ 9,842,254*
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. This debt is now an obligation of the Successor Agency to the Former Community Redevelopment Agency.

Interest Rate: Quarterly Local Agency Investment Fund (LAIF) Rate

Maturity Date: June 30, 2015 and June 30, 2016

Funding Sources: Redevelopment Agency non-housing funds

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	*$624,859	0	0	0	0
Interest Amount	**19,226	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$644,085	0	0	0	0

*During FY 2011-12, cash payments totaling $624,859 and land in lieu payment of $440,483 were made. Both payment types are reflected in the outstanding balance and for budgetary basis purposes are shown as principal payments. However, in the CAFR, the payments are reflected as a reduction of the Advances From Other Funds.

**The amount of interest shown reflects accrued interest, which affects the outstanding balance, not interest paid.

Note: 2011-12 RDA actuals reflect expenditures made/incurred within the RDA prior to dissolution on February 1, 2012.

Analysis and Recommendation

As of February 1, 2012, this debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency, and funds will be provided by the County of San Bernardino, as outlined in ABX 26.

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Redevelopment Agency – 2010 – Golf Course Note – Mega Factors

Purpose/History: 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.

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.

Original Principal Amount: $1,556,000

Principal Outstanding Balance as of:

July 1, 2011	$ 1,023,420
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. This debt is now an obligation of the Successor Agency to the Former Community Redevelopment Agency.

Interest Rate: 5.5%

Maturity Date: May 20, 2013

Funding Sources: Redevelopment Agency

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$300,161	0	0	0	0
Interest Amount	28,733	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$328,894	0	0	0	0

Note: 2011-12 RDA actuals reflect expenditures made/incurred within the RDA prior to dissolution on February 1, 2012.

Analysis and Recommendation

As of February 1, 2012, this debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency, and funds will be provided by the County of San Bernardino, as outlined in ABX 26. This obligation was paid in full during FY 2012-13.

DEBT SERVICE

INDIVIDUAL DEBT OBLIGATION SUMMARIES (Continued)

Redevelopment Agency – 2011 Public Improvements Promissory Note

Purpose/History: 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.

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.

Original Principal Amount: Up to $31,680,000; Amount utilized is $14,486,524

Principal Outstanding Balance as of:

July 1, 2011	$ 14,486,524
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. This debt is now an obligation of the Successor Agency to the Former Community Redevelopment Agency.

Interest Rate: Quarterly Local Agency Investment Fund (LAIF) rate

Maturity Date: March 31, 2016

Funding Sources: Redevelopment Agency non-housing funds

Payment Amount	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Principal Amount	$ *996,295	0	0	0	0
Interest Amount	**28,228	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$1,024,523	0	0	0	0

*During FY 2011-12, a cash payment totaling $996,295 and land in lieu payments totaling $5,408,051 were made, bringing the total outstanding balance to $8,156,271, as referenced in the FY 2011-12 CAFR. However, that same year, unspent funds amounting to $3,136,765 left over from the Lead Track Project were remitted to Fund 160 Obligation Retirement Fund. This remittance should have been a reduction to the outstanding amount due, but was mistakenly overlooked by both staff and the auditors. An adjustment will be reflected in the FY 2012-13 CAFR.
**The amount of interest shown reflects accrued interest, which affects the outstanding balance, not interest paid.
Note: 2011-12 RDA actuals reflect expenditures made/incurred within the RDA prior to dissolution on February 1, 2012.

Analysis and Recommendation

As of February 1, 2012, this debt issue is now an obligation of the Successor Agency to the Former Community Redevelopment Agency, and funds will be provided by the County of San Bernardino, as outlined in ABX 26.

CITY OF HESPERIA
Computation Of Legal Debt Margin

	2010-11	2011-12	2012-13	2013-14
Total assessed value of all real and personal property	$ 4,283,316,000	$ 4,242,508,000	$ 4,209,284,000	$ 4,396,094,000
Debt limit percentage (1)	15.00%	15.00%	15.00%	15.00%
Total debt limit	642,497,400	636,376,200	631,392,600	659,414,100
Amount of debt applicable to debt limit	7,035,000	6,455,000	5,855,000	5,235,000
Legal debt margin	$ 635,462,400	$ 629,921,200	$ 625,537,600	$ 654,179,100
Percent of Debt Limit Authorized	1.09%	1.01%	0.93%	0.79%

FY 2014-15 is not included as the assessed valuations are not available.

The Government Code of the State of California (§43605) provides for a debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value.

Source: City of Hesperia, Management Services Department
San Bernardino County Assessor's Office

FUND BALANCE SUMMARIES

- *Overview and Summary*
- *List of Funds*
- *Fund Descriptions*
- *2014-15 Budget - Balancing and Fund Balance Summary - By Major Grouping*
- *2014-15 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 2014-15 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 most recent 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 (when resources exceed uses), which is what fund balance represents.

For the 2014-15 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.

Often, the fund balance of a fund will change by 10% or more for various factors. Listed below are the major funds that reflect a fund balance change of more than 10% and the aggregate amount of the non-major funds that change by more than 10% with a brief explanation.

	2013-14 Revised	2014-15 Budget	Percent Change
100 General Fund	$ 12,818,689	$ 10,960,039	-14%
Plan to purchase water rights, pave some dirt roads, facilities repairs, and computer equipment/software.			
200 Fire District Fund	1,233,721	120,061	-90%
Decrease due to increased operating costs for same level of service.			
371 VVEDA Housing Authority	1,854,114	1,632,844	-12%
Plan to provide as many as five home rehabilitation loans.			
Non-major funds	16,884,520	14,590,483	-14%
Plan to expend $3,953,000 on street repaving projects.			

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); 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 FUND

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

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. This fund is closed as of June 30, 2013.

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.

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.

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.

FUND DESCRIPTIONS

STREET CAPITAL IMPROVEMENT PROJECTS (CIP) FUNDS (Continued)

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. This fund is closed as of June 30, 2013.

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. This fund was closed as of June 30, 2012.

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. This fund is closed as of June 30, 2014.

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

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.

2004 Streets Debt Service (400) - This Debt Service fund accounts for debt service payments on the Marks-Roos Measure I Revenue bonds.

FACILITIES

Fire Capital (502) - This Capital Project fund accounted for development impact fees to fund capital improvements of the Fire District.

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 as of June 30, 2014.

OTHER CITY RELATED FUNDS

Redevelopment Administration (150) - This Special Revenue fund accounts for the cooperative agreement between the City and the former Hesperia Community Redevelopment Agency.

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.

OTHER CITY RELATED FUNDS (Continued)

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. This fund is closed as of June 30, 2014.

Water Rights Debt Service (402) - This Debt Service fund accounts for debt service payments on the City's 2012 Bonds used to purchase the water rights of the former Rancho Las Flores.

2013 Civic Plaza Refinancing (403) - This Debt Service fund accounts for debt service payments on the City's 2013 Bonds used to refinance the 2005 COPs (Certificates of Participation) that financed the Civic Plaza.

FIRE DISTRICT FUND

Fire District (200) - This Special Revenue fund accounts for revenues from special tax assessments and other service charges and for expenditures relating to the Hesperia Fire Protection District's prevention and protection.

WATER DISTRICT FUNDS

Water Operations (700) – This Enterprise fund accounts for the operation and maintenance of the Hesperia Water District's operations, which is funded by user changes 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 changes and other fees.

Sewer Capital (711) - This Enterprise fund accounts for the expenditures needed to expand or repair the Hesperia Water District's system and the revenues required to fund those expenditures.

FUND DESCRIPTIONS

REDEVELOPMENT AGENCY FUNDS

Note: These funds were closed as of February 1, 2012.

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.

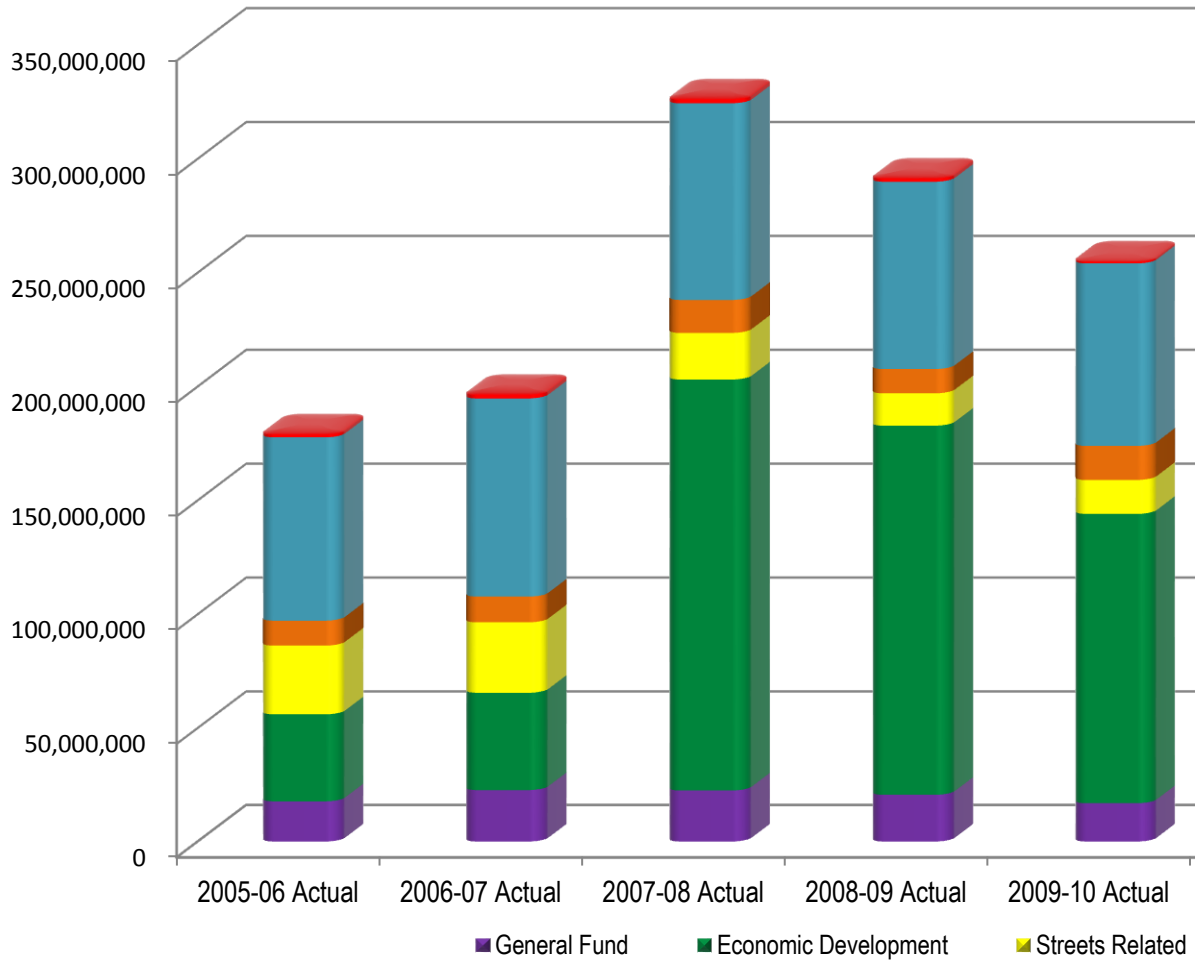
Redevelopment Agency Debt Service Project Area #2 (487) – This Debt Service fund accounts for the tax increment receipts and payment of the Redevelopment Agency Project Area #2's portion of the bonded indebtedness and tax increment pass-through obligations.

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.

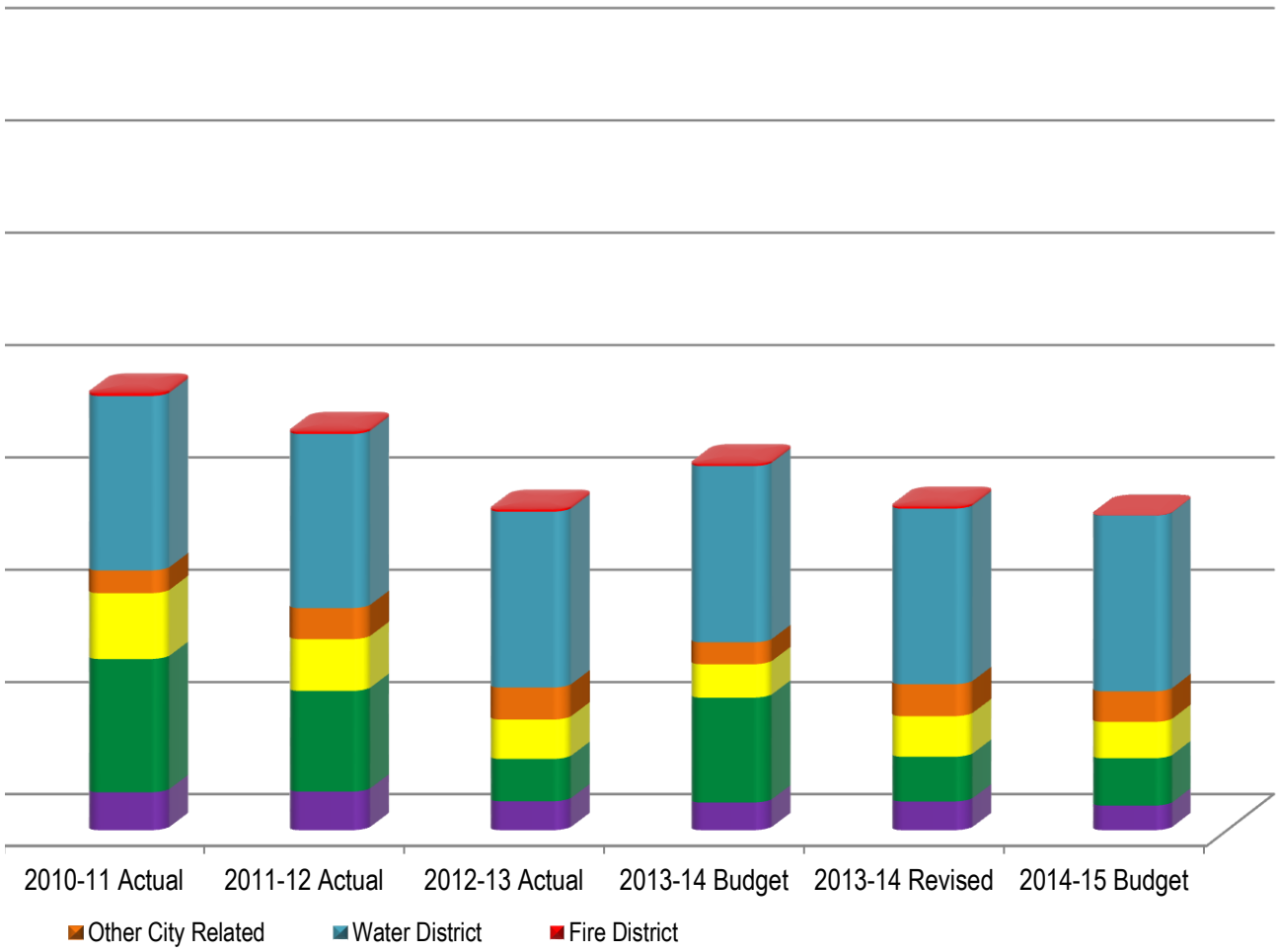
City of Hesperia
Ending Fund Balances
10 YearTrends



	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Actual
General Fund	$ 17,694,619	$ 22,664,366	$ 22,478,904	$ 20,566,371	$ 16,860,093
Economic Development	38,339,192	42,866,587	180,606,560	162,260,012	127,218,610
Streets Related	30,207,276	30,946,693	20,479,531	14,194,102	14,915,495
Other City Related	10,964,312	11,294,786	14,482,087	10,691,913	14,960,644
Water District	80,505,139	87,006,728	86,353,916	82,243,053	80,153,082
Fire District	2,084,584	2,539,810	2,728,113	2,235,694	1,319,278
June 30, Ending Fund Balance	$ 179,795,122	$ 197,318,970	$ 327,129,111	$ 292,191,145	$ 255,427,202

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 June 30, Ending Fund Balance on pages I - 10 through I - 21 includes the non-spendable assets of funds. The Fund Balance Summary on pages I - 22 through I - 74 show calculations without the non-spendable assets where applicable.



