City of Hesperia
California

2007-08
Budget

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CITY OF HESPERIA

Incorporated 1988

City Manager's Budget Message

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

Fiscal Year 2006-07 was another step forward in the success and progress for Hesperia. At this point in the history of the City, many accomplishments are being realized and others that are planned are following close behind as highlighted below. The City Council's leadership, determination, and foresight have been the cornerstone of Hesperia's continued turnaround, and together with the City staff we join in this model of governmental service.

This Fiscal Year 2007-08 budget document delivers a balanced approach of meeting the needs of the community as articulated through Council policy and directive. The City's revenues will eclipse $127 million – up only 4% from the prior year's budget. Furthermore, the City will put over $20 million into street infrastructure. Even more dramatic is the fact that, through prudent fiscal management, we still enjoy a general fund cash reserve level of approximately 35%, up from 29% in the prior year. This outstanding financial cushion is maintained after projecting the issuing of 600 residential building permits.

Looking back on Fiscal Year 2006-07, we enjoy the memories of new housing, growing revenues, new families calling Hesperia home, low crime, and top notch fire protection services. Staff is very proud of the forward momentum of this once small town that is becoming a large force of influence in the High Desert, the Inland Empire, and beyond.

A few of the City's most memorable accomplishments for 2006-07:

- Paved over 68 miles of roads.
- Installed approximately 14 miles of new water lines.
- Benefited from the third year of fire protection operations provided by the County of San Bernardino.
- Completed the construction of both the new Hesperia Branch Library and the Civic Plaza and their surrounding improvements.
- Through an aggressive lobbying program, the City received approximately $10.3 million in Federal and State earmarks for a variety of projects. An additional $2 to $4 million is anticipated from the Federal government for the Ranchero Road Corridor Project.
- Grand opening of the Shops at Topaz Shopping Center, Hesperia Plaza, and the Hesperia Crossroads Center.
- New housing starts at 634 new permits.
- Prepaid an additional $1,000,000 on the 2004 Measure I Variable Rate Revenue Bonds for a cumulative $1,600,000 in total prepayments on that debt.
- Received Award of Excellence from Government Finance Officers Association for the June 30, 2006 Comprehensive Annual Financial Report (CAFR).
- Maintained the City's forward focus on taking the organization to the next level of accomplishment.

The Next Upward Level,

Many times we think of City government as just one business, when in fact, just the opposite is true. The City is a large $229 million conglomerate. As such, the City, as a whole, is made up of a variety of individual businesses that work together to advance the mission of the City. Overall, our large conglomerate is doing very well and is conservatively positioned to meet future challenges head on.

Through Council support, over the next year the City anticipates beginning the long-awaited Ranchero Road Undercrossing project, along with the construction of Fire Station #305 and the reconstruction of Fire Station #301. As we strive to improve the City's infrastructure, in my opinion, this City is rapidly becoming one of the most respected public sector agencies in this County, if not the region. It is a fact that is shared by all we come into contact with both professionally and personally.

This budget document is the next chapter in the City's continued advancement of the community's hope and dreams. We endeavor to meet the high bar that has been placed before us each and every day, and hope that in the Council's eyes, and more importantly in their hearts, that we, on behalf of our #1 customer, meet and surpass that goal.

In conclusion, I would like to thank and congratulate the City's Finance Division for an outstanding job in assembling, presenting, and reporting this very positive fiscal portrait. We once again close the books on one very special year and look back with fond memories of a job well done. On behalf of a dedicated and loyal executive management team, as well as all staff members, we submit this fiscal plan as the first installment for the new book that will be written over the next twelve months.

Looking forward to the promise of tomorrow,

Mike Podegracz
City Manager

FISCAL YEAR 2007-08 BUDGET

The following information summarizes and highlights policies and planned major changes in the 2007-08 Budget:

Summary of Total City Revenue and Expenditures

	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Change From 2006-07 Budget Percent
Revenue	$122,292,995	$127,742,411	$5,449,416	4%
Bond Proceeds (2007 Redevelopment Bond Issue)	0	46,196,506	46,196,506	100%
Budgeted Reserves	66,045,234	59,031,649	-7,013,585	-11%
Total Revenue, Bond Proceeds, and Budgeted Reserves	$188,338,229	$232,970,566	$44,632,337	24%
Expenditures	$181,846,677	$228,988,597	$47,141,920	26%
Difference	$6,491,552	$3,981,969		

Revenue

Revenue is slightly higher, with a 4% increase overall. Revenue increases in the General Fund (14%), Redevelopment Agency (28%), Streets-related funds (16%), and the Fire District (14%) were offset by a significant decrease in CDBG/Home Grants (61%).

Expenditures

Overall expenditures are also higher, increasing by 26%, or $47,141,920, and will provide improved services, help deal with workload issues, and significantly increase spending on capital projects. Capital project spending increased 35%, or $27.1 million, and expenditures are also higher due to the Redevelopment Agency's expenditures, primarily for capital projects and Pass Through payments.

Balanced Budget Policy

Operational revenue is funding operational expenditures, not using one-time revenue to fund ongoing expenditures, consistent with City Council policy. The 2007-08 Budget is balanced, with the difference between resources (revenue, budgeted reserves, and transfers), and expenditures at zero, or a surplus, depending upon the fund. Note, 2007 Redevelopment Bond Proceeds are shown to illustrate their impact on the 2007-08 Budget, however they are also considered reserves and are at a higher level than shown above. The $59,031,649 in budgeted reserves is comprised of the following:

General Fund	$1,893,750
Redevelopment Agency	19,009,510
C.D.B.G.	1,554,146
Streets CIP Funds (Primarily Measure I Arterial, Local, and DIF)	13,554,622
Water District	22,473,094
Other	546,527
TOTAL	$59,031,649

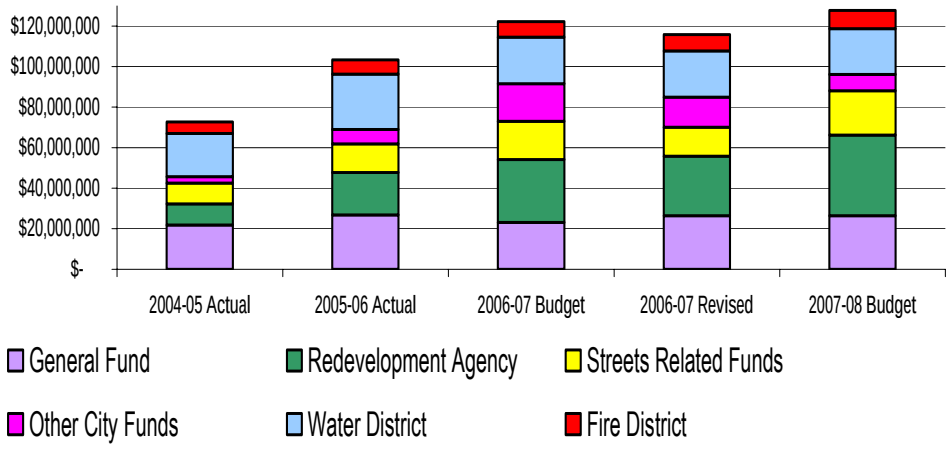
Reserve Policy

Cash reserve levels substantially exceed the City Council policy of 10% in the General Fund, Water District, and Fire 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)	$2,832,982	10%	$995,357	10%	$4,441,539	10%
Cash Reserves Above 10% Reserve	7,110,328	25%	817,133	8%	5,133,144	12%
Total Estimated Cash Reserves	$9,943,310	35%	$1,812,490	18%	$9,574,683	22%

FISCAL YEAR 2007-08 BUDGET

Total City Revenue Trend



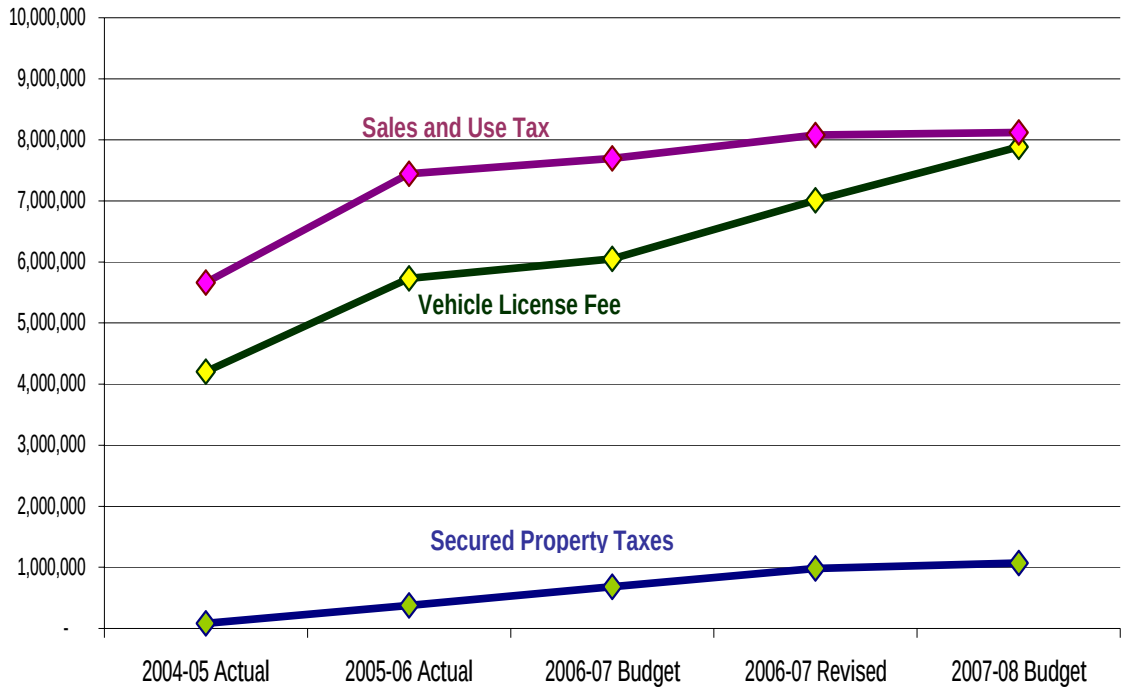
	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
General Fund	$21,894,397	$26,877,102	$23,154,325	$26,453,428	$26,373,104	14%
Redevelopment Agency	10,403,151	20,863,869	30,990,870	29,425,092	39,823,107	28%
Streets Related Funds	10,392,205	14,215,652	18,868,718	14,310,597	21,880,136	16%
Other City Funds	3,079,007	7,121,281	18,591,422	14,896,702	8,138,791	-56%
Water District	21,233,989	27,406,525	22,896,559	22,628,992	22,622,081	-1%
Fire District	5,720,715	6,953,437	7,791,101	8,091,404	8,905,192	14%
Total All Funds	$72,723,464	$103,437,866	$122,292,995	$115,806,215	$127,742,411	4%

The City of Hesperia maintains the practice of matching the revenue type to the similar expenditure type. There are two basic revenue types: one-time revenue and on-going revenue. Contrary to the fiscal practices of the State of California, the City will not use one-time revenue (i.e. bond proceeds) to pay for on-going expenditures (i.e. new employees). When compared to FY 2004-05, the overall combined City revenue for 2007-08 Budget is expected to increase by 76% or $55 million. The revenues listed in this section, which reports the revenues of all budgeted funds, does not include bond proceeds which are one-time revenue. The 2007-08 Budget for the General Fund is projecting an increase of 14% or $3.2 million over the 2006-07 Budget. Redevelopment Agency revenue is mostly derived from property tax increment which has restrictions on use.

The Streets & Transportation Related Funds group is comprised of 12 street and transportation related funds. Each of these funds receive revenue that is restricted for specific uses. The Non-Streets Related Other City Funds group is comprised of 20 other non-street related funds. Each of these funds receive revenue that is restricted for specific uses.

Water and Sewer Operations funds primarily report the City's water and sewer financial operations and are most associated with the functions of a traditional business. The revenues received are to pay for the cost of purchasing and distributing the water and for the treatment of the sewage that comes from those homes/businesses on the sewer system. Fire District revenues for the 2007-08 Budget are projected to be $8,905,192 or $1.1 million or 14% more than the 2006-07 Budget of $7,791,101 primarily due to the Redevelopment Pass Through.

Triple Flip Revenue Comparison



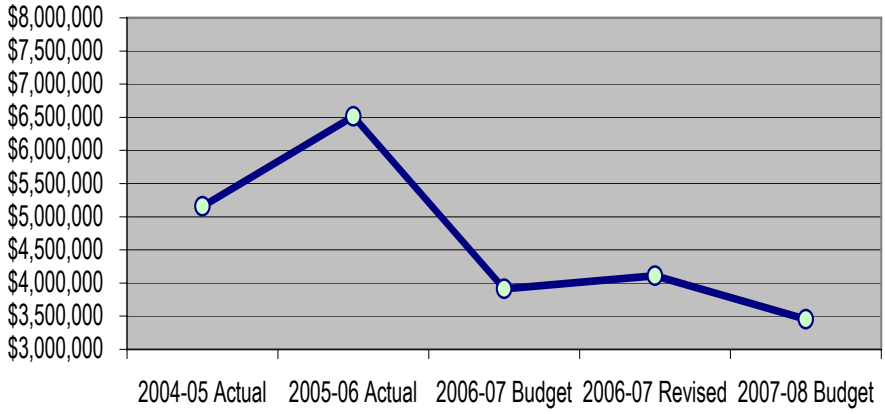
General Fund Revenue	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Property Tax Revenues	$81,920	$377,569	$682,500	$982,629	$1,072,049	57%
VLF Revenues	4,206,455	5,729,700	6,052,343	7,012,631	7,885,629	30%
Sales Tax Revenues	5,663,554	7,446,653	7,700,000	8,081,586	8,122,000	5%
TOTAL TRIPLE-FLIP EFFECTED GENERAL FUND REVENUES	$9,951,929	$13,553,922	$14,434,843	$16,076,846	$17,079,678	18%

Secured Property Tax – The 2007-08 Budget of $1,072,049 is 57% higher than the 2006-07 Budget, an increase of $391,500. 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. Secured Property Tax revenue for FY 2007-08 is projecting a $90,400 or 9% increase over FY 2006-07 Revised estimates.

Sales and Use Tax – The combined 2007-08 Budget estimate for Sales and Use Tax and the Sales Tax Triple Flip revenues, representing the City's total Sales Tax revenue, is $8.1 million an increase of $422,000 or 5.5% increase over the 2006-07 Budget. However, the $8.1 million FY 2007-08 Budget is about 0.5% or about $40,000 more than the FY 2007-08 Revised estimate. The 0.5% reflects a state-wide flat growth in sales tax revenue as projected by the City's sales tax analysts and the State Board of Equalization.

Vehicle License Fee (VLF) – In estimating the VLF revenue, the State Department of Finance has provided a model which basically calculates the difference in the growth of the City's population with the change in the State's population and then factors that with the anticipated growth of the VLF revenue to determine what the City can expect to receive in a given year. Similar to Sales Tax, the combined 2007-08 Budget for VLF and VLF Swap Triple Flip revenues estimates is $7,885,629 an increase of $1,833,286 or 30.3% over the Adopted 2006-07 Budget. The $7,885,629 is $872,998 or 12.4% more than the FY 2006-07 Revised.

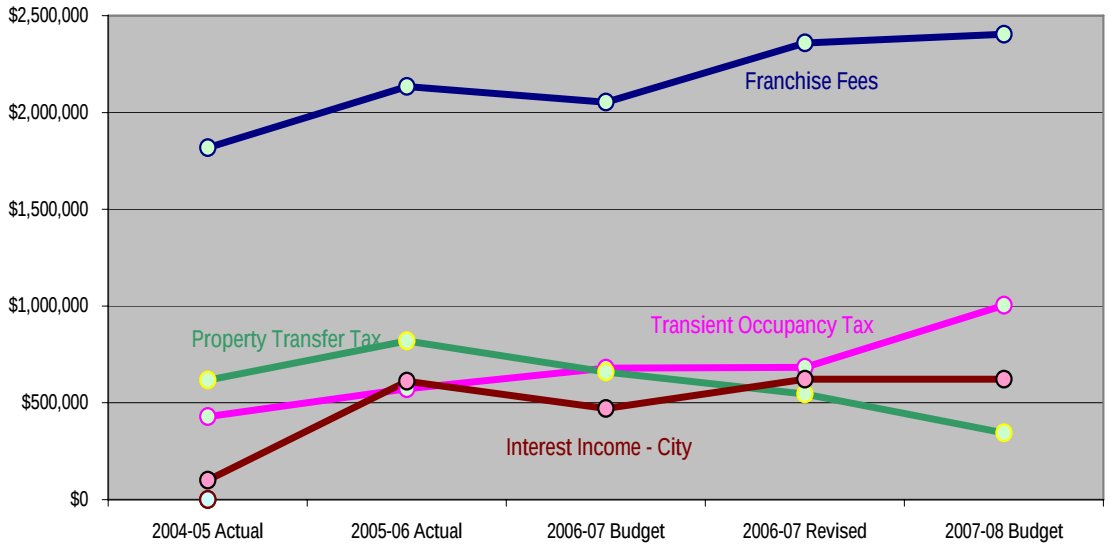
General Fund Development Related Revenues



Development Related Revenue	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Building Permit Fees	$2,782,173	$3,934,348	$2,200,000	$2,080,000	$1,800,000	-18%
Building Plan Check Fees	634,787	656,840	350,000	495,000	315,000	-10%
Development Related Revenue	1,739,701	1,923,148	1,362,000	1,535,648	1,339,480	-2%
Total Development Related Revenue	$5,156,661	$ 6,514,336	$ 3,912,000	$ 4,110,648	$ 3,454,480	-12%
Single Family Permits	1,263	1,645	1,000	750	600	

Development revenues are projected to decrease by 12% from FY 2006-07 estimates based on an anticipated decrease of 400 residential building permits (1,000 2006-07 Budget to 600 FY2007-08 Budget). Development related revenue sources comprise to 12.9% of the General Fund FY 2007-08 Estimated Revenues. This is down from 16.9% of the FY 2006-07 Budget indicating that other, more stable, revenue sources are growing as a significant portion of the budget.

Other General Fund Taxes and Interest Income



	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Franchise Fees	$1,817,940	$2,133,736	$2,053,520	$2,359,833	$2,403,710	17%
Transient Occupancy Tax	428,309	573,167	678,825	682,900	1,004,000	48%
Property Transfer Tax	617,947	819,907	660,000	545,966	345,000	-48%
Interest Income – City	99,827	611,217	470,000	622,637	622,637	32%
Total Other Taxes & Interest	$2,964,023	$4,138,027	$3,862,345	$4,211,336	$4,375,347	13%

This group of revenues are projected to increase by 18% over FY 2006-07 estimates. Other Taxes and Interest comprise 17.1% of the General Fund FY 2007-08 Estimated Revenues. This is up from 16.7% of the FY 2006-07 Budget.

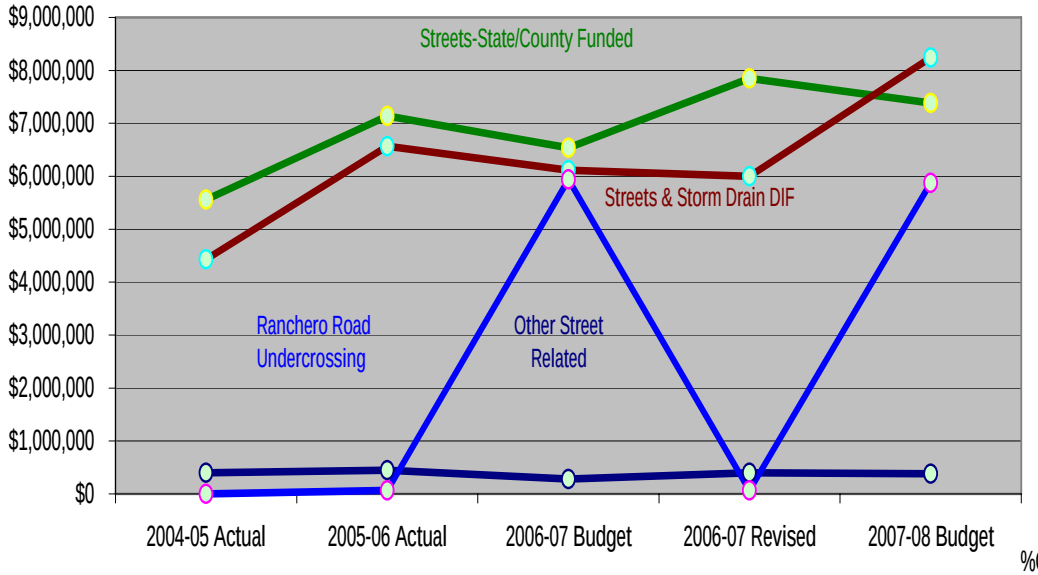
Franchise Fees – The City imposes fees on refuse hauling, gas, electric, and cable television companies operating in the City for the use and wear and tear of the City's right-of-ways. The fees range from two to ten percent (2 – 10%) of gross receipts. The 2007-08 Budget estimates revenue of $2,403,710 which is 9.0% of the General Fund budget. This is up from 8.9% for the 2006-07 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. The 2007-08 Budget projected revenue of $1,004,000 represents a 48% increase from the FY 2006-07 Budget amounts due the addition of one new hotel in the City late in the 2006-07 fiscal year and also the voter approved tax increase from 7% to 10% in November 2006.

Property Transfer Tax – This revenue is based on the transfer of real property within the City. The City receives $0.275 per $500 of the sale value from the County. The 2007-08 Budget projects a 48% decrease from the 2006-07 Budget revenue estimate, based on the average of the last four months of FY2006-07 revenue collections and a 'cooling' of housing market. The FY 2007-08 Budget estimate is a conservative $345,000 based on gradual quarterly increases during FY 2007-08.

Interest Income-City – Interest rates have been increasing over the last three years along with the General Fund's cash balance, which leads to more interest revenue. For the 2007-08 Budget the interest rate for interest earnings is estimated at 5.00%. Compared to FY 2006-07 this revenue source is projected to increase by 32% for the FY 2007-08 Budget. The FY 2004-05 Actual of $99,827 does not reflect the $2,372,024 of interest repayment from the Hesperia Community Redevelopment Agency for prior year advances. The total FY 2004-05 General Fund interest earnings, as reported in the Comprehensive Annual Financial Report, is $2,471,851.

Streets CIP & Other Transportation Related Funds



	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Measure I	$2,863,173	$3,567,543	$3,215,695	$3,700,333	$3,882,479	21%
Traffic Congestion Relief	177	345,786	1,933	531,500	19,496	909%
Gas Tax	1,320,451	1,400,981	1,301,551	1,426,998	1,426,161	10%
Local Transportation Funds	1,376,083	1,823,448	2,017,989	2,190,986	2,054,146	2%
Sub-Total Streets-State/County Funded	$5,559,884	$7,137,758	$6,537,168	$7,849,817	$7,382,282	13%
Streets & Storm Drain Developer Impact Fees (DIF)	4,430,045	6,564,996	6,114,875	5,997,454	8,240,704	35%
Ranchero Road Undercrossing	0	64,982	5,938,585	63,236	5,875,350	-1%
Other Street & Transportation Related Funds	402,276	447,916	278,090	400,090	381,800	37%
Total Streets & Transportation Related Funds	$10,392,205	$14,215,652	$18,868,718	$14,310,597	$21,880,136	16%

The Streets-State/County Funded funds are projecting a 33%, or $1.8 million increase for FY 2007-08 from the FY 2004-05 actual revenues.

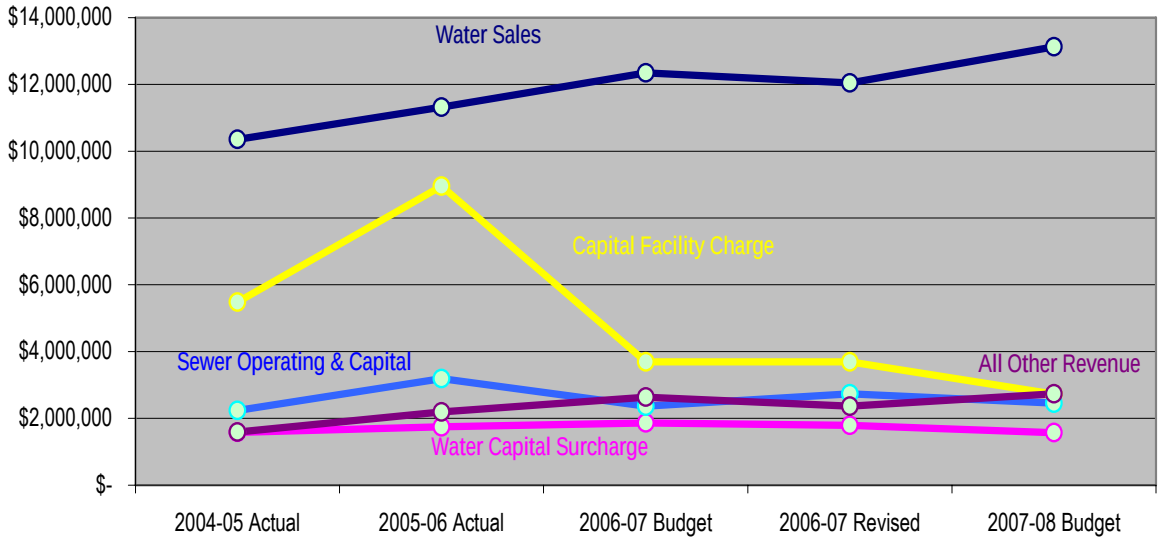
Developer Impact Fees (DIFs) – Of the five DIF funds, two are restricted to street related improvements, the DIF Streets and the DIF-Storm Drainage. These are locally controlled and reflect the City's current relaxing in development growth. For the 2007-08 Budget these two DIFs are projected to increase by 35% over FY 2006-07 estimates due to planned fee increase approved in FY 2006-07. This dollar increase over the 2006-07 Budget is in spite of an anticipated decrease in residential building permits from 1,000 for the FY2006-07 Revised to 600 for the FY 2007-08.

Ranchero Road Undercrossing – The FY 2007-08 Budget reflects the planned $5,875,350 reimbursements for the Ranchero Road Undercrossing.

Other Streets & Transportation Related Funds – This group is comprised of 5 funds, each with special use restrictions related to streets and transportation. The funds included are Measure I-Transit, Measure I-Debt Service, Public Works Street Maintenance, Traffic Signalization, and AQMD (AB2766) Transit.

FISCAL YEAR 2007-08 BUDGET

Water District Revenue Trend



REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Water Sales	$10,350,484	$11,319,260	$12,345,000	$12,047,120	$13,127,611	6%
Water Capital Surcharge	1,579,444	1,748,366	1,863,409	1,790,000	1,575,000	-15%
Capital Facility Charge	5,477,601	8,959,070	3,688,550	3,688,550	2,727,600	-26%
Sewer Operating & Capital	2,234,317	3,186,515	2,359,697	2,736,115	2,451,987	4%
All Other District Revenue	1,592,143	2,193,314	2,639,903	2,367,207	2,739,883	4%
Total Water District Revenue	$21,233,989	$27,406,525	$22,896,559	$22,628,992	$22,622,081	-1%

Water Sales – Water customers pay for the water use registered by their meter. The 2007-08 Budget projects a 9% increase over the 2006-07 Revised and a 6% increase over the 2006-07 Budget. The 6% projected increase is based primarily on the growing population (25.9% since January 2003), which is increasing the Water District's customer base.

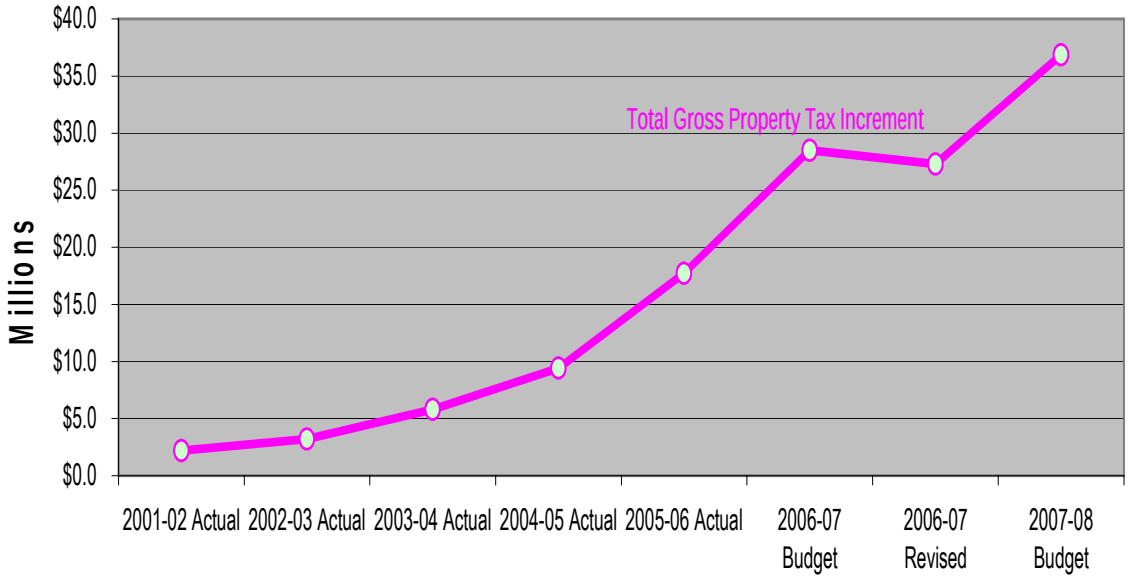
Water Capital Surcharge – This is a standard charge on a customer's bill based on the size of the water meter at the service address. The meters range in size from ⅝ inch to 8 inches. The 2007-08 Budget projects a 15% decrease from the 2006-07 Budget, more accurately, a 12% decrease from the FY 2006-07 Revised Estimate, thus reflecting the growth of the District's customer base.