2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
$ 16,923,804	$ 17,217,559	$ 12,887,884	$ 12,347,141	$ 12,818,689	$ 10,960,039
59,488,975	44,956,979	18,900,854	46,821,945	19,970,941	21,158,600
29,309,051	23,067,884	17,616,746	14,908,439	18,117,563	16,212,574
10,114,055	13,822,412	14,291,184	9,763,362	14,293,552	13,683,358
77,665,683	77,506,411	78,286,839	78,463,372	78,151,968	78,246,051
1,707,595	1,381,757	1,317,736	1,214,050	1,233,721	120,061
$ 195,209,163	$ 177,953,002	$ 143,301,243	$ 163,518,309	$ 144,586,434	$ 140,380,683

Funds included:

Economic Development - 170, 370, 371, 385, 388, 389, 486, 487, 586, 587, 588

Streets Related - 201, 204, 205, 206, 207, 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, 402, 403, 502, 503

Water District - 700, 701, 710, 711

FUND BALANCE SUMMARY

2014-15 Budget - Balancing and Fund Balance Summary - By Major Grouping

	General Fund	C.D.B.G.	Community Development Commission
RESOURCES			
Revenue	$ 24,203,918	$ 2,040,477	$ 727,115
Transfers In	2,112,691	0	0
Transfers Out	(1,541,995)	0	0
Budgeted Reserves	1,942,100	423,461	0
Total Resources	**$ 26,716,714**	**$ 2,463,938**	**$ 727,115**
EXPENDITURES			
City Council	$ 682,978	$ 0	$ 0
City Manager	2,778,294	0	0
Management Services	3,197,089	0	0
Economic Development	0	2,030,005	346,253
Development Services			
Community Development	1,629,583	0	0
Code Compliance	2,346,674	0	0
Public Works	1,730,208	0	0
Water Operations	0	0	0
Sewer Operations	0	0	0
Total Development Services	$ 5,706,465	$ 0	$ 0
Capital Improvement Projects			
Capital Improvements - Streets & Storm Drain	$ 733,200	$ 0	$ 0
Capital Improvements - City Facilities	0	0	0
Capital Improvements - Water	0	0	0
Capital Improvements - Sewer	0	0	0
Total Capital Improvement Projects	$ 733,200	$ 0	$ 0
Police	13,535,238	0	0
Fire District	0	0	0
Other Transportation & City Related Funds	0	0	0
Total Expenditures	**$ 26,633,264**	**$ 2,030,005**	**$ 346,253**
Difference Total Resources	**$ 83,450**	**$ 433,933**	**$ 380,862**
FUND BALANCE			
July 1, 2014 Estimated Beginning Balance	**$ 12,818,689**	**$ 4,789,516**	**$ 406,473**
Reserves Used	(1,942,100)	(423,461)	0
Difference Total Resources	83,450	433,933	380,862
June 30, 2015 Estimating Ending Balance	**$ 10,960,039**	**$ 4,799,988**	**$ 787,335**

Fund Groupings:

CDBG: 251, 252, 253, 257
Community Development Commission 170
Housing Authority 370, 371
Streets CIP Funds: 204, 205, 206, 207, 300, 301, 504, 507, 600

FUND BALANCE SUMMARY

2014-15 Budget - Balancing and Fund Balance Summary - By Major Grouping

Housing Authority	Street Maintenance	Streets CIP Funds	Other Transportation	Facilities	Other City Related	Water District
$ 414,681	$ 11,883	$ 11,126,616	$ 65,062	$ 591,144	$ 436,594	$ 21,346,913
1,200,000	3,550,000	0	3,450,000	0	1,696,515	0
0	0	(7,000,000)	0	0	(400,848)	0
221,270	172,000	4,927,994	17,500	28,471	761,567	720,197
$ 1,835,951	**$ 3,733,883**	**$ 9,054,610**	**$ 3,532,562**	**$ 619,615**	**$ 2,493,828**	**$ 22,067,110**
$ 0	$ 0	$ 0	0	0	0	$ 0
0	0	0	0	0	58,090	0
0	0	0	792,500	0	2,266,175	0
807,884	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	3,515,579	0	0	0	0	0
0	0	0	0	0	0	17,806,065
0	0	0	0	0	0	3,056,765
$ 0	$ 3,515,579	$ 0	$ 0	$ 0	$ 0	$ 20,862,830
$ 0	$ 0	$ 8,720,471	$ 0	$ 0	$ 0	$ 0
0	0	0	0	619,615	0	0
0	0	0	0	0	0	40,000
0	0	0	0	0	0	350,000
$ 0	$ 0	$ 8,720,471	$ 0	$ 619,615	$ 0	$ 390,000
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	80,000	0	191	0
$ 807,884	**$ 3,515,579**	**$ 8,720,471**	**$ 872,500**	**$ 619,615**	**$ 2,324,456**	**$ 21,252,830**
$ 1,028,067	**$ 218,304**	**$ 334,139**	**$ 2,660,062**	**$ 0**	**$ 169,372**	**$ 814,280**
$ 19,564,468	**$ 447,746**	**$ 15,481,741**	**$ 2,188,076**	**$ 5,047,696**	**$ 4,456,340**	**$ 78,151,968**
(221,270)	(172,000)	(4,927,994)	(17,500)	(28,471)	(761,567)	(720,197)
1,028,067	218,304	334,139	2,660,062	0	169,372	814,280
$ 20,371,265	**$ 494,050**	**$ 10,887,886**	**$ 4,830,638**	**$ 5,019,225**	**$ 3,864,145**	**$ 78,246,051**

Other Transportation Related Funds: 254, 400
Facilities: 502
Other City Related Funds: 150, 255, 256, 260, 302, 303, 304, 401, 402, 403
Water District: 700, 701, 710, 711

FUND BALANCE SUMMARY

2014-15 Budget - Balancing and Fund Balance Summary - By Major Grouping

	Fire District	Total
RESOURCES		
Revenue	$ 10,187,668	$ 71,152,071
Transfers In	0	12,009,206
Transfers Out	0	(8,942,843)
Budgeted Reserves	325,000	9,539,560
Total Resources	**$ 10,512,668**	**$ 83,757,994**
EXPENDITURES		
City Council	$ 0	$ 682,978
City Manager	0	2,836,384
Management Services	0	6,255,764
Economic Development	0	3,184,142
Development Services		
Community Development	0	1,629,583
Code Compliance	0	2,346,674
Public Works	0	5,245,787
Water Operations	0	17,806,065
Sewer Operations	0	3,056,765
Total Development Services	$ 0	$ 30,084,874
Capital Improvement Projects		
Capital Improvements - Streets & Storm Drain	$ 0	$ 9,453,671
Capital Improvements - City Facilities	0	619,615
Capital Improvements - Water	0	40,000
Capital Improvements - Sewer	0	350,000
Total Capital Improvement Projects	$ 0	$ 10,463,286
Police	0	13,535,238
Fire District	11,301,328	11,301,328
Other Transportation & City Related Funds	0	80,191
Total Expenditures	**$ 11,301,328**	**$ 78,424,185**
Difference Total Resources	**$ (788,660)**	**$ 5,333,809**
FUND BALANCE		
July 1, 2014 Estimated Beginning Balance	**$ 1,233,721**	**$ 144,586,434**
Reserves Used	(325,000)	(9,539,560)
Difference Total Resources	(788,660)	5,333,809
June 30, 2015 Estimating Ending Balance	**$ 120,061**	**$ 140,380,683**

The Transfers In and Out are out of balance by $3,066,363 which is $1,866,363 for the General and Administrative (G&A) allocation from the Water District and $1,200,000 for the Water District loan payment to the Hesperia Housing Authority. 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 $5,333,809 is shown as $2,267,446 on page A-3 because page A-3 excludes the net transfers where the net transfers are included above in the Total Resources number.

FUND BALANCE SUMMARY

2014-15 Budget - Balancing and Fund Balance Summary - By Individual Funds

		C. D. C.	Hesperia Housing Authority	
Fund Number	100	170	370	371
	General Fund	Community Development Commission	Hesperia Housing Authority	VVEDA Housing Authority
RESOURCES				
Revenue	$ 24,203,918	$ 727,115	$ 410,951	$ 3,730
Transfers In	2,112,691	0	1,200,000	0
Transfers Out	(1,541,995)	0	0	0
Budgeted Reserves	1,942,100	0	0	221,270
Total Resources	**$ 26,716,714**	**$ 727,115**	**$ 1,610,951**	**$ 225,000**
EXPENDITURES				
City Council	$ 682,978	$ 0	$ 0	$ 0
City Manager	2,778,294	0	0	0
Management Services	3,197,089	0	0	0
Economic Development	0	346,253	582,884	225,000
Development Services				
Community Development	1,629,583	0	0	0
Code Compliance	2,346,674	0	0	0
Public Works	1,730,208	0	0	0
Water Operations	0	0	0	0
Sewer Operations	0	0	0	0
Total Development Services	$ 5,706,465	$ 346,253	$ 582,884	$ 225,000
Capital Improvement Projects				
Capital Improvements - Streets & Storm Drainage	$ 733,200	$ 0	$ 0	$ 0
Capital Improvements - City Facilities	0	0	0	0
Capital Improvements - Water	0	0	0	0
Capital Improvements - Sewer	0	0	0	0
Total Capital Improvement Projects	733,200	0	0	0
Police	13,535,238	0	0	0
Fire District	0	0	0	0
Other Transportation & City Related Funds	0	0	0	0
Total Expenditures	**$ 26,633,264**	**$ 346,253**	**$ 582,884**	**$ 225,000**
Difference Total Resources	**$ 83,450**	**$ 380,862**	**$ 1,028,067**	**$ 0**
FUND BALANCE				
July 1, 2014 Estimated Beginning Balance	**$ 12,818,689**	**$ 406,473**	**$ 17,710,354**	**$ 1,854,114**
Reserves Used	(1,942,100)	0	0	(221,270)
Difference Total Resources	83,450	380,862	1,028,067	0
June 30, 2015 Estimating Ending Balance	**$ 10,960,039**	**$ 787,335**	**$ 18,738,421**	**$ 1,632,844**

FUND BALANCE SUMMARY

2014-15 Budget - Balancing and Fund Balance Summary - By Individual Funds

	CDBG Funds			
Fund Number	251	252	253	257
	Admin.	HOME	Revolving Loan	NSP
RESOURCES				
Revenue	$ 1,029,826	$ 16,115	$ 2,035	$ 992,501
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Budgeted Reserves	111,545	0	311,916	0
Total Resources	**$ 1,141,371**	**$ 16,115**	**$ 313,951**	**$ 992,501**
EXPENDITURES				
City Council	$ 0	$ 0	$ 0	$ 0
City Manager	0	0	0	0
Management Services	0	0	0	0
Economic Development	1,141,371	0	313,951	574,683
Development Services				
Community Development	0	0	0	0
Code Compliance	0	0	0	0
Public Works	0	0	0	0
Water Operations	0	0	0	0
Sewer Operations	0	0	0	0
Total Development Services	$ 0	$ 0	$ 0	$ 0
Capital Improvement Projects				
Capital Improvements - Streets & Storm Drainage	$ 0	$ 0	$ 0	$ 0
Capital Improvements - City Facilities	0	0	0	0
Capital Improvements - Water	0	0	0	0
Capital Improvements - Sewer	0	0	0	0
Total Capital Improvement Projects	0	0	0	0
Police	0	0	0	0
Fire District	0	0	0	0
Other Transportation & City Related Funds	0	0	0	0
Total Expenditures	**$ 1,141,371**	**$ 0**	**$ 313,951**	**$ 574,683**
Difference Total Resources	**$ 0**	**$ 16,115**	**$ 0**	**$ 417,818**
FUND BALANCE				
July 1, 2014 Estimated Beginning Balance	**$ 123,858**	**$ 61,102**	**$ 809,654**	**$ 3,794,902**
Reserves Used	(111,545)	0	(311,916)	0
Difference Total Resources	0	$ 16,115	0	417,818
June 30, 2015 Estimating Ending Balance	**$ 12,313**	**$ 77,217**	**$ 497,738**	**$ 4,212,720**

FUND BALANCE SUMMARY

2014-15 Budget - Balancing and Fund Balance Summary - By Individual Funds

	Streets Capital Improvement Projects (CIP) Funds					
263 P.W. Street Maintenance	204 Measure I Renewal	205 Gas Tax	206 Gas Tax Swap	207 LTF Article 8	300 Development Impact - Streets	301 Development Impact - Storm Drain
$ 11,883	$ 2,505,000	$ 1,322,900	$ 1,250,150	$ 2,052,000	$ 1,129,794	$ 153,759
3,550,000	0	0	0	0	0	0
0	(500,000)	(1,575,000)	(1,070,000)	(3,855,000)	0	0
172,000	2,098,688	252,100	0	2,565,000	12,206	0
$ 3,733,883	**$ 4,103,688**	**$ 0**	**$ 180,150**	**$ 762,000**	**$ 1,142,000**	**$ 153,759**
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
3,515,579	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
$ 3,515,579	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
$ 0	$ 4,103,688	$ 0	$ 0	$ 762,000	$ 1,142,000	$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	4,103,688	0	0	762,000	1,142,000	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
$ 3,515,579	**$ 4,103,688**	**$ 0**	**$ 0**	**$ 762,000**	**$ 1,142,000**	**$ 0**
$ 218,304	**$ 0**	**$ 0**	**$ 180,150**	**$ 0**	**$ 0**	**$ 153,759**
$ 447,746	**$ 2,586,596**	**$ 479,752**	**$ 315,634**	**$ 2,947,288**	**$ 6,908,679**	**$ 2,212,198**
(172,000)	(2,098,688)	(252,100)	0	(2,565,000)	(12,206)	0
218,304	0	0	180,150	0	0	153,759
$ 494,050	**$ 487,908**	**$ 227,652**	**$ 495,784**	**$ 382,288**	**$ 6,896,473**	**$ 2,365,957**

FUND BALANCE SUMMARY

2014-15 Budget - Balancing and Fund Balance Summary - By Individual Funds

	Streets CIP Funds		Other Transportation		Facilities
Fund Number	504	507	254	400	502
	City Streets CIP	Township	AQMD	2004 Streets Debt Service	Fire Capital
RESOURCES					
Revenue	$ 2,712,783	$ 230	$ 62,500	$ 2,562	$ 591,144
Transfers In	0	0	0	3,450,000	0
Transfers Out	0	0	0	0	0
Budgeted Reserves	0	0	17,500	0	28,471
Total Resources	**$ 2,712,783**	**$ 230**	**$ 80,000**	**$ 3,452,562**	**$ 619,615**
EXPENDITURES					
City Council	$ 0	$ 0	$ 0	$ 0	$ 0
City Manager	0	0	0	0	0
Management Services	0	0	0	792,500	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
Total Development Services	$ 0	$ 0	$ 0	$ 0	$ 0
Capital Improvement Projects					
Capital Improvements - Streets & Storm Drainage	$ 2,712,783	$ 0	$ 0	$ 0	$ 0
Capital Improvements - City Facilities	0	0	0	0	619,615
Capital Improvements - Water	0	0	0	0	0
Capital Improvements - Sewer	0	0	0	0	0
Total Capital Improvement Projects	2,712,783	0	0	0	619,615
Police	0	0	0	0	0
Fire District	0	0	0	0	0
Other Transportation & City Related Funds	0	0	80,000	0	0
Total Expenditures	**$ 2,712,783**	**$ 0**	**$ 80,000**	**$ 792,500**	**$ 619,615**
Difference Total Resources	**$ 0**	**$ 230**	**$ 0**	**$ 2,660,062**	**$ 0**
FUND BALANCE					
July 1, 2014 Estimated Beginning Balance	**$ (60,816)**	**$ 92,410**	**$ 159,879**	**$ 2,028,197**	**$ 5,047,696**
Reserves Used	0	0	(17,500)	0	(28,471)
Difference Total Resources	0	230	0	2,660,062	0
June 30, 2015 Estimating Ending Balance	**$ (60,816)**	**$ 92,640**	**$ 142,379**	**$ 4,688,259**	**$ 5,019,225**

FUND BALANCE SUMMARY

2014-15 Budget - Balancing and Fund Balance Summary - By Individual Funds

Other City Related Funds						
150	255	256	260	302	303	304
Redevelopment Administration	AB3229	Beverage Recycling Grant	Disaster Preparedness Grant	Development Impact - Fire	Development Impact - Police	Development Impact - Public Services
$ 0	$ 146,528	$ 19,684	$ 43,755	$ 109,846	$ 32,464	$ 84,197
0	0	0	0	0	0	65,840
0	(246,328)	0	0	0	0	(154,520)
0	99,800	21,613	0	0	0	4,674
$ 0	**$ 0**	**$ 41,297**	**$ 43,755**	**$ 109,846**	**$ 32,464**	**$ 191**
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
0	0	41,297	16,793	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	191
$ 0	**$ 0**	**$ 41,297**	**$ 16,793**	**$ 0**	**$ 0**	**$ 191**
$ 0	**$ 0**	**$ 0**	**$ 26,962**	**$ 109,846**	**$ 32,464**	**$ 0**
$ (167,130)	**$ 122,244**	**$ 33,507**	**$ 54,323**	**$ 872,736**	**$ 267,611**	**$ 27,003**
0	(99,800)	(21,613)	0	0	0	(4,674)
0	0	0	26,962	109,846	32,464	0
$ (167,130)	**$ 22,444**	**$ 11,894**	**$ 81,285**	**$ 982,582**	**$ 300,075**	**$ 22,329**

FUND BALANCE SUMMARY

2014-15 Budget - Balancing and Fund Balance Summary - By Individual Funds

	Other City Related Funds	
Fund Number	402	403
	Water Rights Acquisition	**2013 Civic Plaza Refinancing**
RESOURCES		
Revenue	$ 100	$ 20
Transfers In	1,453,575	177,100
Transfers Out	0	0
Budgeted Reserves	0	635,480
Total Resources	**$ 1,453,675**	**$ 812,600**
EXPENDITURES		
City Council	$ 0	$ 0
City Manager	0	0
Management Services	1,453,575	812,600
Economic Development	0	0
Development Services		
Community Development	0	0
Code Compliance	0	0
Public Works	0	0
Water Operations	0	0
Sewer Operations	0	0
Total Development Services	$ 0	$ 0
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
Total Capital Improvement Projects	0	0
Police	0	0
Fire District	0	0
Other Transportation & City Related Funds	0	0
Total Expenditures	**$ 1,453,575**	**$ 812,600**
Difference Total Resources	**$ 100**	**$ 0**
FUND BALANCE		
July 1, 2014 Estimated Beginning Balance	**$ 1,452,285**	**$ 1,793,761**
Reserves Used	0	(635,480)
Difference Total Resources	100	0
June 30, 2015 Estimating Ending Balance	**$ 1,452,385**	**$ 1,158,281**

FUND BALANCE SUMMARY

2014-15 Budget - Balancing and Fund Balance Summary - By Individual Funds

Water District				Fire District	
700	701	710	711	200	
Water Operations	**Water Capital**	**Sewer Operations**	**Sewer Capital**	**Fire District**	**Totals**
$ 17,585,741	$ 218,000	$ 3,486,663	$ 56,509	$ 10,187,668	$ 71,152,071
0	0	0	0	0	12,009,206
0	0	0	0	0	(8,942,843)
238,570	0	188,136	293,491	325,000	9,539,560
$ 17,824,311	**$ 218,000**	**$ 3,674,799**	**$ 350,000**	**$ 10,512,668**	**$ 83,757,994**
$ 0	$ 0	$ 0	$ 0	$ 0	$ 682,978
0	0	0	0	0	2,836,384
0	0	0	0	0	6,255,764
0	0	0	0	0	3,184,142
0	0	0	0	0	1,629,583
0	0	0	0	0	2,346,674
0	0	0	0	0	5,245,787
17,806,065	0	0	0	0	17,806,065
0	0	3,056,765	0	0	3,056,765
$ 17,806,065	$ 0	$ 3,056,765	$ 0	$ 0	$ 30,084,874
$ 0	$ 0	$ 0	$ 0	$ 0	$ 9,453,671
0	0	0	0	0	619,615
0	40,000	0	0	0	40,000
0	0	0	350,000	0	350,000
0	40,000	0	350,000	0	10,463,286
0	0	0	0	0	13,535,238
0	0	0	0	11,301,328	11,301,328
0	0	0	0	0	80,191
$ 17,806,065	**$ 40,000**	**$ 3,056,765**	**$ 350,000**	**$ 11,301,328**	**$ 78,424,185**
$ 18,246	**$ 178,000**	**$ 618,034**	**$ 0**	**$ (788,660)**	**$ 5,333,809**
$ 72,564,926	**$ (12,058,645)**	**$ 14,092,863**	**$ 3,552,824**	**$ 1,233,721**	**$ 144,586,434**
(238,570)	0	(188,136)	(293,491)	(325,000)	(9,539,560)
18,246	178,000	618,034	0	(788,660)	5,333,809
$ 72,344,602	**$ (11,880,645)**	**$ 14,522,761**	**$ 3,259,333**	**$ 120,061**	**$ 140,380,683**

FUND BALANCE SUMMARY

General Fund 100

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 21,256,529**	**$ 22,545,939**	**$ 23,120,668**	**$ 24,509,405**	**$ 24,203,918**
Bond Proceeds	0	26,847,377	0	0	0
Budgeted Reserves	**0**	**0**	**223,000**	**794,293**	**1,942,100**
Transfers In					
Fund 255 - AB 3229 Supplemental Law	$ 28,000	$ 165,192	$ 146,328	$ 146,328	$ 246,328
Fund 300 - DIF Streets	19,740	0	0	0	0
Fund 389 - Indirect Cost Allocation RDA	549,355	0	0	0	0
Fund 506 - Industrial Park Lead Track	29,946	0	0	0	0
Fund 508 - Ranchero Rd Undercrossing	74,219	0	0	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	180,966	167,057	185,714	185,714	166,363
G&A Prior Year - Water	500,000	500,000	500,000	500,000	500,000
Sub Total G & A Allocation	500,000	500,000	500,000	500,000	500,000
Total Transfers In	**$ 2,582,226**	**$ 2,032,249**	**$ 2,032,042**	**$ 2,032,042**	**$ 2,112,691**
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	**$ 23,838,755**	**$ 51,425,565**	**$ 25,375,710**	**$ 27,335,740**	**$ 28,258,709**
Total Expenditures	**$ 23,030,830**	**$ 53,376,566**	**$ 23,827,402**	**$ 25,218,697**	**$ 26,633,264**
Transfers Out					
Fund 170 - Community Development Comm.	$ 0	$ 250,000	$ 0	$ 0	$ 0
Fund 304 - DIF-Streets	0	0	0	0	65,840
Fund 401 - City Debt Service	106,974	14,343	46,470	15,490	0
Fund 402 - 2012 Water Rights Debt Service	0	2,114,331	1,345,475	1,345,475	1,453,575
Fund 403 - 2005 COP Refinance Debt Service	0	0	0	30,980	22,580
Fund 503 - High Desert Government	407,196	0	0	0	0
Total Transfers Out	514,170	2,378,674	1,391,945	1,391,945	1,541,995
Total Expenditures and Transfers Out	**$ 23,545,000**	**$ 55,755,240**	**$ 25,219,347**	**$ 26,610,642**	**$ 28,175,259**
Difference Total Resources and Expenditures and Transfers Out	**$ 293,755**	**$ (4,329,675)**	**$ 156,363**	**$ 725,098**	**$ 83,450**
FUND BALANCE					
July 1st Beginning Balance	$ 16,923,804	$ 17,217,559	$ 12,413,778	$ 12,887,884	$ 12,818,689
Budgeted Reserves	0	0	(223,000)	(794,293)	(1,942,100)
Difference Total Resources and Expenditures and Transfers Out	293,755	(4,329,675)	156,363	725,098	83,450
June 30th Ending Balance	**$17,217,559**	**$ 12,887,884**	**$ 12,347,141**	**$ 12,818,689**	**$ 10,960,039**

FUND BALANCE SUMMARY

Redevelopment Agency Administrative Fund 150

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 49,308**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 486 - RDA Debt Service Area #1	257,961	0	0	0	0
Fund 487 - RDA Debt Service Area #2	28,567	0	0	0	0
Total Transfers In	**286,528**	**0**	**0**	**0**	**0**
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	**$ 335,836**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 525,458**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Total Transfers Out	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures and Transfers Out	**$ 525,458**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (189,622)**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 22,492	$ (167,130)	$ (167,129)	$ (167,130)	$ (167,130)
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(189,622)	0	0	0	0
June 30th Ending Balance	**$ (167,130)**	**$ (167,130)**	**$ (167,129)**	**$ (167,130)**	**$ (167,130)**

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. Costs incurred from February 1, 2012 through June 30, 2012 are awaiting reimbursement from the Successor Agency of the Former Hesperia Community Redevelopment Agency pending State of California authorization.

The FY 2011-12 Actual Total Revenue of $49,308 is different by $37,690 compared to page C-25. Staff will do a final reconciliation on this fund.

FUND BALANCE SUMMARY

Measure I - Arterial Fund 201

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 752**	**$ 228**	**$ 0**	**$ 0**	**$ 0**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	**$ 752**	**$ 228**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 94,772**	**$ 141,665**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Total Transfers Out	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures and Transfers Out	**$ 94,772**	**$ 141,665**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (94,020)**	**$ (141,437)**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 235,457	$ 141,437	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(94,020)	(141,437)	0	0	0
June 30th Ending Balance	**$ 141,437**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

This fund was closed in FY 2012-13.

FUND BALANCE SUMMARY

Measure I - 2010 Renewal Fund 204

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 2,399,502**	**$ 2,501,434**	**$ 2,505,918**	**$ 2,504,800**	**$ 2,505,000**
Budgeted Reserves	**0**	**0**	**2,955,895**	**609,578**	**2,098,688**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 2,399,502**	**$ 2,501,434**	**$ 5,461,813**	**$ 3,114,378**	**$ 4,603,688**
Total Expenditures	**$ 297,835**	**$ 321,825**	**$ 4,301,813**	**$ 1,954,378**	**$ 4,103,688**
Transfers Out					
Fund 263 - Public Works Street Maintenance	540,000	1,300,000	1,160,000	1,160,000	500,000
Total Transfers Out	**540,000**	**1,300,000**	**1,160,000**	**1,160,000**	**500,000**
Total Expenditures and Transfers Out	**$ 837,835**	**$ 1,621,825**	**$ 5,461,813**	**$ 3,114,378**	**$ 4,603,688**
Difference Total Resources and Expenditures and Transfers Out	**$ 1,561,667**	**$ 879,609**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 754,898	$ 2,316,565	$ 3,166,279	$ 3,196,174	$ 2,586,596
Budgeted Reserves	0	0	(2,955,895)	(609,578)	(2,098,688)
Difference Total Resources and Expenditures and Transfers Out	1,561,667	879,609	0	0	0
June 30th Ending Balance	**$ 2,316,565**	**$ 3,196,174**	**$ 210,384**	**$ 2,586,596**	**$ 487,908**

FUND BALANCE SUMMARY

Gas Tax Fund 205

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 1,296,787**	**$ 1,334,829**	**$ 1,352,790**	**$ 1,353,126**	**$ 1,322,900**
Budgeted Reserves	**0**	**0**	**0**	**0**	**252,100**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	**$ 1,296,787**	**$ 1,334,829**	**$ 1,352,790**	**$ 1,353,126**	**$ 1,575,000**
Total Expenditures	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Fund 263 - Public Works Street Maintenance	$ 1,007,423	$ 635,000	$ 800,000	$ 800,000	$ 950,000
Fund 400 - Measure I Debt Service	400,000	450,000	450,000	450,000	625,000
Total Transfers Out	**$ 1,407,423**	**$ 1,085,000**	**$ 1,250,000**	**$ 1,250,000**	**$ 1,575,000**
Total Expenditures and Transfers Out	**$ 1,407,423**	**$ 1,085,000**	**$ 1,250,000**	**$ 1,250,000**	**$ 1,575,000**
Difference Total Resources and Expenditures and Transfers Out	**$ (110,636)**	**$ 249,829**	**$ 102,790**	**$ 103,126**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 237,433	$ 126,797	$ 329,525	$ 376,626	$ 479,752
Budgeted Reserves	0	0	0	0	(252,100)
Difference Total Resources and Expenditures and Transfers Out	(110,636)	249,829	102,790	103,126	0
June 30th Ending Balance	**$ 126,797**	**$ 376,626**	**$ 432,315**	**$ 479,752**	**$ 227,652**

FUND BALANCE SUMMARY

Gas Tax Swap Fund 206

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 1,220,741**	**$ 715,310**	**$ 1,288,650**	**$ 1,288,635**	**$ 1,250,150**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	**$ 1,220,741**	**$ 715,310**	**$ 1,288,650**	**$ 1,288,635**	**$ 1,250,150**
Total Expenditures	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Fund 263 - Public Works Street Maintenance	$ 1,092,577	$ 950,000	$ 950,000	$ 950,000	$ 1,050,000
Fund 400 - Measure I Debt Service	30,000	0	20,000	20,000	20,000
Total Transfers Out	**$ 1,122,577**	**$ 950,000**	**$ 970,000**	**$ 970,000**	**$ 1,070,000**
Total Expenditures and Transfers Out	**$ 1,122,577**	**$ 950,000**	**$ 970,000**	**$ 970,000**	**$ 1,070,000**
Difference Total Resources and Expenditures and Transfers Out	**$ 98,164**	**$ (234,690)**	**$ 318,650**	**$ 318,635**	**$ 180,150**
FUND BALANCE					
July 1st Beginning Balance	$ 133,525	$ 231,689	$ 231,689	$ (3,001)	$ 315,634
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	98,164	(234,690)	318,650	318,635	180,150
June 30th Ending Balance	**$ 231,689**	**$ (3,001)**	**$ 550,339**	**$ 315,634**	**$ 495,784**

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

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 1,071,418**	**$ 1,736,260**	**$ 1,865,413**	**$ 2,002,068**	**$ 2,052,000**
Budgeted Reserves	**0**	**0**	**0**	**0**	**2,565,000**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	**$ 1,071,418**	**$ 1,736,260**	**$ 1,865,413**	**$ 2,002,068**	**$ 4,617,000**
Total Expenditures	**$ 0**	**$ 0**	**$ 0**	**$ 605,237**	**$ 762,000**
Transfers Out					
Fund 263 - Public Works Street Maintenance	$ 200,000	$ 205,000	$ 398,000	$ 398,000	$ 1,050,000
Fund 400 - Measure I Debt Service	250,000	250,000	250,000	250,000	2,805,000
Total Transfers Out	**$ 450,000**	**$ 455,000**	**$ 648,000**	**$ 648,000**	**$ 3,855,000**
Total Expenditures and Transfers Out	**$ 450,000**	**$ 455,000**	**$ 648,000**	**$ 1,253,237**	**$ 4,617,000**
Difference Total Resources and Expenditures and Transfers Out	**$ 621,418**	**$ 1,281,260**	**$ 1,217,413**	**$ 748,831**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 295,779	$ 917,197	$ 2,198,216	$ 2,198,457	$ 2,947,288
Budgeted Reserves	0		0	0	(2,565,000)
Difference Total Resources and Expenditures and Transfers Out	621,418	1,281,260	1,217,413	748,831	0
June 30th Ending Balance	**$ 917,197**	**$ 2,198,457**	**$ 3,415,629**	**$ 2,947,288**	**$ 382,288**

In FY 2014-15 a total of $2,805,000 will be transferred to Fund 400 - Streets Debt Service to pay off the 2004 Variable Rate Demand Revenue Bonds in FY 2015-16. This will result in the bonds being retired 8 years ahead of schedule due to this proposed prepayment as well as the prepayments that were made in previous years.

FUND BALANCE SUMMARY

Community Development Block Grant (CDBG) Administration Fund 251

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 697,188**	**$ 1,412,321**	**$ 1,444,826**	**$ 928,452**	**$ 1,029,826**
Budgeted Reserves	**0**	**0**	**62,589**	**0**	**111,545**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 697,188**	**$ 1,412,321**	**$ 1,507,415**	**$ 928,452**	**$ 1,141,371**
Total Expenditures	**$ 699,915**	**$ 1,412,319**	**$ 1,507,415**	**$ 797,796**	**$ 1,141,371**
Transfers Out					
Total Transfers Out	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures and Transfers Out	**$ 699,915**	**$ 1,412,319**	**$ 1,507,415**	**$ 797,796**	**$ 1,141,371**
Difference Total Resources and Expenditures and Transfers Out	**$ (2,727)**	**$ 2**	**$ 0**	**$ 130,656**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ (4,073)	$ (6,800)	$ 62,838	$ (6,798)	$ 123,858
Budgeted Reserves	0	0	(62,589)	0	(111,545)
Difference Total Resources and Expenditures and Transfers Out	(2,727)	2	0	130,656	0
June 30th Ending Balance	**$ (6,800)**	**$ (6,798)**	**$ 249**	**$ 123,858**	**$ 12,313**

FUND BALANCE SUMMARY

Community Development Block Grant (CDBG) HOME Grants Fund 252

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 17,110**	**$ 22,833**	**$ 2,334**	**$ 16,387**	**$ 16,115**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 17,110**	**$ 22,833**	**$ 2,334**	**$ 16,387**	**$ 16,115**
Total Expenditures	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
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	**$ 17,110**	**$ 22,833**	**$ 2,334**	**$ 16,387**	**$ 16,115**
FUND BALANCE					
July 1st Beginning Balance	$ 4,772	$ 21,882	$ 46,963	$ 44,715	$ 61,102
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	17,110	22,833	2,334	16,387	16,115
June 30th Ending Balance	**$ 21,882**	**$ 44,715**	**$ 49,297**	**$ 61,102**	**$ 77,217**

FUND BALANCE SUMMARY

Community Development Block Grant (CDBG) Revolving Loan Fund 253

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 3,551**	**$ 2,641**	**$ 2,607**	**$ 2,176**	**$ 2,035**
Budgeted Reserves	**0**	**0**	**551,413**	**94,329**	**311,916**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	**$ 3,551**	**$ 2,641**	**$ 554,020**	**$ 96,505**	**$ 313,951**
Total Expenditures	**$ 89,854**	**$ 89,442**	**$ 554,020**	**$ 96,505**	**$ 313,951**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 89,854**	**$ 89,442**	**$ 554,020**	**$ 96,505**	**$ 313,951**
Difference Total Resources and Expenditures and Transfers Out	**$ (86,303)**	**$ (86,801)**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 1,077,087	$ 990,784	$ 899,781	$ 903,983	$ 809,654
Budgeted Reserves	0	0	(551,413)	(94,329)	(311,916)
Difference Total Resources and Expenditures and Transfers Out	(86,303)	(86,801)	0	0	0
June 30th Ending Balance	**$ 990,784**	**$ 903,983**	**$ 348,368**	**$ 809,654**	**$ 497,738**

FUND BALANCE SUMMARY

Air Quality Management Fund 254

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 59,779**	**$ 60,458**	**$ 60,556**	**$ 60,500**	**$ 62,500**
Budgeted Reserves	**0**	**0**	**19,444**	**19,500**	**17,500**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 59,779**	**$ 60,458**	**$ 80,000**	**$ 80,000**	**$ 80,000**
Total Expenditures	**$ 50,000**	**$ 80,000**	**$ 80,000**	**$ 80,000**	**$ 80,000**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 50,000**	**$ 80,000**	**$ 80,000**	**$ 80,000**	**$ 80,000**
Difference Total Resources and Expenditures and Transfers Out	**$ 9,779**	**$ (19,542)**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 189,142	$ 198,921	$ 179,283	$ 179,379	$ 159,879
Budgeted Reserves	0	0	(19,444)	(19,500)	(17,500)
Difference Total Resources and Expenditures and Transfers Out	9,779	(19,542)	0	0	0
June 30th Ending Balance	**$ 198,921**	**$ 179,379**	**$ 159,839**	**$ 159,879**	**$ 142,379**

FUND BALANCE SUMMARY

AB 3229 Supplemental Law Fund 255

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 153,921**	**$ 140,232**	**$ 172,167**	**$ 146,607**	**$ 146,528**
Budgeted Reserves	**0**	**0**	**0**	**0**	**99,800**
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 153,921**	**$ 140,232**	**$ 172,167**	**$ 146,607**	**$ 246,328**
Total Expenditures	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Fund 100 - General Fund	28,000	165,192	146,328	146,328	246,328
Total Transfers Out	**28,000**	**165,192**	**146,328**	**146,328**	**246,328**
Total Expenditures and Transfers Out	**$ 28,000**	**$ 165,192**	**$ 146,328**	**$ 146,328**	**$ 246,328**
Difference Total Resources and Expenditures and Transfers Out	**$ 125,921**	**$ (24,960)**	**$ 25,839**	**$ 279**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 21,004	$ 146,925	$ 153,861	$ 121,965	$ 122,244
Budgeted Reserves	0	0	0	0	(99,800)
Difference Total Resources and Expenditures and Transfers Out	125,921	(24,960)	25,839	279	0
June 30th Ending Balance	**$ 146,925**	**$ 121,965**	**$ 179,700**	**$ 122,244**	**$ 22,444**

Starting with 2011-12 Actual this is being funded by SB89 which redirected VLF revenue to fund this State grant.