Capital Facility Charge – This is the charge for new water installations based on the set-up of new services. The 2007-08 Budget projects a 26% decrease, based on an anticipated reduction in development activity from about 1,000 in FY 2006-07 to 600 in FY 2007-08. Although the FY 2006-07 Revised development activity is expecting 750 permits issued, the FY 2006-07 Revised estimate is unchanged from the FY 2006-07 Budget, as the revenue is on track for $3.7 million.

Sewer Operating & Capital – This group is the total of the various sewer revenues. The 4% increase from 2006-07 Budget reflects the expected growth of development activity that has access to sewer services.

All Other District Revenue – This group is the remainder of the Water Operating and Capital revenue of which interest earnings are projected to be $1,088,828 and a new EPA grant of $327,300. These two revenues, as part of this group, are increasing as a percentage of the group from 45% in 2006-07 Budget to 52% in the 2007-08 Budget.

Total Gross Property Tax Increment

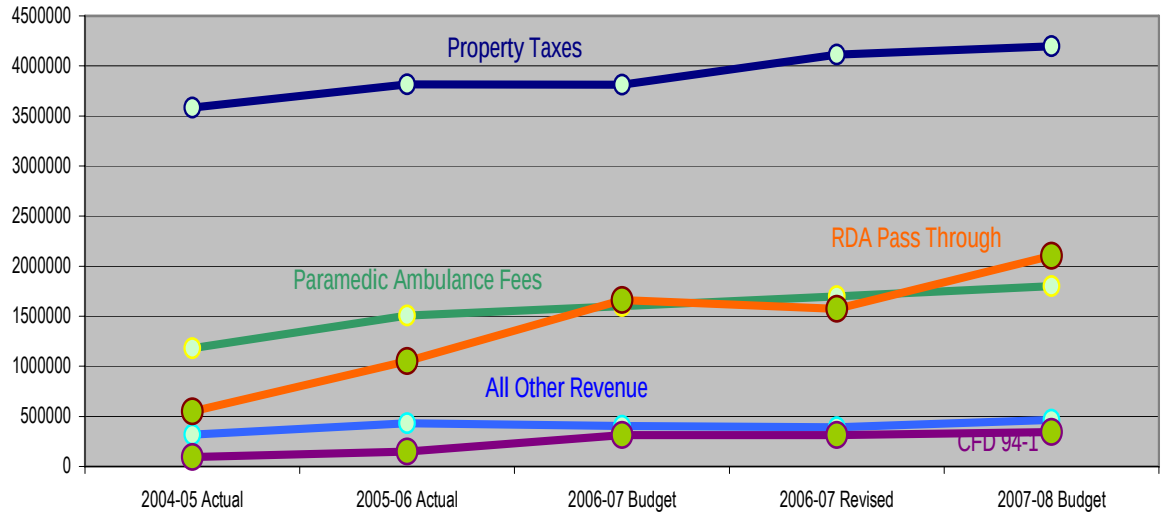


	Property Tax Increment	Low/Moderate Property Tax Increment	Total Gross Property Tax Increment	% Change From Prior Year
2001-02 Actual	$1,758,515	$439,629	$2,198,144	n/a
2002-03 Actual	$2,553,815	$638,454	$3,192,268	31.1%
2003-04 Actual	$4,636,244	$1,159,062	$5,795,306	44.9%
2004-05 Actual	$7,523,247	$1,880,812	$9,404,059	38.4%
2005-06 Actual	$14,095,170	$3,621,522	$17,716,692	46.9%
2006-07 Budget	$22,800,000	$5,700,000	$28,500,000	37.8%
2006-07 Revised	$21,840,001	$5,460,000	$27,300,001	-4.4%
2007-08 Budget	$29,484,000	$7,371,000	$36,855,000	25.9%

The Hesperia Community Redevelopment Agency revenues are projected to increase by 35% over the FY 2006-07 Revised and 28% over the 2006-07 Budget. Comparatively, the 2007-08 Budget is projecting a 91% increase over the 2005-06 Actual. Over the last six years, Tax Increment revenue has represented an average of 90.3% of the Agency's total revenue. The lowest percentage (75%) was in FY 2001-02 when the Agency received a loan of $635,000 from the Liability Self-Insurance Fund to help retire the 1997 Bond Anticipation Notes.

FISCAL YEAR 2007-08 BUDGET

Fire District Revenue Trend



REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Property Taxes	$3,582,644	$3,816,789	$3,811,000	$4,113,277	$4,195,543	10%
Redevelopment Pass-Through	548,785	1,050,909	1,663,260	1,575,617	2,102,700	26%
Paramedic Ambulance Fees	1,179,380	1,506,524	1,600,000	1,700,000	1,800,000	13%
Community Facilities District 94-1	93,176	149,374	311,988	311,988	342,307	10%
All Other Revenue	316,730	429,841	404,853	390,522	464,642	15%
Total Fire District Revenue	$5,720,715	$6,953,437	$7,791,101	$8,091,404	$8,905,192	14%

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 for the 2007-08 Budget is projected to increase by 10% over the 2006-07 Budget. The 10% increase factors in collections of prior year delinquent taxes of about 5% which are reflected in the 2006-07 Revised estimate and the 2007-08 Budget estimate.

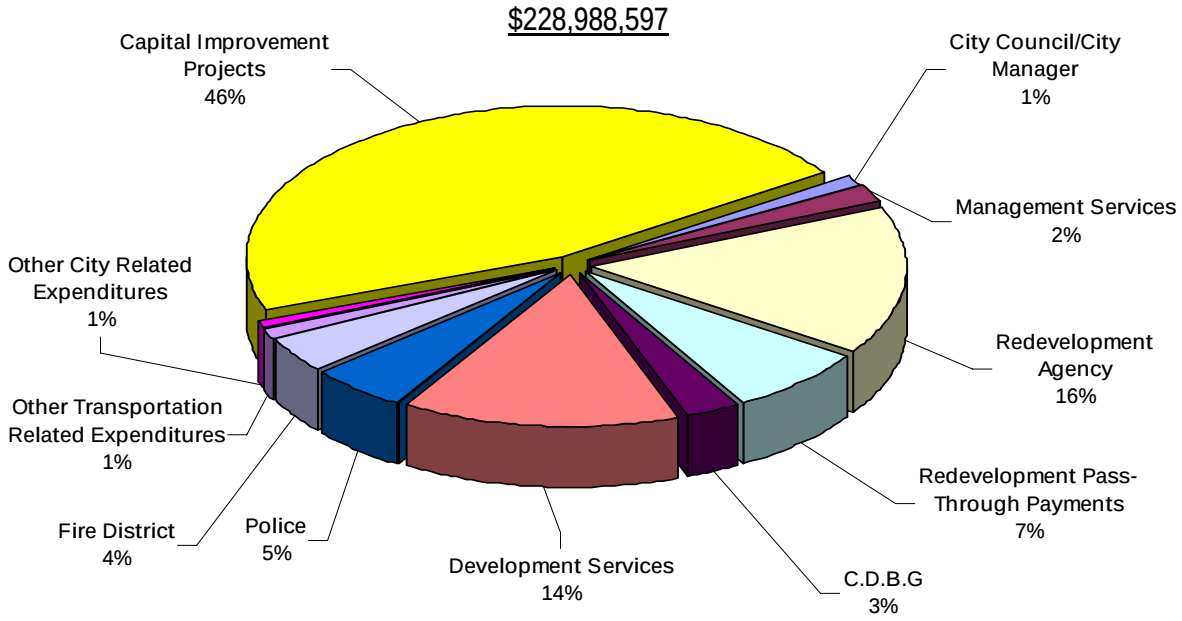
Redevelopment Pass-Through – This is revenue received from the Hesperia Community Redevelopment Agency (HCRA) as a Pass-Through of tax increment received by the agency. The 26% increase from the 2006-07 Budget estimate reflects a slow down in the growth of the City's assessed valuation through December 2006. However, there is still strong growth in the HCRA's incremental tax revenue for the 2007-08 Budget.

Paramedic Ambulance Fees – This is revenue received from ambulance transportation billing. The 2007-08 Budget estimates that revenues will continue to be impacted by the Medicare rates established by the Health Care Financing Administration (HCFA), however a 13 % increase from the 2006-07 Budget is estimated, based on the increasing service population and the planned additional of a fourth ambulance during FY 2006-07, for a 2007-08 Budget of $1,800,000.

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 of providing service. For the 2007-08 Budget, this revenue is expected to increase by 10% over the 2006-07 Budget. As development continues within the District boundary, this revenue will continue to grow.

FISCAL YEAR 2007-08 BUDGET

Total Expenditures by Department & Other Programs



Summary of Operating Expenditures and Staffing Changes

	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Amount
City Council	$885,275	$844,800	-$40,475	-5%
City Manager	1,248,590	1,612,281	363,691	29%
Management Services	4,272,269	4,836,081	563,812	13%
Economic Development:				
Redevelopment Agency(1)	24,393,362	41,094,860	16,701,498	68%
Community Development Block Grant (CDBG)	15,218,466	6,318,362	-8,900,104	-58%
Total Economic Development	$39,611,828	47,413,222	7,801,394	20%
D.S. Community Development	4,258,051	4,319,019	60,968	1%
D.S. Code Compliance	2,157,229	2,785,014	627,785	29%
D.S. Public Works	4,532,925	5,485,663	952,738	21%
D.S. Water	17,328,146	19,195,579	1,867,433	11%
D.S. Sewer	1,123,467	1,160,077	36,610	3%
Police	9,546,808	11,316,421	1,769,613	19%
Fire District	8,501,686	9,953,569	1,451,883	17%
TOTALS	$93,466,274	$108,921,726	$15,455,452	16%

(1) Fiscal Year 2006-07 Budget for the Redevelopment Agency is being restated to show only operating expenditures and does not include any capital improvement expenditures.

CITY COUNCIL

Department	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Change From 2006-07 Budget Percent
City Council	$435,275	$444,800	$9,525	2%
City Attorney	450,000	400,000	-50,000	-11%
Total City Council	$885,275	$844,800	-$40,475	-5%

Significant Department Expenditure and Staffing Changes:

- City Attorney litigation services of $50,000 is being transferred to Management Services Human Resources/Risk Management because starting in Fiscal Year 2006-07, the Public Agency Risk Sharing Authority of California (PARSAC) assigned City litigation cases to certain approved attorneys and law firms.

CITY MANAGER

Department	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Change From 2006-07 Budget Amount
City Manager	$856,215	$1,203,683	$347,468	41%
City Clerk	392,375	408,598	16,223	4%
Total City Manager	$1,248,590	$1,612,281	$363,691	29%
Full-Time Staff (FTE)	8.76	9.84	1.08	12%

Significant Department Expenditure and Staffing Changes:

City Manager

- During the 1st Quarter Budget Review, a Senior Office Assistant position (1.0 FTE) was added to assist with the growing workload in the City Manager's office and to provide assistance in January 2007 when the City Manager's office became open each Friday. This Senior Office Assistant position is continued in the 2007-08 Budget.

- Funding for a Solid Waste Study prepared by a Consultant, $150,000 (G.F. Reserves) is included for solid waste compliance, advance disposal franchise audit and program issues.

- Total funding of $45,000 for the Connect – CTY Telephone Notification System is included, with the funding spread $15,000 to the General Fund, $15,000 to the Fire District, and $15,000 to the Water District.

- Graffiti Prevention Public Outreach - Funding of $65,000 is included to work with the Police Department and the Hesperia Unified School District, and to provide public outreach, educational materials and advertising support to the proposed Graffiti Prevention Task Force. This would be accomplished through program materials aimed at elementary school students; local print, radio and television advertisements; bus shelter advertisements; creation of a video Podcast; and a new anti-graffiti shirt for Josh, the City mascot.

- Civic Center Park Dedication Ceremony and Concert - In spring 2008, the City will dedicate the new Civic Center Park with a formal ceremony and public celebration that will include food, entertainment and an evening concert. Funding of $45,000 will cover the costs of rental of sound equipment for concert; food and beverages; rental of tables and chairs; invitations and advertising. Professional entertainment could be sponsored by one or more local businesses who would cover that cost in lieu of placement in advertising. Space could be rented to vendors for booths which would also help off-set costs.

City Clerk

- Eliminate two part-time Office Assistant positions (0.92 FTE) and replace with one additional Deputy City Clerk (1.0 FTE) position for the Citywide records management and imaging programs and serve as back-up.
- Funding of $50,000 is included in the Water District Administration program budget to have the legal review and ordinance preparation of the Water Code for the City Council review and inclusion into the City of Hesperia Water District codes.
- Funding of $32,000 is included to automate the agenda preparation process by the purchase of specialized software, installation, consulting, and three day training, as well as on-going maintenance.
- Contractual expenditures are reduced by $50,000 because no election is planned during Fiscal Year 2007-08.

MANAGEMENT SERVICES

Department	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Amount
Finance	$1,640,493	$1,888,098	$247,605	15%
Human Resources/Risk Management	1,210,392	1,652,304	441,912	37%
Management Information Services	1,055,359	1,295,679	240,320	23%
Non-Departmental	366,025	0	-366,025	-100%
Total Management Services	$4,272,269	$4,836,081	$563,812	13%
Full-Time Staff (FTE)	25.00	27.00	2.00	8%

Significant Department Expenditure and Staffing Changes:

Finance

- During the 1st Quarter Budget Review, one Senior Account Clerk (1.0 FTE) position was eliminated and replaced with one additional Purchasing Analyst (1.0 FTE) position to more effectively deal with the increasing contracting and purchasing workload the City is experiencing, and the position is continued in the 2007-08 budget.
- All of the items that were previously accounted for in the Non-Departmental Program Budget have been moved to the Finance Division Budget for Fiscal Year 2007-08 and the Non-departmental Program Budget will now be closed. The primary items moved from Non-departmental include approximately $200,000 for maintenance for the copy machines serving the City Hall, Police and Code Compliance locations, City postage and shipping costs, Citywide expenditures for office supplies and rent expense for the portion of Eagle Plaza utilized by City government.
- Funding of $25,000 has been budgeted for a special tax audit of transient occupancy tax (TOT). With the recent increase in the TOT rate and the addition of new hotels within the City, this tax is becoming a major revenue source for the General Fund. The TOT audit will examine the tax reporting by the individual hotels/motels within the City to ensure proper reporting and proper tax remittance to the City.
- Funding of $15,000 has been included for a consultant to develop an implementation plan for the Governmental Accounting Standards Board (GASB) Pronouncements 43 and 45. These pronouncements relate to the required reporting of Other Post Employment Benefits (OPEB) in the Comprehension Annual Financial Report (CAFR), specifically retiree medical benefits.

Significant Department Expenditure and Staffing Changes (Continued):

Finance (Continued):

- Funding of $35,000 has been budgeted for the completion of an Indirect Cost Allocation Study and Citywide Fee Study Analysis.
- Funding of $25,000 has been included for a property tax audit. With the approval by the County to change the apportionment of property tax for newly annexed areas within the City, this audit will examine the City's property tax revenues to ensure that the appropriate taxes have been remitted to the City.

Human Resources/Risk Management

- During the 1st Quarter Budget Review, one Human Resources Analyst (1.0 FTE) was added to provide additional professional level staff resources, and the position is continued in the 2007-08 Budget.
- The City's overall insurance costs are increasing by $256,801 or 61% for general liability, property, vehicle, etc. primarily because of the need for higher insurance coverage for the City's new, high-value buildings and expanded fleet, insurance related to construction of public facilities, and higher insurance premium rates, especially for excess insurance coverage.
- Litigation services funding of $50,000 is being transferred from the City Attorney Division to the Human Resources/Risk Management Division because starting in Fiscal Year 2006-07, the Public Agency Risk Sharing Authority of California (PARSAC) assigns City litigation cases to certain approved attorneys and law firms.
- Funding of $70,000 is included for a comprehensive update to the City's Emergency Preparedness Plan, to provide emergency training, and procure emergency supplies, materials and related tools for the citywide emergency preparedness operations.
- Funding of $15,000 is included for the purchase of four automatic defibrillators to be located in City facilities to provide life saving equipment and enhance emergency preparedness.
-

Management Information Services

- One additional Information Systems Specialist (1.0 FTE) position is included to deal with the continually increasing workload. This additional position will help to maintain the City's various automated systems and growing database/programming support needs.
- Funding of $40,000 is included to complete the implementation of the City's technology disaster recovery infrastructure by installing a Storage Area Network (SAN) at the Code Compliance facility identical to the one installed at City Hall. The two SANs will replicate with each other nightly so that at all times there will be a full backup of the City's data stored in more than one location.
- Funding of $30,000 is included to contract for the implementation of a Sharepoint Portal Server in a clustered environment, resulting in more rapid response times to the servers as well as a failover in case of any server malfunctions. Sharepoint Portal Server will add functionality to the Sharepoint Services server currently in use for Citywide collaboration.
- Funding of $12,000 is included to purchase two public access kiosks to provide City residents with easy access to public information and to improve customer service by providing the ability to access the City's website and/or conduct City business online in the case that a citizen does not own a computer or simply wishes to avoid a line at the City counter.

Summary of Operating Expenditures and Staffing Changes (Continued)

ECONOMIC DEVELOPMENT DEPARTMENT

Department	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Change From 2006-07 Budget Budget
RDA:				
Low/Moderate Income	$ 7,177,535	$19,592,572	$12,415,037	173%
Administration	2,154,726	2,371,505	216,779	10%
Project Area #1 D/S	13,416,448	17,465,185	4,048,737	30%
Project Area #2 D/S	1,644,653	1,665,598	20,945	1%
Project Area #1 CIP	20,738,161	56,317,749	35,579,588	172%
Project Area #2 CIP	306,409	604,539	298,130	97%
VVEDA	100,000	500,000	400,000	400%
Subtotal RDA	$45,537,932	$98,517,148	$52,979,216	116%

	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Change From 2006-07 Budget Budget
CDBG:				
Administration	$1,293,185	$1,399,619	$106,434	8%
HOME	12,400,281	3,300,928	-9,099,353	-73%
Revolving Loans	1,525,000	1,617,815	92,815	6%
Subtotal CDBG	$15,218,466	$6,318,362	-$8,900,104	-58%
Total Economic Development	$60,756,398	$104,835,510	$44,079,112	73%
Full-Time Staff (FTE)	12.81	12.33	-.48	4%

Significant Department Expenditure and Staffing Changes:

Redevelopment:

- Funding in the amount of $46,196,506 has been included to fund various CIP projects including four fire stations, a police station, Ranchero Road Undercrossing, the FY 2007-08 Street Improvement Project, drainage projects, and Township Improvements.
- Funding in the amount of $13,550,000 has been included to fund RDA contributions for the Sunrise Terrace I & II affordable family apartments, the Village at Hesperia Senior Apartments, Santa Fe Apartments, and Horizons.
- One Administrative Analyst (1.0 FTE) position has been eliminated along with the elimination of one part-time Administrative Analyst (0.24 FTE) position and replaced with one Senior Management Analyst (1.0 FTE) position to provide higher level staffing resources for the Redevelopment Division.
- Funds in the amount of $100,000 have been included for the preparation of a Master Plan for a freeway retail corridor.
- Funding amounting to $100,000 has been included for a Redevelopment (RDA) Plan Amendment.
- Funds amounting to $210,000 have been included for consultant services relating to an SB211 Amendment, real estate strategy, RDA technical services, marketing strategy, and a labor market analysis.

Redevelopment (Continued):

- Funds in the amount of $7,500,000 have been included for commitments to Owner Participation Agreements and for the Facade Improvement Program.
- Funding in the amount of $3,400,000 has been included for the acquisition of real estate within Project Area No. 1.
- Funding in the amount of $100,000 has been included for the establishment of a Foreign Trade Zone Sub-zone.
- Funding amounting to $124,090 has been included as a carryover for the Inclusionary Housing Study.
- Funding amounting to $73,125 has been included as Home Matching funds.
- Funding amounting to $155,000 has been included for a Tax Credit Consultant and Housing Authority Feasibility Study.

Community Development Block Grant:

- One part-time Administrative Analyst (0.24 FTE) has been eliminated in conjunction with the addition of a Senior Management Analyst.
- Funding in the amount of $3,140,000 has been included for the balance of construction funds for the Village at Hesperia Senior Housing Complex, Sunrise Terrace and Sunrise Terrace II affordable family apartments.
- Funding in the amount of $1,592,815 has been budgeted for pending inducement offers authorized by the City Council in FY 2006-07 and new inducements to support projects which will create jobs within the city.
- Funding in the amount of $336,996 has been budgeted for housing programs, as approved within the 2007-08 CDBG Action Plan.
- Funding amounting to $493,563 has been budgeted for land, buildings, and public improvements in the CDBG Target Area.
- Because funds will no longer be available through the Home Grant, the Down Payment Assistance Program will now be funded through the Redevelopment Agency.

D.S. COMMUNITY DEVELOPMENT

Department	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Change From 2006-07 Budget Budget
Planning	$2,138,042	$2,142,420	$4,378	0%
Building & Safety	2,120,009	2,176,599	56,590	3%
Total Community Development	$4,258,051	$4,319,019	$60,968	1%
Full-Time Staff (FTE)	24.90	23.95	-.95	-4%

Planning

- During the 1st Quarter 2006-07 Budget Review, one Community Development Technician position was eliminated and replaced with a new Community Development Coordinator position to more effectively deal with the front counter workload. The Community Development Coordinator position is continued in the 2007-08 Budget.
- One Associate Planner (1.00 FTE) position will not be funded in the 2007-08 Budget because recruitment efforts have not been successful and because of possible workload decreases.

Significant Department Expenditure and Staffing Changes:

Planning (Continued):

- A second Associate Planner (1.00 FTE) position will not be funded, however, in its place, one Assistant Planner will continue to be budgeted.
- One new Senior Office Specialist (1.0 FTE) position is added and one Office Assistant (1.0 FTE) is eliminated to provide a more appropriate classification level for the Planning Program.
- Completion of the Main Street/I-15 Specific Plan will require that $110,000, be carried over from Fiscal Year 2006-07 to the 2007-08 Budget.
- Funding of $600,000 is included to continue the update of the City's General Plan, which was approved in 1991.

Building & Safety

- Funding of $225,000 ($168,750 General Fund and $56,250 Water District) is included for consultant assistance for additional systems assistance and training on the use and improvements of the Automated Project Tracking System (Accela).

D.S. CODE COMPLIANCE

Department	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Change From 2006-07 Budget Budget
Code Enforcement	$812,155	$1,225,789	$413,634	51%
Animal Control	1,345,074	1,559,225	214,151	16%
Total D.S.-Code Compliance	$2,157,229	2,785,014	627,785	29%
Full-Time Staff (FTE)	25.23	30.64	5.41	21%

Significant Department Expenditure and Staffing Changes:

Code Enforcement

- Two Code Enforcement Officers (2.0 FTE), one Office Assistant (1.0 FTE), and one part-time Office Assistant (0.46 FTE) positions are added for the Rental Housing Certification Program along with program expenses of $60,000, $50,000 Equipment Capital, and $52,000 for two vehicles.
- Reclassify the Code Compliance Supervisor (0.50 FTE) to a Code Enforcement Supervisor (1.0 FTE) whose full responsibility will be the supervision of the Code Enforcement Officers.
- Eliminate one Code Enforcement Officer (1.0 FTE) position to improve supervision on alternate Fridays and weekends.
- Reallocated 0.05 FTE of the Building Inspection Supervisor to the Building and Safety program.
- Funding of $6,000 is included to purchase the Geo Manager System, which will provide management the ability to accurately know the location of all Code Enforcement field officers and track all inspection activity.
- Funding of $28,000 is included to purchase eight 3-channel-2 way radios for all field staff and key staff to improve communications.

Significant Department Expenditure and Staffing Changes:

Animal Control

- Reclassify the Code Compliance Supervisor (0.50 FTE) to a Code Enforcement Supervisor (1.0 FTE) and transfer the reclassified position full-time to the Code Enforcement Program.
- Add one new Animal Control Supervisor (1.0 FTE) position to supervise the Animal Control Officers.
- Add one Animal Control Technician (1.0 FTE) position to deal with increasing Animal Shelter workload.
- Carryover funding of $75,000 is included for Santa Fe facility improvements.
- Funding of $6,000 is included to purchase the Geo Manager System, which will provide management the ability to accurately know the location of all Animal Control field officers and track all inspection activity.
- Funding of $24,500 included to purchase seven 3-channel-2 way radios for all field staff and key staff to improve communications.

D.S. PUBLIC WORKS

Department	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Budget
Street Maintenance	$2,834,751	$3,497,541	$662,790	23%
Engineering	1,357,873	1,391,898	34,025	3%
Building Maintenance	340,301	596,224	255,923	75%
Total D.S. Public Works	$4,532,925	$5,485,663	$952,738	21%
Full-Time Staff (FTE)	33.91	37.91	4.00	12%

Significant Department Expenditure and Staffing Changes:

Street Maintenance

- During the First Quarter Budget Review, two Maintenance Worker (2.0 FTE) positions were added to have a second Graffiti Abatement Crew, and these two positions are continued in the 2007-08 Budget.
- One Office Assistant (0.50 FTE) is added and one Administrative Analyst (0.25 FTE) position is eliminated to more effectively deal with various office-related workload.
- One Maintenance Worker (1.0 FTE) position is added to provide half of the staffing for a second "Vactor" positive displacement storm drain and sewer cleaning truck. The second Maintenance Worker position to staff the Vactor truck is funded in the Water District Sewer program.
- Purchase of a second "Vactor" positive displacement sewer and storm drain cleaning truck for $340,000.
- Funding of $50,000 is included to replace one 1 ton 4x4 truck with a dump bed and outfitted with snow plow hardware.
- Funding of $48,000 is included to purchase one new crack seal machine, along with $15,000 for one new trailer mounted air compressor to support crack seal and paving programs.
- Funding of $6,000 is included to purchase one new diamond blade wet saw.
- Funding of $10,000 is included to replace four traffic counters.
- Funding of $30,000 is included for one new sport utility vehicle 4x4 for the Maintenance Crew Supervisor.
- Funding of $60,000 is included to add two complete video detection upgrades at Main and "G" and Main and "E".
- Funding of $6,000 is included for one new laptop computer and docking station for new graffiti truck, added in Fiscal Year 2006-07.
- Funding of $17,000 is included for one new rock bucket for loader to sort debris for fill material.
- Funding of $30,000 is included to replace guard rail at various locations.

Significant Department Expenditure and Staffing Changes Continued):

Engineering

- One additional Construction Inspector (.50 FTE) position is added to deal with the high level of inspection workload.
- One Senior Engineer (.50 FTE) position is funded in the 2007-08 Budget, which has been vacant for several years, which will allow for the attraction of qualified candidates for this professional middle management position.
- Added one Geographical Information systems Technician (0.50 FTE) and eliminated one Senior Engineering Technician (0.50 FTE) to more effectively reflect the work expected to be performed.

Building Maintenance

One Administrative Analyst (0.25 FTE) position is eliminated in conjunction with the Office Assistant position addition in the Administration program.

- Materials cost increased due to the annualized landscape maintenance, electric and gas utility cost for City Hall, and the Library. Contractual expenditures increased primarily for improved preventive maintenance programs and security guard services.

D.S. WATER

Department	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Budget
Source of Supply	$1,454,798	$2,621,481	$1,166,683	80%
Production	3,489,587	4,118,632	629,045	18%
Distribution	1,654,540	1,297,458	-357,082	-22%
Pipeline Maintenance	2,533,039	2,269,841	-263,198	-10%
Engineering	567,437	1,615,478	1,048,041	185%
Customer Service	1,466,509	1,521,931	55,422	4%
Utility Billing	681,901	798,403	116,502	17%
Administration	5,172,754	4,608,833	-563,921	-11%
Property Management	307,581	343,522	35,941	12%
Subtotal Water Operating	$17,328,146	$19,195,579	$1,867,433	11%
Water Capital	25,880,279	23,059,733	-2,820,546	-11%
Total D.S.-Water	$43,208,425	$42,255,312	-953,113	-2%
Full-Time Staff (FTE)	67.10	71.56	4.46	7%

Significant Department Expenditure and Staffing Changes:

Source of Supply

- Funding of $30,000 is included for the replacement of one service vehicle to be used by the Water Conservation Specialist for the monitoring of nuisance water flows and transporting items used in both performing water audits and water conservation activities such as the Desert Communities Water Awareness Expo.
- Materials costs increased from $1.2 million to $2.4 million due to the increased amount and the costs associated with the purchase of makeup water.

Significant Department Expenditure and Staffing Changes Continued):

Production

- Electricity expenditures are expected to increase by approximately 20% or $440,000, due to the addition of three wells to serve additional growth and increase power rates.
- Funding of $75,000 is included for one additional F-450 truck with utility bed to be utilized as a plant site maintenance vehicle.
- Funding of $35,000 is included to replace vehicle #1166 with a truck with 4x4 capability to reach plant sites during adverse weather conditions.
- Funding of $40,000 is included to purchase connection equipment for better connection to portable standby generators.
- Carryover funding of $120,000 is included for two roll-off buildings at Wells 19A and 20, and additional funding of $60,000 is included for one roll-off building at Well 22A.

Distribution

- Funding of $75,000 is included for one new F-450 truck with utility bed to be used by the leak crew. This vehicle will replace #1141 which is a 1997 F-350 with excessive mileage (105,860), and unreliability for daily use.
- Carryover funding of $65,000 is also included for one new F-450 truck with utility bed.

Pipeline Maintenance

- Carryover funding of $180,000 is included for two Gang trucks with air/hydraulic sources.

Engineering

- One additional Construction Inspector (.50 FTE) position is added to deal with the high level of inspection workload.
- One Senior Engineer (.50 FTE) position is funded in the 2007-08 Budget, which has been vacant for several years, which will allow for the attraction of qualified candidates for this professional middle management position.
- Added one Geographical Information Systems Technician (0.50 FTE) and eliminated one Senior Engineering Technician (0.50 FTE) to more effectively reflect the work expected to be performed.
- Contractual expenditures increased significantly because the expenditures for the Water/Sewer Recycling Master Plan, Public Works Inspector contract, citywide on-call surveying and design services, contract plan check services and the water modeling analysis were transferred from the Administration program to the Engineering program in Fiscal Year 2007-08.