FUND BALANCE SUMMARY

Environmental Programs Grant Fund 256

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 41,382**	**$ 49,804**	**$ 41,171**	**$ 58,148**	**$ 19,684**
Budgeted Reserves	**0**	**0**	**50**	**18,829**	**21,613**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 41,382**	**$ 49,804**	**$ 41,221**	**$ 76,977**	**$ 41,297**
Total Expenditures	**$ 30,118**	**$ 17,367**	**$ 82,326**	**$ 76,977**	**$ 41,297**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 30,118**	**$ 17,367**	**$ 82,326**	**$ 76,977**	**$ 41,297**
Difference Total Resources and Expenditures and Transfers Out	**$ 11,264**	**$ 32,437**	**$ (41,105)**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 8,635	$ 19,899	$ 50	$ 52,336	$ 33,507
Budgeted Reserves	0	0	(50)	(18,829)	(21,613)
Difference Total Resources and Expenditures and Transfers Out	11,264	32,437	(41,105)	0	0
June 30th Ending Balance	**$ 19,899**	**$ 52,336**	**$ (41,105)**	**$ 33,507**	**$ 11,894**

The State of California has changed how it funds the Environmental grants choosing to use a reimbursement process instead of an advance funding process. Due to this change the City did not receive the reimbursement for the 2011-12 expenditures until 2012-13 and the 2012-13 expenditures until 2013-14. The City will not receive the reimbursement for the 2013-14 until 2014-15 and will receive the 2014-15 in 2015-16.

FUND BALANCE SUMMARY

Community Development Block Grant (CDBG) Neighborhood Stabilization Program (NSP) Fund 257

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 3,340**	**$ 160,462**	**$ 1,818,288**	**$ 756,393**	**$ 992,501**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 3,340**	**$ 160,462**	**$ 1,818,288**	**$ 756,393**	**$ 992,501**
Total Expenditures	**$ 240,835**	**$ 493,887**	**$ 642,325**	**$ 479,773**	**$ 574,683**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 240,835**	**$ 493,887**	**$ 642,325**	**$ 479,773**	**$ 574,683**
Difference Total Resources and Expenditures and Transfers Out	**$ (237,495)**	**$ (333,425)**	**$ 1,175,963**	**$ 276,620**	**$ 417,818**
FUND BALANCE					
July 1st Beginning Balance	$ 4,089,202	$ 3,851,707	$ 3,606,780	$ 3,518,282	$ 3,794,902
Budgeted Reserves	0	0	0	0	0
Adjustment for Budgetary Purposes	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(237,495)	(333,425)	1,175,963	276,620	417,818
June 30th Ending Balance	**$ 3,851,707**	**$ 3,518,282**	**$ 4,782,743**	**$ 3,794,902**	**$ 4,212,720**
Less: Land Held For Resale	4,146,429	3,302,491	2,643,514	3,302,491	3,302,491
June 30th Ending Operating Fund Balance	$ (294,722)	$ 215,791	$ 2,139,229	$ 492,411	$ 910,229

FUND BALANCE SUMMARY

Disaster Preparedness Grant Fund 260

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 41,172**	**$ 14,800**	**$ 42,721**	**$ 38,755**	**$ 43,755**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue Reserves and Transfers In)	**$ 41,172**	**$ 14,800**	**$ 42,721**	**$ 38,755**	**$ 43,755**
Total Expenditures	**$ 24,942**	**$ 15,288**	**$ 19,425**	**$ 18,252**	**$ 16,793**
Transfers Out					
Operating Transfers Out	0	0	0	0	0
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 24,942**	**$ 15,288**	**$ 19,425**	**$ 18,252**	**$ 16,793**
Difference Total Resources and Expenditures and Transfers Out	**$ 16,230**	**$ (488)**	**$ 23,296**	**$ 20,503**	**$ 26,962**
FUND BALANCE					
July 1st Beginning Balance	$ 18,078	$ 34,308	$ 44,359	$ 33,820	$ 54,323
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	16,230	(488)	23,296	20,503	26,962
June 30th Ending Balance	**$ 34,308**	**$ 33,820**	**$ 67,655**	**$ 54,323**	**$ 81,285**

FUND BALANCE SUMMARY

Public Works Street Maintenance Fund 263

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 30,632**	**$ 22,527**	**$ 3,883**	**$ 13,383**	**$ 11,883**
Budgeted Reserves	**0**	**0**	**0**	**57,000**	**172,000**
Transfers In					
Fund 204 - Measure I - Renewal	$ 540,000	$ 1,300,000	$ 1,160,000	$ 1,160,000	$ 500,000
Fund 205 - Gas Tax	1,007,423	635,000	800,000	800,000	950,000
Fund 206 - Gas Tax Swap	1,092,577	950,000	950,000	950,000	1,050,000
Fund 207 - LTF	200,000	205,000	398,000	398,000	1,050,000
Fund 257 - Neighborhood Stabilization Prog.	0	0	0	0	0
Total Transfers In	**$ 2,840,000**	**$ 3,090,000**	**$ 3,308,000**	**$ 3,308,000**	**$ 3,550,000**
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	**$ 2,870,632**	**$ 3,112,527**	**$ 3,311,883**	**$ 3,378,383**	**$ 3,733,883**
Total Expenditures	**$ 3,006,913**	**$ 3,065,942**	**$ 3,287,043**	**$ 3,221,369**	**$ 3,515,579**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 3,006,913**	**$ 3,065,942**	**$ 3,287,043**	**$ 3,221,369**	**$ 3,515,579**
Difference Total Resources and Expenditures and Transfers Out	**$ (136,281)**	**$ 46,585**	**$ 24,840**	**$ 157,014**	**$ 218,304**
FUND BALANCE					
July 1st Beginning Balance	$ 437,428	$ 301,147	$ 336,188	$ 347,732	$ 447,746
Budgeted Reserves	0	0	0	(57,000)	(172,000)
Difference Total Resources and Expenditures and Transfers Out	(136,281)	46,585	24,840	157,014	218,304
June 30th Ending Balance	**$ 301,147**	**$ 347,732**	**$ 361,028**	**$ 447,746**	**$ 494,050**

FUND BALANCE SUMMARY

Development Impact Fees - Summary (300, 301, 302, 303, 304)

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	$ 412,553	$ 924,391	$ 697,051	$ 734,544	$ 1,510,060
Budgeted Reserves	**0**	**0**	**2,119,079**	**1,220,776**	**16,880**
Transfers In					
Fund 100 - General Fund	0	0	0	0	65,840
Total Transfers In	**0**	**0**	**0**	**0**	**65,840**
Total Resources (Revenue Reserves and Transfers In)	**$ 412,553**	**$ 924,391**	**$ 2,816,130**	**$ 1,955,320**	**$ 1,592,780**
Total Expenditures	**$ 3,182,023**	**$ 7,871,661**	**$ 2,410,486**	**$ 1,545,632**	**$ 1,142,191**
Transfers Out					
Fund 100 - General Fund	$ 19,740	$ 0	$ 0	$ 0	$ 0
Fund 401 - City Debt Service	732,038	98,153	318,000	106,000	0
Fund 403 - 2005 COP Refinance	0	0	0	212,000	154,520
Total Transfers Out	**$ 751,778**	**$ 98,153**	**$ 318,000**	**$ 318,000**	**$ 154,520**
Total Expenditures and Transfers Out	**$ 3,933,801**	**$ 7,969,814**	**$ 2,728,486**	**$ 1,863,632**	**$ 1,296,711**
Difference Total Resources and Expenditures and Transfers Out	**$ (3,521,248)**	**$ (7,045,423)**	**$ 87,644**	**$ 91,688**	**$ 296,069**
FUND BALANCE					
July 1st Beginning Balance	$ 21,306,042	$ 17,784,794	$ 10,032,261	$ 10,739,371	$ 10,288,227
Residual Equity Transfer	0	0	0	677,944	0
Budgeted Reserves	0	0	(2,119,079)	(1,220,776)	(16,880)
Difference Total Resources and Expenditures and Transfers Out	(3,521,248)	(7,045,423)	87,644	91,688	296,069
June 30th Ending Balance	**$ 17,784,794**	**$ 10,739,371**	**$ 8,000,826**	**$ 10,288,227**	**$ 10,567,416**
Less: Land Held For Resale	(7,501,637)	(7,501,637)	(7,501,637)	(7,501,637)	(7,501,637)
June 30th Ending Operating Fund Balance	**$ 10,283,157**	**$ 3,237,734**	**$ 499,189**	**$ 2,786,590**	**$ 3,065,779**

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

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	$ 271,017	$ 649,825	$ 496,258	$ 586,456	$ 1,129,794
Budgeted Reserves	**0**	**0**	**1,073,613**	**812,631**	**12,206**
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue Reserves and Transfers In)	**$ 271,017**	**$ 649,825**	**$ 1,569,871**	**$ 1,399,087**	**$ 1,142,000**
Total Expenditures	**$ 3,079,569**	**$ 7,766,219**	**$ 1,569,871**	**$ 1,399,087**	**$ 1,142,000**
Transfers Out					
Fund 100 - General Fund	$ 19,740	$ 0	$ 0	$ 0	$ 0
Total Transfers Out	**19,740**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 3,099,309**	**$ 7,766,219**	**$ 1,569,871**	**$ 1,399,087**	**$ 1,142,000**
Difference Total Resources and Expenditures and Transfers Out	**$ (2,828,292)**	**$ (7,116,394)**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 16,988,052	$ 14,159,760	$ 6,544,171	$ 7,043,366	$ 6,908,679
Residual Equity Transfer	0	0	0	677,944	0
Budgeted Reserves	0	0	(1,073,613)	(812,631)	(12,206)
Difference Total Resources and Expenditures and Transfers Out	(2,828,292)	(7,116,394)	0	0	0
June 30th Ending Balance	**$ 14,159,760**	**$ 7,043,366**	**$ 5,470,558**	**$ 6,908,679**	**$ 6,896,473**
Less: Land Held For Resale	(7,501,637)	(7,501,637)	(7,501,637)	(7,501,637)	(7,501,637)
June 30th Ending Operating Fund Balance	**$ 6,658,123**	**$ (458,271)**	**$ (2,031,079)**	**$ (592,958)**	**$ (605,164)**

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 - Storm Drainage Fund 301

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	$ 39,283	$ 88,035	$ 69,038	$ 81,198	$ 153,759
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 39,283**	**$ 88,035**	**$ 69,038**	**$ 81,198**	**$ 153,759**
Total Expenditures	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
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	**$ 39,283**	**$ 88,035**	**$ 69,038**	**$ 81,198**	**$ 153,759**
FUND BALANCE					
July 1st Beginning Balance	$ 2,003,682	$ 2,042,965	$ 2,128,091	$ 2,131,000	$ 2,212,198
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	39,283	88,035	69,038	81,198	153,759
June 30th Ending Balance	**$ 2,042,965**	**$ 2,131,000**	**$ 2,197,129**	**$ 2,212,198**	**$ 2,365,957**

FUND BALANCE SUMMARY

Development Impact - Fire Fund 302

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 39,272**	**$ 91,000**	**$ 64,418**	**$ 32,000**	**$ 109,846**
Budgeted Reserves	**0**	**0**	**776,197**	**114,545**	**0**
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 39,272**	**$ 91,000**	**$ 840,615**	**$ 146,545**	**$ 109,846**
Total Expenditures	**$ 102,454**	**$ 105,442**	**$ 840,615**	**$ 146,545**	**$ 0**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 102,454**	**$ 105,442**	**$ 840,615**	**$ 146,545**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (63,182)**	**$ (14,442)**	**$ 0**	**$ 0**	**$ 109,846**
FUND BALANCE					
July 1st Beginning Balance	$ 1,064,905	$ 1,001,723	$ 786,328	$ 987,281	$ 872,736
Budgeted Reserves	0	0	(776,197)	(114,545)	0
Difference Total Resources and Expenditures and Transfers Out	(63,182)	(14,442)	0	0	109,846
June 30th Ending Balance	**$ 1,001,723**	**$ 987,281**	**$ 10,131**	**$ 872,736**	**$ 982,582**

Note: During FY 2012-13 the City Council approved an 18 month temporary reduction of the Development Impact Fee - Fire, which sunsets **October 4, 2014**, for qualifying residential development.

FUND BALANCE SUMMARY

Development Impact - Police Fund 303

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 32,588**	**$ 26,298**	**$ 18,606**	**$ 10,490**	**$ 32,464**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 32,588**	**$ 26,298**	**$ 18,606**	**$ 10,490**	**$ 32,464**
Total Expenditures	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
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	**$ 32,588**	**$ 26,298**	**$ 18,606**	**$ 10,490**	**$ 32,464**
FUND BALANCE					
July 1st Beginning Balance	$ 198,235	$ 230,823	$ 255,958	$ 257,121	$ 267,611
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	32,588	26,298	18,606	10,490	32,464
June 30th Ending Balance	**$ 230,823**	**$ 257,121**	**$ 274,564**	**$ 267,611**	**$ 300,075**

Note: During FY 2012-13 the City Council approved an 18 month temporary reduction of the Development Impact Fee - Police, which sunsets **October 4, 2014**, for qualifying residential development.

FUND BALANCE SUMMARY

Development Impact - Public Services Fund 304

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 30,393**	**$ 69,233**	**$ 48,731**	**$ 24,400**	**$ 84,197**
Budget Reserves	**0**	**0**	**269,269**	**293,600**	**4,674**
Transfers In					
Fund 100 - General Fund (Loan)	0	0	0	0	65,840
Total Transfers In	**0**	**0**	**0**	**0**	**65,840**
Total Resources (Revenue and Transfers In)	**$ 30,393**	**$ 69,233**	**$ 318,000**	**$ 318,000**	**$ 154,711**
Total Expenditures	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 191**
Transfers Out					
Fund 401 - City Debt Service	$ 732,038	$ 98,153	$ 318,000	$ 106,000	$ 0
Fund 403 - 2005 COP Refinance	0	0	0	212,000	154,520
Total Transfers Out	**$ 732,038**	**$ 98,153**	**$ 318,000**	**$ 318,000**	**$ 154,520**
Total Expenditures and Transfers Out	**$ 732,038**	**$ 98,153**	**$ 318,000**	**$ 318,000**	**$ 154,711**
Difference Total Resources and Expenditures and Transfers Out	**$ (701,645)**	**$ (28,920)**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 1,051,168	$ 349,523	$ 317,713	$ 320,603	$ 27,003
Budgeted Reserves	0	0	(269,269)	(293,600)	(4,674)
Difference Total Resources and Expenditures and Transfers Out	(701,645)	(28,920)	0	0	0
June 30th Ending Balance	**$ 349,523**	**$ 320,603**	**$ 48,444**	**$ 27,003**	**$ 22,329**
Less: General Fund Loan	0	0	0	0	(65,840)
June 30th Ending Operating Fund Balance	**$ 349,523**	**$ 320,603**	**$ 48,444**	**$ 27,003**	**$ (43,511)**

Note: During FY 2012-13 the City Council approved an 18 month temporary reduction of the Development Impact Fee - Public Services, which sunsets **October 4, 2014**, for qualifying residential development.

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

2004 Streets Debt Service Fund 400

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 3,883**	**$ 3,084**	**$ 2,869**	**$ 2,869**	**$ 2,562**
Budget Reserves	**0**	**0**	**40,991**	**102,231**	**0**
Transfers In					
Fund 205 - Gas Tax	$ 400,000	$ 450,000	$ 450,000	$ 450,000	$ 625,000
Fund 206 - Gas Tax Swap	30,000	0	20,000	20,000	20,000
Fund 207 - LTF	250,000	250,000	250,000	250,000	2,805,000
Total Transfers In	**$ 680,000**	**$ 700,000**	**$ 720,000**	**$ 720,000**	**$ 3,450,000**
Total Resources (Revenue and Transfers In)	**$ 683,883**	**$ 703,084**	**$ 763,860**	**$ 825,100**	**$ 3,452,562**
Total Expenditures	**$ 720,097**	**$ 728,526**	**$ 763,860**	**$ 825,100**	**$ 792,500**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 720,097**	**$ 728,526**	**$ 763,860**	**$ 825,100**	**$ 792,500**
Difference Total Resources and Expenditures and Transfers Out	**$ (36,214)**	**$ (25,442)**	**$ 0**	**$ 0**	**$ 2,660,062**
FUND BALANCE					
July 1st Beginning Balance	$ 2,192,084	$ 2,155,870	$ 2,114,340	$ 2,130,428	$ 2,028,197
Budgeted Reserves	0	0	(40,991)	(102,231)	0
Difference Total Resources and Expenditures and Transfers Out	(36,214)	(25,442)	0	0	2,660,062
June 30th Ending Balance	**$ 2,155,870**	**$ 2,130,428**	**$ 2,073,349**	**$ 2,028,197**	**$ 4,688,259**
Less: Bond Reserves	(895,299)	(894,516)	(895,299)	(894,516)	(894,516)
June 30th Ending Operating Fund Balance	**$ 1,260,571**	**$ 1,235,912**	**$ 1,178,050**	**$ 1,133,681**	**$ 3,793,743**

In FY 2014-15, a total of $3,450,000 will be transferred into Fund 400 - Streets Debt Service in order to pay off the 2004 Variable Rate Demand Revenue Bonds in FY 2015-16. This will result in the bonds being retired 8 years ahead of schedule due to this proposed prepayment as well as the prepayments that were made in previous years.

FUND BALANCE SUMMARY

City Debt Service Fund 401

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 5,373**	**$ 3,526**	**$ 3,588**	**$ 1,000**	**$ 0**
Budget Reserves	**0**	**0**	**425,442**	**1,874,335**	**0**
Transfers In					
Fund 100 - General Fund	$ 106,974	$ 14,343	$ 46,470	$ 15,490	$ 0
Fund 304 - DIF Public Services	732,038	98,153	318,000	106,000	0
Fund 403 - 2005 COP Refinance	0	0	0	12,201,745	0
Total Transfers In	**$ 839,012**	**$ 112,496**	**$ 364,470**	**$ 12,323,235**	**$ 0**
Total Resources (Revenue and Transfers In)	**$ 844,385**	**$ 116,022**	**$ 793,500**	**$ 14,198,570**	**$ 0**
Total Expenditures	**$ 770,859**	**$ 766,798**	**$ 793,500**	**$ 12,786,956**	**$ 0**
Transfers Out					
Fund 403 - DIF Public Services	0	0	0	1,287,889	0
Total Transfers Out	**0**	**0**	**0**	**1,287,889**	**0**
Total Expenditures and Transfers Out	**$ 770,859**	**$ 766,798**	**$ 793,500**	**$ 14,074,845**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ 73,526**	**$ (650,776)**	**$ 0**	**$ 123,725**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 2,893,920	$ 2,967,446	$ 2,300,296	$ 2,316,670	$ 0
Budgeted Reserves	0	0	(425,442)	(1,874,335)	0
Residual Equity Transfer	0	0	0	(566,060)	0
Difference Total Resources and Expenditures and Transfers Out	73,526	(650,776)	0	123,725	0
June 30th Ending Balance	**$ 2,967,446**	**$ 2,316,670**	**$ 1,874,854**	**$ 0**	**$ 0**
Less: Bond Reserves	(1,293,095)	(1,293,095)	(1,293,095)	0	0
June 30th Ending Operating Fund Balance	**$ 1,674,351**	**$ 1,023,575**	**$ 581,759**	**$ 0**	**$ 0**

Due to the refinancing of the 2005 Civic Plaza Certificates of Participation into the 2013 Civic Plaza Refunding Lease Revenue Bonds in November 2013, this fund was closed in FY 2013-14.

FUND BALANCE SUMMARY

Water Rights Acquisition Fund 402

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 0**	**$ 54**	**$ 0**	**$ 100**	**$ 100**
Bond Proceeds	0	0	0	0	0
Budget Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 100 - General Fund	$ 0	$ 2,114,331	$ 1,345,475	$ 1,345,475	$ 1,453,575
Total Transfers In	**$ 0**	**$ 2,114,331**	**$ 1,345,475**	**$ 1,345,475**	**$ 1,453,575**
Total Resources (Revenue and Transfers In)	**$ 0**	**$ 2,114,385**	**$ 1,345,475**	**$ 1,345,575**	**$ 1,453,675**
Total Expenditures	**$ 0**	**$ 662,200**	**$ 1,345,475**	**$ 1,345,475**	**$ 1,453,575**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 0**	**$ 662,200**	**$ 1,345,475**	**$ 1,345,475**	**$ 1,453,575**
Difference Total Resources and Expenditures and Transfers Out	**$ 0**	**$ 1,452,185**	**$ 0**	**$ 100**	**$ 100**
FUND BALANCE					
July 1st Beginning Balance	$ 0	$ 0	$ 0	$ 1,452,185	$ 1,452,285
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	1,452,185	0	100	100
June 30th Ending Balance	**$ 0**	**$ 1,452,185**	**$ 0**	**$ 1,452,285**	**$ 1,452,385**
Less: Bond Reserves	0	(1,452,173)	0	(1,452,173)	(1,452,173)
June 30th Ending Operating Fund Balance	**$ 0**	**$ 12**	**$ 0**	**$ 112**	**$ 212**

FUND BALANCE SUMMARY

2013 Civic Plaza Refinancing Fund 403

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 0**	**$ 0**	**$ 0**	**$ 20**	**$ 20**
Bond Proceeds	0	0	0	12,445,000	0
Budget Reserves	**0**	**0**	**0**	**0**	**635,480**
Transfers In					
Fund 100 - General Fund	$ 0	$ 0	$ 0	$ 30,980	$ 22,580
Fund 304 - DIF Public Services	0	0	0	212,000	154,520
Fund 401 - City Debt Service	0	0	0	1,287,889	0
Total Transfers In	**$ 0**	**$ 0**	**$ 0**	**$ 1,530,869**	**$ 177,100**
Total Resources (Revenue and Transfers In)	**$ 0**	**$ 0**	**$ 0**	**$ 13,975,889**	**$ 812,600**
Total Expenditures	**$ 0**	**$ 0**	**$ 0**	**$ 546,443**	**$ 812,600**
Transfers Out					
Fund 401 - City Debt Service	0	0	0	12,201,745	0
Total Transfers Out	**$ 0**	**$ 0**	**$ 0**	**$ 12,201,745**	**$ 0**
Total Expenditures and Transfers Out	**$ 0**	**$ 0**	**$ 0**	**$ 12,748,188**	**$ 812,600**
Difference Total Resources and Expenditures and Transfers Out	**$ 0**	**$ 0**	**$ 0**	**$ 1,227,701**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 0	$ 0	$ 0	$ 0	$ 1,793,761
Budgeted Reserves	0	0	0	0	(635,480)
Residual Equity Transfer	0	0	0	566,060	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	1,227,701	0
Adjustment For Budgetary Purposes					
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 1,793,761**	**$ 1,158,281**
Less: Bond Reserves	0	0	0	(1,149,750)	(1,149,750)
June 30th Ending Operating Fund Balance	**$ 0**	**$ 0**	**$ 0**	**$ 644,011**	**$ 8,531**

In November 2013, the 2005 variable rate Civic Plaza Certificates of Participation were refinanced into fixed rate 2013 Civic Plaza Refunding Lease Revenue Bonds.

FUND BALANCE SUMMARY

Fire Capital Fund 502

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 220,299**	**$ 505,895**	**$ 485,867**	**$ 578,867**	**$ 591,144**
Budgeted Reserves	**0**	**0**	**2,035,518**	**0**	**28,471**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue, Reserves and Transfers In)	**$ 220,299**	**$ 505,895**	**$ 2,521,385**	**$ 578,867**	**$ 619,615**
Total Expenditures	**$ 0**	**$ 0**	**$ 2,521,385**	**$ 0**	**$ 619,615**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 0**	**$ 0**	**$ 2,521,385**	**$ 0**	**$ 619,615**
Difference Total Resources and Expenditures and Transfers Out	**$ 220,299**	**$ 505,895**	**$ 0**	**$ 578,867**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 0	$ 3,962,934	$ 4,443,932	$ 4,468,829	$ 5,047,696
Budgeted Reserves	0	0	(2,035,518)	0	(28,471)
Extraordinary Gain/(Loss)	3,742,635	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	220,299	505,895	0	578,867	0
June 30th Ending Balance	**$ 3,962,934**	**$ 4,468,829**	**$ 2,408,414**	**$ 5,047,696**	**$ 5,019,225**

The Extraordinary Gain/(Loss) of $3,742,635 is from the dissolution of the former Hesperia Community Redevelopment Agency effective February 1, 2012.

FUND BALANCE SUMMARY

High Desert Government Center Fund 503

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 3,864,584**	**$ 7,280,160**	**$ 0**	**$ 12,678**	**$ 0**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 100 - General Fund	407,196	0	0	0	0
Total Transfers In	**407,196**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 4,271,780**	**$ 7,280,160**	**$ 0**	**$ 12,678**	**$ 0**
Total Expenditures	**$ 3,522,021**	**$ 7,711,226**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 3,522,021**	**$ 7,711,226**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ 749,759**	**$ (431,066)**	**$ 0**	**$ 12,678**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ (331,371)	$ 418,388	$ (72,823)	$ (12,678)	$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	749,759	(431,066)	0	12,678	0
June 30th Ending Balance	**$ 418,388**	**$ (12,678)**	**$ (72,823)**	**$ 0**	**$ 0**

This fund is shown in the CAFR as a fiduciary fund, however for budgetary purposes, it is shown as a capital project fund. The project was completed in FY 2012-13, and final retentions were released. A project reconciliation was completed in FY 2013-14 and the fund was closed.

FUND BALANCE SUMMARY

City Streets Projects Fund 504

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 1,056,176**	**$ 1,644,950**	**$ 3,649,740**	**$ 814,408**	**$ 2,712,783**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 1,056,176**	**$ 1,644,950**	**$ 3,649,740**	**$ 814,408**	**$ 2,712,783**
Total Expenditures	**$ 1,215,359**	**$ 1,893,380**	**$ 3,704,112**	**$ 799,574**	**$ 2,712,783**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 1,215,359**	**$ 1,893,380**	**$ 3,704,112**	**$ 799,574**	**$ 2,712,783**
Difference Total Resources and Expenditures and Transfers Out	**$ (159,183)**	**$ (248,430)**	**$ (54,372)**	**$ 14,834**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 331,963	$ 172,780	$ (221)	$ (75,650)	$ (60,816)
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(159,183)	(248,430)	(54,372)	14,834	0
June 30th Ending Balance	**$ 172,780**	**$ (75,650)**	**$ (54,593)**	**$ (60,816)**	**$ (60,816)**

Note: For the FY 2013-14 Revised and the FY 2014-15 Budget, this fund is planned to have a negative June 30th Ending Balance. This reflects the timing difference getting reimbursements from other governments on various projects within the fund.

Below are the capital projects in the FY 2014-15 Budget:

CO 6523 - Park and Ride Facility

CO 7091 - H-01 Drainage Facility - Section 3A (Third Avenue to Fourth Avenue)

CO 7123 - Willow Street Paseo

FUND BALANCE SUMMARY

Industrial Park Lead Track Fund 506

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	$ 2,012,062	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 586 - RDA CIP Area #1	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 2,012,062**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 7,620,682**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Fund 100 - General Fund	$ 29,946	$ 0	$ 0	$ 0	$ 0
Total Transfers Out	**29,946**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 7,650,628**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (5,638,566)**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 5,849,350	$ 210,784	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Residual Equity Transfer	0	(210,784)	0	0	
Difference Total Resources and Expenditures and Transfers Out	(5,638,566)	0	0	0	0
June 30th Ending Balance	**$ 210,784**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

The FY 2011-12 Actual Expenditures of $7,620,682 includes a $3,106,819 repayment to the Successor Agency of the FY 2010-11 $5,840,201 transfer of the Public Improvement Loan from the former Hesperia Community Redevelopment Agency Low/Mod Income Housing fund.

FUND BALANCE SUMMARY

Township Fund 507

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	$ 918	$ 263	$ 265	$ 175	$ 230
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 586 - RDA CIP Area #1	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 918**	**$ 263**	**$ 265**	**$ 175**	**$ 230**
Total Expenditures	**$ 287,715**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 287,715**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (286,797)**	**$ 263**	**$ 265**	**$ 175**	**$ 230**
FUND BALANCE					
July 1st Beginning Balance	$ 378,769	$ 91,972	$ 92,197	$ 92,235	$ 92,410
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(286,797)	263	265	175	230
June 30th Ending Balance	**$ 91,972**	**$ 92,235**	**$ 92,462**	**$ 92,410**	**$ 92,640**

Staff will close out the fund upon final acceptance of the project, release of retention, and final reconciliation of the fund.

FUND BALANCE SUMMARY

Ranchero Rd Undercrossing - Local Fund 508

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	$ 18,031	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 586 - RDA CIP Area #1	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 18,031**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 8,218,511**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Fund 100 - General Fund	$ 74,219	$ 0	$ 0	$ 0	$ 0
Total Transfers Out	**74,219**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 8,292,730**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (8,274,699)**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 8,274,699	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(8,274,699)	0	0	0	0
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

This fund was closed in FY 2011-12.

FUND BALANCE SUMMARY

Ranchero Road Undercrossing Fund 600

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	$ 4,761,159	$ 6,716,955	$ 716,729	$ 705,720	$ 0
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 586 - RDA CIP Area #1	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 4,761,159**	**$ 6,716,955**	**$ 716,729**	**$ 705,720**	**$ 0**
Total Expenditures	**$ 4,761,159**	**$ 6,716,955**	**$ 716,729**	**$ 27,776**	**$ 0**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 4,761,159**	**$ 6,716,955**	**$ 716,729**	**$ 27,776**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ 0**	**$ 0**	**$ 0**	**$ 677,944**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 0	$ 0	$ 0	$ 0	$ 0
Residual Equity Transfer	0	0	0	(677,944)	0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	677,944	0
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

This fund was closed in FY 2013-14.

FUND BALANCE SUMMARY

Ranchero Road / I-15 Interchange Fund 602

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	$ 7,133,435	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 7,133,435**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 7,142,766**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 7,142,766**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (9,331)**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 9,331	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(9,331)	0	0	0	0
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

FUND BALANCE SUMMARY

Community Development Commission Fund 170

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	$ 58,121	$ 743,287	$ 100,800	$ 155,990	$ 727,115
Budgeted Reserves	**0**	**0**	**278,094**	**207,776**	**0**
Transfers In					
Fund 100 - General Fund	0	250,000	0	0	0
Total Transfers In	**0**	**250,000**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 58,121**	**$ 993,287**	**$ 378,894**	**$ 363,766**	**$ 727,115**
Total Expenditures	**$ 210**	**$ 436,949**	**$ 378,894**	**$ 363,766**	**$ 346,253**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 210**	**$ 436,949**	**$ 378,894**	**$ 363,766**	**$ 346,253**
Difference Total Resources and Expenditures and Transfers Out	**$ 57,911**	**$ 556,338**	**$ 0**	**$ 0**	**$ 380,862**
FUND BALANCE					
July 1st Beginning Balance	$ 0	$ 57,911	$ 595,046	$ 614,249	$ 406,473
Budgeted Reserves	0	0	(278,094)	(207,776)	0
Difference Total Resources and Expenditures and Transfers Out	57,911	556,338	0	0	380,862
June 30th Ending Balance	**$ 57,911**	**$ 614,249**	**$ 316,952**	**$ 406,473**	**$ 787,335**

FUND BALANCE SUMMARY

Hesperia Housing Authority Fund 370

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	$ 353,668	$ 203,017	$ 151,984	$ 206,442	$ 410,951
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 700 - Water Operations	0	0	1,200,000	1,200,000	1,200,000
Total Transfers In	**0**	**0**	**1,200,000**	**1,200,000**	**1,200,000**
Total Resources (Revenue and Transfers In)	**$ 353,668**	**$ 203,017**	**$ 1,351,984**	**$ 1,406,442**	**$ 1,610,951**
Total Expenditures	**$ 216,380**	**$ 293,542**	**$ 536,203**	**$ 287,798**	**$ 582,884**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 216,380**	**$ 293,542**	**$ 536,203**	**$ 287,798**	**$ 582,884**
Difference Total Resources and Expenditures and Transfers Out	**$ 137,288**	**$ (90,525)**	**$ 815,781**	**$ 1,118,644**	**$ 1,028,067**
FUND BALANCE					
July 1st Beginning Balance	$ 0	$ 43,538,125	$ 44,571,376	$ 16,591,710	$ 17,710,354
Budgeted Reserves	0	0	0	0	0
Extraordinary Gain/(Loss)	43,400,837	(26,855,890)	0	0	0
Difference Total Resources and Expenditures and Transfers Out	137,288	(90,525)	815,781	1,118,644	1,028,067
June 30th Ending Balance	**$ 43,538,125**	**$ 16,591,710**	**$ 45,387,157**	**$ 17,710,354**	**$ 18,738,421**
Less: Loans/Notes Receivables	(17,658,174)	(17,715,591)	(17,658,174)	(1,200,000)	0
Land Held For Resale	(10,269,457)	(10,269,457)	(10,269,457)	(10,269,457)	(10,269,457)
June 30th Ending Operating Fund Balance	**$ 15,610,494**	**$ (11,393,338)**	**$ 17,459,526**	**$ 6,240,897**	**$ 8,468,964**

The Extraordinary Gain/(Loss) of $43,400,837 in the FY 2011-12 Actual is from the dissolution of the former Hesperia Community Redevelopment Agency effective February 1, 2012. The Extraordinary Gain/(Loss) of ($26,855,890) in the FY 2012-13 Actual is from a State of California mandated elimination of prior loans and a mandated disbursement to the County Auditor Controller.