Customer Service

- One new Senior Maintenance Worker (1.0 FTE) position is included to oversee the Meter Readers during regular hours and "A" shift.
- Funding of $35,000 is included for one new ¾ ton truck with service bed for the new Senior Maintenance Worker position.
- Funding of $7,500 is included for a service bed for Truck #1170, a full-size 2003 ½ ton truck.

Utility Billing

- During the 2006-07 Mid-year Budget Review, on Senior Customer Service Representative (1.0 FTE) position and one part-time Customer Service Representative (0.46 FTE) position were added due to additional workload, being open five days a week, and serving as central cashier for the City Hall location.
- Change the Account Clerk position to a Senior Account Clerk position due to the level of complexity and increasing utility billing.
- Compiled and mailed over 208,000 water/sewer bills for 26,000 customers.
- Implemented centralized cashiering and managed payments for multiple departments.
- Installed 3 new cash register systems and 5 credit card terminals.
- Updated various forms to reflect new address, greater content, and improved procedures.
- Applied 4,519 standby charges to the County Tax Roll.

Significant Department Expenditure and Staffing Changes Continued):

Administration

- One Office Assistant (0.50 FTE) position is added and one Administrative Analyst (0.25 FTE) position is eliminated to more effectively deal with various office related workload.
- One new Senior Warehouse Technician (1.0 FTE) is added to oversee and provide additional staffing for ordering, receiving, distributing, and maintaining the inventory of the City's materials and supplies in the warehouse.
- Funding of $6,500 is included to replace the existing color laser printer utilized by all of the Public Works divisions.
- Funding of $5,000 is included to cover the cost to add two (2) new computers, desk phones, and Nextel radios with cameras for the Public Works Supervisors.
- Contractual expenditures decreased because the expenditures for the Water/Sewer Recycling Master Plan, Public Works Inspector contract, citywide on-call surveying and design services, contract plan check services and the water modeling analysis were transferred from the Administration program to the Engineering program in Fiscal Year 2007-08.

Property Management

- One Administrative Analyst (0.25 FTE) position is eliminated in conjunction with the addition of the Office Assistant in the Administrative program.
- Carryover funding of $45,000 is included to install a free standing 24' X 30" steel material cover at the Mojave Yard to be used for the Pipeline Maintenance Program.
- Funding of $45,000 is included for the repair of Eagle Plaza stucco, repainting the facility and installing parking bumpers at some locations to prevent stucco damage in the future and for the slurry seal and re-striping of the parking area of Eagle Plaza.
- Funding of $28,500 is included for additional cubicles and reconfiguration in the Utility Billing Program.
- Materials costs increased by $46,000 for electric utility costs for the area of the building occupied by the Water District and an unrented area.

D.S. SEWER

Department	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Change From 2006-07 Budget Budget
Sewer Operations	$1,123,467	$1,160,077	$36,610	3%
Sewer Capital	1,728,920	1,000,000	-728,920	-42%
Total D.S. Sewer	$2,852,387	$2,160,077	-$692,310	-24%
Full-Time Staff (FTE)	4.69	5.69	1.00	21%

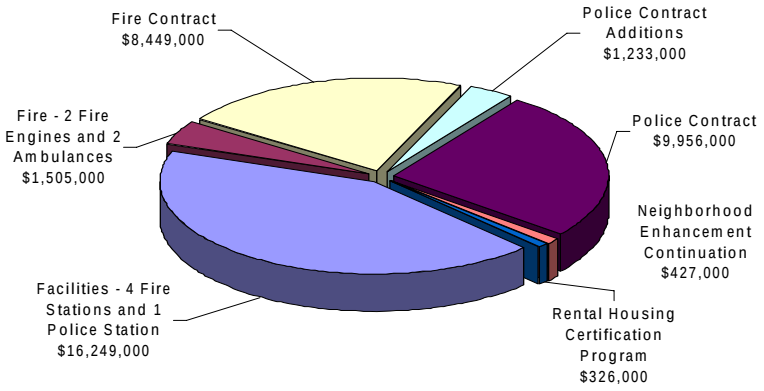
Significant Department Expenditure and Staffing Changes:

- One Maintenance Worker (1.0 FTE) position is added to provide half of the staffing for a second "Vactor" positive displacement sewer and storm drain cleaning truck. The second Maintenance Worker position to staff the Vactor truck is funded in the Public Works Street Maintenance Program.

Summary of Operating Expenditures and Staffing Changes (Continued)

2007-08 Public Safety

$38,145,000



Total Fire $9,954,000

	2004-05	2005-06	2006-07	2007-08
Safety	41	47	53	53
Non-Safety	4	4	6	6
Total	45	51	59	59
On Duty 24/7	13	15	17	17

Total Police $11,189,000

	2004-05	2005-06	2006-07	2007-08
Sworn	40	43	49	55
Non-Sworn	11	12	15	18
Total	51	55	64	73
Sworn per 1,000	0.53	0.57	0.60	0.64
Goal is 0.75/1,000				

POLICE DEPARTMENT

Department	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Change From 2006-07 Budget Budget
Police	$9,546,808	$11,316,421	$1,769,613	19%
Total Police	$9,546,808	$11,316,421	$1,769,613	19%
Full-Time Staff (FTE)	64.50	73.50	9.00	14%

Significant Department Expenditure and Staffing Changes:

- The contract with the County Board of Supervisors for Police Services is proposed to increase in total by 20.9%, or $1,771,000 from $8,867,425 to $10,638,425. To continue the current level of services, the contract increased 7.1%, or $538,301, from $8,867,425 to $9,405,726. In addition to current level, $1,232,699 is included for one Sheriff's Deputy as a component of the Citywide Graffiti Task Force and five safety and three non-safety staff and related vehicles to improve patrol services as follows:

  - Five Sheriff's Deputies – Patrol
  - One Sheriff's Deputy – Graffiti Task Force
  - One Sheriff's Service Specialist
  - One Supervising Office Specialist
  - One Office Specialist
  - Three Marked Units
  - Three Mid-size 4x4 Trucks

- Funding of $12,000 is included to replace two motorcycles for the Off-Highway Vehicle Enforcement Program.

Summary of Operating Expenditures and Staffing Changes (Continued)

FIRE DISTRICT

Department	2006-07 Budget	2007-08 Budget	Change From 2006-07 Budget Amount	Change From 2006-07 Budget Budget
Operations and Community Safety	$7,721,405	$8,091,789	$370,384	5%
Administration	780,281	1,861,780	1,081,499	139%
Total Fire District	$8,501,686	$9,953,569	$1,451,883	17%
Full-Time Staff (FTE)	59	59	0	n/a

Significant Department Expenditure and Staffing Changes:

- The County contract for the current level of service has increased from $7,721,405 to $8,091,789, for a $370,384, or 4.8% increase paid to the San Bernardino County Consolidated Fire District for the continuation of 53.0 FTE safety staff and 6.0 FTE non-safety staff, plus other expenses provided in the contract.
- Carryover funding of $752,500 ($695,000 Redevelopment Capital/$57,500 Fire Operating) is included for the purchase of one replacement Type One Fire Engine, one replacement 4x4 Ambulance, and one replacement Battalion Command SUV approved in Fiscal Year 2006-07.
- Funding of $752,500 ($695,000 Redevelopment Capital/$57,500 Fire Operating) is included for the purchase one replacement Type One Fire Engine, one replacement 4x4 Ambulance, and one replacement Battalion Command SUV.

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.*

Rita Vogler
Mayor

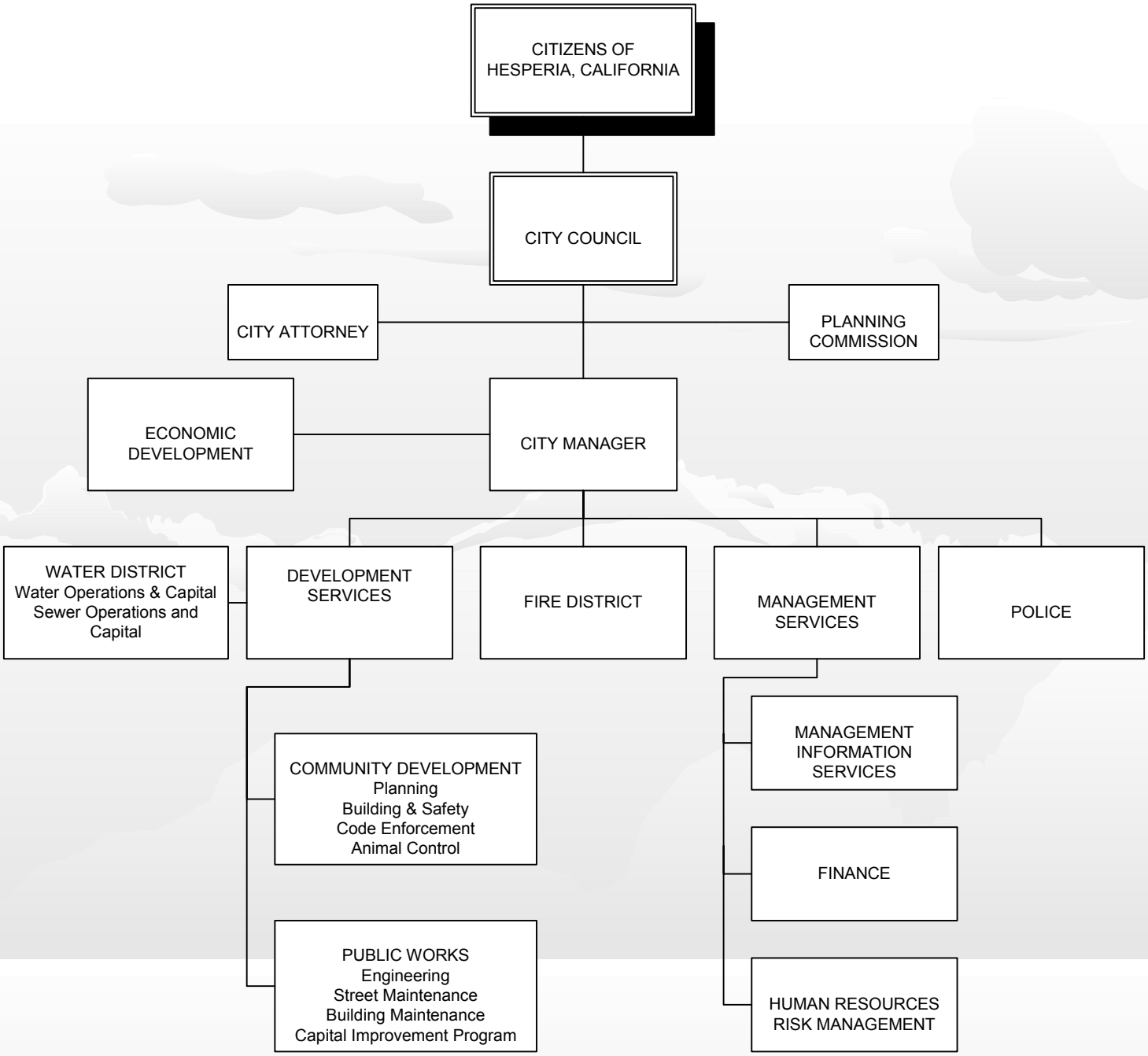
Mike Leonard
Mayor Pro Tem

Tad Honeycutt
Council Member

Ed Pack
Council Member

Thurston "Smitty" Smith
Council Member

CITY OF HESPERIA ORGANIZATIONAL CHART



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 seventeen 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.

HESPERIA COMMUNITY PROFILE

Date Incorporated ..... July 1, 1988

Form of Government ..... General Law

Population as of January 1, 2007 (Calif StateDept of Finance est) 85,876

Population 2003-2007 - 4 Years +15,293 or 23.4%

	Jan. 1, 2003	Jan. 1, 2004	Jan. 1, 2005	Jan. 1, 2006	Jan. 1, 2007
Population	68,195	70,744	76,114	80,268	85,876
Change: Amount	+2,720	+2,549	+5,370	+4,154	+5,658
Change: Percent	+4.2%	+3.7%	+7.6%	+5.5%	+7.1%

Median Family Income $47,839

Altitude ..... 3,250 Feet

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

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

Area ..... 74.77 Square Miles

Streets ..... 530.2 Miles

City Maintained Streets ..... 524.5 Miles

Fire Protection:

Number of Stations 3

Number of Staff – Firefighters/Officers 53

Police Protection (Contract with San Bernardino County):

Number of Stations 1

Number of Sworn Officers 49

Education (Hesperia Unified School District):

Number of Schools 25

Number of Teachers 1,036

Number of Students 21,495

Recreation and Culture Parks 6

Hotels/Motels – Number of Lodging Properties 8

City of Hesperia Employees (Full & Part-Time Positions) 155.83

Water District:

Water Service Connections 26,456

Sewer Service Connections 4,350

Active Well Sites 13

Reservoirs 14

RESOURCES AND EXPENDITURE SUMMARIES

- *Overview*
- *Summary*
- *General Fund – 2007-08 Budget, Fund Balance, and Reserves*
- *Water District – 2007-08 Budget, Fund Balance, and Reserves*
- *Fire District – 2007-08 Budget, Fund Balance, and Reserves*
- *Streets Maintenance Fund – 2007-08 Budget, Fund Balance, and Reserves*

RESOURCES AND EXPENDITURES SUMMARIES

OVERVIEW

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

The two primary factors considered include:

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

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 three of the four funds. The 2007-08 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 2007-08 Budget.

SUMMARY

All four of the City's primary operating funds are balanced with a surplus. Cash reserve levels substantially exceed the City Council policy of 10% in the General Fund, Water District, and Fire District . The 10% policy does not apply to the Streets Maintenance Fund as it receives its funding, primarily, from the Gas Tax fund and the Local Transportation Fund. The City Council's policy of maintaining 10% cash reserves as a percent of expenditures is illustrated on the following schedules.

The Water District's four funds (Water Operations, Water Capital, Sewer Operations, and Sewer Capital) are shown individually and combined by major function. Note that the Water Capital fund is projected to end the fiscal year with a negative fund balance. This negative fund balance reflects work done in advance of future growth which growth will, in turn, generate sufficient fees to cure the deficit.

RESOURCES AND EXPENDITURES SUMMARIES

GENERAL FUND – 2007-08 BUDGET, FUND BALANCE, AND RESERVES

	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
RESOURCES				
Total General Fund Revenue	$ 23,154,325	$ 26,453,428	$ 26,373,104	14%
Budgeted Reserves				
1. Specific Plan Carryover	$ 275,000	$ 0	$ 110,000	
2. General Plan Update	575,000	0	600,000	
3. Solid Waste Study	0	0	150,000	
4. Automated Project Tracking	0	0	168,750	
5. Vactor Truck cost to fund 263	0	0	340,000	
6. Code Compliance Facility	0	0	75,000	
7. Downtown Park	0	0	250,000	
8. Juniper/Smoke Tree/8th Avenue Project	0	0	200,000	
Total Budgeted Reserves	$ 850,000	$ 0	$ 1,893,750	
Transfers				
1. Fund 255 - AB 3229 COPS Grant	$ 128,000	$ 128,000	$ 179,000	
2. Fund 700 - Water G&A Allocation	850,000	850,000	850,000	
3. Fund 389 - Redevelopment G&A Allocation	250,000	250,000	250,000	
4. Fund 263 - Street Maintenance	0	0	(340,000)	
5. Fund 401 - City Debt Service	(18,375)	(18,375)	(177,454)	
Total Transfers	1,209,625	1,209,625	761,546	
TOTAL RESOURCES (Revenue, Budgeted Reserves, and Transfers)	25,213,950	27,663,053	29,028,400	
TOTAL GENERAL FUND EXPENDITURES	24,724,533	23,828,193	28,329,816	15%
DIFFERENCE RESOURCES/EXPENDITURES	$ 489,417	$ 3,834,860	$ 698,584	

GENERAL FUND – FUND BALANCE AND RESERVES

Fund Balance			
July 1 Beginning Balance	$ 14,895,127	$ 17,735,942	$ 21,570,802
Total Budgeted Reserves	(850,000)	0	(1,893,750)
Difference Resources/Expenditures	489,417	3,834,860	698,584
Estimated June 30 Ending Balance	$ 14,534,544	$ 21,570,802	$ 20,375,636
General Fund Reserve Amounts			
10% of expenditures	$ 2,472,453	$ 2,382,819	$ 2,832,982
Cash and Investments			
June 30 Ending Balance	$ 14,534,544	$ 21,570,802	$ 20,375,636
Estimated Cash and Investment Portion of Fund Balance	x 48.8%	x 48.8%	x 48.8%
Estimated Cash and Investment Balance	$ 7,092,857	$ 10,526,551	$ 9,943,310

Reserves	2006-07 Reserve %				2007-08 Reserve %
10% Cash Reserve (Council Policy)	10%	$ 2,472,453	$ 2,382,819	$ 2,832,982	10%
Reserves Above/(Below) 10% Reserve	19%	4,620,404	8,143,732	7,110,328	25%
Total Estimated Cash Reserves	29%	$ 7,092,857	$ 10,526,551	$ 9,943,310	35%

RESOURCES AND EXPENDITURES SUMMARIES

WATER DISTRICT – 2007-08 BUDGET, FUND BALANCE, AND RESERVES

	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
RESOURCES				
Revenue				
Water Operating and Capital	$ 20,536,862	$ 19,892,877	$ 20,170,094	-2%
Sewer Operating and Capital	2,359,697	2,736,115	2,451,987	4%
Total Revenue	$ 22,896,559	$ 22,628,992	$ 22,622,081	-1%
Budgeted Reserves				
Budgeted Reserves	$ 23,513,855	$ 7,129,762	$ 22,473,094	
Total Budgeted Reserves	23,513,855	7,129,762	22,473,094	
Total Resources	$ 46,410,414	$ 29,758,754	$ 45,095,175	
EXPENDITURES by Program				
Water Operating and Capital	$ 43,208,425	$ 27,022,639	$ 42,255,312	-2%
Sewer Operating and Capital	2,852,387	1,125,500	2,160,077	-24%
Total Expenditures	46,060,812	28,148,139	44,415,389	-4%
Difference Resources/Expenses	$ 349,602	$ 1,610,615	$ 679,786	

WATER DISTRICT – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	$ 70,302,903	$ 80,505,139	$ 74,985,992	
Budgeted Reserves	(23,513,855)	(7,129,762)	(22,473,094)	
Difference Resources/Expenditures	349,602	1,610,615	679,786	
Estimated June 30 Ending Balance	$ 47,138,650	$ 74,985,992	$ 53,192,684	
Water District Reserve Amounts				
10% of expenditures	$ 4,606,081	$ 2,814,814	$ 4,441,539	
Cash and Investments				
June 30 Ending Balance	$ 47,138,650	$ 74,985,992	$ 53,192,684	
Estimated Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%	
Estimated Cash and Investment Balance	$ 8,484,957	$ 13,497,479	$ 9,574,683	
Reserves				2007-08 Reserve %
10% Cash Reserve (Council Policy)	$ 4,606,081	$ 2,814,814	$ 4,441,539	10%
Reserves Above/(Below) 10% Reserve	3,878,876	10,682,665	5,133,144	12%
Total Estimated Cash Reserves	$ 8,484,957	$ 13,497,479	$ 9,574,683	22%

RESOURCES AND EXPENDITURES SUMMARIES

WATER DISTRICT – WATER COMBINED - 2007-08 BUDGET, FUND BALANCE, AND RESERVES

	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
RESOURCES				
Total Water District Revenue - Water	$ 20,536,862	$ 19,892,877	$ 20,170,094	-2%
Budgeted Reserves				
Budgeted Reserves	22,671,563	7,129,762	22,085,218	
Total Budgeted Reserves	22,671,563	7,129,762	22,085,218	
Total Resources	43,208,425	27,022,639	42,255,312	
EXPENDITURES by Program				
700 4010 Source of Supply	1,454,798	2,172,643	2,621,481	
700 4020 Production	3,489,587	3,275,388	4,118,632	
700 4030 Water Distribution	1,654,540	1,248,229	1,297,458	
700 4035 Water Line Replacement	2,533,039	1,517,637	2,269,841	
700 4040 Engineering	567,437	498,146	1,615,478	
700 4050 Customer Service	1,466,509	1,019,309	1,521,931	
700 4060 Utility Billing	681,901	715,569	798,403	
700 4070 Administration	5,172,754	4,628,477	4,608,833	
700 4080 Property Management	307,581	282,682	343,522	
701 800 Water CIP	25,880,279	11,664,559	23,059,733	
Total Expenditures	43,208,425	27,022,639	42,255,312	-2%
Difference Resources/Expenses	$ 0	$ 0	$ 0	

WATER COMBINED – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	$ 60,668,209	$ 70,705,003	$ 63,575,241	
Budgeted Reserves	(22,671,563)	(7,129,762)	(22,085,218)	
Difference Resources/Expenditures	0	0	0	
Estimated June 30 Ending Balance	$ 37,996,646	$ 63,575,241	$ 41,490,023	
Water District Reserve Amounts				
10% of expenditures	$ 4,320,843	$ 2,702,264	$ 4,225,531	
Cash and Investments				
June 30 Ending Balance	$ 37,996,646	$ 63,575,241	$ 41,490,023	
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%	
Estimated Cash and Investment Balance	$ 6,839,396	$ 11,443,543	$ 7,468,204	
Reserves				2007-08 Reserve %
10% Cash Reserve (Council Policy)	$ 4,320,843	$ 2,702,264	$ 4,225,531	10%
Reserves Above/(Below) 10% Reserve	2,518,554	8,741,279	3,242,673	8%
Total Estimated Cash Reserves	$ 6,839,396	$ 11,443,543	$ 7,468,204	18%

RESOURCES AND EXPENDITURES SUMMARIES

WATER DISTRICT – WATER OPERATIONS - 2007-08 BUDGET, FUND BALANCE, AND RESERVES

	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
RESOURCES				
Total Water Operations Revenue	$ 14,118,559	$ 13,725,087	$ 14,850,954	5%
Budgeted Reserves				
Budgeted Reserves	3,209,587	1,632,993	4,344,625	
Total Budgeted Reserves	3,209,587	1,632,993	4,344,625	
Total Resources	17,328,146	15,358,080	19,195,579	
EXPENDITURES by Program				
700 4010 Source of Supply	1,454,798	2,172,643	2,621,481	
700 4020 Production	3,489,587	3,275,388	4,118,632	
700 4030 Water Distribution	1,654,540	1,248,229	1,297,458	
700 4035 Water Line Replacement	2,533,039	1,517,637	2,269,841	
700 4040 Engineering	567,437	498,146	1,615,478	
700 4050 Customer Service	1,466,509	1,019,309	1,521,931	
700 4060 Utility Billing	681,901	715,569	798,403	
700 4070 Administration	5,172,754	4,628,477	4,608,833	
700 4080 Property Management	307,581	282,682	343,522	
Total Expenditures	17,328,146	15,358,080	19,195,579	11%
Difference Resources/Expenses	$ 0	$ 0	$ 0	

WATER OPERATIONS – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	$ 37,141,040	$ 53,848,333	$ 52,215,340	
Budgeted Reserves	(3,209,587)	(1,632,993)	(4,344,625)	
Difference Resources/Expenditures	0	0	0	
Estimated June 30 Ending Balance	$ 33,931,453	$ 52,215,340	$ 47,870,715	
Water District Reserve Amounts				
10% of expenditures	$ 1,732,815	$ 1,535,808	$ 1,919,558	
Cash and Investments				
June 30 Ending Balance	$ 33,931,453	$ 52,215,340	$ 47,870,715	
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%	
Estimated Cash and Investment Balance	$ 6,107,662	$ 9,398,761	$ 8,616,729	
Reserves				2007-08 Reserve %
10% Cash Reserve (Council Policy)	$ 1,732,815	$ 1,535,808	$ 1,919,558	10%
Reserves Above/(Below) 10% Reserve	4,374,847	7,862,953	6,697,171	35%
Total Estimated Cash Reserves	$ 6,107,662	$ 9,398,761	$ 8,616,729	45%

RESOURCES AND EXPENDITURES SUMMARIES

WATER DISTRICT – WATER CAPITAL - 2007-08 BUDGET, FUND BALANCE, AND RESERVES

	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
RESOURCES				
Total Water Capital Revenue	$ 6,418,303	$ 6,167,790	$ 5,319,140	-17%
Budgeted Reserves				
Budgeted Reserves	19,461,976	5,496,769	11,359,901	
Total Budgeted Reserves	19,461,976	5,496,769	11,359,901	
Total Resources	25,880,279	11,664,559	16,679,041	
EXPENDITURES by Program				
701 800 Water CIP	25,880,279	11,664,559	23,059,733	
Total Expenditures	25,880,279	11,664,559	23,059,733	-11%
Difference Resources/Expenses	$ 0	$ 0	$ (6,380,692)	

WATER CAPITAL – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	$ 23,527,169	$ 16,856,670	$ 11,359,901	
Budgeted Reserves	(19,461,976)	(5,496,769)	(11,359,901)	
Difference Resources/Expenditures	0	0	(6,380,692)	
Estimated June 30 Ending Balance	$ 4,065,193	$ 11,359,901	$ (6,380,692)	
Water District Reserve Amounts				
10% of expenditures	$ 2,588,028	$ 1,166,456	$ 2,305,973	
Cash and Investments				
June 30 Ending Balance	$ 4,065,193	$ 11,359,901	$ (6,380,692)	
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%	
Estimated Cash and Investment Balance	$ 731,735	$ 2,044,782	$ (1,148,525)	
Reserves				2007-08 Reserve %
10% Cash Reserve (Council Policy)	$ 2,588,028	$ 1,166,456	$ 2,305,973	10%
Reserves Above/(Below) 10% Reserve	(1,856,293)	878,326	(3,454,498)	-15%
Total Estimated Cash Reserves	$ 731,735	$ 2,044,782	$ (1,148,525)	-5%

RESOURCES AND EXPENDITURES SUMMARIES

WATER DISTRICT – SEWER COMBINED - 2007-08 BUDGET, FUND BALANCE, AND RESERVES

	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
RESOURCES				
Total Sewer Revenue	$ 2,359,697	$ 2,736,115	$ 2,451,987	4%
Budgeted Reserves				
Budgeted Reserves	842,292	0	387,876	
Total Budgeted Reserves	842,292	0	387,876	
Total Resources	3,201,989	2,736,115	2,839,863	
EXPENDITURES by Program				
710 4200 Sewer Distribution	1,123,467	1,050,500	1,160,077	
711 900 Sewer CIP	1,728,920	75,000	1,000,000	
Total Expenditures	2,852,387	1,125,500	2,160,077	-24%
Difference Resources/Expenses	$ 349,602	$ 1,610,615	$ 679,786	

SEWER COMBINED – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	$ 9,634,694	$ 9,800,136	$ 11,410,751	
Budgeted Reserves	(842,292)	0	(387,876)	
Difference Resources/Expenditures	349,602	1,610,615	679,786	
Estimated June 30 Ending Balance	$ 9,142,004	$ 11,410,751	$ 11,702,661	
Water District Reserve Amounts				
10% of expenditures	$ 285,239	$ 112,550	$ 216,008	
Cash and Investments				
June 30 Ending Balance	$ 9,142,004	$ 11,410,751	$ 11,702,661	
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%	
Estimated Cash and Investment Balance	$ 1,645,561	$ 2,053,935	$ 2,106,479	
Reserves				2007-08 Reserve %
10% Cash Reserve (Council Policy)	$ 285,239	$ 112,550	$ 216,008	10%
Reserves Above/(Below) 10% Reserve	1,360,322	1,941,385	1,890,471	88%
Total Estimated Cash Reserves	$ 1,645,561	$ 2,053,935	$ 2,106,479	98%

RESOURCES AND EXPENDITURES SUMMARIES

WATER DISTRICT – SEWER OPERATIONS - 2007-08 BUDGET, FUND BALANCE, AND RESERVES

	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
RESOURCES				
Total Sewer Operations Revenue	$ 1,473,069	$ 1,874,863	$ 1,839,863	25%
Budgeted Reserves				
Budgeted Reserves	0	0	0	
Total Budgeted Reserves	0	0	0	
Total Resources	1,473,069	1,874,863	1,839,863	
EXPENDITURES by Program				
710 4200 Sewer Distribution	1,123,467	1,050,500	1,160,077	
Total Expenditures	1,123,467	1,050,500	1,160,077	3%
Difference Resources/Expenses	$ 349,602	$ 824,363	$ 679,786	

SEWER OPERATIONS – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	$ 3,987,447	$ 7,588,674	$ 8,413,037	
Budgeted Reserves	0	0	0	
Difference Resources/Expenditures	349,602	824,363	679,786	
Estimated June 30 Ending Balance	$ 4,337,049	$ 8,413,037	$ 9,092,823	
Water District Reserve Amounts				
10% of expenditures	$ 112,347	$ 105,050	$ 116,008	
Cash and Investments				
June 30 Ending Balance	$ 4,337,049	$ 8,413,037	$ 9,092,823	
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%	
Estimated Cash and Investment Balance	$ 780,669	$ 1,514,347	$ 1,636,708	
Reserves				2007-08 Reserve %
10% Cash Reserve (Council Policy)	$ 112,347	$ 105,050	$ 116,008	10%
Reserves Above/(Below) 10% Reserve	668,322	1,409,297	1,520,700	131%
Total Estimated Cash Reserves	$ 780,669	$ 1,514,347	$ 1,636,708	141%

RESOURCES AND EXPENDITURES SUMMARIES

WATER DISTRICT – SEWER CAPITAL - 2007-08 BUDGET, FUND BALANCE, AND RESERVES

	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
RESOURCES				
Total Sewer Capital Revenue	$ 886,628	$ 861,252	$ 612,124	-31%
Budgeted Reserves				
Budgeted Reserves	842,292	0	387,876	
Total Budgeted Reserves	842,292	0	387,876	
Total Resources	1,728,920	861,252	1,000,000	
EXPENDITURES by Program				
711 900 Sewer CIP	1,728,920	75,000	1,000,000	
Total Expenditures	1,728,920	75,000	1,000,000	-42%
Difference Resources/Expenses	$ 0	$ 786,252	$ 0	