The Transfer In of $1,200,000 from Fund 700 - Water Operations in the FY 2013-14 Revised and the FY 2014-15 Budget represent the annual principal payments of the June 2010 5-year loan to the Hesperia Water District. The $1,200,000 is considered as 'one-time' revenue as the final year to receive the repayment is FY 2014-15. The $1,200,000 is a budgetary basis adjustment because in the Comprehensive Annual Financial Report the loan is shown on the balance sheet as a loan receivable and is reduced by the annual payments, and is not reflected as revenue.

FUND BALANCE SUMMARY

VVEDA Housing Authority Fund 371

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	$ 273,346	$ 333,952	$ 3,726	$ 159,219	$ 3,730
Budgeted Reserves	**0**	**0**	**221,274**	**0**	**221,270**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 273,346**	**$ 333,952**	**$ 225,000**	**$ 159,219**	**$ 225,000**
Total Expenditures	**$ 15,840**	**$ 0**	**$ 225,000**	**$ 0**	**$ 225,000**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 15,840**	**$ 0**	**$ 225,000**	**$ 0**	**$ 225,000**
Difference Total Resources and Expenditures and Transfers Out	**$ 257,506**	**$ 333,952**	**$ 0**	**$ 159,219**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 0	$ 1,360,943	$ 1,339,110	$ 1,694,895	$ 1,854,114
Budgeted Reserves	0	0	(221,274)	0	(221,270)
Extraordinary Gain/(Loss)	1,103,437	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	257,506	333,952	0	159,219	0
June 30th Ending Balance	**$ 1,360,943**	**$ 1,694,895**	**$ 1,117,836**	**$ 1,854,114**	**$ 1,632,844**

The Extraordinary Gain/(Loss) of $1,103,437 is from the dissolution of the former Hesperia Community Redevelopment Agency effective February 1, 2012.

FUND BALANCE SUMMARY

Fire District Fund 200

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 8,579,993**	**$ 8,447,742**	**$ 10,024,673**	**$ 10,308,543**	**$ 10,187,668**
Budgeted Reserves	**0**	**0**	**170,191**	**228,583**	**325,000**
Transfers In					
Total Transfers In	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Resources (Revenue and Budgeted Reserves)	**$ 8,579,993**	**$ 8,447,742**	**$ 10,194,864**	**$ 10,537,126**	**$ 10,512,668**
Total Expenditures	**$ 8,905,831**	**$ 8,511,763**	**$ 10,194,864**	**$ 10,392,558**	**$ 11,301,328**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 8,905,831**	**$ 8,511,763**	**$ 10,194,864**	**$ 10,392,558**	**$ 11,301,328**
Difference Total Resources and Expenditures and Transfers Out	**$ (325,838)**	**$ (64,021)**	**$ 0**	**$ 144,568**	**$ (788,660)**
FUND BALANCE					
July 1st Beginning Balance	$ 1,707,595	$ 1,381,757	$ 1,384,241	$ 1,317,736	$ 1,233,721
Budgeted Reserves	0	0	(170,191)	(228,583)	(325,000)
Difference Total Resources and Expenditures and Transfers Out	(325,838)	(64,021)	0	144,568	(788,660)
June 30th Ending Balance	**$ 1,381,757**	**$ 1,317,736**	**$ 1,214,050**	**$ 1,233,721**	**$ 120,061**

The FY 2014-15 *Difference Total Resources and Expenditures and Transfers Out* of ($788,660) will be discussed extensively in June 2014 during the City Council review process.

FUND BALANCE SUMMARY

Water District Funds Combined (700, 701, 710, 711)

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 20,565,576**	**$ 21,678,838**	**$ 20,882,575**	**$ 21,045,111**	**$ 21,346,913**
Budgeted Reserves	0	0	508,004	557,419	720,197
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Budgeted Reserves)	**$ 20,565,576**	**$ 21,678,838**	**$ 21,390,579**	**$ 21,602,530**	**$ 22,067,110**
Total Expenditures	**$ 20,724,844**	**$ 20,898,410**	**$ 20,992,422**	**$ 21,179,982**	**$ 21,252,830**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 20,724,844**	**$ 20,898,410**	**$ 20,992,422**	**$ 21,179,982**	**$ 21,252,830**
Difference Total Resources and Expenditures and Transfers Out	**$ (159,268)**	**$ 780,428**	**$ 398,157**	**$ 422,548**	**$ 814,280**
FUND BALANCE					
July 1st Beginning Balance	$ 77,665,683	$ 77,506,411	$ 78,573,219	$ 78,286,839	$ 78,151,968
Budgeted Reserves	0	0	(508,004)	(557,419)	(720,197)
Difference Total Resources and Expenditures and Transfers Out	(159,268)	780,428	398,157	422,548	814,280
Adjustment for Budgetary Purposes	(4)	0	0	0	0
June 30th Ending Balance	**$ 77,506,411**	**$ 78,286,839**	**$ 78,463,372**	**$ 78,151,968**	**$ 78,246,051**

FUND BALANCE SUMMARY

Water District - Water Operations Fund 700

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 16,897,667**	**$ 18,014,750**	**$ 17,303,637**	**$ 17,302,591**	**$ 17,585,741**
Budgeted Reserves	0	0	250,800	460,993	238,570
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Budgeted Reserves)	**$ 16,897,667**	**$ 18,014,750**	**$ 17,554,437**	**$ 17,763,584**	**$ 17,824,311**
Total Expenditures	**$ 18,193,068**	**$ 18,046,771**	**$ 17,489,574**	**$ 17,623,577**	**$ 17,806,065**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 18,193,068**	**$ 18,046,771**	**$ 17,489,574**	**$ 17,623,577**	**$ 17,806,065**
Difference Total Resources and Expenditures and Transfers Out	**$ (1,295,401)**	**$ (32,021)**	**$ 64,863**	**$ 140,007**	**$ 18,246**
FUND BALANCE					
July 1st Beginning Balance	$ 74,213,338	$ 72,917,933	$ 73,415,381	$ 72,885,912	$ 72,564,926
Budgeted Reserves	0	0	(250,800)	(460,993)	(238,570)
Difference Total Resources and Expenditures and Transfers Out	(1,295,401)	(32,021)	64,863	140,007	18,246
Adjustment for Budgetary Purposes	(4)	0	0	0	0
June 30th Ending Balance	**$ 72,917,933**	**$ 72,885,912**	**$ 73,229,444**	**$ 72,564,926**	**$ 72,344,602**

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

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 307,599**	**$ 157,211**	**$ 160,000**	**$ 220,309**	**$ 218,000**
Budgeted Reserves	0	0	0	0	0
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Budgeted Reserves)	**$ 307,599**	**$ 157,211**	**$ 160,000**	**$ 220,309**	**$ 218,000**
Total Expenditures	**$ 0**	**$ 0**	**$ 600,300**	**$ 674,146**	**$ 40,000**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 0**	**$ 0**	**$ 600,300**	**$ 674,146**	**$ 40,000**
Difference Total Resources and Expenditures and Transfers Out	**$ 307,599**	**$ 157,211**	**$ (440,300)**	**$ (453,837)**	**$ 178,000**
FUND BALANCE					
July 1st Beginning Balance	$ (12,069,618)	$ (11,762,019)	$ (12,064,019)	$ (11,604,808)	$ (12,058,645)
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	307,599	157,211	(440,300)	(453,837)	178,000
June 30th Ending Balance	**$ (11,762,019)**	**$ (11,604,808)**	**$ (12,504,319)**	**$ (12,058,645)**	**$ (11,880,645)**

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.

The Water Capital fund is decreasing its negative fund balance in FY 2014-15 while incurring more (though less than FY 2013-14) water line relocation expenses related to the Interstate 15/Ranchero Road interchange project. Although the project was originally slated to be performed by Water staff, upon further review, a decision was made to publically bid the project, in compliance with the public contract code, which increased the cost substantially.

FUND BALANCE SUMMARY

Water District - Sewer Operations Fund 710

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 3,255,662**	**$ 3,424,637**	**$ 3,366,142**	**$ 3,453,657**	**$ 3,486,663**
Budgeted Reserves	0	0	110,000	0	188,136
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Budgeted Reserves)	**$ 3,255,662**	**$ 3,424,637**	**$ 3,476,142**	**$ 3,453,657**	**$ 3,674,799**
Total Expenditures	**$ 2,531,776**	**$ 2,851,639**	**$ 2,702,548**	**$ 2,717,279**	**$ 3,056,765**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 2,531,776**	**$ 2,851,639**	**$ 2,702,548**	**$ 2,717,279**	**$ 3,056,765**
Difference Total Resources and Expenditures and Transfers Out	**$ 723,886**	**$ 572,998**	**$ 773,594**	**$ 736,378**	**$ 618,034**
FUND BALANCE					
July 1st Beginning Balance	$ 12,059,601	$ 12,783,487	$ 13,583,432	$ 13,356,485	$ 14,092,863
Budgeted Reserves	0	0	(110,000)	0	(188,136)
Difference Total Resources and Expenditures and Transfers Out	723,886	572,998	773,594	736,378	618,034
June 30th Ending Balance	**$ 12,783,487**	**$ 13,356,485**	**$ 14,247,026**	**$ 14,092,863**	**$ 14,522,761**

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

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 104,648**	**$ 82,240**	**$ 52,796**	**$ 68,554**	**$ 56,509**
Budgeted Reserves	0	0	147,204	96,426	293,491
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Budgeted Reserves)	**$ 104,648**	**$ 82,240**	**$ 200,000**	**$ 164,980**	**$ 350,000**
Total Expenditures	**$ 0**	**$ 0**	**$ 200,000**	**$ 164,980**	**$ 350,000**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 0**	**$ 0**	**$ 200,000**	**$ 164,980**	**$ 350,000**
Difference Total Resources and Expenditures and Transfers Out	**$ 104,648**	**$ 82,240**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 3,462,362	$ 3,567,010	$ 3,638,425	$ 3,649,250	$ 3,552,824
Budgeted Reserves	0	0	(147,204)	(96,426)	(293,491)
Difference Total Resources and Expenditures and Transfers Out	104,648	82,240	0	0	0
June 30th Ending Balance	**$ 3,567,010**	**$ 3,649,250**	**$ 3,491,221**	**$ 3,552,824**	**$ 3,259,333**

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)

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 11,239,413**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 150 - Redevelopment Administration	0	0	0	0	0
Fund 385 - RDA Low/Mod	0	0	0	0	0
Fund 389 - RDA Administration	0	0	0	0	0
Fund 486 - RDA Debt Service Area #1	494,584	0	0	0	0
Fund 487 - RDA Debt Service Area #2	54,771	0	0	0	0
Fund 586 - RDA CIP Area #1	0	0	0	0	0
Fund 587 - RDA CIP Area #2	0	0	0	0	0
Total Transfers In	**549,355**	**0**	**0**	**0**	**0**
Total Resources (Revenue, Transfers In and Advances)	**$ 11,788,768**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 15,740,641**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Fund 100 - General Fund	$ 549,355	$ 0	$ 0	$ 0	$ 0
Fund 150 - Redevelopment Administration	341,299	0	0	0	0
Fund 370 - Hesperia Housing Authority	0	0	0	0	0
Fund 388 - VVEDA Low/Mod Housing	0	0	0	0	0
Fund 389 - RDA Administration	494,584	0	0	0	0
Fund 486 - RDA Debt Service Area #1	0	0	0	0	0
Fund 487 - RDA Debt Service Area #2	0	0	0	0	0
Fund 502 - Fire Station Building	3,450,730	0	0	0	0
Fund 506 - Industrial Park Lead Track	0	0	0	0	0
Fund 507 - Township	0	0	0	0	0
Fund 508 - Ranchero Rd Undercrossing - Local	0	0	0	0	0
Fund 586 - RDA CIP Area #1	0	0	0	0	0
Fund 600 - Ranchero Rd Undercrossing	0	0	0	0	0
Total Transfers Out	**$ 4,835,968**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures and Transfers Out	**$ 20,576,609**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (8,787,841)**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 60,307,530	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Extraordinary Gain/(Loss)	(51,519,689)	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(8,787,841)	0	0	0	0
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Low/Moderate Housing Fund 385

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 2,246,522**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue Reserves, and Transfers In)	**$ 2,246,522**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 4,642,553**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Fund 370 - Hesperia Housing Authority	0	0	0	0	0
Fund 388 - VVEDA Low/Mod Housing	0	0	0	0	0
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 4,642,553**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (2,396,031)**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 47,393,251	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Extraordinary Gain/(Loss)	(44,997,220)	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(2,396,031)	0	0	0	0
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Less: Loans/Notes Receivables	0	0	0	0	0
Land Held For Resale	0	0	0	0	0
June 30th Ending Operating Fund Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) V V E D A Low/Moderate Housing Fund 388

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 3,201**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 385 - Low/Mod Housing	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue Reserves, and Transfers In)	**$ 3,201**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 57,565**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Total Transfers Out	**0**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 57,565**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (54,364)**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 1,929,281	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Extraordinary Gain/(Loss)	(1,874,917)	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(54,364)	0	0	0	0
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Administration Fund 389

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers In					
Fund 150 - Redevelopment Administration	0	0	0	0	0
Fund 486 - RDA D/S Area #1	494,584	0	0	0	0
Fund 487 - RDA D/S Area #1	54,771	0	0	0	0
Total Transfers	**549,355**	**0**	**0**	**0**	**0**
Total Resources (Revenue and Transfers In)	**$ 549,355**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Fund 100 - Indirect Cost Allocation	549,355	0	0	0	0
Fund 486 - RDA Debt Service Area #1	0	0	0	0	0
Fund 487 - RDA Debt Service Area #2	0	0	0	0	0
Total Transfers Out	**549,355**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 549,355**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 0	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Extraordinary Gain/(Loss)	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	0	0
Adjustment for Budgetary Purposes	0	0	0	0	0
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Debt Service Project Area #1 Fund 486

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 8,217,723**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 389 - RDA Administration	0	0	0	0	0
Fund 586 - RDA CIP Area #1	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue, Transfers In and Advances)	**$ 8,217,723**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 10,142,909**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Fund 150 - Redevelopment Administration	257,961	0	0	0	0
Fund 389 - RDA Administration	494,584	0	0	0	0
Fund 586 - RDA CIP Area #1	0	0	0	0	0
Total Transfers Out	**752,545**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 10,895,454**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (2,677,731)**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ (7,288,287)	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Extraordinary Gain/(Loss)	9,966,018	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(2,677,731)	0	0	0	0
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Debt Service Project Area #2 Fund 487

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 707,229**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 389 - RDA Administration	0	0	0	0	0
Fund 587 - RDA CIP Area #2	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue, Transfers In and Advances)	**$ 707,229**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 839,205**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Fund 150 - Redevelopment Administration	83,338	0	0	0	0
Fund 389 - RDA Administration	0	0	0	0	0
Total Transfers Out	**83,338**	**0**	**0**	**0**	**0**
Total Expenditures and Transfers Out	**$ 922,543**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (215,314)**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ (1,108,448)	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Extraordinary Gain/(Loss)	1,323,762	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(215,314)	0	0	0	0
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Project Area #1 Capital Improvements Fund 586

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 64,730**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Fund 486 - RDA Debt Service Area #1	0	0	0	0	0
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue Reserves, and Transfers In)	**$ 64,730**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 58,409**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Fund 100 - General Fund	$ 0	$ 0	$ 0	$ 0	$ 0
Fund 486 - RDA Debt Service Area #1	0	0	0	0	0
Fund 502 - Fire Station Building	3,127,749	0	0	0	0
Fund 506 - Industrial Park Lead Track	0	0	0	0	0
Fund 507 - Township	0	0	0	0	0
Fund 508 - Ranchero Rd Undercrossing - Local	0	0	0	0	0
Fund 600 - Ranchero Rd Undercrossing	0	0	0	0	0
Total Transfers Out	**$ 3,127,749**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures and Transfers Out	**$ 3,186,158**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (3,121,428)**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 17,501,066	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Extraordinary Gain/(Loss)	(14,379,638)	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(3,121,428)	0	0	0	0
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Less: Land Held For Resale	0	0	0	0	0
June 30th Ending Operating Fund Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Project Area #2 Capital Improvements Fund 587

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 8**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue Reserves, and Transfers In)	**$ 8**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Fund 502 - Fire Station Building	$ 322,981	$ 0	$ 0	$ 0	$ 0
Total Transfers Out	**$ 322,981**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures and Transfers Out	**$ 322,981**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ (322,973)**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ 2,652,148	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Extraordinary Gain/(Loss)	(2,329,175)	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	(322,973)	0	0	0	0
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) VVEDA Project Area Capital Improvements Fund 588