SEWER CAPITAL – FUND BALANCE AND RESERVES

Fund Balance				
July 1 Beginning Balance	$ 5,647,247	$ 2,211,462	$ 2,997,714	
Budgeted Reserves	(842,292)	0	(387,876)	
Difference Resources/Expenditures	0	786,252	0	
Estimated June 30 Ending Balance	$ 4,804,955	$ 2,997,714	$ 2,609,838	
Water District Reserve Amounts				
10% of expenditures	$ 172,892	$ 7,500	$ 100,000	
Cash and Investments				
June 30 Ending Balance	$ 4,804,955	$ 2,997,714	$ 2,609,838	
Cash and Investment Portion of Fund Balance	x 18.0%	x 18.0%	x 18.0%	
Estimated Cash and Investment Balance	$ 864,892	$ 539,589	$ 469,771	
Reserves				2007-08 Reserve %
10% Cash Reserve (Council Policy)	$ 172,892	$ 7,500	$ 100,000	10%
Reserves Above/(Below) 10% Reserve	692,000	532,089	369,771	37%
Total Estimated Cash Reserves	$ 864,892	$ 539,589	$ 469,771	47%

RESOURCES AND EXPENDITURES SUMMARIES

FIRE DISTRICT – 2007-08 BUDGET, FUND BALANCE, AND RESERVES

	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
RESOURCES				
Total Fire District Revenue	$ 7,791,101	$ 8,091,404	$ 8,905,192	14%
Budgeted Reserves	200,585	0	0	
Transfers				
1. Fire Engine Replacement	$ 460,000	$ 460,000	$ 0	
2. Metal Building	50,000	50,000	0	
3. Fire Engine Replacement - Mid Year Carryover	0	0	532,000	
4. Ambulance Replacement - Mid Year Carryover	0	0	163,000	
5. Fire Engine Replacement	0	0	532,000	
6. Ambulance Replacement	0	0	163,000	
Total Transfers	510,000	510,000	1,390,000	
TOTAL RESOURCES	8,501,686	8,601,404	10,295,192	
EXPENDITURES				
520 Operations & Community Safety	7,721,405	7,321,707	8,091,789	5%
521 Administration	780,281	873,888	1,861,780	139%
Total Expenditures	8,501,686	8,195,595	9,953,569	17%
DIFFERENCE RESOURCES/EXPENSES	$ 0	$ 405,809	$ 341,623	
Fund Balance				
July 1 Beginning Balance	$ 1,415,918	$ 2,084,584	$ 2,490,393	
Budgeted Reserves	(200,585)	0	0	
Budget Amendment reserves	0	0	0	
Difference Resources/Expenditures	0	405,809	341,623	
Estimated June 30 Ending Balance	$ 1,215,333	$ 2,490,393	$ 2,832,016	133%
Fire District Reserve Amounts				
10% of expenditures	$ 850,169	$ 819,560	$ 995,357	
Cash and Investments				
June 30 Ending Balance	$ 1,215,333	$ 2,490,393	$ 2,832,016	
Estimated Cash and Investment Portion of Fund Balance	x 64%	x 64%	x 64%	
Estimated Cash and Investment Balance	$ 777,813	$ 1,593,852	$ 1,812,490	
Reserves				2007-08 Reserve %
10% Cash Reserve (Council Policy)	$ 850,169	$ 819,560	$ 995,357	10%
Reserves Above/(Below) 10% Reserve	(72,356)	774,292	817,133	8%
Total Estimated Cash Reserves	$ 777,813	$ 1,593,852	$ 1,812,490	18%

RESOURCES AND EXPENDITURES SUMMARIES

STREETS MAINTENANCE FUND – 2007-08 BUDGET, FUND BALANCE, AND RESERVES

	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
RESOURCES				
Total Street Maintenance Fund Revenue	$ 23,413	$ 32,861	$ 44,448	90%
Budgeted Reserves	216,338	29,432	168,093	
Transfers				
1. Fund 100 - General Fund	$ 0	$ 0	$ 340,000	
2. Fund 205 - Gas Tax Fund	570,000	570,000	424,000	
3. Fund 207 - Local Transportation Fund (LTF)	2,025,000	2,075,876	2,021,000	
4. Fund 250 - Traffic Congestion Relief	0	0	500,000	
Total Transfers	2,595,000	2,645,876	3,285,000	
TOTAL RESOURCES (Revenue, Budgeted Reserves, and Transfers)	2,834,751	2,708,169	3,497,541	
TOTAL STREET MAINTENANCE FUND EXPENDITURES	2,834,751	2,708,169	3,497,541	23%
DIFFERENCE RESOURCES/EXPENDITURES	$ 0	$ 0	$ 0	
Fund Balance				
July 1 Beginning Balance	$ 247,882	$ 303,821	$ 274,389	
Total Budgeted Reserves	(216,338)	(29,432)	(168,093)	
Difference Resources/Expenditures	0	0	0	
Estimated June 30 Ending Balance	$ 31,544	$ 274,389	$ 106,296	

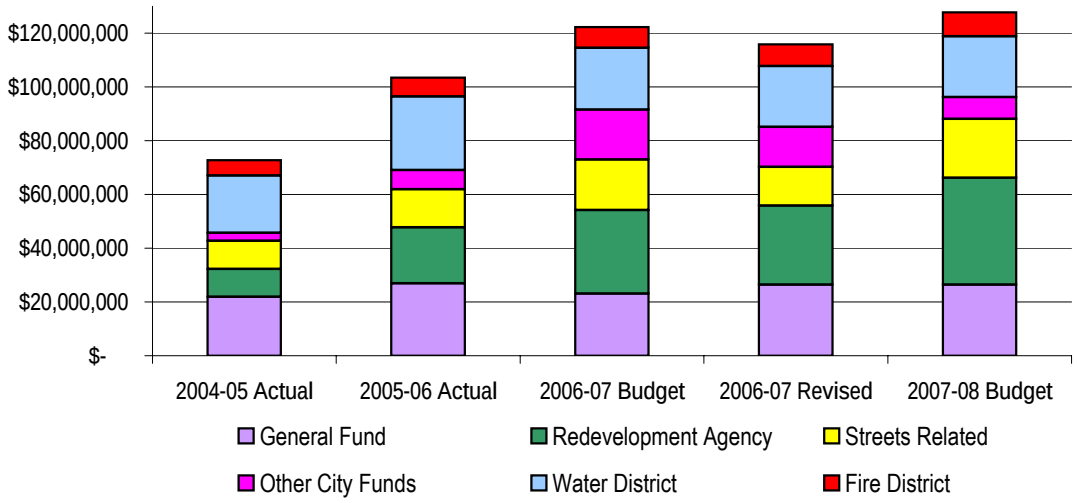
REVENUE

SUMMARIES

- *Total City Revenue Trend*
- *Summary and Highlights*
- *Total General Fund Revenue*
  - *5 – Year Projections*
  - *Triple Flip Revenue Comparison*
  - *General Fund Development Revenues*
  - *Other General Fund Taxes and Interest Income*
- *Streets, Transportation, and Other City Related Fund*
- *Redevelopment Agency Revenue Trend*
- *Water District Revenue Trend*
- *Fire District Revenue Trend*
- *Revenue – Summary by Major Groups*
- *Revenue – Detail by Fund*

REVENUE

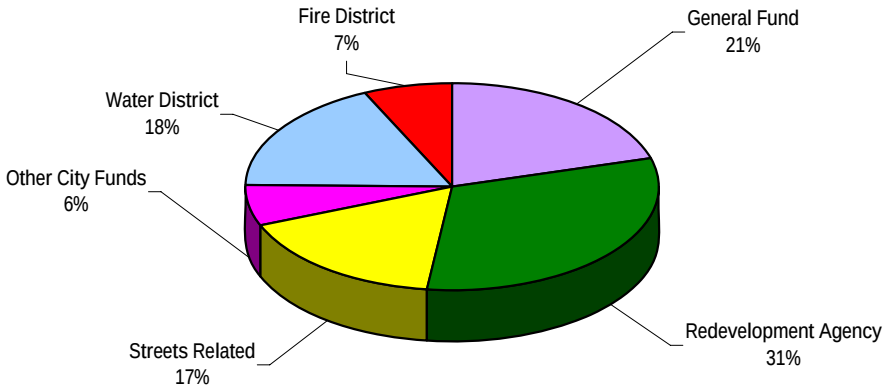
Total City Revenue Trend



	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
General Fund	$ 21,894,397	$ 26,877,102	$ 23,154,325	$ 26,453,428	$ 26,373,104	14%
Redevelopment Agency	10,403,151	20,863,869	30,990,870	29,425,092	39,823,107	28%
Streets Related	10,392,205	14,215,652	18,868,718	14,310,597	21,880,136	16%
Other City Funds	3,079,007	7,121,281	18,591,422	14,896,702	8,138,791	-56%
Water District	21,233,989	27,406,525	22,896,559	22,628,992	22,622,081	-1%
Fire District	5,720,715	6,953,437	7,791,101	8,091,404	8,905,192	14%
Total All Funds	$ 72,723,464	$103,437,866	$122,292,995	$115,806,215	$ 127,742,411	4%

REVENUE

2007-08 Budget Total City Revenue



REVENUE

SUMMARY and HIGHLIGHTS

The City of Hesperia maintains the practice of matching the revenue type to the similar expenditure type. There are two basic revenue types: one-time revenue and on-going revenue. Contrary to the fiscal practices of the State of California, the City will not use one-time revenue (i.e. bond proceeds) to pay for on-going expenditures (i.e. new employees). When compared to FY2004-05, the overall combined CIty revenue for 2007-08 Budget is expected to increase by 76% or $55 million. The revenues listed in this section, which reports the revenues of all budgeted funds, does not include bond proceeds which is a one-time revenue.

General Fund - General Fund revenue is for the normal operations of and services provided by the City which are not specifically accounted for in other funds. The 2007-08 Budget for the General Fund is projecting an increase of 14% or $3.2 million over the 2006-07 Budget, primarily because of the following:

- Sales and Use Tax revenue is projected to increase 5% or $422,000.
- Vehicle License Fee revenue is expecting an increase of $1.8 million or 30%
- Franchise Fee revenue is expected to grow 17% or about $350,000
- Property Transfer Tax revenue is expecting to reach $345,000 a decrease of 48% or about $315,000.
- Since 2004-05 Actual, total General Fund revenue is expected to increase 20% or $4.5 million for the 2007-08 Budget

Redevelopment Agency - These funds track the City's redevelopment revenue that is used to eliminate blight within the project areas, assist in expanding the City's business base, and assist with low and moderate income housing needs for the City. Most all of this revenue is derived from property tax increment which has restrictions on use. Some of the major highlights are:

- Overall Redevelopment Agency revenue is expected to increase 28% or $8.8 million from the 2006-07 Budget of $31 million to the $39.8 million the 2007-08 Budget.
- Since 2004-05 Actual, the 2007-08 Tax Increment revenue is projected to increase 292% or by $27.5 million

Streets & Transportation Related Funds - This group is comprised of 12 street and transportation related funds.

- Developer Impact Fees (DIF) for Streets and Storm Drain revenue will have increased 86% or $3.8 million since 2004-05 Actuals, or from $4.4 million 2004-05 to $8.2 million in 2007-08. Of these two DIF fees the Storm Drain DIF will not see a fee increase in FY2007-08. This increase in the combined 2007-08 DIF Budget revenue over 2006-07 DIF Budget revenue will occur inspite of an anticipated decrease in residential building permits from 1,000 for the FY2006-07 Budget to 600 for the FY2007-08 Budget.
- Combined Measure I (Arterial and Local) revenue is expected to increase to $3,882,479 or 36% from the 2004-05 Actual.
- Local Transportation Fund (LTF) revenue is expected to increase to $2,054,146 or 49% since the 2004-05 Actual.

Non-Streets Related Other City Funds - This group is comprised of 20 other non-street related funds. Each of these funds receive revenue that is restricted for specific uses. Some of the major highlights are:

- Developer Impact Fee (DIF) for Fire, Police, and Public Safety revenue will have increased 75% or $1.0 million since 2004-05 Actuals, or from $1.4 million 2004-05 to $2.4 million in 2007-08. Of these three DIF fees only the Public Services DIF will not see a fee increase in FY2007-08. This increase in total 2007-08 Budget DIF revenue over 2006-07 Budget DIF revenue will occur inspite of an anticipated decrease in residential building permits from 1,000 for the FY2006-07 Budget to 600 for FY2007-08.

- The CDBG/HOME Housing and Urban Development (HUD) grants are expecting a combined decrease of 61% from the FY 2006-07 Budget of $13.9 million to the FY 2007-08 Budget of $5.5 million. This is the result of the planned projects funded by these grants being started in FY 2006-07 and continuing into FY 2007-08.

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

- Overall Water District revenue is expected to decrease about $0.3 million or 1% from the 2006-07 Budget of $22.9 million to the 2007-08 Budget of $22.6 million. This anticipates a decline in revenues attributed to development activity from 1,000 residential building permits for 2006-07 Budget to 600 for the 2007-08 Budget as the Water Capital Facility charge development fee is not being increased in FY2007-08.

- Water Sales revenue, which is 58% of the District's total revenue is anticipating a 26% increase since the 2004-05 Actual of $10.4 million to the 2007-08 Budget of $13.1 million.

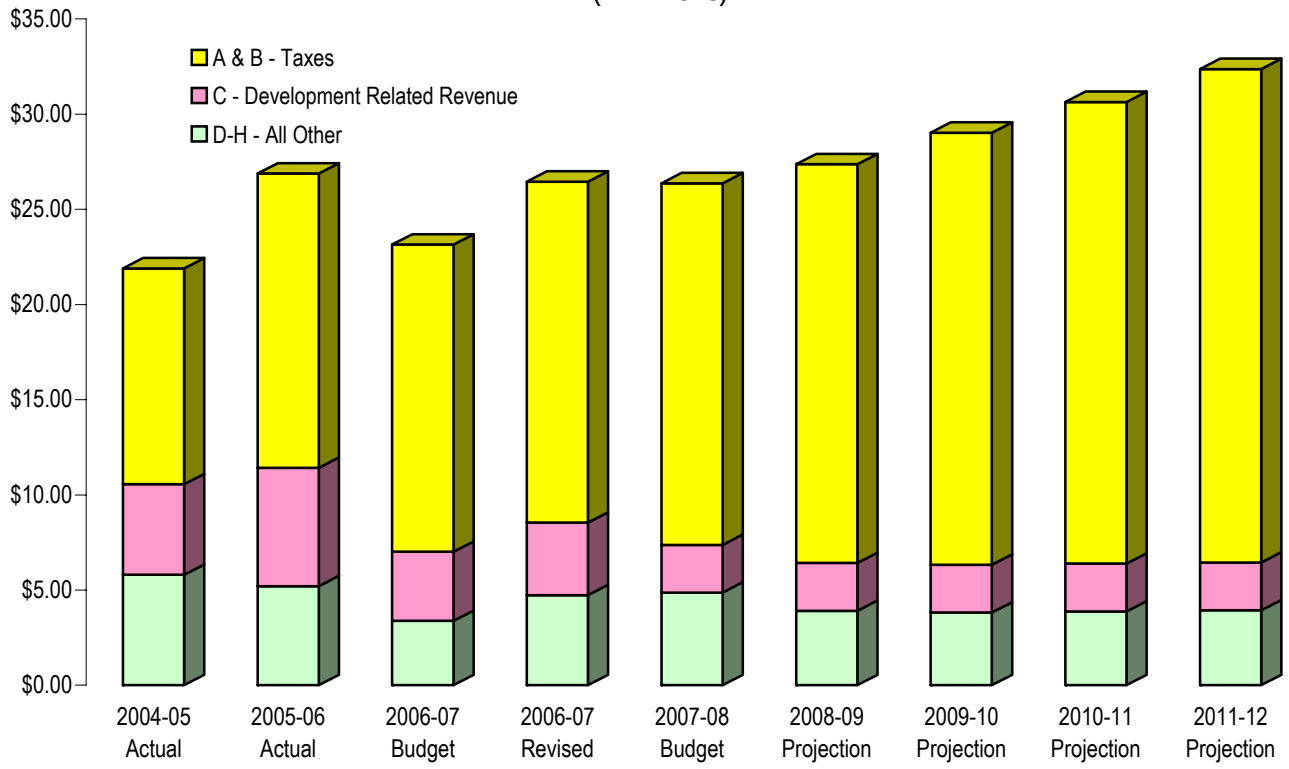
- Combined Sewer Operating and Capital revenues should increase by 14% from the 2004-05 Actual of $2.2 million to the 2007-08 Budget of $2.5 million.

Fire District - The revenues for the 2007-08 Budget are projected to be $8,905,192 or $1.1 million or 14% more than the 2006-07 Budget of $7,791,101 primarily due to the Redevelopment Pass Through. Some of the major highlights are:

- Property Taxes is projected to increase 17% from the 2004-05 fiscal year of $3.6 million to $4.2 million for the 2007-08 Budget.
- Paramedic Ambulance fee revenue is expecting a $200,000 increase to $1,800,000 over the 2006-07 Budget of $1,600,000.
- Redevelopment Tax Increment Pass Through is expected to increase about $400,000 from the 2006-07 Budget of $1.7 million to $2.2 million for the 2007-08 Budget.
- Community Facilities District 94-1 is expected to increase approximately $30,000 from the 2006-07 Budget of about $312,000 to the 2007-08 Budget of about $342,000.

General Fund Revenues 5-Year Projections

(in millions)



	2004-05 Actual	2005-06 2.1E+07	2006-07 Budget	2006-07 Revised	2007-08 Budget	2008-09 Projection	2009-10 Projection	2010-11 Projection	2011-12 Projection
A & B - Taxes	11.33	15.46	16.14	17.91	19.00	20.95	22.70	24.25	25.92
C - Development Related	4.76	6.21	3.63	3.81	2.51	2.51	2.51	2.51	2.51
D-H - All Other	5.80	5.21	3.38	4.73	4.87	3.91	3.82	3.88	3.94
	21.89	26.88	23.15	26.45	26.37	27.37	29.02	30.64	32.37

The City of Hesperia has segregated the General Fund revenue into three broad categories: Taxes, Development Related, and All Others. These groupings assist staff in forecasting the General Fund's revenue by allowing the estimation of the various factors influencing a category's growth. For example, the FY2007-08 Budget anticipates the issuance of less residential permits than FY2006-07 showing a corresponding decrease in Development revenues yet Tax revenue is expected to increase by more than the Development revenue decrease.

The Taxes group of revenues mostly increases with population growth and helped along by increased commercial choices for the citizens. City staff has further broken down the Sales Tax revenue into a segment that grows with population and a segment that grows with economic development. For each fiscal year, the expected sales tax generated by new major retailers is added to the population segment to determine the projected revenue of each fiscal year. Besides Sales Tax other tax revenues are Vehicle Licenses Fees, various property related taxes, and Transient Occupancy Tax.

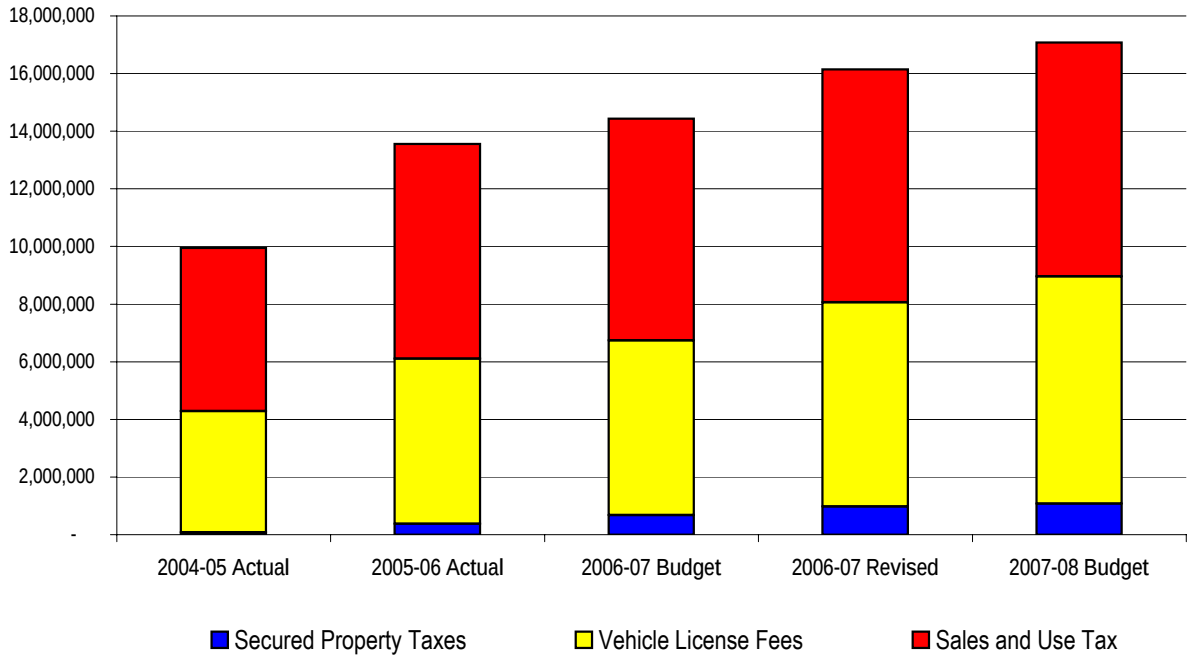
General Fund Revenues 5-Year Projections (Continued)

The Development Related revenue group allows for more accurate forecasting of these revenues by using the number of residential and commercial units expected for any fiscal year and then calculating the related fees. After the expected 750 permits issued during FY2006-07, the City anticipates issuing only 600 residential permits for FY2007-08 and then 750 for FY2008-09 and for each year thereafter. As expected, this revenue group is projecting a revenue decrease after the 2006-07 fiscal year. Types of revenue in this group are Building Permits, Plan Check fees, and grading permits.

The All Other revenue group comprises those revenues that generally do not fluctuate from one year to the next though there is gradual growth. These revenues are more insulated from changes in the economy than the Taxes and Development Related revenue groups. Some of the major revenues herein are interest earnings, grants, fines & forfitures, and other service fees. These revenue sources demonstrate modest growth in future years in accordance with the service demands of the estimated population growth. Also included in this group are one-time revenues such as the State of California's repayment of the Vehicle License Fees 'borrowed' from cities in a prior fiscal year, which is reflected in the 2005-06 Actual amount.

REVENUE

Triple Flip Revenue Comparison



General Fund Revenue	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Secured Property Taxes	$ 437,474	$ 768,287	$ 682,500	$ 982,629	$ 1,072,049	
AB1661 ERAF	(355,554)	(390,718)	0	0	0	
Sub-Total Property Tax Revenues	81,920	377,569	682,500	982,629	1,072,049	57%
Vehicle License Fees (VLF)	456,984	499,513	473,092	544,000	571,200	
Triple Flip - Vehicle License Fees	3,749,471	5,230,187	5,579,251	6,539,539	7,314,429	
Sub-Total VLF Revenues	4,206,455	5,729,700	6,052,343	7,083,539	7,885,629	30%
Sales and Use Tax	4,454,285	5,930,466	6,050,000	5,800,000	6,122,000	
Sales and Use Tax Triple Flip	1,209,269	1,516,187	1,650,000	2,281,586	2,000,000	
Sub-Total Sales Tax Revenues	5,663,554	7,446,653	7,700,000	8,081,586	8,122,000	5%
TOTAL TRIPLE-FLIP EFFECTED GENERAL FUND REVENUES	$ 9,951,929	$ 13,553,922	$ 14,434,843	$ 16,147,754	$ 17,079,678	18%

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

Triple Flip Revenue Comparison (Continued)

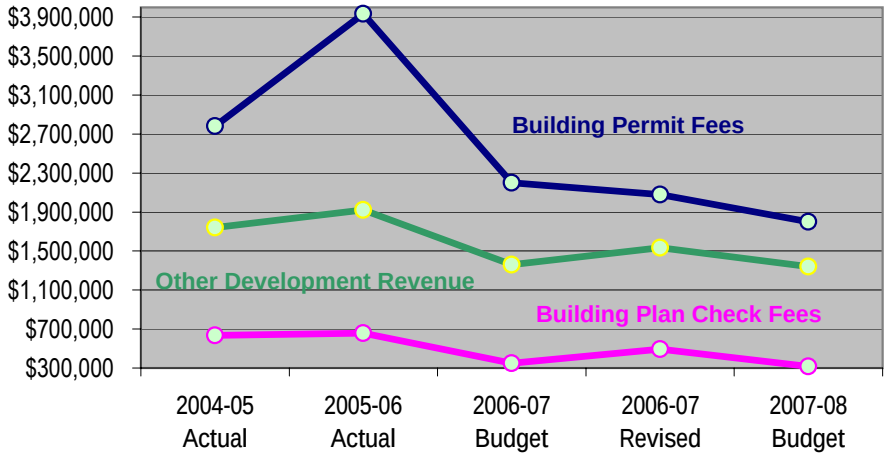
Secured Property Tax - The 2006-07 Budget of $1,072,049 is 57% higher than the 2006-07 Budget, an increase of $391,500. Property owners pay a basic tax of 1% of their property's valuation to the County annually. Of this 1% tax levy the City's General Fund receives approximately 1.5 cents of every property tax dollar. Secured Property Tax revenue for FY2007-08 is projecting a $89,420 or 9% increase over FY2006-07 Revised estimates.

Sales and Use Tax - The combined 2007-08 Budget estimate for Sales and Use Tax and the Sales Tax Triple Flip revenues, representing the City's total Sales Tax revenue, is $8.1 million an increase of $422,000 or 5% increase over the 2006-07 Budget. However, the $8.1 million FY 2007-08 Budget is about 0.5% or about $40,000 more than the FY2007-08 Revised estimate. The 0.5% reflects a state-wide flat growth in sales tax revenue as projected by the City's sales tax analysts and the State Board of Equaliazation.

Vehicle License Fee (VLF) - In estimating the VLF revenue, the State Department of Finance has provided a model which basically calculates the difference in the growth of the City's population with the change in the State's population and then factors that with the anticipated growth of the VLF revenue to determine what the City can expect to receive in a given year. Similar to Sales Tax, the combined 2007-08 Budget for VLF and VLF Swap Triple Flip revenues estimate is $7,885,629 an increase of $1,833,286 or 30% over the Adopted 2006-07 Budget. The $7,885,629 is $842,504 or 12.0% more than the FY 2006-07 Revised.

REVENUE

General Fund Development Revenues



Development Revenues	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Building Permit Fees	$ 2,782,173	$ 3,934,348	$ 2,200,000	$ 2,080,000	$ 1,800,000	-18%
Building Plan Check Fees	634,787	656,840	350,000	495,000	315,000	-10%
Other Development Revenues	1,739,701	1,923,148	1,362,000	1,535,648	1,339,480	-2%
Total Development	$ 5,156,661	$ 6,514,336	$ 3,912,000	$ 4,110,648	$ 3,454,480	-12%

Overall, Development revenues are projected to decrease by 12% from FY2006-07 estimates based on an anticipated decrease of 400 residential building permits (1,000 2006-07 Budget to 600 FY2007-08 Budget). Development related revenue sources comprise 12.9% of the General Fund FY2007-08 Estimated Revenues. This is down from 16.9% of the FY2006-07 Budget indicating that other, more stable, revenue sources are growing as a significant portion of the budget.

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 6.7% of the General Fund revenue which is down from 9.5% for the 2006-07 Budget. The 2007-08 Budget revenue projection estimates that 600 residential building permits will be issued during the fiscal year or 20.0% less than the 750 estimated in the FY2006-07 Revised. The FY2006-07 Revised Single Family Residence permits, projected at 750, are down from 1,000 for the FY2006-07 Budget, 1,659 for FY2005-06, 1,263 for FY2004-05, 1,459 for FY2003-04, and 736 for FY2002-03.

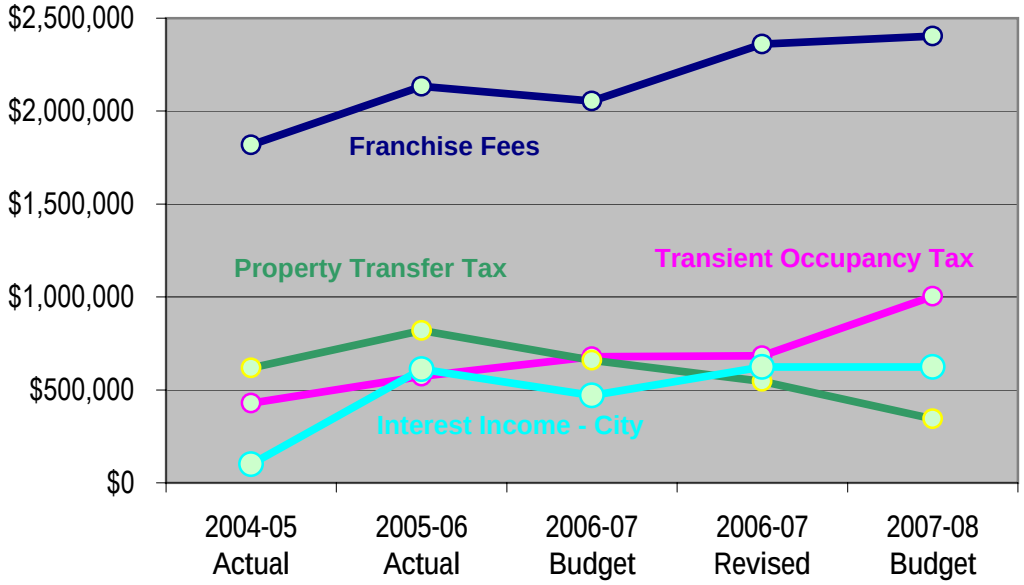
Building Plan Check Fees - The purpose of these fees are to offset the cost of verifying that the proposed structures will be in compliance with existing building codes and zoning requirements.

The 2007-08 Budget projected revenue of $315,000 represents a 10% decrease from the 2006-07 Budget estimated amounts due to the continued slowdown of development activity in the City.

Other Development Revenues - This classification captures the remaining development revenues into one group. As a group these revenues are only 5.0% of the total General Fund 2007-08 Budget. Compared to the 2006-07 Budget this revenue group is projected to decrease 2% for the 2007-08 Budget.

REVENUE

Other General Fund Taxes and Interest Income



	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Franchise Fees	$ 1,817,940	$ 2,133,736	$ 2,053,520	$ 2,359,833	$ 2,403,710	17%
Transient Occupancy Tax	428,309	573,167	678,825	682,900	1,004,000	48%
Property Transfer Tax	617,947	819,907	660,000	545,966	345,000	-48%
Interest Income – City	99,827	611,217	470,000	622,637	622,637	32%
Total Other Taxes & Interest	$ 2,964,023	$ 4,138,027	$ 3,862,345	$ 4,211,336	$ 4,375,347	13%

Overall, this group of revenues are projected to increase by 13% over FY2006-07 estimates. Other Taxes and Interest comprise 17.1% of the General Fund FY2007-08 Estimated Revenues. This is up from 16.7% of the FY2006-07 Budget.

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 2007-08 Budget estimates revenue of $2,403,710 which is 9.0% of the General Fund budget. This is up from 8.9% for the 2006-07 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. The 2007-08 Budget projected revenue of $1,004,000 represents a 48% increase from the FY2006-07 Budget amounts due to the addition of one new hotel in the City late in the 2006-07 fiscal year and also the voter approved tax increase from 7% to 10% in November 2006.

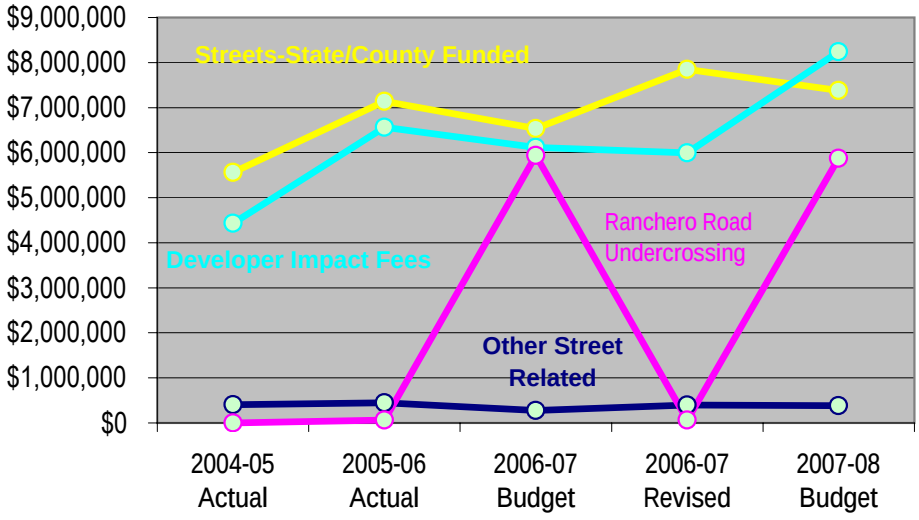
Other General Fund Taxes and Interest Income (Continued)

Property Transfer Tax - This revenue is based on the transfer of real property within the City. The City receives $0.275 per $500 of the sale value from the County. The 2007-08 Budget projects an 48% decrease from the 2006-07 Budget revenue estimate, based on the average of the last four months of FY 2006-07 revenue collections and a 'cooling' of housing market. The FY 2007-08 Budget estimate is a conservative $345,000 based on gradual quarterly increases during FY 2007-08.

Interest Income-City - Interest rates have been increasing over the last three years along with the General fund's cash balance, which leads to more interest revenue. For the 2007-08 Budget the interest rate for interest earnings is estimated at 5.00%. Compared to FY2006-07 this revenue source is projected to increase by 32% for the FY2007-08 Budget. The FY2004-05 Actual of $99,827 does not reflect the $2,372,024 of interest repayment from the Hesperia Community Redevelopment Agency for prior year advances. The total FY2004-05 General Fund interest earnings, as reported in the Comprehensive Annual Financial Report, is $2,471,851.

REVENUE

Streets CIP and Other Transportation Related Funds



	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Measure I	$ 2,863,173	$ 3,567,543	$ 3,215,695	$ 3,700,333	$ 3,882,479	21%
Traffic Congestion Relief	177	345,786	1,933	531,500	19,496	909%
Gas Tax	1,320,451	1,400,981	1,301,551	1,426,998	1,426,161	10%
Local Transportation	1,376,083	1,823,448	2,017,989	2,190,986	2,054,146	2%
Sub-Total Streets-State/County Funded	5,559,884	7,137,758	6,537,168	7,849,817	7,382,282	13%
Developer Impact Fees	4,430,045	6,564,996	6,114,875	5,997,454	8,240,704	35%
Ranchero Road Undercrossing	0	64,982	5,938,585	63,236	5,875,350	-1%
Other Street & Transportation Related Funds	402,276	447,916	278,090	400,090	381,800	37%
Total Streets & Transportation Related Funds	$ 10,392,205	$ 14,215,652	$ 18,868,718	$ 14,310,597	$ 21,880,136	16%

Overall, this group of revenues are projecting a 16% increase over FY2006-07 estimates. Streets Related Funds revenues comprise 17.2% of the total 2007-08 Budget revenue estimates.

Measure I - Funded by the County's ½ cent sales tax, two of the four Measure I related funds comprise this group. The money is restricted for improving traffic flow by enhancing the capacity of the City's streets with a 21% increase expected based on the estimate provided by the San Bernardino Associated Governments (SANBAG).

Traffic Congestion Relief - This is funded by the State, and for the 2007-08 fiscal year, the Governor has proposed to fund Prop. 42, however, the amount due to the City is unknown. For FY2006-07, $512,005 was received.

Gas Tax - This is derived from a cents per gallon tax collected at the pump. Revenues are allocated by the State on a per capita basis for street maintenance and improvements. This revenue estimate is provided by the State and the 2006-07 Budget assumes no change from the FY2006-07 Revised until the State estimate is received.

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

Local Transportation - This is funded by the County's ¼ cent sales tax and is used for appropriate street maintenance and improvements. The $2,054,146 is a 2% increase over the 2006-07 Budget.

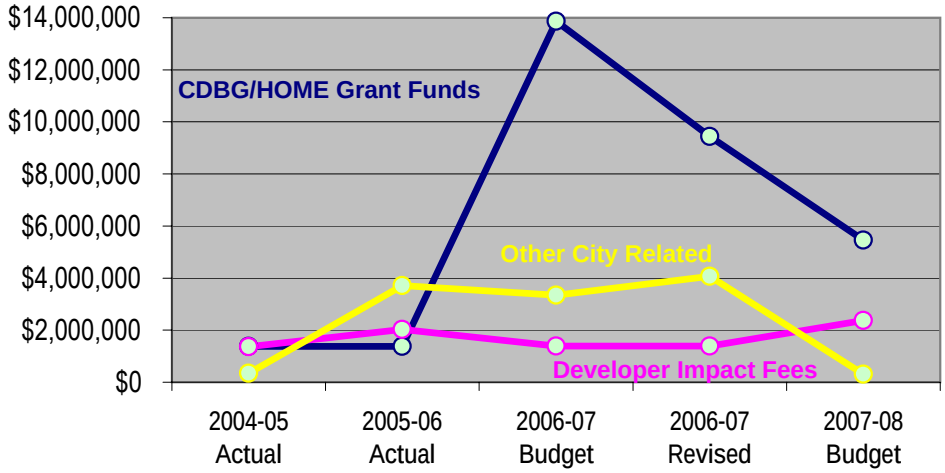
Developer Impact Fees (DIFs) - Of the five DIF funds two are restricted to street related improvements, the DIF-Streets and the DIF-Storm Drainage. These are locally controlled and reflect the City's current relaxing in development growth. For the 2007-08 Budget these two DIFs are projected to increase by 35% over FY2006-07 estimates due to planned fee increase approved in FY 2006-07. This dollar increase over the 2006-07 Budget is inspite of an anticipated decrease in residential building permits from 1,000 for the FY2006-07 Revised to 600 for FY2007-08.

Ranchero Road Undercrossing - The FY2007-08 Budget reflects the planned $5,875,350 reimbusements for the Ranchero Road Undercrossing.

Other Streets & Transportation Related Funds - This group is comprised of 5 funds, each with special use restrictions related to streets and transportation. The funds included are Measure I-Transit, Measure I-Debt Service, Public Works Street Maintenance, Traffic Signalization, and AQMD (AB 2766) Transit.

REVENUE

Grant, Developer Impact Fee, and Other City Related Funds



	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
CDBG-Entitlement	$ 965,290	$ 1,071,395	$ 1,349,738	$ 850,147	$ 1,480,749	10%
HOME Grant	378,304	257,388	12,450,837	8,393,311	3,916,636	n/a
CDBG Revolving Loan	32,910	48,218	59,030	199,714	63,669	8%
CDBG/HOME Funds	1,376,504	1,377,001	13,859,605	9,443,172	5,461,054	-61%
Developer Impact - Fire	369,093	347,634	227,108	252,806	1,102,557	385%
Developer Impact - Police	309,420	393,010	182,065	179,075	359,323	97%
Developer Impact - Public Services	680,660	1,288,090	980,587	954,605	911,265	-7%
Developer Impact Fees (DIF)	1,359,173	2,028,734	1,389,760	1,386,486	2,373,145	71%
Other City Related Funds	343,330	3,715,546	3,342,057	4,067,044	304,592	-91%
Total City Other Funds	$3,079,007	$ 7,121,281	$18,591,422	$14,896,702	$ 8,138,791	-56%

Overall, this group of 20 funds are projecting a 56% decrease from FY2006-07 estimates. The CDBG/HOME funds comprise 67.1% of this groups total 2007-08 Budget revenue estimates. The non-streets Developer Impact funds are 29.2% of the total and the Other City Related funds total the remaining 3.7%.

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 2007-08 Budget is 61% less than the 2006-07 Budget primarily resulting from majority of project reimbursements occurring in FY 2006-07.

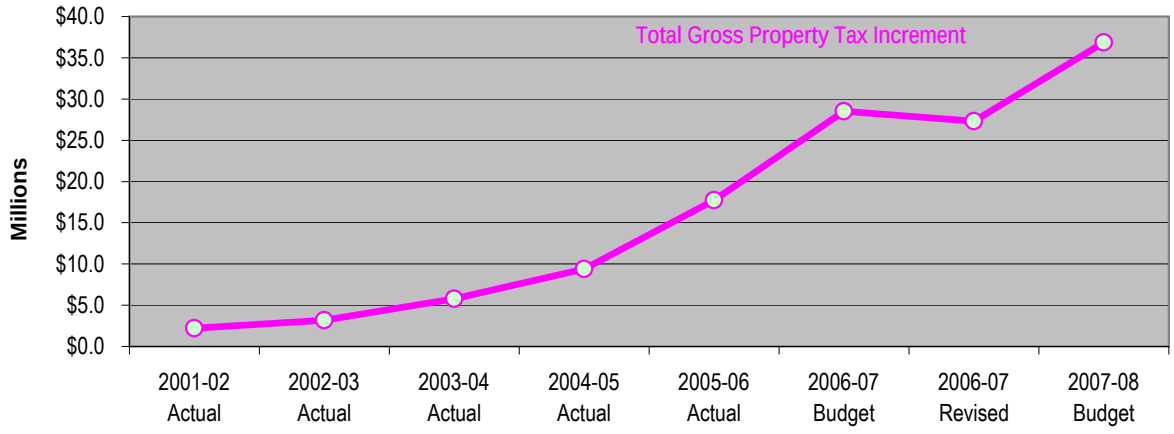
Developer Impact Fees - These non-street related Developer Impact Fees (DIFs) are made up of the Fire, Police, and Public Services DIF funds. Due to increases of fees for Fire and Police these will offset an expected decrease in development activity resulting in a 71% increase from the 2006-07 Budget.

Other City Related Funds - This group of 14 funds make up 0.2% of the City's total 2007-08 Budget. Each of these funds has restrictions limiting how its money can be spent. The largest fund in this group is the Supplemental Law Enforcement Fund which is expecting revenues of $120,000 for the 2007-08 Budget. For the FY2006-07 Budget this fund was $102,000.

REVENUE

Redevelopment Agency Revenue Trend

Total Gross Property Tax Increment



	Property Tax Increment	Low/Moderate Property Tax Increment	Total Gross Property Tax Increment	All Other Redevelopment Revenue	Total Redevelopment Revenue	% Change From Prior Year
2001-02 Actual	$ 1,758,515	$ 439,629	$ 2,198,144	$ 729,717	$ 2,927,861	92.9%
2002-03 Actual	2,553,815	638,454	3,192,268	42,434	3,234,702	10.5%
2003-04 Actual	4,636,244	1,159,062	5,795,306	236,907	6,032,213	86.5%
2004-05 Actual	7,523,247	1,880,812	9,404,059	999,092	10,403,151	72.5%
2005-06 Actual	14,095,170	3,621,522	17,716,692	3,147,177	20,863,869	100.6%
2006-07 Budget	22,800,000	5,700,000	28,500,000	2,490,870	30,990,870	48.5%
2006-07 Revised	21,840,001	5,460,000	27,300,001	2,125,091	29,425,092	41.0%
2007-08 Budget	29,484,000	7,371,000	36,855,000	2,968,107	39,823,107	28.5%

Overall - The Hesperia Community Redevelopment Agency revenues are projected to increase by 35% over the FY 2006-07 Revised and 28% over the 2006-07 Budget. Comparatively, the 2007-08 Budget is projecting a 91% increase over the 2005-06 Actual. Over the last six years, Tax Increment revenue has represented an average of 90.3% of the Agency's total revenue. The lowest percentage (75%) was in FY 2001-02 when the Agency recieved a loan of $635,000 from the Liability Self-Insurance Fund to help retire the 1997 Bond Anticipation Notes.

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

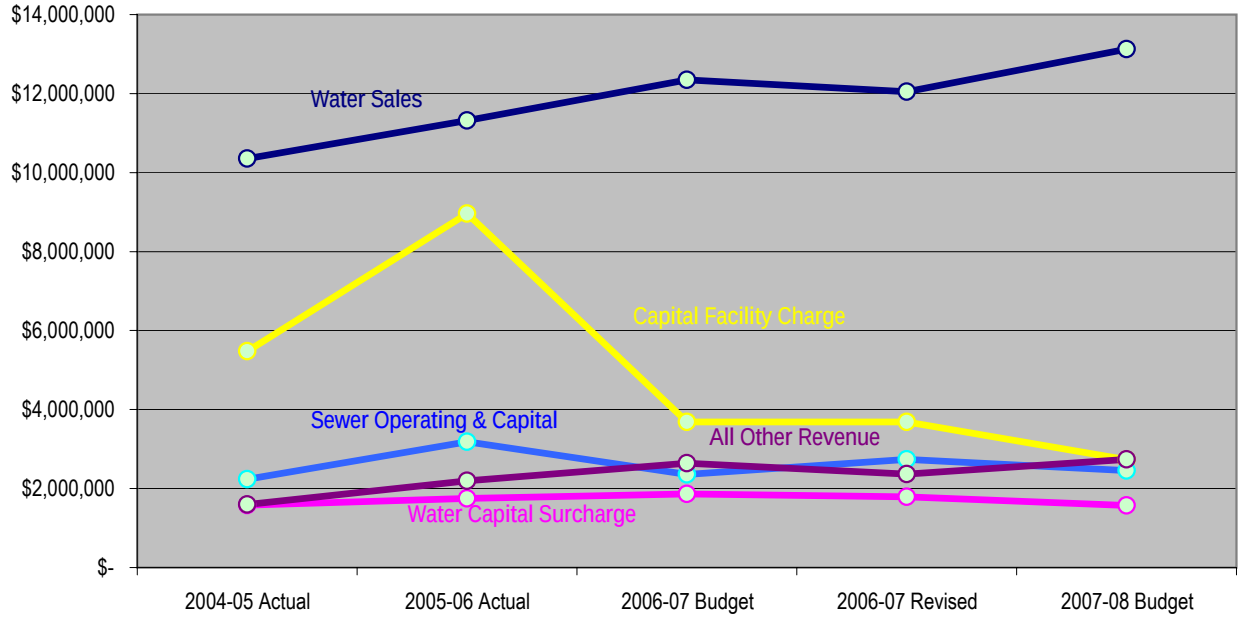
Redevelopment Agency Revenue Trend (Continued)

The 2006-07 Budget was originally estimated at $28,500,000 and then Revised to $27,300,001, representing a decrease of $1.2 million, or 4.2%. The 2006-07 Revised of $27.3 million is $9.6 million, or 54%, more than the $17.7 million Actual of 2005-06. The 2007-08 Budget projects a 35% increase in Tax Increment revenue over the 2006-07 Revised; 29% over the 2006-07 Budget; and 292% over the 2004-05 Actual.

All Other Redevelopment Revenue - About 48% of the revenue of this group is $1,412,219, representing an expected interest revenue. About 15% of this revenue group is Victor Valley Economic Development Authority (VVEDA) tax increment revenue. The Agency is a participating member in a joint powers authority that was formed to create a reuse of the former George Air Force Base. This revenue is expected to grow, but at a lesser pace than the Agency's primary tax increment. The majority of the remainder is interest revenue, which will continue to grow as the cash balances grow.

REVENUE

Water District Revenue Trend



REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Water Sales	$10,350,484	$11,319,260	$12,345,000	$12,047,120	$13,127,611	6%
Water Capital Surcharge	1,579,444	1,748,366	1,863,409	1,790,000	1,575,000	-15%
Capital Facility Charge	5,477,601	8,959,070	3,688,550	3,688,550	2,727,600	-26%
Sewer Operating & Capital	2,234,317	3,186,515	2,359,697	2,736,115	2,451,987	4%
All Other District Revenue	1,592,143	2,193,314	2,639,903	2,367,207	2,739,883	4%
Total Water District Revenue	$21,233,989	$27,406,525	$22,896,559	$22,628,992	$22,622,081	-1%

In July 2001, the Water District inacted the recommendations of a report by Bartle and Wells Associates, a public financial advisory consultant. That report outlined a series of annual rate increases through the 2005-06 fiscal year, with changes in the Consumer Price Index (CPI) dictating the annual increases thereafter. Currently, that consultant is preparing an updated study.

Water Sales - Water customers pay for the water use registered by their meter. The 2007-08 Budget projects a 9% increase over the 2006-07 Revised and a 6% increase over the 2006-07 Budget. The 6% projected increase is based primarily on the growing population (25.9% since January 2003), which is increasing the Water District's customer base.

Water Capital Surcharge - 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 ⅝ inch to 8 inches. The 2007-08 Budget projects a 15% decrease from the 2006-07 Budget, more accurately, a 12% decrease from the FY 2006-07 Revised estimate, thus reflecting the growth of the District's customer base.

Water District Revenue Trend (Continued)

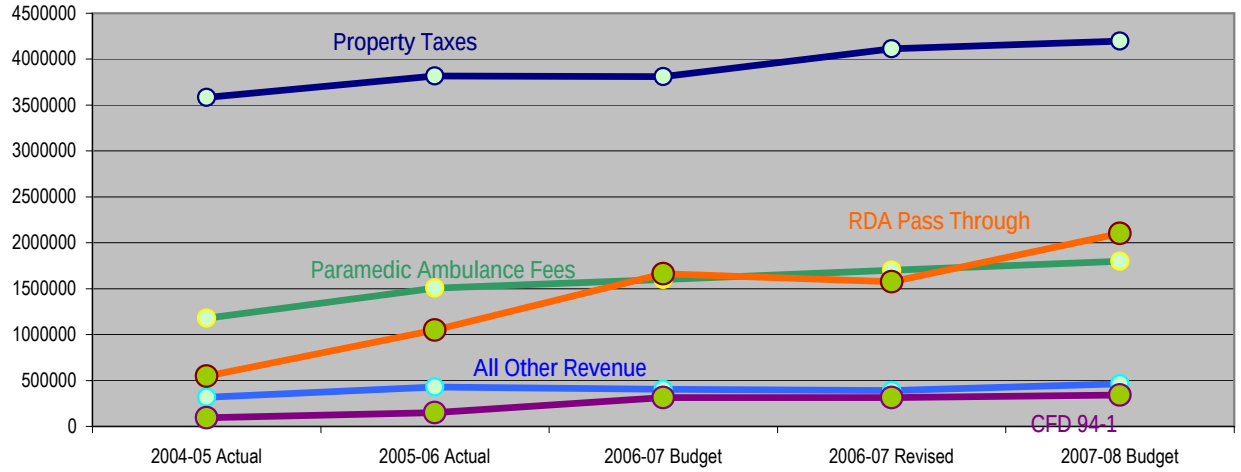
Capital Facility Charge - This is the charge for new water installations based on the set-up of new services. The 2007-08 Budget projects a 26% decrease, based on an anticipated reduction in development activity from about 1,000 in FY 2006-07 to 600 in FY 2007-08. Although the FY 2006-07 Revised development activity is expecting 750 permits issued, the FY 2006-07 Revised estimate is unchanged from the FY 2006-07 Budget, as the revenue is on track for $3.7 million.

Sewer Operating & Capital - This group is the total of the various sewer revenues. The 4% increase from 2006-07 Budget reflects the expected growth of development activity that has access to sewer services.

All Other District Revenue - This group is the remainder of the Water Operating and Capital revenue of which interest earnings are projected to be $1,088,828 and a new EPA grant of $327,300. These two revenues, as part of this group, are increasing as a percentage of the group from 45% in 2006-07 Budget to 52% in the 2007-08 Budget.

REVENUE

Fire District Revenue Trend



REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Property Taxes	$3,582,644	$3,816,789	$3,811,000	$4,113,277	$4,195,543	10%
Redevelopment Pass-Through	548,785	1,050,909	1,663,260	1,575,617	2,102,700	26%
Paramedic Ambulance Fees	1,179,380	1,506,524	1,600,000	1,700,000	1,800,000	13%
Community Facilities District 94-1	93,176	149,374	311,988	311,988	342,307	10%
All Other Revenue	316,730	429,841	404,853	390,522	464,642	15%
Total Fire District Revenue	$5,720,715	$6,953,437	$7,791,101	$8,091,404	$8,905,192	14%

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 for the 2007-08 Budget is projected to increase by 10% over the 2006-07 Budget. The 10% increase factors in collections of prior year delinquent taxes of about 5% which are reflected in the 2006-07 Revised estimate and the 2007-08 Budget estimate.

Redevelopment Pass-Through - This is revenue received from the Hesperia Community Redevelopment Agency (HCRA) as a Pass-hrough of tax increment received by the agency. The 26% increase from the 2006-07 Budget estimate reflects a slow down in the growth of the City's assessed valuation through December 2006. However, there is still strong growth in the HCRA's incremental tax revenue for the 2007-08 Budget.

Paramedic Ambulance Fees - This is revenue received from ambulance transportation billing. The 2007-08 Budget estimates that revenues will continue to be impacted by the Medicare rates established by the Health Care Financing Administration (HCFA), however a 13% increase from the 2006-07 Budget is estimated ,based on the increasing service population and the planned additional of a fourth ambulance during FY 2006-07, for a 2007-08 Budget estimate of $1,800,000.

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 of providing service. For the 2007-08 Budget, this revenue is expected to increase by 10% over the 2006-07 Budget. As development continues within the District boundary, this revenue will continue to grow.