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Budgeted Reserves	**0**	**0**	**0**	**0**	**0**
Transfers In					
Total Transfers In	**0**	**0**	**0**	**0**	**0**
Total Resources (Revenue Reserves, and Transfers In)	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Transfers Out					
Total Transfers Out	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total Expenditures and Transfers Out	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Difference Total Resources and Expenditures and Transfers Out	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
FUND BALANCE					
July 1st Beginning Balance	$ (771,481)	$ 0	$ 0	$ 0	$ 0
Budgeted Reserves	0	0	0	0	0
Extraordinary Gain/(Loss)	771,481	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	0	0	0	0
June 30th Ending Balance	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**

FUND BALANCE SUMMARY

TOTAL ALL FUNDS

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Revised	2014-15 Budget
Total Revenue	$ 88,901,702	$ 79,206,192	$ 70,441,859	$ 68,404,521	$ 71,152,071
Bond Proceeds	0	26,847,377	0	12,445,000	0
Budgeted Reserves	0	0	9,610,984	5,784,649	9,539,560
Transfers In					
Total Transfers In	8,184,317	8,299,076	8,969,987	22,459,621	12,009,206
Total Resources (Revenue and Budgeted Reserves)	$ 97,086,019	$ 114,352,645	$ 89,022,830	$ 109,093,791	$ 92,700,837
Total Expenditures	$ 111,136,410	$ 115,505,711	$ 78,884,699	$ 82,650,044	$ 78,424,185
Transfers Out					
Total Transfers Out	9,754,081	6,432,019	5,884,273	19,373,907	8,942,843
Difference Total Resources and Expenditures and Transfers Out	$ 120,890,491	$ 121,937,730	$ 84,768,972	$ 102,023,951	$ 87,367,028
Difference Total Resources and Transfers Out	$ (23,804,472)	$ (7,585,085)	$ 4,253,858	$ 7,069,840	$ 5,333,809
FUND BALANCE					
July 1st Beginning Balance	$ 205,030,258	$ 177,953,002	$ 168,875,435	$ 143,301,243	$ 144,586,434
Budgeted Reserves	0	0	(9,610,984)	(5,784,649)	(9,539,560)
Residual Equity Transfer	0	(210,784)	0	0	0
Extraordinary Gain/(Loss)	(3,272,780)	(26,855,890)	0	0	0
Difference Total Resources and Transfers Out	(23,804,472)	(7,585,085)	4,253,858	7,069,840	5,333,809
Adjustment for Budgetary Purposes	(4)	0			
June 30th Ending Balance	$ 177,953,002	$ 143,301,243	$ 163,518,309	$ 144,586,434	$ 140,380,683

The FY 2011-12 Actual Expenditures includes a $3,106,819 repayment to the Successor Agency of the FY 2010-11 $5,840,201 transfer of the Public Improvement Loan from the former Hesperia Community Redevelopment Agency Low/Mod Income Housing fund.

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.

SUPPLEMENTAL INFORMATION

- *Budget Adoption Resolutions – The following eight resolutions were approved by the City Council to adopt the Fiscal Year 2014-15 Budget and Gann Appropriations Limits for the City and its subsidiary districts:*
  - *Resolution No. 2014-29 - Adopting the City General Fund and Other Related Funds Fiscal Year 2014-15 Budget.*
  - *Resolution No. 2014-30 - Adopting the City of Hesperia Gann Appropriations Limit for Fiscal Year 2014-15.*
  - *Resolution No. HHA 2014-08 – Adopting the Hesperia Housing Authority Fiscal Year 2014-15 Budget.*
  - *Resolution No. CDC 2014-09 – Adopting the Hesperia Community Development Commission Fiscal Year 2014-15 Budget.*
  - *Resolution No. HFPD 2014-06 - Adopting the Hesperia Fire Protection District for Fiscal Year 2014-15 Budget.*
  - *Resolution No. HFPD 2014-07 - Adopting the Hesperia Fire Protection District Gann Appropriations Limit for Fiscal Year 2014-15.*
  - *Resolution No. HWD 2014-10 - Adopting the Hesperia Water District Fiscal Year 2014-15 Budget.*
- *City of Hesperia - General and Administrative Allocation Plan Fiscal Year 2014-15*
- *Significant Accounting Policies*
- *List of Acronyms*
- *Glossary*
- *Index*

RESOLUTION NO. 2014-29

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2014-15 BUDGET

WHEREAS, the City Manager has prepared the proposed operating and capital budget for Fiscal Year 2014-15 for the City of Hesperia; and

WHEREAS, the City Council has received the Fiscal Year 2014-15 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 2014-15.

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 2014-15 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 2014-15, which includes:

Section 2a. City General Fund expenditures of $26,633,264 with total resources (revenue, budgeted reserves, and transfers) of $26,716,714.

Section 2b. Other City funds expenditures of $18,082,626 are from the following funds, exclusive of transfers:

Fund No.	Fund Name	Expenditure
204	Measure I - Renewal	$4,103,688
207	Local Transportation Fund (LTF)	762,000
251	CDBG Administration	1,141,371
253	CDBG Revolving Loan	313,951
254	Air Quality Management District (AQMD) Fund	80,000
256	Beverage Recycling Grant	41,297
257	Neighborhood Stabilization Program (NSP)	574,683
260	Disaster Preparedness Grant	16,793
263	Street Maintenance Fund	3,515,579
300	Development Impact Fee (DIF) - Streets	1,142,000
304	DIF - Public Services	191
400	2004 Streets Debt Service	792,500
402	Water Rights Acquisition	1,453,575
403	2013 Civic Plaza Refinancing	812,600
502	Fire Capital	619,615
504	City Streets Projects	2,712,783
	Total	$18,082,626

Section 3. That the City Manager and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2014-15 Budget and consistent with the policy adopted by the City Council.

Section 4. 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 17th day of June 2014.

Thurston Smith, Mayor

ATTEST:

Melinda Sayre-Castro, City Clerk

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF HESPERIA)

I, Melinda Sayre-Castro, City Clerk of the City of Hesperia, California, do hereby certify that Resolution No. 2014-29 was duly adopted by the City Council of the City of Hesperia, California at a Regular Meeting thereof held on the 17th day of June, 2014 by the following vote to wit:

AYES: Smith, Holland, Schmidt, Leonard, and Blewett

NOES: None

ABSTAIN: None

ABSENT: None

Melinda Sayre-Castro
City Clerk

City of Hesperia Incorporated July 1 1988 CALIFORNIA Seal

I, _____, City Clerk of the City of Hesperia, California, do hereby certify that the foregoing Resolution No. 2014-29 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 17th day of June, 2014.

Melinda Sayre-Castro
City Clerk

City of Hesperia Incorporated July 1 1988 CALIFORNIA Seal

RESOLUTION NO. 2014-30

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, APPROVING THE FISCAL YEAR 2014-15 ARTICLE XIIIB LIMIT (GANN APPROPRIATIONS LIMITATION)

WHEREAS, Article XIIIB of the California Constitution (Proposition 4) was passed by voters in 1979; and

WHEREAS, Article XIIIB 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 2014-15, 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 2014-15 Article XIIIB Limit (Gann Appropriations Limitation) of $73,049,162 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 17th day of June 2014.

Thurston Smith, Mayor

ATTEST:

Melinda Sayre-Castro, City Clerk

CITY OF HESPERIA AND HESPERIA FIRE DISTRICT
SCHEDULE OF ANNUAL APPROPRIATIONS (GANN LIMITS)
FISCAL YEARS 1989/90 through 2014/15

Fiscal Year	Change In Factor 1 Population	Change In Factor 2 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				$12,000,000			
1989/90	0.0000	0.0498	1.0498	$12,000,000	12,597,600		$2,937,542	$15,535,142
1990/91	1.0550	1.0421	1.099416	12,597,600	13,850,003	$2,937,542	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	1.016866	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
2013/14	1.0061	1.0512	1.057612	68,891,546	72,860,526	16,064,317	16,989,814	89,850,340
2014/15	1.0049	0.9977	1.002589	72,860,526	73,049,162	16,989,814	17,033,801	90,082,963

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF HESPERIA)

I, Melinda Sayre-Castro, City Clerk of the City of Hesperia, California, do hereby certify that Resolution No. 2014-30 was duly adopted by the City Council of the City of Hesperia, California at a Regular Meeting thereof held on the 17th day of June, 2014 by the following vote to wit:

AYES: Smith, Holland, Schmidt, Leonard, and Blewett

NOES: None

ABSTAIN: None

ABSENT: None

Melinda Sayre-Castro
City Clerk

City of Hesperia Incorporated Seal July 1 1988 CALIFORNIA

I, _____, City Clerk of the City of Hesperia, California, do hereby certify that the foregoing Resolution No. 2014-30 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 17th day of June, 2014.

Melinda Sayre-Castro
City Clerk

City of Hesperia Incorporated Seal July 1 1988 CALIFORNIA

RESOLUTION HHA 2014-08

A RESOLUTION OF THE COMMISSIONERS OF THE HESPERIA HOUSING AUTHORITY, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2014-15 BUDGET

WHEREAS, the Executive Director of the Hesperia Housing Authority has prepared the proposed operating budget for Fiscal Year 2014-15; and

WHEREAS, the Hesperia Housing Authority Commission has received the Fiscal Year 2014-15 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 2014-15.

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 2014-15 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 2014-15, which includes: budget expenditures totaling $807,884, with revenue of $414,681, budgeted reserves of $221,270 for VVEDA Housing Authority Fund 371, and transfers of $1,200,000 for total resources of $1,835,951.

Section 3. That the Commission and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2014-15 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 17th day of June 2014.

Thurston Smith, Chairman

ATTEST:

Melinda Sayre-Castro, Secretary

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF HESPERIA)

I, Melinda Sayre-Castro, City Clerk of the City of Hesperia, California, do hereby certify that Resolution No. HHA 2014-08 was duly adopted by the Board Members of the Hesperia Housing Authority, Hesperia, California at a Regular Meeting thereof held on the 17th day of June 2014 by the following vote to wit:

AYES: Smith, Schmidt, Holland, Leonard, and Blewett

NOES: None

ABSTAIN: None

ABSENT: None

Melinda Sayre-Castro
City Clerk

City of Hesperia
Incorporated
July
1
1988
CALIFORNIA
Seal

I, _____, City Clerk of the City of Hesperia, California, do hereby certify that the foregoing Resolution No. HHA 2014-08 is a full, true and correct copy of that now in file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this 17th day of June, 2014.

Melinda Sayre-Castro
City Clerk

City of Hesperia
Incorporated
July
1
1988
CALIFORNIA
Seal

RESOLUTION CDC 2014-09

A RESOLUTION OF THE HESPERIA COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2014-15 BUDGET

WHEREAS, the Executive Director of the Hesperia Community Development Commission has prepared the proposed operating budget for Fiscal Year 2014-15; and

WHEREAS, the Hesperia Community Development Commission has received the Fiscal Year 2014-15 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 2014-15.

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 2014-15 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 2014-15, which includes: budget expenditures totaling $346,253, with revenue of $727,115.

Section 3. That the Commission and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2014-15 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 17th day of June 2014.

Thurston Smith, Chairman

ATTEST:

Melinda Sayre-Castro, Secretary

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF HESPERIA)

I, Melinda Sayre-Castro, City Clerk of the City of Hesperia, California, do hereby certify that Resolution No. CDC 2014-09 was duly adopted by the Hesperia Community Development Commission of the City of Hesperia, California at a Regular Meeting thereof held on the 17th day of June 2014 by the following vote to wit:

AYES: Smith, Schmidt, Holland, Leonard, and Blewett

NOES: None

ABSTAIN: None

ABSENT: None

Melinda Sayre-Castro
City Clerk

City of Hesperia Seal Incorporated July 1 1988 CALIFORNIA

I, _____, City Clerk of the City of Hesperia, California, do hereby certify that the foregoing Resolution No. CDC 2014-09 is a full, true and correct copy of that now in file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this _____ day of _____, 20__.

Melinda Sayre-Castro
City Clerk

City of Hesperia Seal Incorporated July 1 1988 CALIFORNIA

RESOLUTION HFPD 2014-06

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2014-15 BUDGET

WHEREAS, the Executive Director has prepared the proposed operating budget for Fiscal Year 2014-15 for the Hesperia Fire Protection District; and

WHEREAS, the Board of Directors has received the Fiscal Year 2014-15 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 2014-15.

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 2014-15 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 2014-15 which includes: appropriated expenditures totaling $11,301,328 and estimated revenue of $10,187,668 and budgeted reserves of $325,000, for total resources of $10,512,668.

Section 3. That the Executive Director and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2014-15 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 17th day of June 2014.

Thurston Smith, Chair

ATTEST:

Melinda Sayre-Castro, Secretary

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 2014-06 was duly adopted by the Board members of the Hesperia Fire Protection District, Hesperia, California at a Regular Meeting thereof held on the 17th day of June 2014 by the following vote to wit:

AYES: Smith, Schmidt, Holland, Leonard, and Blewett

NOES: None

ABSTAIN: None

ABSENT: None

Melinda Sayre-Castro,
Board Secretary

HESPERIA FIRE PROTECTION DISTRICT ORGANIZED SEPTEMBER 20, 1957 CALIFORNIA
Seal

I, _____, Secretary of the Hesperia Fire Protection District, Hesperia, California, do hereby certify that the foregoing Resolution No. HFPD 2014-06 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

HESPERIA FIRE PROTECTION DISTRICT ORGANIZED SEPTEMBER 20, 1957 CALIFORNIA
Seal

RESOLUTION HFPD 2014-07

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, HESPERIA, CALIFORNIA, APPROVING THE FISCAL YEAR 2014-15 ARTICLE XIIIB LIMIT (GANN APPROPRIATIONS LIMITATION)

WHEREAS, Article XIIIB of the California Constitution (Proposition 4) was passed by voters in 1979; and

WHEREAS, Article XIIIB 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 2014-15, 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 2014-15 Article XIIIB Limit (Gann Appropriations Limitation) of $17,033,801 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 17th day of June 2014.

Thurston E Smith

ThurstonSmith, Chair

ATTEST:

Melinda Sayre-Castro, Secretary

CITY OF HESPERIA AND HESPERIA FIRE DISTRICT
SCHEDULE OF ANNUAL APPROPRIATIONS (GANN LIMITS)
FISCAL YEARS 1989/90 through 2014/15

Fiscal Year	Change In Factor 1 Population	Change In Factor 2 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				$12,000,000			
1989/90	0.0000	0.0498	1.0498	$12,000,000	12,597,600		$2,937,542	$15,535,142
1990/91	1.0550	1.0421	1.099416	12,597,600	13,850,003	$2,937,542	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	1.016866	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
2013/14	1.0061	1.0512	1.057612	68,891,546	72,860,526	16,064,317	16,989,814	89,850,340
2014/15	1.0049	0.9977	1.002589	72,860,526	73,049,162	16,989,814	17,033,801	90,082,963

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 2014-07 was duly adopted by the Board members of the Hesperia Fire Protection District, Hesperia, California at a Regular Meeting thereof held on the 17th day of June 2014 by the following vote to wit:

AYES:	Smith, Schmidt, Holland, Leonard, and Blewett
NOES:	None
ABSTAIN:	None
ABSENT:	None

Melinda Sayre-Castro,
Board Secretary

HESPERIA FIRE PROTECTION DISTRICT ORGANIZED SEPTEMBER 20, 1957 CALIFORNIA
Seal

I, _____, Secretary of the Hesperia Fire Protection District, Hesperia, California, do hereby certify that the foregoing Resolution No. HFPD 2014-07 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

HESPERIA FIRE PROTECTION DISTRICT ORGANIZED SEPTEMBER 20, 1957 CALIFORNIA

RESOLUTION HWD 2014-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICT, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2014-15 BUDGET

WHEREAS, the General Manager has prepared the proposed operating and capital budget for Fiscal Year 2014-15 for the Hesperia Water District; and

WHEREAS, the Board of Directors has received the Fiscal Year 2014-15 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 2014-15.

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 2014-15 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 2014-15 which includes: water expenditures of $17,846,065, and water revenues and budgeted reserves or total resources totaling $18,042,311, and also sewer expenditures of $3,406,765, and sewer revenue and budged reserves or total resources totaling $4,024,799, for combined estimated District resources of $22,067,110 and appropriated expenditures of $21,252,830.

Section 3. That the General Manager and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2014-15 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 17th day of June 2014.

Thurston Smith, Chair

ATTEST:

Melinda Sayre-Castro, Secretary

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF HESPERIA)

I, Melinda Sayre-Castro, City Clerk of the Hesperia Water District, Hesperia, California, do hereby certify that Resolution No. HWD 2014-10 was duly adopted by the Board members of the Hesperia Water District, Hesperia, California at a Regular Meeting thereof held on the 17th day of June, 2014 by the following vote to wit:

AYES: Smith, Schmidt, Holland, Leonard, and Blewett

NOES: None

ABSTAIN: None

ABSENT: None

Melinda Sayre-Castro
City Clerk

HESPERIA WATER DISTRICT INCORPORATED MAR 28 1975 Seal

I, _____, Secretary of the Hesperia Water District, Hesperia, California, do hereby certify that the foregoing Resolution No. HWD 2014-10 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
City Clerk

HESPERIA WATER DISTRICT INCORPORATED Seal MAR 28 1975

City of Hesperia

Total Indirect Cost Allocation for Fiscal Year 2014-15

		Central Service Departments								
Fund	Department	City Council	City Attorney	City Manager	Finance	Human Resources/ Risk Mgmt	Information Technology	Public Works - Building Maintenance	Allocation Percentage	Total Allocation
	Operating Departments									
100	Police	$ 5,978	$ 21,905	$ 27,067	$ 201,060	$ 17,906	$ 65,021	$ 208,897	8.80%	$ 547,834
200	Fire District	2,825	8,462	12,846	151,548	6,917	21,543	7,485	3.40%	211,626
100	Planning	11,638	8,628	51,620	19,757	59,308	45,098	19,746	3.47%	215,795
100	Building and Safety	9,734	11,199	42,855	37,299	57,318	102,527	19,151	4.50%	280,083
100	Code Compliance	29,280	33,307	128,718	103,644	176,942	265,212	95,912	13.38%	833,015
100	Public Works (PW) - Engineering	32,831	28,357	144,331	121,380	197,890	146,211	38,200	11.39%	709,200
263	PW - Street Maintenance	7,493	10,333	33,402	59,747	34,574	91,070	21,799	4.15%	258,418
700	Water Operations	84,946	103,073	373,344	563,195	515,655	438,189	362,900	39.21%	2,441,302
710	Sewer Operations	5,603	6,652	24,641	44,576	33,769	44,692	6,430	2.67%	166,363
170 & 370	CDC & HHA	10,301	111,496	31,570	75,431	28,088	109,810	30,369	6.38%	397,065
251	CDBG	6,872	6,589	28,565	54,895	40,643	21,402	5,829	2.65%	164,795
	Total	$ 207,501	$ 350,001	$ 898,959	$1,432,532	$1,169,010	$ 1,350,775	$ 736,758	100.00%	$6,225,496

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, Information Technology, 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 2014-15 Budget.

Indirect Cost Allocation to be Charged During FY 2014-15

Water Operating (Management Determination)	$	1,200,000
G & A Prior Year Uncharged-Water		500,000
Sewer Operating		166,363
Total to Transferred to the General Fund	**$**	**1,866,363**

G&A Expense (7890)		
700-29-400-4070-7890	$	1,700,000
710-29-420-4200-7890		166,363
	$	1,866,363

G&A Recovery (5820)		
100-19-220-0000-5820	$	1,866,363
	$	1,866,363

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.

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.

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.

AB	Assembly Bill
ABC	Department of Alcoholic Beverage Control
ADA	American Disabilities Act
AF	Acre-Foot
ALS	Advanced Life Support
APN	Assessor's Parcel Number
AQMD	Air Quality Maintenance District
ARRA	American Recovery and Reinvestment Act of 2009
AS	Assessment District
AWWA	American Water Works Association
BNSF	Burlington Northern Santa Fe Corporation
CAFR	Comprehensive Annual Financial Report
CAPER	Consolidated Annual Performance & Evaluation Report
CalPERS	California Public Employees' Retirement System
CALTRANS	State of California Transportation Department
CDBG	Community Development Block Grant
CDC	Hesperia Community Development Commission
CEQA	California Environmental Quality Act
CERT	Community Emergency Response Team
CFD	Community Facilities District
CIP	Capital Improvements Program or Plan
CLEEP	California Law Enforcement Equipment Program
CMAQ	Congestion Mitigation and Air
CMIA	Corridor Mobility Improvement Account
CO	Construction Order
COP	Certificate of Participation
CPUC	California Public Utilities Commission
CSMFO	California Society of Municipal Finance Officers
CTC	California Transportation Commission
DAP	Down Payment Assistance Program
DDA	Dispensation and Development Agreements
DIF	Developer Impact Fees
DOF	California Department of Finance
DRC	Development Review Committee (City)
DRGR	Disaster Recovery Grant Reporting
DS	Development Services Department (City)
DUI	Driving Under the Influence
DWR	California Department of Water Resources
EDD	Economic Development Department (City)
EDRLF	Economic Development Revolving Loan Fund
EIR	Environmental Impact Report
EOC	Emergency Operations Center
EMS	Emergency Medical Response
ERAF	Educational Revenue Augmentation Fund
EZ	California Enterprise Zone
FHWA	Federal Highway Administration
FEMA	Federal Emergency Management Agency
FOG	Fat, Oils, and Grease
FTE	Full-Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
G&A	General and Administrative
GASB	Governmental Accounting Standards Board
GEMT	Ground Emergency Medical Transportation
GFOA	Government Finance Officers Association
GIS	Geographic Information System
H&SC	Health and Safety Code
HAZMAT	Hazardous Materials
HCD	Department of Housing & Community Development
HCRA	Hesperia Community Redevelopment Agency
HDGC	High Desert Government Center
HHA	Hesperia Housing Authority
HMMP	Habitat Mitigation & Monitoring Plan
HOME	Home Investment Partnership Programs
HRLP	Housing Rehabilitation Loan Program
HUD	Department of Housing & Urban Development
HVAC	Heating, Ventilation, and Air Conditioning System
IDIS	Integrated Disbursement and Information System
IMD	Interstate Maintenance Discretionary
IT	Information Technology Division (City)
JAG	Justice Assistance Grant
JPA	Joint Powers Authority
LAIF	Local Agency Investment Fund
LAMP	Local Agency Management Plan
LED	Light-Emitting Diode
LLEBG	Local Law Enforcement Block Grants
LMI	Low-Moderate Income
LMIHF	Low-Moderate Income Housing Fund
LOC	Letter of Credit
LT	Limited-Term Firefighter
LTF	Local Transportation Fund
LU	Legacy for Users
MAP	Mortgage Assistance Program
MDAQMD	Mojave Desert Air Quality Management District
MG	Millions of Gallons
MLHP	Major Local Highway Program
MOU	Memorandum of Understanding
MS4	Municipal Storm Sewer System
MWA	Mojave Water Agency
NEPA	National Environmental Policy Act
NSP	Neighborhood Stabilization Program
OHV	Off Highway Vehicles
OPA	Owner Participation Agreements
OSHA	Occupational Safety and Health Administration
OTS	California Office of Traffic Safety
PA&ED	Project Approval & Environmental Document
PDS	Project Development Support
PEPRA	California Public Employees' Pension Reform Act
PERS	Public Employees' Retirement System
PLC	Programmable Logic Controllers
P/M	Parcel Map
PS&E	Plans, Specifications, and Engineer's Estimate
PSOC	Public Safety Operations Center
PSR	Project Study Report
PVC	Polyvinyl Chloride (Pipe)
PSA	Professional Services Agreement
PY	Program Year
QSD	Qualified SWPPP Developer
QSP	Qualified SWPPP Practitioner
RFB	Request for Bids
RDA	Redevelopment Agency
REACH	Restoring the Environment for a Cleaner Hesperia
RFP	Request for Proposals
RIP	Regional Improvement Program
RLF	Rancho Las Flores
RMDZ	Recycling Market Development Zone
ROW	Right of Way
RPTTF	Redevelopment Property Tax Trust Fund

LIST OF ACRONYMS (Continued)

SAFETEA	Safe, Accountable, Flexible, Efficient Transportation Equity Act
SAFARI	Santa Fe Avenue Relief Interceptor
SAFER	Staffing for Adequate Fire & Emergency Response Grant
SANBAG	San Bernardino Associated Governments
SB	Senate Bill
SBCAC	San Bernardino County Auditor-Controller
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
SCAG	Southern California Association of Governments
SFR	Single Family Residential (Permit)
SLPP	State-Local Partnership Program
STIP	State Transportation Improvement Program
SWPPP	Stormwater Pollution Prevention Plan
TOT	Transient Occupancy Tax
VLF	Vehicle License Fee
VVEDA	Victor Valley Economic Development Authority
VVTA	Victor Valley Transit Authority
VVWRA	Victor Valley Wastewater Reclamation Authority
WEX	Work Experience/Community Service Program

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, also consider capital 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.

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 XIIIB of the California State Constitution that places limits on the amount of proceeds from taxes that state and local governmental agencies can receive and spend each year.

GENERAL FUND – The fund used to account for all financial resources except those required to be accounted for in another fund (i.e., enterprise or grant funds). Usually the General Fund is the largest fund in a municipality.

GENERALLY ACCEPTED ACCOUNTING PRINCIPALS (GAAP) – The uniform minimum standards of and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define the accepted accounting practices at a particular time. They include both broad guidelines of general application and detailed practices and procedures. GAAP provides a standard by which to measure financial presentations.

GOALS – The desired result of accomplishments within a given time frame.

GRANTS – Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity, or facility.

MODIFIED ACCRUAL BASIS – The accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments are recognized when they become susceptible to accrual, that is when they become both “measurable” and “available” to finance expenditures of the current period. Expenditures are recognized when the fund liability is incurred except for inventories of materials and supplies that may be considered expenditures either when purchased or when used. All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis for accounting.

OBJECTIVES – The necessary steps that need to be accomplished to achieve a desired goal.

OPERATING BUDGET – Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled.

OPERATIONS & MAINTENANCE – Supplies and other materials used in the normal operations of City departments. Includes items such as staff costs, maintenance materials, and contractual services.

REVENUES – The yield of taxes and other sources of income that a governmental unit collects and receives for public use.

SPECIAL ASSESSMENT – A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

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).

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FINANCIAL POLICIES

- *Financial Policies*
- *Financial Policies Resolutions – The following five resolutions were approved by the City Council to adopt the Financial Policies for the City and its subsidiary districts:*
  - *Resolution No. 2014-34*
  - *Resolution CDC No. 2014-10*
  - *Resolution HHA No. 2014-09*
  - *Resolution No. HFPD 2014-08*
  - *Resolution No. HWD 2014-11*

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FINANCIAL POLICIES

I. BUDGETING POLICY

- The City will adopt an annual budget for the fiscal year beginning July 1st no later than June 30th of the same calendar year.
- The adopted budget will be balanced with current year operating expenditures fully funded by current year revenues.
- Fund balance reserves for the General Fund, Water District, and Fire District will be used only for non-recurring expenditures such as capital projects, studies, etc. and not for on-going operations. In the event that fund balance reserves are used for recurring (operational) expenditures, the City Council will be notified prior to adoption of the annual budget.
- The City Manager is authorized to implement programs as approved in the adopted budget.
- A First Quarter and Mid-Year budget review will be conducted for the City Council to determine the status of projected revenues, expenditures, and other financial situations, along with consideration of needed budget amendments. A Third Quarter review is included in the presentation of the upcoming fiscal year's proposed budget. An internal Fourth Quarter appropriation review is conducted and budget amendments are presented to the City Council as needed.

II. CAPITAL IMPROVEMENT POLICY

- The City will identify the estimated costs and potential funding sources for each capital project prior to its submittal to the City Council for approval.
- Capital projects involve the purchase or construction of major capital assets such as land; equipment; infrastructure; building or permanent improvements including additions, replacements, and major alterations; having a long life expectancy; and costing $5,000 or more.
- Capital projects are funded by a variety of funding sources, which are often restricted for a specific purpose. Prior to a capital project being included in the annual budget, a determination must be made that the project is an appropriate use of the funds and that there is sufficient funding available.

III. REVENUE POLICY

Recurring expenditures will be funded by recurring revenue. Recurring expenditure increases that exceed recurring revenue growth should not be approved. Any new or expanded programs should be required to identify new funding sources and/or offsetting reductions in expenditures. In addition:

- The City shall use a conservative approach in projecting revenues.
- One-time revenues may be used for one-time expenditures or enhancement of reserves.
- The City shall update its user fees and charges periodically to recover costs of providing that service for which a fee is charged.
- All potential grants shall be carefully reviewed for matching requirements, maintenance of effort requirements, and on-going future expenditures requirements.
- Intergovernmental grants will be evaluated to determine the long term operating and maintenance costs associated with the grant.
- The City will maintain water and sewer rate structures which are adequate to ensure that these enterprise funds remain firmly and separately self-supporting, including the costs of operation, capital replacement, cost allocation plan, and debt service.

IV. RESERVE POLICY

Adequate reserve levels are a necessary component of the City's overall financial management strategy. It is the responsibility of the City Council to maintain a sufficient level of reserve funds to provide for the orderly provision of services to the citizens of the City of Hesperia. The City Council has the authority to decide the circumstances under which the reserves can be used. The City Manager and the Assistant City Manager-Management Services may, from time to time, make recommendations as to the level of reserve funds necessary for prudent fiscal management. Reserve levels shall be reviewed at least annually during the budget process to ensure that they are consistent with the conditions faced by the City. All uses of reserves require a resolution of the City Council or will be incorporated in the annual adopted budget.

The reserve policies for the General Fund, Hesperia Water District (Enterprise Fund), and Hesperia Fire Protection District (Special Revenue Fund) require that a minimum of ten percent (10%) of current fiscal year operations budget (expenditures) be reserved. Cash reserves is a calculation of the ratio of cash and cash equivalents to the total individual fund balance, as reported in the most recently completed Comprehensive Annual Financial Report (CAFR). The specific purpose of the reserves is to provide funding to meet operational appropriation requirements in the event that either the City, Water District, or Fire District experiences shortfalls in the level of anticipated revenues or unanticipated expenses.

V. TRANSFER AUTHORITY

The following criteria establish the transfer authority for appropriations as set forth in the fiscal year budget.

- Division Managers can make transfers between line items in the same program.
- Department Directors can make transfers between divisions within the same fund.
- Transfers between departments, within the same fund, will require the City Manager approval.
- Transfers between the capital expenditure classification and the operating expenditure classifications will require the City Manager approval.
- Transfers between different funds can only be made with an approved City Council resolution.
- The Finance Division will review all budget transfers and make recommendations to the City Manager.

VI. FISCAL MANAGEMENT

- An independent firm of certified public accountants will perform an annual financial and compliance audit according to General Accepted Auditing Standards (GAAS) that will be incorporated into the Comprehensive Annual Financial Report (CAFR).
- Annually, the City will seek the Governmental Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the Certificate of Achievement for Distinguished Budget Presentation Awards.

VII. INVESTMENTS

- The City will continue to have a written investment policy approved by City Council resolution annually. The policy for investments in priority order is safety, liquidity, and yield.
- The City Council will receive reports on the cash position and performance of City investments on a monthly basis.

VIII. CAPITAL ASSETS

- Assets exceeding the value of $5,000 are considered capital assets.
- All assets will be maintained at a level that protects capital investment and minimizes future maintenance costs.

IX. DEBT MANAGEMENT

- The City will not issue long-term debt to finance current operations. Debt financing should only be used for long-term capital improvement projects or purchases of capital assets, such as water rights, that have a useful life exceeding the term of the financing. In addition, identified revenue sources shall be identified to allow for the principal, interest, and other related payments (debt service) of the long-term debt.
- The City will seek to maintain a high credit rating through sound financial practices as a basis for minimizing borrowing costs.
- The City will monitor all forms of debt. Annually, the status of all long-term debt will be reported to the City Council in the annual budget.
- The City will diligently monitor its compliance with bond covenants and continuing disclosures.

JOINT RESOLUTION NO. 2014-34
RESOLUTION CDC NO. 2014-10
RESOLUTION HHA NO. 2014-09
RESOLUTION NO. HFPD 2014-08
RESOLUTION NO. HWD 2014-11

A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, COMMISSIONERS OF THE HESPERIA HOUSING AUTHORITY, COMMISSIONERS OF THE COMMUNITY DEVELOPMENT COMMISSION, THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, AND THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICT ADOPTING FINANCIAL POLICIES.

WHEREAS, the City of Hesperia wishes to establish a comprehensive set of financial policies that will serve as a guideline for operational and strategic decision making related to financial matters; and

WHEREAS, financial policies are intended to establish guidelines for the City's overall planning and management; and

WHEREAS, such policies will allow the City to maintain and enhance a sound fiscal condition; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, COMMISSIONERS OF THE HESPERIA HOUSING AUTHORITY, COMMISSIONERS OF THE COMMUNITY DEVELOPMENT COMMISSION, THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, AND THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICTS AS FOLLOWS:

Section 1. The recitals are true and correct and adopted as findings.

Section 2. That the City Council approves the Financial Policies (Exhibit A).

Section 3. All prior resolutions regarding financial policies and budget transfer policies are rescinded upon the effective date of this resolution.

Section 4. If any section, sub-section, sentence, clause, or word in the Resolution is held to be invalid by decision of any court of competent jurisdiction or action of State legislation, such decision or legislation shall not affect the validity of the remaining portions of this Resolution.

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 17th day of June 2014.

Thurston Smith, Mayor

ATTEST:

Melinda Sayre-Castro, City Clerk

Fiscal Year 2014/15 Adopted Budget
Financial Policies

PASSED, APPROVED and ADOPTED THIS 17th day of June 2014.

Thurston E Smith

Mayor, Thurston Smith

I, Melinda Sayre-Castro, City Clerk of the City of Hesperia, California, do hereby certify that the foregoing Resolutions was duly passed, approved and adopted by the City Council of the City of Hesperia, California, at an adjourned meeting of said City Council held on the 17th day of June 2014, by the following vote:

AYES: Smith, Schmidt, Holland, Leonard, and Blewett

NOES: None

ABSENT: None

ABSTAIN: None

Melinda Sayre-Castro, City Clerk