REVENUE

SUMMARY BY MAJOR GROUP

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
General Fund Revenue						
Taxes	$ 7,218,227	$ 9,810,602	$ 9,804,039	$ 10,524,019	$ 10,791,030	10%
Fines & Forfeitures	395,475	219,895	158,320	352,432	349,395	121%
Interest	2,471,851	611,217	470,000	622,637	622,637	32%
Intergovernmental	3,853,319	5,341,844	6,052,343	7,083,539	7,885,629	30%
Charges for Services	5,438,602	7,021,365	4,248,000	4,714,096	3,889,118	-8%
Licenses & Permits	278,837	298,273	239,000	232,781	258,000	8%
Grants	301,319	159,358	98,903	110,269	127,385	29%
Other Operating	1,936,740	3,411,584	2,083,720	2,813,655	2,449,910	18%
All Other	27	2,964	0	0	0	n/a
Total General Fund Revenue	$ 21,894,397	$ 26,877,102	$ 23,154,325	$ 26,453,428	$ 26,373,104	14%
Redevelopment Revenue						
Redevelopment Agency Funds	$ 10,403,151	$ 20,863,869	$ 30,990,870	$ 29,425,092	$ 39,823,107	28%
Street, Transportation, and Other Related City Funds						
Streets Related Funds	$ 9,998,855	$ 13,767,736	$ 18,590,628	$ 13,910,507	$ 21,498,336	16%
Other Transportation Related Funds	393,350	447,916	278,090	400,090	381,800	37%
Other City Related Funds	3,079,007	7,121,281	18,591,422	14,896,702	8,138,791	-56%
Total Streets & Other City Revenue	$ 13,471,212	$ 21,336,933	$ 37,460,140	$ 29,207,299	$ 30,018,927	-20%
Water District Revenue						
700 Water Operating Fund	$ 11,724,151	$ 12,941,859	$ 14,118,559	$ 13,725,087	$ 14,850,954	5%
701 Water Capital Fund	7,275,521	11,278,151	6,418,303	6,167,790	5,319,140	-17%
Total Water Operating & Capital Funds	$ 18,999,672	$ 24,220,010	$ 20,536,862	$ 19,892,877	$ 20,170,094	-2%
710 Sewer Operating Fund	$ 1,242,340	$ 1,684,249	$ 1,473,069	$ 1,874,863	$ 1,839,863	25%
711 Sewer Capital Fund	991,977	1,502,266	886,628	861,252	612,124	-31%
Total Sewer Operating & Capital Funds	$ 2,234,317	$ 3,186,515	$ 2,359,697	$ 2,736,115	$ 2,451,987	4%
Total Water District Revenue	$ 21,233,989	$ 27,406,525	$ 22,896,559	$ 22,628,992	$ 22,622,081	-1%
200 Fire District Revenue	$ 5,720,715	$ 6,953,437	$ 7,791,101	$ 8,091,404	$ 8,905,192	14%
TOTAL ALL FUNDS	$ 72,723,464	$ 103,437,866	$ 122,292,995	$ 115,806,215	$ 127,742,411	4%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
General Fund Revenue						
Taxes						
Secured Property Tax	$ 437,474	$ 768,287	$ 682,500	$ 982,629	$ 1,072,049	86%
100 19 220 0000 4000						
VVEDA Tax increment	65,013	196,591	73,714	221,000	232,000	-13%
100 19 220 0000 4095						
Sales and Use Tax	4,454,285	5,930,466	6,050,000	5,800,000	6,122,000	30%
100 19 220 0000 4100						
Sales and Use Tax Triple Flip	1,209,269	1,516,187	1,650,000	2,281,586	2,000,000	36%
100 19 220 0000 4105						
Sub-Total Sales and Use Tax	$ 5,663,554	$ 7,446,653	$ 7,700,000	$ 8,081,586	$ 8,122,000	31%
Transient Occupancy Tax	428,309	573,167	678,825	682,900	1,004,000	38%
100 19 220 0000 4140						
Property Transfer Tax	617,947	819,907	660,000	545,966	345,000	74%
100 19 220 0000 4145						
Other Taxes	5,930	5,997	9,000	9,938	15,981	n/a
Total Taxes	$ 7,218,227	$ 9,810,602	$ 9,804,039	$ 10,524,019	$ 10,791,030	36%
Fines & Forfeitures						
Vehicle Code Fines	$ 117,948	$ 152,589	$ 99,425	$ 109,074	$ 109,074	-20%
100 51 510 0000 5500						
Booking Fees	210,732	953	0	182,780	180,000	n/a
100 51 510 0000 5540						
DUI Arrest Fees	38,026	30,624	30,000	27,146	27,146	0%
100 51 510 0000 5530						
Vehicle Tow Fees	16,290	25,051	21,361	27,450	27,450	42%
100 51 510 0000 5510						
Other Police Fines & Forfeitures	12,479	10,678	7,534	5,982	5,725	29%
Total Fines & Forfeitures	$ 395,475	$ 219,895	$ 158,320	$ 352,432	$ 349,395	-9%
Interest						
Interest Income – City	$ 2,471,851	$ 611,217	$ 470,000	$ 622,637	$ 622,637	348%
100 19 220 0000 5600						
Total Interest	$ 2,471,851	$ 611,217	$ 470,000	$ 622,637	$ 622,637	348%
Intergovernmental						
Vehicle License Fee	$ 456,984	$ 499,513	$ 473,092	$ 544,000	$ 571,200	-5%
100 19 220 0000 4400						
Triple Flip - Motor Vehicle In Lieu	3,749,471	5,230,187	5,579,251	6,539,539	7,314,429	37%
100 19 220 0000 4405						
Sub-Total VLF Triple Flip	$ 4,206,455	$ 5,729,700	$ 6,052,343	$ 7,083,539	$ 7,885,629	32%
AB1661 ERAF	(355,554)	(390,718)	0	0	0	-100%
100 19 220 0000 4720						
All other Intergovernmental-City	2,418	2,862	0	0	0	n/a
Total Intergovernmental	$ 3,853,319	$ 5,341,844	$ 6,052,343	$ 7,083,539	$ 7,885,629	45%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
General Fund Revenue (Continued)						
Charges for Services						
General Plan Update 100 29 300 3000 4942	$ 57,278	$ 88,421	$ 52,000	$ 40,000	$ 30,000	-26%
EIR Fees 100 29 300 3000 4954	0	0	30,000	0	10,000	150%
Tentative Tract 100 29 300 3000 4990	95,749	71,301	45,000	36,000	30,000	-10%
Tentative Parcel 100 29 300 3000 4995	13,807	18,242	14,000	13,000	10,000	17%
Site Plans 100 29 300 3000 5005	98,880	134,268	100,000	140,000	100,000	43%
Project Extension 100 29 300 3000 4957	788	806	1,000	600	600	0%
Business License 100 29 300 3000 4200	263,532	305,733	280,000	305,000	320,000	8%
Administration Fine 100 29 305 3010 5405	50,484	73,058	60,000	68,629	65,000	100%
Municipal Code Fines 100 29 305 3010 5420	173,026	346,475	220,000	420,000	250,000	47%
Building Plan Check Fees 100 29 300 3020 5030	634,787	656,840	350,000	495,000	315,000	-30%
Building Permit Fees 100 29 300 3020 4250	2,782,173	3,934,348	2,200,000	2,080,000	1,800,000	-8%
Automation Fee 100 29 300 3020 4930	380,613	515,968	240,000	275,000	220,000	-14%
Microfilm Fee 100 29 300 3020 4935	26,802	33,460	20,000	14,000	12,000	-20%
Parks & Rec Collection Fees 100 29 300 3020 5027	29,925	27,375	25,000	20,000	15,000	-29%
Lot Grading Permit Fees 100 29 300 3020 4255	163,033	169,450	135,000	60,000	50,000	-4%
Final Subdivision Processing Fee 100 29 310 3100 5010	58,260	42,310	40,000	47,000	35,000	-11%
Final P/M Processing Fee 100 29 310 3100 5012	10,450	9,677	10,000	32,000	20,000	0%
Construction Permit Fee 100 29 310 3100 4260	26,620	25,663	25,000	25,000	25,000	0%
Engineering Plan Check Fees 100 29 310 3100 5045	84,475	66,036	45,000	110,000	110,000	-10%
Grading Plan Review Fees 100 29 310 3100 5050	74,257	94,080	50,000	50,000	50,000	0%
Construction Inspection Fees 100 29 310 3100 5035	157,546	146,897	120,000	220,000	180,000	-20%
Mitigation Fees 100 29 310 3100 5059	36,407	24,847	25,000	1,000	1,000	-17%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
General Fund Revenue (Continued)						
Charges for Services (Continued)						
Service To Other Cities 100 29 300 5000 4915	$ 72,404	$ 0	$ 0	$ 0	$ 0	n/a
Administration Fine 100 29 305 5000 5405	35,859	85,841	50,000	110,362	115,000	150%
Other Charges for Services	111,447	150,269	111,000	151,505	125,518	20%
Total Charges for Services	$ 5,438,602	$ 7,021,365	$ 4,248,000	$ 4,714,096	$ 3,889,118	-6%
Licenses & Permits						
Animal Licenses 100 29 305 5000 4210	$ 200,873	$ 208,974	$ 160,000	$ 155,000	$ 180,000	-29%
Animal Impound Fee 100 29 305 5000 5065	55,320	66,533	60,000	59,800	60,000	0%
Other Licenses & Permits	22,644	22,766	19,000	17,981	18,000	36%
Total Licenses & Permits	$ 278,837	$ 298,273	$ 239,000	$ 232,781	$ 258,000	-20%
Grants						
Beverage Recycling Grant 100 07 200 0000 4710	$ 18,827	$ 0	$ 0	$ 0	$ 0	-100%
CDBG Grant–Code Enforcement 100 29 305 3010 4700	146,600	75,000	70,000	70,000	70,000	48%
IWMB - Tire Grant 100 29 300 3010 4700	6,499	0	0	0	0	n/a
CDBG – Police 100 51 510 0000 4700	29,940	29,920	28,903	28,903	32,420	-3%
Police Grant 100 51 510 0000 4775	0	19,340	0	11,366	0	#REF!
Police Dept. of Justice LLEBG Grant 100 51 510 0000 4770	14,015	0	0	0	0	n/a
Police Off-Highway Grant 100 51 510 0000 4790	42,066	0	0	0	0	n/a
Police Seatbelt Grant 100 51 510 0000 4795	34,561	24,742	0	0	24,965	n/a
Police Sobriety Grant 100 51 510 0000 4797	8,811	10,356	0	0	0	n/a
Total Grants	$ 301,319	$ 159,358	$ 98,903	$ 110,269	$ 127,385	3%
Other Operating						
Article 19 Landfill Fee 100 19 220 0000 4170	$ 107,695	$ 120,903	$ 108,520	$ 103,084	$ 102,000	0%
Cable Franchise Fee 100 19 220 0000 4150	348,911	383,370	372,000	418,000	438,900	9%
Advance Disposal Franchise Fee 100 19 220 0000 4155	528,103	737,704	673,000	812,200	852,810	12%
Utilities Franchise Fee 100 19 220 0000 4160	583,231	641,759	650,000	776,549	760,000	8%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
General Fund Revenue (Continued)						
Other Operating (Continued)						
Water Franchise Fee 100 19 220 0000 4165	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	0%
Sub Total Franchise Fees	$ 1,817,940	$ 2,133,736	$ 2,053,520	$ 2,359,833	$ 2,403,710	8%
Reimbursements/Other Agencies 100 19 220 0000 5800	$ 0	$ 1,150,433	$ 0	$ 0	$ 0	
State Mandated Claims SB90 100 19 220 0000 4500	69,000	94,418	0	423,287	0	n/a
Pet Adoption Charges 100 29 305 5000 4215	28,518	31,995	30,000	28,180	45,000	-40%
Other Operating	21,282	1,002	200	2,355	1,200	-93%
Total Other Operating	$ 1,936,740	$ 3,411,584	$ 2,083,720	$ 2,813,655	$ 2,449,910	7%
All Other						
Miscellaneous/General Govt. 100 19 220 0000 5950	$ 27	$ 2,964	$ 0	$ 0	$ 0	-100%
Total All Other	$ 27	$ 2,964	$ 0	$ 0	$ 0	-100%
Total General Fund Revenue	$ 21,894,397	$ 26,877,102	$ 23,154,325	$ 26,453,428	$ 26,373,104	25%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Redevelopment Agency (RDA) Funds						
Taxes						
RDA Debt Service - Project Area #1 Tax Increment 486 25 261 0000 4060	$ 6,038,990	$ 11,349,717	$ 18,138,513	$ 17,556,946	$ 23,210,677	28%
RDA Debt Service - Project Area #1 Amendment Tax Increment 486 25 261 0000 4062	702,686	1,487,210	2,300,406	2,486,259	3,997,808	74%
RDA Debt Service - Project Area #2 Tax Increment 487 25 261 0000 4060	781,571	1,258,243	2,361,081	1,796,796	2,275,515	-4%
RDA Project Area #1 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4070	1,509,748	2,925,416	4,534,628	4,389,236	5,802,669	28%
RDA Project Area #1 Amendment Low/Mod - LMI 20% Property Tax 385 25 263 2700 4073	175,671	371,802	575,102	621,565	999,452	74%
RDA Project Area #2 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4075	195,393	324,304	590,270	449,199	568,879	-4%
SubTotal Property Tax Increment	9,404,059	17,716,692	28,500,000	27,300,001	36,855,000	29%
VVEDA - Low/Mod 385 25 263 2700 4078	83,794	329,426	222,900	220,096	218,749	-2%
VVEDA - Capital Project 588 25 261 0000 4068	58,233	291,903	227,443	194,555	218,749	-4%
Total Taxes	$ 9,546,086	$ 18,338,021	$ 28,950,343	$ 27,714,652	$ 37,292,498	29%
RDA - Debt Service - Interest Project Area #1 486 19 220 0000 5600	$ 137,481	$ 289,343	$ 141,527	$ 379,226	$ 379,226	168%
RDA - Debt Service - Interest Project Area #2 487 19 220 0000 5600	10,936	12,497	10,000	15,852	1,120	-89%
RDA Low/Mod Fund–Interest Income 385 19 220 0000 5600	45,422	440,955	382,000	565,514	294,025	-23%
RDA CIP Area #1 - Interest 586 19 220 0000 5600	0	695,403	400,000	657,019	657,019	64%
RDA CIP Area #2 - Interest 587 19 220 0000 5600	0	78,541	40,000	69,695	69,695	74%
RDA CIP VVEDA - Interest 588 19 220 0000 5600	0	8,176	0	11,134	11,134	n/a
Total Interest Income	$ 193,839	$ 1,524,915	$ 973,527	$ 1,698,440	$ 1,412,219	45%
Other						
Other-All Other Combined	$ 663,226	$ 1,000,933	$ 1,067,000	$ 12,000	$ 1,118,390	5%
Total RDA Other	$ 663,226	$ 1,000,933	$ 1,067,000	$ 12,000	$ 1,118,390	5%
Total Redevelopment Agency Revenue	$ 10,403,151	$ 20,863,869	$ 30,990,870	$ 29,425,092	$ 39,823,107	28%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Community Development Block Grant						
251 CDBG Fund						
Intergovernmental						
CDBG Administration Reimbursement 251 25 270 2700 4730	$ 853,133	$ 1,041,409	$ 1,319,738	$ 790,147	$ 1,435,749	9%
CDBG Loan Repayment 251 25 270 2700 4746	112,157	29,986	30,000	60,000	45,000	50%
Total Intergovernmental	$ 965,290	$ 1,071,395	$ 1,349,738	$ 850,147	$ 1,480,749	10%
Total CDBG Fund 251	$ 965,290	$ 1,071,395	$ 1,349,738	$ 850,147	$ 1,480,749	10%
252 HOME Grant Fund						
Interest						
CDBG HOME Grant Program Interest Income 252 19 220 0000 5600	$ 1,661	$ 5,423	$ 6,665	$ 9,876	$ 9,876	48%
Total Interest Income	$ 1,661	$ 5,423	$ 6,665	$ 9,876	$ 9,876	48%
Grants						
CDBG HOME Grant 2000 252 25 264 2700 4750	$ 155,934	$ 165,909	$ 285,000	$ 139,072	$ 160,928	-44%
CDBG HOME Grant 1999 252 25 264 2700 4745	58,885	0	0	0	0	n/a
1999 Home-HRLP Loan Repayment 252 25 264 2700 4748	56,457	27,501	30,000	50,195	60,000	100%
CDBG 2002 HOME Grant-DAP 252 25 264 2700 4755	85,367	58,555	1,139,172	294,168	605,832	-47%
CDBG 2002 HOME Construction 252 25 264 2700 4756	20,000	0	10,990,000	7,900,000	3,080,000	-72%
Total Grants	$ 376,643	$ 251,965	$ 12,444,172	$ 8,383,435	$ 3,906,760	-69%
Total HOME Fund 252	$ 378,304	$ 257,388	$ 12,450,837	$ 8,393,311	$ 3,916,636	-69%
253 CDBG-Revolving Loan Fund						
Interest						
CDBG Revolving Loan Program Interest Income 253 19 220 0000 5600	$ 32,910	$ 48,218	$ 59,030	$ 63,669	$ 63,669	8%
CDBG-Revolving Loan Fund - Miscellaneous Income	0	0	0	136,045	0	
Total CDBG-Revolving Loan Fund 253	$ 32,910	$ 48,218	$ 59,030	$ 199,714	$ 63,669	8%
Total CDBG Funds (251, 252, 253)	$ 1,376,504	$ 1,377,001	$ 13,859,605	$ 9,443,172	$ 5,461,054	-61%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Other City Funds						
201 Measure I - Arterial Fund						
Measure I - Arterial Interest Income 201 19 220 0000 5600	$ 14,676	$ 65,136	$ 63,429	$ 119,782	$ 119,782	89%
Measure I – Arterial 201 29 310 3150 4120	1,947,333	2,386,087	2,142,776	2,429,357	2,553,983	19%
Total Measure I - Arterial Fund 201	$ 1,962,009	$ 2,451,223	$ 2,206,205	$ 2,549,139	$ 2,673,765	21%
202 Measure I - Local Fund						
Measure I - Local Interest Income 202 19 220 0000 5600	$ 2,395	$ 15,049	$ 20,517	$ 29,952	$ 29,952	46%
Measure I – Local 202 29 310 3150 4115	898,769	1,101,271	988,973	1,121,242	1,178,762	19%
Total Measure I - Local Fund 202	$ 901,164	$ 1,116,320	$ 1,009,490	$ 1,151,194	$ 1,208,714	20%
203 Measure I - Transit Fund						
Measure I - Transit Interest Income 203 19 220 0000 5600	$ 1,241	$ 4,709	$ 5,866	$ 10,167	$ 10,167	73%
Measure I – Transit 203 29 310 3150 4125	149,795	183,545	164,829	186,874	196,460	19%
Total Measure I - Transit Fund 203	$ 151,036	$ 188,254	$ 170,695	$ 197,041	$ 206,627	21%
Total Measure I (201, 202, 203)	$ 3,014,209	$ 3,755,797	$ 3,386,390	$ 3,897,374	$ 4,089,106	21%
205 Gas Tax Fund						
Interest						
Gas Tax Fund Interest Income 205 19 220 0000 5600	$ 3,855	$ 3,751	$ 5,500	$ 3,498	$ 2,661	-52%
SubTotal Interest	$ 3,855	$ 3,751	$ 5,500	$ 3,498	$ 2,661	-52%
Intergovernmental						
Gas Tax Section 2105 205 29 310 3150 4130	$ 440,338	$ 466,534	$ 437,815	$ 468,000	$ 468,000	7%
Gas Tax Section 2106 205 29 310 3150 4132	283,676	300,913	278,926	300,000	300,000	8%
Gas Tax Section 2107 205 29 310 3150 4134	585,082	622,283	571,810	648,000	648,000	13%
Gas Tax Section 2107.5 205 29 310 3150 4135	7,500	7,500	7,500	7,500	7,500	0%
SubTotal Intergovernmental	$ 1,316,596	$ 1,397,230	$ 1,296,051	$ 1,423,500	$ 1,423,500	10%
Total Gas Tax Fund 205	$ 1,320,451	$ 1,400,981	$ 1,301,551	$ 1,426,998	$ 1,426,161	10%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Other City Funds (Continued)						
207 Local Transportation Fund						
Local Transportation SB325 - Article 8 207 29 310 3150 4110	1,376,084	1,823,448	2,017,989	2,190,986	2,054,146	2%
Total Local Transportation Fund 207	$ 1,376,083	$ 1,823,448	$ 2,017,989	$ 2,190,986	$ 2,054,146	2%
208 Supplemental Franchise Cable Fund						
Supplemental Franchise Cable Interest Income 208 19 220 0000 5600	$ 696	$ 1,210	$ 1,459	$ 1,618	$ 1,618	11%
Total Supplemental Franchise Cable Fund 208	$ 696	$ 1,210	$ 1,459	$ 1,618	$ 1,618	11%
250 Traffic Congestion Relief Fund						
Traffic Congestion Relief Interest 250 19 220 0000 5600	$ 177	$ 1,241	$ 1,933	$ 19,496	$ 19,496	909%
Traffic Congestion Relief 250 29 310 3150 4870	0	344,545	0	512,004	0	n/a
Total Traffic Congestion Relief Fund 250	$ 177	$ 345,786	$ 1,933	$ 531,500	$ 19,496	909%
254 AQMD (AB2766 - Transit) Fund						
AQMD Fund Interest Income 254 19 220 0000 5600	$ 807	$ 2,279	$ 2,814	$ 3,480	$ 3,480	24%
AQMD - AB2766 Transit Grant 254 29 310 3150 4875	51,235	85,368	56,869	86,650	86,650	52%
Total AQMD Fund 254	$ 52,042	$ 87,647	$ 59,683	$ 90,130	$ 90,130	51%
255 AB3229 Supplemental Law Fund						
AB2339 Supplemental Law Interest Income 255 19 220 0000 5600	$ 240	$ 576	$ 63	$ 223	$ 222	252%
AB3229 COP's Grant 255 51 510 0000 4780	103,720	110,635	102,000	157,971	120,000	18%
Total AB3229 Supplemental Law Fund 255	$ 103,960	$ 111,211	$ 102,063	$ 158,194	$ 120,222	18%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Other City Funds (Continued)						
256 Beverage Recycling Grant						
Beverage recycling Grant Fund Interest Income 256 19 220 0000 5600	$ 0	$ 556	$ 776	$ 545	$ 545	-30%
Beverage Recycling Grant 256 07 200 0000 4710	0	19,215	20,424	20,424	21,333	4%
Grant Reimbursement 256 07 200 0000 4700	5,000	0	0	0	0	n/a
Total Beverage Recycling Grant Fund 256	$ 5,000	$ 19,771	$ 21,200	$ 20,969	$ 21,878	3%
260 Disaster Preparedness Grant						
Disaster Preparedness Grant Fund Interest Income 260 19 220 0000 5600	$ 65	$ 471	$ 592	$ 598	$ 598	1%
Grant Reimbursement 260 19 225 0000 4700	16,223	0	5,000	9,209	9,027	81%
Total Disaster Preparedness Grant Fund 260	$ 16,288	$ 471	$ 5,592	$ 9,807	$ 9,625	72%
263 Public Works Street Maintenance						
Public Works Street Maintenance Interest Income 263 19 220 0000 5600	$ 6,973	$ 13,556	$ 13,413	$ 22,448	$ 22,448	67%
Public Works Street Maintenance Miscellaneous Income	106,502	100,887	10,000	10,413	22,000	120%
Total Public Works Street Maintenance 263	$ 113,475	$ 114,443	$ 23,413	$ 32,861	$ 44,448	90%
264 Traffic Signalization Fund						
Traffic Signalization Interest Income 264 19 220 0000 5600	$ 268	$ 466	$ 562	$ 623	$ 623	11%
Total Traffic Signalization Fund 264	$ 268	$ 466	$ 562	$ 623	$ 623	11%
265 Solid Waste Debt Fund						
Solid Waste Debt Fund Interest Income 265 19 220 0000 5600	$ 1,970	$ 4,946	$ 5,963	$ 6,613	$ 6,613	11%
Total Solid Waste Debt Fund 265	$ 1,970	$ 4,946	$ 5,963	$ 6,613	$ 6,613	11%
300 Streets Development Impact Fee (DIF) Fund						
Streets DIF Interest Income 300 19 220 0000 5600	$ 133,340	$ 367,439	$ 384,349	$ 640,236	$ 640,236	67%
Streets DIF Fees 300 29 310 3150 5060	3,978,007	5,279,122	4,791,300	4,401,947	6,578,940	37%
Total Streets DIF Fund 300	$ 4,111,347	$ 5,646,561	$ 5,175,649	$ 5,042,183	$ 7,219,176	39%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Other City Funds (Continued)						
301 Storm Drain Development Impact Fee (DIF) Fund						
Storm Drain DIF Interest Income 301 19 220 0000 5600	$ 15,076	$ 41,417	$ 40,426	$ 77,248	$ 77,248	91%
Storm Drain DIF Fees 301 29 310 3150 5088	303,622	877,018	898,800	878,023	944,280	5%
Total Storm Drain DIF 301	$ 318,698	$ 918,435	$ 939,226	$ 955,271	$ 1,021,528	9%
302 Fire Development Impact Fee (DIF) Fund						
Fire DIF Interest Income 302 19 220 0000 5600	$ 16,138	$ 35,664	$ 40,908	$ 55,047	$ 55,047	35%
Fire DIF Fees 302 29 310 3150 5062	352,955	311,970	186,200	197,759	1,047,510	463%
Total Fire DIF 302	$ 369,093	$ 347,634	$ 227,108	$ 252,806	$ 1,102,557	385%
303 Police Development Impact Fee (DIF) Fund						
Police DIF Interest Income 303 19 220 0000 5600	$ 11,602	$ 31,742	$ 35,065	$ 49,633	$ 49,633	42%
Police DIF Fees 303 29 310 3150 5063	297,818	361,268	147,000	129,442	309,690	111%
Total Police DIF 303	$ 309,420	$ 393,010	$ 182,065	$ 179,075	$ 359,323	97%
304 Public Services Development Impact Fee (DIF) Fund						
Public Services DIF Interest Income 304 19 220 0000 5600	$ 21,854	$ 57,032	$ 59,987	$ 96,825	$ 96,825	61%
Public Services DIF Fees 304 29 310 3150 5064	658,806	1,231,058	920,600	857,780	814,440	-12%
Total Public Services DIF 304	$ 680,660	$ 1,288,090	$ 980,587	$ 954,605	$ 911,265	-7%
305 Emergency Communication Fund						
Emergency Communication Interest Income 305 19 220 0000 5600	$ 3,393	$ 5,897	$ 7,110	$ 7,886	$ 7,886	11%
Total Emergency Communication Fund 305	$ 3,393	$ 5,897	$ 7,110	$ 7,886	$ 7,886	11%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Other City Funds (Continued)						
400 Measure I Debt Service Fund						
Measure I Debt Service Interest Income 400 19 220 0000 5600	$ 76,529	$ 57,106	$ 23,737	$ 79,435	$ 39,972	68%
400	$ 76,529	$ 57,106	$ 23,737	$ 79,435	$ 39,972	68%
401 City Debt Service Fund						
City Debt Service Fund Interest 401 19 220 0000 5600	$ 0	$ 94,821	$ 1,739	$ 115,206	$ 6,671	284%
Total City Debt Service Fund 401	$ 0	$ 94,821	$ 1,739	$ 115,206	$ 6,671	284%
500 AD 91-1 Fund						
AD 91-1 Fund Interest Income 500 19 220 0000 5600	$ 11,109	$ 14,627	$ 17,888	$ 18,955	$ 18,955	6%
Total AD 91-1 Fund 500	$ 11,109	$ 14,627	$ 17,888	$ 18,955	$ 18,955	6%
501 CFD 91-3 Fund						
CFD 91-3 Fund Interest Income 501 19 220 0000 5600	$ 5,794	$ 14,368	$ 13,314	$ 19,397	$ 19,397	46%
CFD 91-3 Fund Miscellaneous Income 0016 8101 3060 4600 0000	97,634	119,727	55,000	51,550	51,550	-6%
Total CFD 91-3 Fund 501	$ 103,428	$ 134,095	$ 68,314	$ 70,947	$ 70,947	4%
502 Fire Station Building Fund						
Fire Station Building Interest Income 502 19 220 0000 5600	$ 16,981	$ 29,633	$ 35,728	$ 39,625	$ 39,625	11%
Fire Station Fund Miscellaneous Income 502 29 310 3100 5800	26,814	0	0	0	0	n/a
Total Fire Station Building Fund 502	$ 43,795	$ 29,633	$ 35,728	$ 39,625	$ 39,625	11%
504 City Streets CIP						
Disaster Recovery Project Reimbursement 504 29 700 7063 5800	$ 0	$ 51	$ 0	$ 50	$ 0	n/a
Total City Streets CIP Fund 504	$ 0	$ 51	$ 0	$ 50	$ 0	n/a
505 Government Center Fund						
Government Center Interest 505 19 220 0000 5600	$ 7,325	$ 526,676	$ 2,935	$ 294,615	$ 0	-100%
Total Government Center Fund 505	$ 7,325	$ 526,676	$ 2,935	$ 294,615	$ 0	-100%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Other City Funds (Continued)						
596 Measure I Fund						
Measure I Fund Interest Income 596 19 220 0000 5600	$ 8,915	$ 0	$ 0	$ 0	$ 0	n/a
Reimbursements 596 29 310 3150 4700	11	0	0	0	0	n/a
Total Measure I Fund 596	$ 8,926	$ 0	$ 0	$ 0	$ 0	n/a
600 Ranchero Road Undercrossing Fund						
US DOT-Federal Highway Administration Grant 600 29 700 7046 4700	$ 0	$ 0	$ 3,000,000	$ 0	$ 3,000,000	0%
NCPDP Grant Reimb 600 29 700 7046 4835	0	64,982	938,585	63,236	875,350	-7%
SAFETEA-LU Federal Grant 600 29 700 7046 4833	0	0	1,000,000	0	1,000,000	0%
SANBAG-STP Grant 600 29 700 7046 4834	0	0	1,000,000	0	1,000,000	0%
Total Ranchero Road Undercrossing Fund 600	$ 0	$ 64,982	$ 5,938,585	$ 63,236	$ 5,875,350	-1%
601 Hesperia Branch Library Fund						
Hesperia Branch Library Interest 601 19 220 0000 5600	$ 4,330	$ 6	$ 15	$ 0	$ 0	-100%
Library Grant Reimbursement 601 19 220 0000 4890	0	0	0	91,566	0	n/a
Library Grant Reimbursement 601 19 220 0000 4890	0	2,221,550	1,445,370	1,595,000	0	-100%
City CDBG Reimbursement 601 19 220 0000 4732	0	153,049	477,062	477,062	0	-100%
IMLS Grants Reimbursements 601 19 220 0000 4891	0	147,119	943,225	943,225	0	#REF!
County CDBG Reimbursement 601 19 220 0000 4734	0	0	200,000	200,000	0	-100%
Donations 601 19 220 0000 5955	0	250,000	5,500	15,154	0	-100%
Total Hesperia Branch Library Fund 601	$ 4,330	$ 2,771,724	$ 3,071,172	$ 3,322,007	$ 0	-100%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Other City Funds (Continued)						
885 Mortgage Assistance Trust Fund						
Mortgage Assistance Trust Interest Income 885 19 220 0000 5600	$ 238	$ 413	$ 480	$ 552	$ 552	15%
Total Mortgage Assistance Trust Fund 885	$ 238	$ 413	$ 480	$ 552	$ 552	15%
900 Liability Insurance Fund						
Liability Insurance Fund Interest Income 900 19 220 0000 5600	$ 41,798	$ 0	$ 414	$ 0	$ 0	-100%
Other-All Other Combined	0	0	0	0	0	
Total Liability Insurance Fund 900	$ 41,798	$ 0	$ 414	$ 0	$ 0	-100%

Streets, Transportation, and Other City Funds Summary

Streets Capital Improvement Project (CIP) Funds						
201 Measure I - Arterial	$ 1,962,009	$ 2,451,223	$ 2,206,205	$ 2,549,139	$ 2,673,765	21%
202 Measure I - Local	901,164	1,116,320	1,009,490	1,151,194	1,208,714	20%
Total Measure I (201, 202)	2,863,173	3,567,543	3,215,695	3,700,333	3,882,479	21%
205 Gas Tax	1,320,451	1,400,981	1,301,551	1,426,998	1,426,161	10%
207 Local Transportation	1,376,083	1,823,448	2,017,989	2,190,986	2,054,146	2%
250 Traffic Congestion Relief	177	345,786	1,933	531,500	19,496	909%
300 Street Development Impact Fee	4,111,347	5,646,561	5,175,649	5,042,183	7,219,176	39%
301 Storm Drain Development Impact Fee	318,698	918,435	939,226	955,271	1,021,528	9%
504 City Streets CIP	0	51	0	50	0	n/a
596 Measure I CIP	8,926	0	0	0	0	n/a
600 Ranchero Rd Undercrossing	0	64,982	5,938,585	63,236	5,875,350	-1%
Total Streets CIP Related Revenue Funds	9,998,855	13,767,787	18,590,628	13,910,557	21,498,336	16%
Other Transportation Related Funds						
203 Measure I - Transit	151,036	188,254	170,695	197,041	206,627	21%
254 AQMD (AB2766 Transit)	52,042	87,647	59,683	90,130	90,130	51%
263 Public Works Street Maintenance	113,475	114,443	23,413	32,861	44,448	90%
264 Traffic Signalization	268	466	562	623	623	11%
396 Development Impact Fee (1)	0	0	0	0	0	n/a
400 Measure I Debt Service	76,529	57,106	23,737	79,435	39,972	68%
Total Other Transportation Funds	$ 393,350	$ 447,916	$ 278,090	$ 400,090	$ 381,800	37%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Streets and Other City Funds Summary (Continued)						
Other City Related Funds						
208 Supplemental Franchise Cable	$ 696	$ 1,210	$ 1,459	$ 1,618	$ 1,618	11%
251 Community Development Block Grant	965,290	1,071,395	1,349,738	850,147	1,480,749	10%
252 HOME Grant	378,304	257,388	12,450,837	8,393,311	3,916,636	-69%
253 CDBG Revolving Loan Program	32,910	48,218	59,030	199,714	63,669	8%
255 AB3229 Supplemental Law	103,960	111,211	102,063	158,194	120,222	18%
256 Beverage Recycling Grant	5,000	19,771	21,200	20,969	21,878	3%
260 Disaster Preparedness Grant	16,288	471	5,592	9,807	9,625	72%
265 Solid Waste Debt	1,970	4,946	5,963	6,613	6,613	11%
302 Fire Development Impact Fee	369,093	347,634	227,108	252,806	1,102,557	385%
303 Police Development Impact Fee	309,420	393,010	182,065	179,075	359,323	97%
304 Public Services Development Impact Fee	680,660	1,288,090	980,587	954,605	911,265	-7%
305 Emergency Communications	3,393	5,897	7,110	7,886	7,886	11%
401 City Debt Service Fund	0	94,821	1,739	115,206	6,671	284%
500 AD 91-1	11,109	14,627	17,888	18,955	18,955	6%
501 CFD 91-3	103,428	134,095	68,314	70,947	70,947	4%
502 Fire Station Building	43,795	29,633	35,728	39,625	39,625	11%
505 Civic Plaza	7,325	526,676	2,935	294,615	0	-100%
601 Hesperia Branch Library	4,330	2,771,724	3,071,172	3,322,007	0	-100%
885 Mortgage Assistance Trust	238	413	480	552	552	15%
900 Liability Insurance	41,798	0	414	0	0	-100%
Total Other City Related Funds	$ 3,079,007	$ 7,121,230	$ 18,591,422	$ 14,896,652	$ 8,138,791	-56%
Total Streets CIP, Other Transportation, and Other City Related Funds	$ 13,471,212	$ 21,336,933	$ 37,460,140	$ 29,207,299	$ 30,018,927	-20%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Water Operating Fund (700)						
Taxes						
Secured Property Taxes 700 29 400 4070 4000	$ 222,102	$ 254,196	$ 268,506	$ 270,048	$ 275,449	3%
Standby Charge 700 29 400 4060 4040	93,053	86,198	69,418	78,350	67,687	-2%
Debt Service Taxes 700 29 400 4070 4045	1,272	93	0	50	0	n/a
AB 1661 ERAF 700 29 400 4070 4720	(190,056)	(208,853)	0	0	0	n/a
Other Taxes	13,242	13,817	15,161	14,406	17,801	17%
Total Taxes	$ 139,613	$ 145,451	$ 353,085	$ 362,854	$ 360,937	2%
Interest						
Interest Income 700 29 400 4070 5605	$ 125,525	$ 289,741	$ 319,049	$ 398,988	$ 398,988	25%
Other Interest	1,729	605	0	600	600	n/a
Total Interest	$ 127,254	$ 290,346	$ 319,049	$ 399,588	$ 399,588	25%
Intergovernmental						
City Rent Charge 700 29 400 4070 5880	$ 197,661	$ 214,574	$ 96,025	$ 96,025	$ 86,085	-10%
Total Intergovernmental	$ 197,661	$ 214,574	$ 96,025	$ 96,025	$ 86,085	-10%
Charges for Services						
Water Sales 700 29 400 4060 5100	$ 10,350,484	$ 11,319,260	$ 12,345,000	$ 12,047,120	$ 13,127,611	6%
Water Meter Fees 700 29 400 4070 5140	447,867	469,481	535,000	214,000	200,000	-63%
Reconnection Fees 700 29 400 4070 5130	134,584	183,560	175,200	217,000	263,000	50%
Water Inspection 700 29 400 4070 5180	63,566	52,198	45,000	109,000	40,000	-11%
Rent Eagle Plaza 700 29 400 4070 5875	118,030	117,275	124,000	124,000	214,233	73%
Other Charges for Services	80,127	70,897	60,700	59,000	59,000	-3%
Total Charges for Services	$ 11,194,658	$ 12,212,671	$ 13,284,900	$ 12,770,120	$ 13,903,844	5%
Other Operating						
Other Operating	$ 58,519	$ 70,768	$ 60,500	$ 91,500	$ 90,500	50%
Total Other Operating	$ 58,519	$ 70,768	$ 60,500	$ 91,500	$ 90,500	50%
All Other						
All Other	$ 6,446	$ 8,049	$ 5,000	$ 5,000	$ 10,000	100%
Total All Other	$ 6,446	$ 8,049	$ 5,000	$ 5,000	$ 10,000	100%
Total Water Operating Fund (700)	$ 11,724,151	$ 12,941,859	$ 14,118,559	$ 13,725,087	$ 14,850,954	5%

REVENUE

REVENUE DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Water Capital Fund (701)						
Charges for Services						
Capital Facility Charges 701 29 400 4070 5120	$ 5,477,601	$ 8,959,070	$ 3,688,550	$ 3,688,550	$ 2,727,600	-26%
Water Capital Surcharge 701 29 400 4060 5110	1,579,444	1,748,366	1,863,409	1,790,000	1,575,000	-15%
Other Charges for Services	218,476	570,715	866,344	689,240	1,016,540	17%
Total Water Capital Fund (701)	$ 7,275,521	$ 11,278,151	$ 6,418,303	$ 6,167,790	$ 5,319,140	-17%
Total Water Operating and Capital Fund Revenue	$ 18,999,672	$ 24,220,010	$ 20,536,862	$ 19,892,877	$ 20,170,094	-2%
Sewer Operating Fund (710)						
Interest						
Interest Income 710 19 220 0000 5600	$ 50,639	$ 104,506	$ 114,149	$ 159,863	$ 159,863	40%
Total Interest	$ 50,639	$ 104,506	$ 114,149	$ 159,863	$ 159,863	40%
Charges for Services						
Sewer Billing 710 29 420 4200 5200	$ 952,927	$ 1,309,133	$ 1,228,920	$ 1,500,000	$ 1,575,000	28%
Sewer Inspections 710 29 420 4200 5250	177,818	230,810	100,000	200,000	90,000	-10%
Other Charges for Services	60,956	39,800	30,000	15,000	15,000	-50%
Total Charges for Service	$ 1,191,701	$ 1,579,743	$ 1,358,920	$ 1,715,000	$ 1,680,000	24%
Total Sewer Operating Fund (710)	$ 1,242,340	$ 1,684,249	$ 1,473,069	$ 1,874,863	$ 1,839,863	25%
Sewer Capital Fund (711)						
Charges for Services						
Sewer Connections 711 29 420 4200 5220	$ 969,484	$ 1,455,911	$ 852,313	$ 760,128	$ 511,000	-40%
Interest Income 711 19 220 0000 5600	22,493	46,355	34,315	101,124	101,124	195%
Total Sewer Capital Fund (711)	$ 991,977	$ 1,502,266	$ 886,628	$ 861,252	$ 612,124	-31%
Total Sewer Operating & Capital	$ 2,234,317	$ 3,186,515	$ 2,359,697	$ 2,736,115	$ 2,451,987	4%
TOTAL WATER DISTRICT (700, 701, 710, 711)	$ 21,233,989	$ 27,406,525	$ 22,896,559	$ 22,628,992	$ 22,622,081	-1%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
0200 Fire District Fund						
Taxes						
Secured Property Taxes 200 55 521 0000 4000	$ 3,582,644	$ 3,816,789	$ 3,811,000	$ 4,113,277	$ 4,195,543	10%
Fire Assessment 200 55 521 0000 4020	25,514	6,164	0	2,200	0	n/a
CFD# 94-1 200 55 521 0000 4030	93,176	149,374	311,988	311,988	342,307	10%
Redevelopment Agency Pass-Through 200 55 521 0000 4090	548,785	1,050,909	1,663,260	1,575,617	2,102,700	26%
Total Taxes	$ 4,250,119	$ 5,023,236	$ 5,786,248	$ 6,003,082	$ 6,640,550	15%
Interest						
Interest Income 200 19 220 0000 5600	$ 13,840	$ 7,317	$ 20,000	$ 37,534	$ 37,534	88%
Other Interest	2,970	3,396	3,400	3,400	3,400	0%
Total Interest	$ 16,810	$ 10,713	$ 23,400	$ 40,934	$ 40,934	75%
Charges for Services						
Mutual Aid Reimbursements 200 55 521 0000 5320	$ 14,932	$ 0	$ 0	$ 0	$ 0	n/a
Hazard Abatement Reimbursements 200 55 523 0000 5366	16,801	6,876	4,000	2,750	0	-100%
State Regulated Inspections 200 55 523 0000 5330	1,937	628	12,500	1,500	1,200	-90%
Tenant Improvement Plans Review 200 55 523 0000 4963	2,952	4,853	13,991	8,500	9,000	-36%
Burn Permits 200 55 523 0000 4340	13,556	13,334	18,330	5,500	3,300	-82%
Paramedic Ambulance Fees 200 55 525 0000 5300	1,179,380	1,506,524	1,600,000	1,700,000	1,800,000	13%
Non-Transport EMS Charge 200 55 525 0000 5315	94,426	92,402	94,000	94,000	94,000	0%
Ambulance Membership Service 200 55 525 0000 5305	35,906	34,597	32,000	32,000	35,000	9%
City/County HazMat Contract 200 55 527 0000 5368	0	164,155	87,002	87,002	133,000	53%
Other Charges for Services	44,105	51,463	85,630	74,620	118,108	38%
Total Charges for Services	$ 1,403,995	$ 1,874,832	$ 1,947,453	$ 2,005,872	$ 2,193,608	13%
Grants						
State Used Motor Oil Collection Grant 200 55 527 0000 4700	$ 16,840	$ 2,920	$ 3,000	$ 2,007	$ 0	-100%
Total Grants	$ 16,840	$ 2,920	$ 3,000	$ 2,007	$ 0	-100%

REVENUE

DETAIL BY FUND

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
0200 Fire District Fund (Continued)						
Other Operating						
Cingular Cell Tower Rent 200 19 220 0000 5885	$ 23,100	$ 28,191	$ 30,000	$ 30,000	$ 30,000	0%
Sale of Equipment 200 55 521 0000 5905	0	3,000	0	0	0	n/a
State Mandated Claims Reimbursements 0200 8101 4030 5216 0000	0	8,612	0	9,449	0	n/a
Total Other Operating	$ 23,100	$ 39,803	$ 30,000	$ 39,449	$ 30,000	0%
All Other						
All Other	$ 9,851	$ 1,934	$ 1,000	$ 60	$ 100	-90%
Total All Other	$ 9,851	$ 1,934	$ 1,000	$ 60	$ 100	-90%
Total Fire District Fund	$ 5,720,715	$ 6,953,437	$ 7,791,101	$ 8,091,404	$ 8,905,192	14%
TOTAL REVENUE ALL FUNDS	$ 72,723,464	$103,437,866	$122,292,995	$ 115,806,215	$ 127,742,411	4%

EXPENDITURE SUMMARY

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

EXPENDITURE SUMMARIES

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.

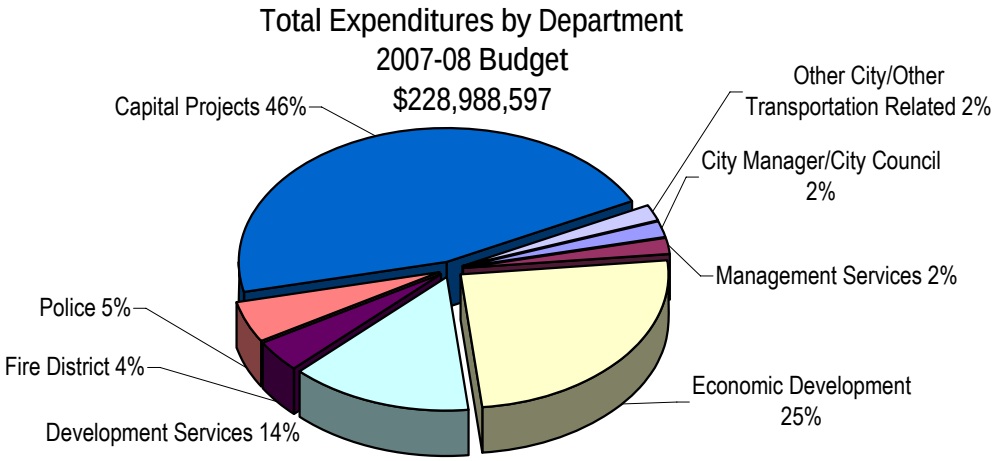
SUMMARY

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

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

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

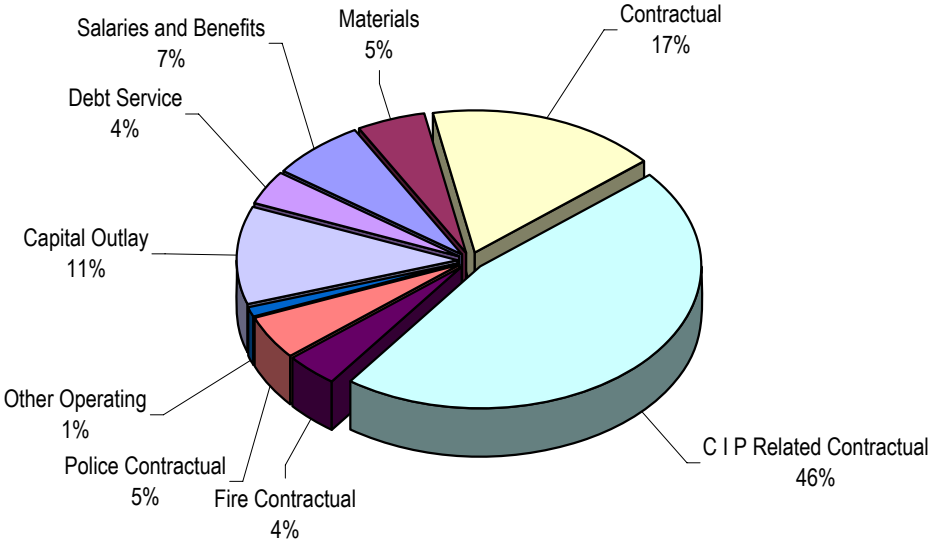
EXPENDITURE SUMMARIES



DEPARTMENTS	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% of Budget	% Change From 2006-07 Budget
City Council	$ 738,238	$ 835,917	$ 885,275	$ 716,612	$ 844,800	1%	-5%
City Manager	$ 1,084,533	$ 883,716	$ 1,248,590	$ 1,207,688	$ 1,612,281	1%	29%
Management Services	$ 3,565,718	$ 3,263,297	$ 4,272,269	$ 4,641,901	$ 4,836,081	2%	13%
Economic Development							n/a
Redevelopment Agency	$ 6,625,513	$ 16,078,692	$ 31,908,362	$ 21,022,519	$ 52,320,642	22%	64%
C.D.B.G.	904,938	1,361,828	15,218,466	9,126,945	6,318,362	3%	-58%
Total Economic Development	$ 7,530,451	$ 17,440,520	$ 47,126,828	$ 30,149,464	$ 58,639,004	25%	24%
Development Services							
Community Development	$ 3,035,924	$ 4,264,458	$ 4,258,051	$ 3,667,106	$ 4,319,019	2%	1%
Code Compliance	0	0	2,157,229	1,936,349	2,785,014	1%	29%
Public Works	2,776,786	3,344,346	4,532,925	4,485,459	5,485,663	2%	21%
Water Operations	9,594,540	12,249,387	17,328,146	15,358,080	19,195,579	8%	11%
Sewer Operations	972,083	884,703	1,123,467	1,125,500	1,260,077	1%	12%
Total Development Services	$ 16,379,333	$ 20,742,894	$ 29,399,818	$ 26,572,494	$ 33,045,352	14%	12%
Police	$ 6,742,961	$ 7,780,784	$ 9,546,808	$ 9,173,899	$ 11,316,421	5%	19%
Fire District	$ 5,728,000	$ 5,857,131	$ 8,501,686	$ 8,195,595	$ 9,953,569	4%	17%
Other Transportation Related Expenditures	$ 1,174,339	$ 1,660,434	$ 1,719,055	$ 2,356,694	$ 2,291,729	1%	33%
Other City Related Expenditures	$ 384,488	$ 1,099,574	$ 1,283,042	$ 1,440,748	$ 1,443,333	1%	12%
Capital Improvement Projects							
C I P - Facilities	$ 1,860,080	$ 18,562,895	$ 12,636,606	$ 10,622,647	$ 4,208,833	2%	-67%
C I P - Redevelopment Agency	0	1,081,537	13,629,570	6,384,088	46,196,506	20%	239%
C I P - Streets	3,349,565	4,980,146	23,987,931	4,150,704	30,640,955	13%	28%
C I P - Water	5,093,180	10,056,257	25,880,279	11,664,559	23,059,733	10%	-11%
C I P - Sewer	0	0	1,728,920	0	900,000	1%	-48%
Projects	$ 10,302,825	$ 34,680,835	$ 77,863,306	$ 32,821,998	$ 105,006,027	46%	35%
Total City Expenditures	$ 53,630,886	$ 94,245,102	$ 181,846,677	$ 117,277,093	$ 228,988,597	100%	26%

EXPENDITURE SUMMARIES

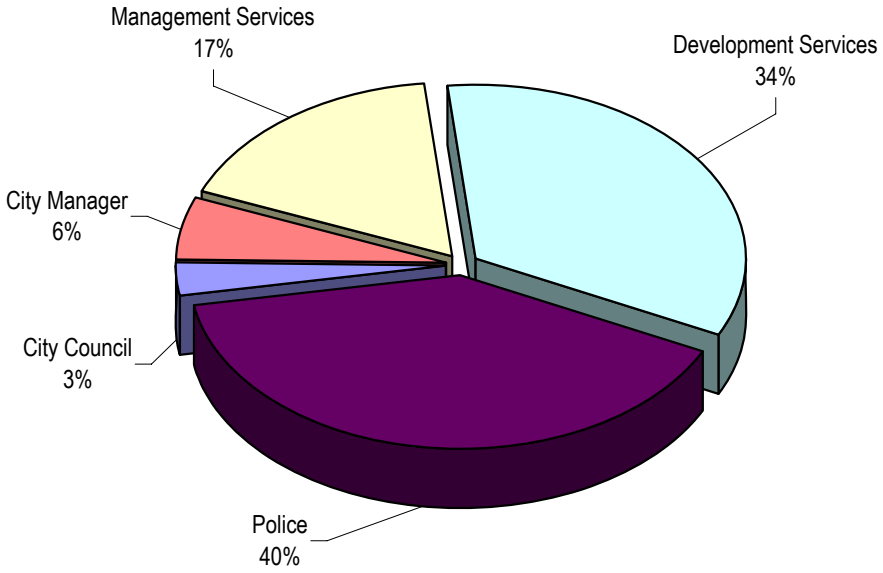
Total Expenditures by Major Expenditure Account
2007-08 Budget
$228,988,597



DEPARTMENTS	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% of Budget	% Change From 2006-07 Budget
Salaries and Benefits							
Salaries	$ 6,408,999	$ 7,185,255	$ 10,568,270	$ 9,529,359	$ 12,225,159	5%	16%
Benefits	2,424,289	2,852,679	4,060,042	3,838,608	4,571,151	2%	13%
Total Salaries and Benefits	8,833,288	10,037,934	14,628,312	13,367,967	16,796,310	7%	15%
Materials	5,472,063	6,081,200	9,428,732	8,974,097	11,638,887	5%	23%
Contractual	8,263,812	15,144,619	47,371,979	27,519,436	39,918,931	17%	-16%
C I P Related Contractual	10,302,825	34,680,835	77,863,306	32,821,998	105,006,027	46%	35%
Fire Contractual	5,540,122	5,679,012	7,843,571	7,497,807	8,294,789	4%	6%
Police Contractual	6,322,676	7,422,382	9,190,422	8,860,976	10,829,476	5%	18%
Other Operating	2,176,306	2,218,004	2,223,215	2,295,569	3,058,142	1%	38%
Capital Outlay	2,133,658	5,183,527	4,696,849	7,029,418	24,391,888	11%	419%
Debt Service	4,586,136	7,797,589	8,600,291	8,909,825	9,054,147	4%	5%
Total Expenditures	$ 53,630,886	$ 94,245,102	$ 181,846,677	$ 117,277,093	$ 228,988,597	100%	26%

EXPENDITURE SUMMARIES

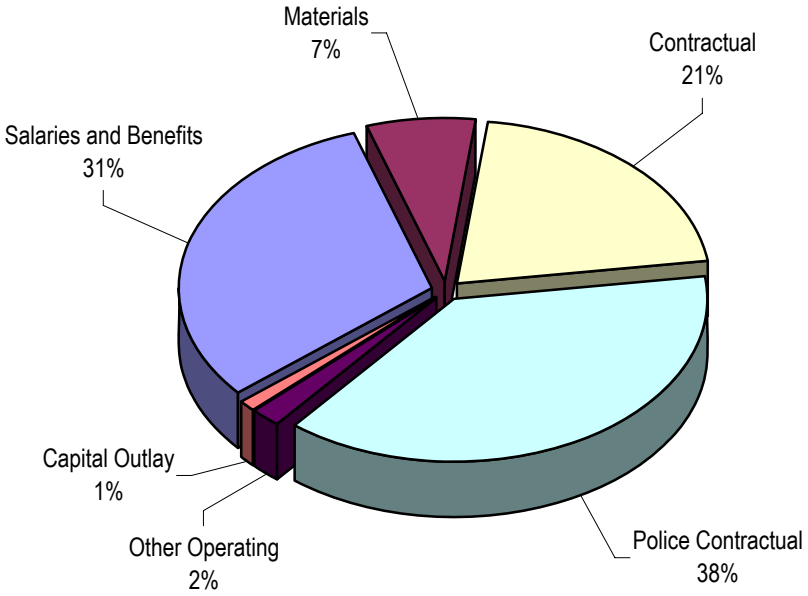
Total General Fund Expenditures by Department
2007-08 Budget
$28,329,816



DEPARTMENTS	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% of Budget	% Change From 2006-07 Budget
City Council	$ 738,238	$ 835,917	$ 885,275	$ 716,612	$ 844,800	3%	-5%
City Manager	1,084,533	883,716	1,248,590	1,207,688	1,612,281	6%	29%
Management Services	3,565,718	3,263,297	4,272,269	4,641,901	4,836,081	17%	13%
Development Services							
D. S. - Community Development	3,035,924	4,264,458	4,258,051	3,667,106	4,319,019	15%	1%
D. S. - Code Compliance	0	0	2,157,229	1,936,349	2,785,014	10%	29%
D. S. - Public Works	515,311	976,633	1,698,174	1,777,290	1,988,122	7%	17%
D. S. - Capital Improvement	254,214	2,824,480	658,137	707,348	628,078	2%	-5%
Development Services Total	3,805,449	8,065,571	8,771,591	8,088,093	9,720,233	34%	11%
Police	6,742,961	7,780,784	9,546,808	9,173,899	11,316,421	40%	19%
Total General Fund Expenditures	$ 15,936,899	$ 20,829,285	$ 24,724,533	$ 23,828,193	$ 28,329,816	100%	15%

EXPENDITURE SUMMARIES

Total General Fund Expenditures by Major Expenditure Account
2007-08 Budget
$28,329,816



DEPARTMENTS	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% of Budget	% Change From 2006-07 Budget
Salaries and Benefits							
Salaries	$ 3,467,464	$ 3,753,064	$ 5,332,699	$ 4,879,853	$ 6,216,188	22%	17%
Benefits	1,233,098	1,472,950	2,077,125	1,964,272	2,349,738	9%	13%
Total Salaries and Benefits	4,700,562	5,226,014	7,409,824	6,844,125	8,565,926	31%	16%
Materials	1,142,697	1,153,463	1,585,490	1,637,510	1,973,502	7%	24%
Contractual	2,293,986	6,320,954	5,662,659	5,357,072	6,035,913	21%	7%
Police Contractual	6,322,676	7,422,382	9,190,422	8,860,976	10,829,476	38%	18%
Other Operating	486,983	495,069	514,638	461,060	572,999	2%	11%
Capital Outlay	989,995	211,403	361,500	667,450	352,000	1%	-3%
Total General Fund Expenditures	$15,936,899	$20,829,285	$24,724,533	$23,828,193	$28,329,816	100%	15%

EXPENDITURE SUMMARIES

SUMMARY EXPENDITURES BY DEPARTMENT

DEPARTMENTS	2004-05 ACTUAL	2005-06 ACTUAL	2006-07 BUDGET	2006-07 REVISED	2007-08 BUDGET	%CHANGE FROM 2005-06 BUDGET
City Council	$ 738,238	$ 835,917	$ 885,275	$ 716,612	$ 844,800	-5%
City Manager	$ 1,084,533	$ 883,716	$ 1,248,590	$ 1,207,688	$ 1,612,281	29%
Management Services	$ 3,565,718	$ 3,263,297	$ 4,272,269	$ 4,641,901	$ 4,836,081	13%
Economic Development						
Redevelopment Agency[1]	$ 6,625,513	$ 16,078,692	$ 31,908,362	$ 21,022,519	$ 52,320,642	64%
C.D.B.G.	904,938	1,361,828	15,218,466	9,126,945	6,318,362	-58%
Total Economic Development	$ 7,530,451	$ 17,440,520	$ 47,126,828	$ 30,149,464	$ 58,639,004	24%
Development Services						
Community Development	$ 3,035,924	$ 4,264,458	$ 4,258,051	$ 3,667,106	$ 4,319,019	1%
Code Compliance	0	0	2,157,229	1,936,349	2,785,014	29%
Public Works	2,776,786	3,344,346	4,532,925	4,485,459	5,485,663	21%
Water Operations	9,594,540	12,249,387	17,328,146	15,358,080	19,195,579	11%
Sewer Operations[1]	972,083	884,703	1,123,467	1,125,500	1,260,077	12%
Total Development Services	$ 16,379,333	$ 20,742,894	$ 29,399,818	$ 26,572,494	$ 33,045,352	12%
Police	$ 6,742,961	$ 7,780,784	$ 9,546,808	$ 9,173,899	$ 11,316,421	19%
Fire District	$ 5,728,000	$ 5,857,131	$ 8,501,686	$ 8,195,595	$ 9,953,569	17%
Total Other Transportation Related Expenditures[1]	$ 1,174,339	$ 1,660,434	$ 1,719,055	$ 2,356,694	$ 2,291,729	33%
Total Other City Related Expenditures[1]	$ 384,488	$ 1,099,574	$ 1,283,042	$ 1,440,748	$ 1,443,333	12%
Capital Improvement Projects						
C I P - Facilities	$ 1,860,080	$ 18,562,895	$ 12,636,606	$ 10,622,647	$ 4,208,833	-67%
C I P - RDA	0	1,081,537	13,629,570	6,384,088	46,196,506	239%
C I P - Streets[2]	3,349,565	4,980,146	23,987,931	4,150,704	30,640,955	28%
C I P - Water	5,093,180	10,056,257	25,880,279	11,664,559	23,059,733	-11%
C I P - Sewer	0	0	1,728,920	0	900,000	-48%
Total Capital Improvement Projects	$ 10,302,825	$ 34,680,835	$ 77,863,306	$ 32,821,998	$ 105,006,027	35%
Total City Expenditures by Department	$ 53,630,886	$ 94,245,102	$ 181,846,677	$ 117,277,093	$ 228,988,597	26%

Notes:

1. May contain expenditures unrelated to the Capital Improvement Plan (CIP) from funds that are formally designated as Capital Project Funds.
2. FY 2004-05 Actual for Capital Improvements - Streets includes a $125,000 land purchase.

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM

EXPENDITURES BY FUND	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
General Fund						
City Council						
100 100 City Council	$ 301,035	$ 361,439	$ 435,275	$ 391,612	$ 444,800	2%
100 102 City Attorney	437,203	474,478	450,000	325,000	400,000	-11%
Total City Council	$ 738,238	$ 835,917	$ 885,275	$ 716,612	$ 844,800	-5%
City Manager						
100 200 City Manager	$ 890,596	$ 597,137	$ 856,215	$ 868,383	$ 1,203,683	41%
100 210 City Clerk	193,937	286,579	392,375	339,305	408,598	4%
Total City Manager	$ 1,084,533	$ 883,716	$ 1,248,590	$ 1,207,688	$ 1,612,281	29%
Management Services						
100 220 Finance	$ 1,214,894	$ 973,912	$ 1,640,493	$ 1,405,493	$ 1,888,098	15%
100 225 Human Resources/ Risk Mgmt.	732,956	1,072,046	1,210,392	1,376,862	1,652,304	37%
100 228 Mgmt. Information Services	587,474	819,900	1,055,359	1,337,094	1,295,679	23%
100 229 Non-Departmental	1,030,394	397,439	366,025	522,452	0	-100%
Total Management Services	$ 3,565,718	$ 3,263,297	$ 4,272,269	$ 4,641,901	$ 4,836,081	13%
D. S. - Community Development						
100 3000 Planning	$ 610,616	$ 1,097,032	$ 2,138,042	$ 1,737,610	$ 2,142,420	0%
100 3020 Building & Safety	1,168,496	1,787,599	2,120,009	1,929,496	2,176,599	3%
100 3010 Code Enforcement	489,508	532,048	0	0	0	0%
100 5000 Animal Control	767,304	847,779	0	0	0	0%
Total D. S. Community Development	$ 3,035,924	$ 4,264,458	$ 4,258,051	$ 3,667,106	$ 4,319,019	1%
D. S. - Code Compliance						
100 3010 Code Enforcement	$ 0	$ 0	$ 812,155	$ 681,163	$ 1,225,789	51%
100 5000 Animal Control	0	0	1,345,074	1,255,186	1,559,225	16%
Total D. S. Code Compliance	$ 0	$ 0	$ 2,157,229	$ 1,936,349	$ 2,785,014	29%
D. S. - Public Works						
100 3100 Engineering	$ 420,037	$ 778,466	$ 1,357,873	$ 1,301,225	$ 1,391,898	3%
100 3110 Building Maintenance	95,274	198,167	340,301	476,065	596,224	75%
100 Capital Improvement Program	254,214	2,824,480	658,137	707,348	628,078	-5%
Total D. S. - Public Works	$ 769,525	$ 3,801,113	$ 2,356,311	$ 2,484,638	$ 2,616,200	11%
100 510 Police	6,742,961	7,780,784	9,546,808	9,173,899	11,316,421	19%
Total General Fund Expenditures	$ 15,936,899	$ 20,829,285	$ 24,724,533	$ 23,828,193	$ 28,329,816	15%
Redevelopment Agency Funds						
385 RDA Low/Moderate Income	$ 242,849	$ 1,257,426	$ 7,177,535	$ 3,103,208	$ 19,592,572	173%
389 RDA Administration	471,974	0	2,154,726	1,202,763	2,371,505	10%
486 RDA Debt Service Project Area #1	5,088,156	9,817,263	13,416,448	13,627,881	17,465,185	30%
487 RDA Debt Service Project Area #2	620,288	1,054,326	1,644,653	1,367,957	1,665,598	1%
585 RDA Capital Improvements	202,246	0	0	0	0	0%
586 RDA Capital Improvements Area #1	0	4,849,571	20,738,161	7,724,738	56,317,749	172%
587 RDA Capital Improvements Area #2	0	181,643	306,409	380,060	604,539	97%
588 V V E D A	0	0	100,000	0	500,000	400%
Total RDA Expenditures	$ 6,625,513	$ 17,160,229	$ 45,537,932	$ 27,406,607	$ 98,517,148	116%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM

EXPENDITURES BY FUND	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
C.D.B.G Funds						
251 C.D.B.G Administration	$ 719,705	$ 948,534	$ 1,293,185	$ 721,945	$ 1,399,619	8%
252 C.D.B.G Home Grant	148,233	213,294	12,400,281	8,405,000	3,300,928	-73%
253 C.D.B.G Revolving Loans	37,000	200,000	1,525,000	0	1,617,815	6%
Total C.D.B.G Expenditures	$ 904,938	$ 1,361,828	$ 15,218,466	$ 9,126,945	$ 6,318,362	-58%
D. S. - Public Works Funds						
263 310 Street Maintenance Fund	$ 2,261,475	$ 2,367,713	$ 2,834,751	$ 2,708,169	$ 3,497,541	23%
Streets Capital Improvement Projects (CIP) Funds						
201 Measure I - Arterial	$ 812,321	$ 230,218	$ 4,382,760	$ 1,567,603	$ 5,294,436	21%
202 Measure I - Local	400,000	940,463	919,969	919,969	1,651,812	80%
205 Gas Tax Fund	150,000	0	350,000	0	568,655	62%
207 Article 8 Local Transportation Fund	0	374,630	0	0	60,000	100%
250 Traffic Congestion Relief	46,630	317,581	0	0	20,000	100%
300 Streets Development Impact Fee	360,117	222,306	6,010,480	1,042,548	14,564,625	142%
301 Storm Drain Development Impact Fee	125,000	77,977	5,728,000	340,331	2,578,000	-55%
596 Measure I CIP	1,201,283	0	0	0	0	0%
600 Ranchero Road Undercrossing	0	0	5,938,585	63,236	5,875,349	-1%
Total Streets CIP Funds	$ 3,095,351	$ 2,163,175	$ 23,329,794	$ 3,933,687	$ 30,612,877	31%
Other Transportation Related Funds						
203 Measure I - Transit	$ 120,000	$ 175,000	$ 175,000	$ 175,000	$ 161,649	-8%
254 AB 2766 AQMD	35,000	35,000	35,000	35,000	35,000	0%
400 Measure I Debt Service	1,019,339	1,450,434	1,509,055	2,146,694	1,495,080	-1%
Total Other Transportation Related Funds	$ 1,174,339	$ 1,660,434	$ 1,719,055	$ 2,356,694	$ 1,691,729	-2%
Facilities						
502 Fire Station Building	$ 0	$ 0	$ 0	$ 73,000	$ 528,500	100%
505 Government Center CIP	1,242,014	13,065,246	9,196,897	7,939,680	0	-100%
601 Hesperia Branch Library	618,066	5,497,649	3,439,709	2,523,300	0	-100%
Total Facilities Funds	$ 1,860,080	$ 18,562,895	$ 12,636,606	$ 10,535,980	$ 528,500	-96%
Other City Related Funds						
256 Beverage Recycling Grant	$ 0	$ 24,088	$ 20,424	$ 20,424	$ 21,333	4%
260 Disaster Preparedness Fund	879	3,952	5,000	3,200	26,200	424%
302 Fire Development Impact Fee	0	110,240	143,000	86,667	3,680,333	2474%
304 Public Services Dev. Impact Fee	204,771	372,730	122,818	122,818	0	-100%
401 City Debt Service Fund	1,153	535,419	991,800	800,000	1,391,800	40%
500 Assessment District 91-1	141,909	32,261	0	0	0	0%
501 CFD 91-3 Belgate	24,779	13,375	0	3,975	4,000	100%
900 Liability Insurance	10,997	0	0	0	0	0%
Total Other City Related Funds	$ 384,488	$ 1,092,065	$ 1,283,042	$ 1,037,084	$ 5,123,666	299%
Total Streets CIP, Other Transportation, City Facilities, & Other City Related Funds	$ 6,514,258	$ 23,478,569	$ 38,968,497	$ 17,863,445	$ 37,956,772	-3%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY FUND, DEPARTMENT AND PROGRAM

EXPENDITURES BY FUND	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
700 Water Operating Fund						
4010 Source of Supply	$ 619,842	$ 728,789	$ 1,454,798	$ 2,172,643	$ 2,621,481	80%
4020 Production	2,570,047	3,080,541	3,489,587	3,275,388	4,118,632	18%
4030 Distribution	791,261	1,160,415	1,654,540	1,248,229	1,297,458	-22%
4035 Pipeline Maintenance	0	338,709	2,533,039	1,517,637	2,269,841	-10%
4040 Engineering	354,359	349,209	567,437	498,146	1,615,478	185%
4050 Customer Service	890,193	1,220,968	1,466,509	1,019,309	1,521,931	4%
4060 Utility Billing	541,441	622,869	681,901	715,569	798,403	17%
4070 Administration	3,723,176	4,433,152	5,172,754	4,628,477	4,608,833	-11%
4080 Property Management	104,221	314,735	307,581	282,682	343,522	12%
Total Water Operating	$ 9,594,540	$ 12,249,387	$ 17,328,146	$ 15,358,080	$ 19,195,579	11%
701 Water Capital Projects Fund	$ 5,093,180	$ 10,056,257	$ 25,880,279	$ 11,664,559	$ 23,059,733	-11%
710 Sewer Operating Fund	$ 972,083	$ 884,703	$ 1,123,467	$ 1,050,500	$ 1,160,077	3%
711 Sewer Capital Fund	$ 0	$ 0	$ 1,728,920	$ 75,000	$ 1,000,000	-42%
200 Fire District Fund						
520 Operations & Community Safety	$ 5,402,668	$ 5,584,008	$ 7,721,405	$ 7,321,707	$ 8,091,789	5%
521 Administration	325,332	273,123	780,281	873,888	1,861,780	139%
Total Fire District Fund	$ 5,728,000	$ 5,857,131	$ 8,501,686	$ 8,195,595	$ 9,953,569	17%
Total Expenditures By Fund, Department, and Program	$ 53,630,886	$ 94,245,102	$ 181,846,677	$ 117,277,093	$ 228,988,597	26%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY DEPARTMENT AND PROGRAMS

DEPARTMENT AND PROGRAM EXPENDITURES SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
City Council						
100 100 City Council	$ 301,035	$ 361,439	$ 435,275	$ 391,612	$ 444,800	2%
100 102 City Attorney	437,203	474,478	450,000	325,000	400,000	-11%
Total City Council	$ 738,238	$ 835,917	$ 885,275	$ 716,612	$ 844,800	-5%
City Manager						
100 200 City Manager	$ 890,596	$ 597,137	$ 856,215	$ 868,383	$ 1,203,683	41%
100 210 City Clerk	193,937	286,579	392,375	339,305	408,598	4%
Total City Manager	$ 1,084,533	$ 883,716	$ 1,248,590	$ 1,207,688	$ 1,612,281	29%
Management Services						
100 220 Finance	$ 1,214,894	$ 973,912	$ 1,640,493	$ 1,405,493	$ 1,888,098	15%
100 225 Human Resources/Risk Mgmt.	732,956	1,072,046	1,210,392	1,376,862	1,652,304	37%
100 228 Mgmt. Information Services	587,474	819,900	1,055,359	1,337,094	1,295,679	23%
100 229 Non-Departmental	1,030,394	397,439	366,025	522,452	0	-100%
Total Management Services	$ 3,565,718	$ 3,263,297	$ 4,272,269	$ 4,641,901	$ 4,836,081	13%
Economic Development						
Redevelopment Agency						
385 RDA Low/Moderate Income	$ 242,849	$ 1,257,426	$ 7,177,535	$ 3,103,208	$ 19,592,572	173%
389 RDA Administration	471,974	0	2,154,726	1,202,763	2,371,505	10%
486 RDA Debt Service Project Area #1	5,088,156	9,817,263	13,416,448	13,627,881	17,465,185	30%
487 RDA Debt Service Project Area #2	620,288	1,054,326	1,644,653	1,367,957	1,665,598	1%
585 RDA Capital Improvements	202,246	0	0	0	0	0%
586 RDA Project Area #1 C I P	0	4,849,571	20,738,161	7,724,738	56,317,749	172%
587 RDA Project Area #2 C I P	0	181,643	306,409	380,060	604,539	97%
588 V V E D A	0	0	100,000	0	500,000	400%
Subtotal Redevelopment Agency	$ 6,625,513	$ 17,160,229	$ 45,537,932	$ 27,406,607	$ 98,517,148	116%
C.D.B.G						
251 C.D.B.G Administration	$ 719,705	$ 948,534	$ 1,293,185	$ 721,945	$ 1,399,619	8%
252 C.D.B.G Home Grant	148,233	213,294	12,400,281	8,405,000	3,300,928	-73%
253 C.D.B.G Revolving Loans	37,000	200,000	1,525,000	0	1,617,815	6%
Subtotal C.D.B.G	$ 904,938	$ 1,361,828	$ 15,218,466	$ 9,126,945	$ 6,318,362	-58%
Total Economic Development	$ 7,530,451	$ 18,522,057	$ 60,756,398	$ 36,533,552	$ 104,835,510	73%
D. S. - Community Development						
100 3000 Planning	$ 610,616	$ 1,097,032	$ 2,138,042	$ 1,737,610	$ 2,142,420	0%
100 3020 Building & Safety	1,168,496	1,787,599	2,120,009	1,929,496	2,176,599	3%
100 3010 Code Enforcement	489,508	532,048	0	0	0	0%
100 5000 Animal Control	767,304	847,779	0	0	0	0%
	$ 3,035,924	$ 4,264,458	$ 4,258,051	$ 3,667,106	$ 4,319,019	1%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY DEPARTMENT AND PROGRAMS

DEPARTMENT AND PROGRAM EXPENDITURES SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
D. S. - Code Compliance						
100 3010 Code Enforcement	$ 0	$ 0	$ 812,155	$ 681,163	$ 1,225,789	51%
100 5000 Animal Control	0	0	1,345,074	1,255,186	1,559,225	16%
Total D. S. - Code Compliance	$ 0	$ 0	$ 2,157,229	$ 1,936,349	$ 2,785,014	29%
D. S. - Public Works						
100 3100 Engineering	$ 420,037	$ 778,466	$ 1,357,873	$ 1,301,225	$ 1,391,898	3%
100 3110 Building Maintenance	95,274	198,167	340,301	476,065	596,224	75%
263 3150 Street Maintenance Fund	2,261,475	2,367,713	2,834,751	2,708,169	3,497,541	23%
	$ 2,776,786	$ 3,344,346	$ 4,532,925	$ 4,485,459	$ 5,485,663	21%
D. S.- Water						
700 Water Operating Fund						
4010 Source of Supply	$ 619,842	$ 728,789	$ 1,454,798	$ 2,172,643	$ 2,621,481	80%
4020 Production	2,570,047	3,080,541	3,489,587	3,275,388	4,118,632	18%
4030 Distribution	791,261	1,160,415	1,654,540	1,248,229	1,297,458	-22%
4035 Pipeline Maintenance	0	338,709	2,533,039	1,517,637	2,269,841	-10%
4040 Engineering	354,359	349,209	567,437	498,146	1,615,478	185%
4050 Customer Service	890,193	1,220,968	1,466,509	1,019,309	1,521,931	4%
4060 Utility Billing	541,441	622,869	681,901	715,569	798,403	17%
4070 Administration	3,723,176	4,433,152	5,172,754	4,628,477	4,608,833	-11%
4080 Property Management	104,221	314,735	307,581	282,682	343,522	12%
Total Water Operating	$ 9,594,540	$ 12,249,387	$ 17,328,146	$ 15,358,080	$ 19,195,579	11%
701 Water Capital Projects	$ 5,093,180	$ 10,056,257	$ 25,880,279	$ 11,664,559	$ 23,059,733	-11%
Total D. S. - Water Operating & Capital	$ 14,687,720	$ 22,305,644	$ 43,208,425	$ 27,022,639	$ 42,255,312	-2%
D. S. - Sewer						
710 Sewer Operations	$ 972,083	$ 884,703	$ 1,123,467	$ 1,050,500	$ 1,160,077	3%
711 Sewer Capital	0	0	1,728,920	75,000	1,000,000	-42%
Total D. S. - Sewer Operating & Capital	$ 972,083	$ 884,703	$ 2,852,387	$ 1,125,500	$ 2,160,077	-24%
100 510 Police	$ 6,742,961	$ 7,780,784	$ 9,546,808	$ 9,173,899	$ 11,316,421	19%
Fire District						
520 Operations & Community Safety	$ 5,402,668	$ 5,584,008	$ 7,721,405	$ 7,321,707	$ 8,091,789	5%
521 Administration	325,332	273,123	780,281	873,888	1,861,780	139%
Total Fire District	$ 5,728,000	$ 5,857,131	$ 8,501,686	$ 8,195,595	$ 9,953,569	17%

EXPENDITURE SUMMARIES

TOTAL EXPENDITURES BY DEPARTMENT AND PROGRAMS

DEPARTMENT AND PROGRAM EXPENDITURES SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Streets Capital Improvement Project (CIP) Funds						
100 Capital Improvement Program	$ 254,214	$ 2,824,480	$ 658,137	$ 707,348	$ 628,078	-5%
201 Measure I - Arterial	812,321	230,218	4,382,760	1,567,603	5,294,436	21%
202 Measure I - Local	400,000	940,463	919,969	919,969	1,651,812	80%
205 Gas Tax Fund	150,000	0	350,000	0	568,655	62%
207 Article 8 Local Transportation Fund	0	374,630	0	0	60,000	100%
250 Traffic Congestion Relief	46,630	317,581	0	0	20,000	100%
300 Streets Development Impact Fee	360,117	222,306	6,010,480	1,042,548	14,564,625	142%
301 Storm Drain Dev. Impact Fee	125,000	77,977	5,728,000	340,331	2,578,000	-55%
596 Measure I CIP	1,201,283	0	0	0	0	0%
600 Ranchero Road Undercrossing	0	0	5,938,585	63,236	5,875,349	-1%
Total Streets CIP Funds	$ 3,349,565	$ 4,987,655	$ 23,987,931	$ 4,641,035	$ 31,240,955	30%
Other Transportation Related Funds						
203 Measure I - Transit	$ 120,000	$ 175,000	$ 175,000	$ 175,000	$ 161,649	-8%
254 AB 2766 AQMD	35,000	35,000	35,000	35,000	35,000	0%
400 Measure I Debt Service	1,019,339	1,450,434	1,509,055	2,146,694	1,495,080	-1%
Total Other Transportation Funds	$ 1,174,339	$ 1,660,434	$ 1,719,055	$ 2,356,694	$ 1,691,729	-2%
Facilities						
502 Fire Station Building	$ 0	$ 0	$ 0	$ 73,000	$ 528,500	100%
505 Government Center CIP	1,242,014	13,065,246	9,196,897	7,939,680	0	-100%
601 Hesperia Branch Library	618,066	5,497,649	3,439,709	2,523,300	0	-100%
Total Facilities Funds	$ 1,860,080	$ 18,562,895	$ 12,636,606	$ 10,535,980	$ 528,500	-96%
Other City Related Funds						
256 Beverage Recycling Grant	0	24,088	20,424	20,424	21,333	4%
260 Disaster Preparedness Fund	879	3,952	5,000	3,200	26,200	424%
302 Fire Development Impact Fee	0	110,240	143,000	86,667	3,680,333	2474%
304 Public Services Dev. Impact Fee	204,771	372,730	122,818	122,818	0	-100%
401 City Debt Service Fund	1,153	535,419	991,800	800,000	1,391,800	40%
500 Assessment District 91-1	141,909	32,261	0	0	0	0%
501 CFD 91-3 Belgate	24,779	13,375	0	3,975	4,000	100%
900 Liability Insurance	$ 10,997	$ 0	$ 0	$ 0	$ 0	0%
Total Other City Related Funds	$ 384,488	$ 1,092,065	$ 1,283,042	$ 1,037,084	$ 5,123,666	299%
Total Streets CIP, Other Transportation, City Facilities, & Other City Related Funds	$ 6,768,472	$ 26,303,049	$ 39,626,634	$ 18,570,793	$ 38,584,850	-3%
Total City Expenditures by Department and Program	$ 53,630,886	$ 94,245,102	$ 181,846,677	$ 117,277,093	$ 228,988,597	26%

FUND: GENERAL FUND 100
DEPARTMENT: CITY COUNCIL 01

DEPARTMENT EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 43,442	$ 46,027	$ 46,800	$ 46,800	$ 46,800	0%
Benefits	62,518	70,133	70,995	72,461	82,000	16%
Materials	10,464	5,339	21,700	17,600	22,000	1%
Contractual	594,203	682,292	700,200	535,000	647,000	-8%
Other Operating	27,611	32,126	45,580	44,751	47,000	3%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
Total	$ 738,238	$ 835,917	$ 885,275	$ 716,612	$ 844,800	-5%

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
100 City Council	$ 301,035	$ 361,439	$ 435,275	$ 391,612	$ 444,800	2%
102 City Attorney	437,203	474,478	450,000	325,000	400,000	-11%
Total	$ 738,238	$ 835,917	$ 885,275	$ 716,612	$ 844,800	-5%

DEPARTMENT STAFFING SUMMARY	2004-05	2005-06	2006-07	2007-08
Council Members	5	5	5	5
City Attorney	1	1	1	1
Total	6	6	6	6

DEPARTMENT GOALS FOR 2007-08

- Our success will be measured by an informed and involved citizenry; a stable workforce; being renowned as a model public sector organization; long-term financial stability, including sustainable and diversified revenue sources; and, a high quality of life.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- City Attorney litigation services of $50,000 is being transferred to Management Services Human Resources/Risk Management because starting in Fiscal Year 2006-07, the Public Agency Risk Sharing Authority of California (PARSAC) assigned City litigation cases to certain approved attorneys and law firms.

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 43,442	$ 46,027	$ 46,800	$ 46,800	$ 46,800	0%
Benefits	62,518	70,133	70,995	72,461	82,000	16%
Materials	10,464	5,339	21,700	17,600	22,000	1%
Contractual	157,000	207,814	250,200	210,000	247,000	-1%
Other Operating	27,611	32,126	45,580	44,751	47,000	3%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
Total	$ 301,035	$ 361,439	$ 435,275	$ 391,612	$ 444,800	2%

DIVISION DESCRIPTION

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

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Elected Officials				
City Council Members	5	5	5	5

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- None.

2006-07 DIVISION ACCOMPLISHMENTS

- The City has received over $10.3 million in Federal and State earmarks ($10 million for the Ranchero Road Undercrossing and $350,000 for implementation of the Water Master Plan). An additional $2 to $4 million is anticipated from the Federal government for the Ranchero Road Corridor Project.
- Through policy leadership, Hesperia has developed and grown in both population and businesses.
- The City Council oversaw the completion of construction of a new Branch Library and Civic Plaza.
- The City Council established weekly City Hall office hours to more conveniently meet the needs of Hesperia citizens.
- The City Council adopted ordinances relating to group homes, rental housing, and landscaping to help further improve quality of life for all residents.

2007-08 DIVISION GOALS AND OBJECTIVES

- The City Council will continue to provide leadership and policy direction on a variety of issues and projects important to the City of Hesperia.

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

2007-08 DIVISION GOALS AND OBJECTIVES (Continued)

- Increase funding of the City's annual Street Paving Program in an effort to repair or replace as many deteriorating streets as possible.
- Increase public safety services by increasing funding for Police and Fire staffing and related vehicles/equipment.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Number of Council Meetings held	n/a	n/a	27	27
Number of agency/commission/committee meetings attended	n/a	n/a	141	145

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	437,203	474,478	450,000	325,000	400,000	-11%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
Total	$ 437,203	$ 474,478	$ 450,000	$ 325,000	$ 400,000	-11%

DIVISION DESCRIPTION

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

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
City Attorney (Contract)	1	1	1	1

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- City Attorney litigation services of $50,000 is being transferred to Management Services Human Resources/Risk Management because starting in Fiscal Year 2006-07, the Public Agency Risk Sharing Authority of California (PARSAC) assigned City litigation cases to certain approved attorneys and law firms.

2006-07 DIVISION ACCOMPLISHMENTS

- The City Council conducted a selection process for City Attorney Services with thirteen law firms submitting formal proposals and six firms interviewed, with the selection of the law firm of Aleshire and Wynder, LLP.

2007-08 DIVISION GOALS AND OBJECTIVES

- The new City Attorney will provide timely and appropriate legal advice on a variety of issues.

FUND: GENERAL FUND 100
DEPARTMENT: CITY MANAGER 07

DEPARTMENT EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 672,034	$ 505,703	$ 625,861	$ 635,433	$ 733,996	17%
Benefits	181,247	196,472	230,631	251,926	282,135	22%
Materials	78,736	84,776	130,550	122,600	151,310	16%
Contractual	55,837	14,793	64,410	42,833	172,705	168%
Other Operating	96,679	67,422	197,138	154,896	240,135	22%
Capital Outlay	0	14,550	0	0	32,000	100%
Debt Service	0	0	0	0	0	0%
Total	$1,084,533	$ 883,716	$1,248,590	$1,207,688	$ 1,612,281	29%

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
200 City Manager	$ 890,596	$ 597,137	$ 856,215	$ 868,383	$ 1,203,683	41%
210 City Clerk	193,937	286,579	392,375	339,305	408,598	4%
Total	$1,084,533	$ 883,716	$1,248,590	$1,207,688	$ 1,612,281	29%

DEPARTMENT STAFFING				
Total Full-Time Staff	8.00	8.00	7.84	9.84
Total Part-Time Staff	1.09	0.00	0.92	0.00
Total City Manager Staff	9.09	8.00	8.76	9.84

DEPARTMENT GOALS FOR 2007-08

- Pursue Federal and State earmarks for a variety of programs in concert with the City's Legislative Programs.
- Continue to expand the City's Environmental programs relating to water conservation, storm water awareness, graffiti abatement, and maintain a 50% solid waste diversion rate via education and public outreach.
- Implement the Township Revitalization Program.
- 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, and the Hesperia Chamber of Commerce.
- Place a public kiosk at the Hesperia Chamber of Commerce to provide access to City information and eventually conduct on-line bill paying.
- Develop an annual program of activities at the City's Downtown Center that may include a Farmer's Market, Art Festival, Auto Shows, and special events at the new Downtown Park.
- Create a series of public service announcements and training videos to be made available to citizens via the City website and to City employees via the City Intranet.

FUND: GENERAL FUND 100
DEPARTMENT: CITY MANAGER 07

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

City Manager

- During the 1st Quarter Budget Review, a Senior Office Assistant position (1.0 FTE) was added to assist with the growing workload in the City Manager's office and to provide assistance in January 2007 when the City Manager's office became open each Friday. This Senior Office Assistant position is continued in the 2007-08 Budget.

- Funding for a Solid Waste Study prepared by a Consultant, $150,000 (G.F. Reserves) is included for solid waste compliance, advance disposal franchise audit and program issues.

- Total funding of $45,000 for the Connect – CTY Telephone Notification System is included, with the funding spread $15,000 to the General Fund, $15,000 to the Fire District, and $15,000 to the Water District.

- Graffiti Prevention Public Outreach - Funding of $65,000 is included to work with the Police Department and the Hesperia Unified School District, and to provide public outreach, educational materials and advertising support to the proposed Graffiti Prevention Task Force. This would be accomplished through program materials aimed at elementary school students; local print, radio and television advertisements; bus shelter advertisements; creation of a video Podcast; and a new anti-graffiti shirt for Josh, the City mascot.

- Civic Center Park Dedication Ceremony and Concert - In spring 2008, the City will dedicate the new Civic Center Park with a formal ceremony and public celebration that will include food, entertainment and an evening concert. Funding of $45,000 will cover the costs of rental of sound equipment for concert; food and beverages; rental of tables and chairs; invitations and advertising. Professional entertainment could be sponsored by one or more local businesses who would cover that cost in lieu of placement in advertising. Space could be rented to vendors for booths which would also help off-set costs.

City Clerk

- Eliminate two part-time Office Assistant positions (0.92 FTE) and replace with one additional Deputy City Clerk (1.0 FTE) position for the Citywide records management and imaging programs and serve as back-up for

- Funding of $50,000 is included in the Water District Administration program budget to have the legal review and ordinance preparation of the Water Code for the City Council review and inclusion into the City of Hesperia Water District codes.

- Funding of $32,000 is included to automate the agenda preparation process by the purchase of specialized software, installation, consulting, and three day training, as well as on-going maintenance.

- Contractual expenditures are reduced by $50,000 because no election is planned during Fiscal Year 2007-08.

DEPARTMENT STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Analyst	0.00	0.00	0.34	0.34
Assistant City Clerk	0.00	1.00	1.00	1.00
Assistant to the City Manager-Community Relations	0.00	0.00	0.00	1.00

FUND: GENERAL FUND 100
DEPARTMENT: CITY MANAGER 07

DEPARTMENT STAFFING (Continued)	2004-05	2005-06	2006-07	2007-08
Budget/Special Projects Manager	0.50	0.50	0.00	0.00
Business Development Officer	0.50	0.00	0.00	0.00
City Clerk	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	2.00
Deputy City Manager	1.00	1.00	0.00	0.00
Environmental Programs Coordinator	0.00	0.50	0.50	0.50
Management Analyst	0.00	0.00	1.00	1.00
Public Information Officer	1.00	1.00	1.00	0.00
Receptionist	1.00	0.00	0.00	0.00
Secretary to the City Manager	1.00	1.00	1.00	1.00
Senior Office Assistant	0.00	0.00	0.00	1.00
Total Full-Time Staff	8.00	8.00	7.84	9.84
Part-Time Staff				
Administrative Aide	0.63	0.00	0.00	0.00
Office Assistant	0.46	0.00	0.92	0.00
Total Part-Time Staff	1.09	0.00	0.92	0.00
Total Full & Part-Time Staff	9.09	8.00	8.76	9.84

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 554,257	$ 327,264	$ 407,732	$ 440,000	$ 492,020	21%
Benefits	145,804	120,444	148,220	168,129	187,998	27%
Materials	61,672	65,343	100,800	99,800	124,900	24%
Contractual	32,771	4,350	9,150	11,233	167,000	1725%
Other Operating	96,092	65,186	190,313	149,221	231,765	22%
Capital Outlay	0	14,550	0	0	0	0%
Debt Service	0	0	0	0	0	0%
Total	$ 890,596	$ 597,137	$ 856,215	$ 868,383	$ 1,203,683	41%

DIVISION DESCRIPTION

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

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- During the 1st Quarter Budget Review, a Senior Office Assistant position (1.0 FTE) was added to assist with the growing workload in the City Manager's office and to provide assistance in January 2007 when the City Manager's office became open each Friday. This Senior Office Assistant position is continued in the 2007-08 Budget.
- Funding for a Solid Waste Study prepared by a Consultant, $150,000 (G.F. Reserves) is included for solid waste compliance, advance disposal franchise audit and program issues.
- Total funding of $45,000 for the Connect – CTY Telephone Notification System is included, with the funding spread $15,000 to the General Fund, $15,000 to the Fire District, and $15,000 to the Water District.
- Graffiti Prevention Public Outreach - Funding of $65,000 is included to work with the Police Department and the Hesperia Unified School District, and to provide public outreach, educational materials and advertising support to the proposed Graffiti Prevention Task Force. This would be accomplished through program materials aimed at elementary school students; local print, radio and television advertisements; bus shelter advertisements; creation of a video Podcast; and a new anti-graffiti shirt for Josh, the City mascot.
- Civic Center Park Dedication Ceremony and Concert - In spring 2008, the City will dedicate the new Civic Center Park with a formal ceremony and public celebration that will include food, entertainment and an evening concert. Funding of $45,000 will cover the costs of rental of sound equipment for concert; food and beverages; rental of tables and chairs; invitations and advertising. Professional entertainment could be sponsored by one or more local businesses who would cover that cost in lieu of placement in advertising. Space could be rented to vendors for booths which would also help off-set costs.

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

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Analyst	0.00	0.00	0.34	0.34
Assistant to the City Manager-Community Relations	0.00	0.00	0.00	1.00
Budget/Special Projects Manager	0.50	0.50	0.00	0.00
Business Development Officer	0.50	0.00	0.00	0.00
City Manager	1.00	1.00	1.00	1.00
Deputy City Manager	1.00	1.00	0.00	0.00
Environmental Programs Coordinator	0.00	0.50	0.50	0.50
Management Analyst	0.00	0.00	1.00	1.00
Public Information Officer	1.00	1.00	1.00	0.00
Receptionist	1.00	0.00	0.00	0.00
Secretary to the City Manager	1.00	1.00	1.00	1.00
Senior Office Assistant	0.00	0.00	0.00	1.00
Total Full-Time Staff	6.00	5.00	4.84	5.84
Part-Time Staff				
Administrative Aide	0.63	0.00	0.00	0.00
Total Part-Time Staff	0.63	0.00	0.00	0.00
Total Full & Part-Time Staff	6.63	5.00	4.84	5.84

2006-07 DIVISION ACCOMPLISHMENTS

- Completed Draft Ten Year Strategic Plan.
- Formulated comprehensive Public Safety Needs Report.
- Designed and implemented Youth in Government Job Shadowing Day.
- Developed grant tracking process to manage the submittal of five grant applications totaling more than $2.5 million.
- Presented the annual legislative priorities in book and video format, requesting $12.3 million in funding, and worked with State and Federal legislative advocates on behalf of Hesperia residents.
- Provided live web casting of City Council meetings to the citizens of Hesperia.
- Worked with the Federal Highway Administration and California Department of Transportation to develop an early right-of-way acquisition policy for Local Public Agency projects with a Federal funding component.
- Successfully worked with Advance Disposal and the California Integrated Waste Management Board to implement an automated Solid Waste Program, maintained a diversion number above 50%, and implemented a Construction and Demolition Debris Program.
- Designed and implemented a new Adopt-a-Street Program.
- Coordinated the relocation of all City Hall staff to the new building and held a number of events for citizens and employees.
- Completed program scope and information packets for the Township Revitalization Program.

2006-07 DIVISION ACCOMPLISHMENTS (Continued)

- Prepared successful ballot language for the Transit Occupancy Tax (TOT), which is an increase of the TOT tax rate to 10% which will provide an increase in TOT tax revenue of approximately 42.8%. It is projected that an increase of $290,925 more revenue will be produced, for a total of $969,750 in Fiscal Year 2006-07.
- Continued to work with neighboring cities and numerous agencies such as the California League of Cities, Tri-agency, San Bernardino Associated Governments, California Redevelopment Association, Building Industry Association, Hesperia Chamber of Commerce, Hesperia Unified School District, Victor Valley Wastewater Reclamation Authority, and the Hesperia Recreation and Park District.
- Completed the Water and Sewer Master Plan Update.

2007-08 DIVISION GOALS AND OBJECTIVES

- Continue to manage citizen requests and complaints.
- Pursue Federal and State earmarks for a variety of programs in concert with the City's Legislative Programs.
- Plan, develop and implement the City Budget.
- Conduct meetings with Federal and State representatives to advocate for City funding priorities.
- Continue to expand the City's Environmental programs relating to water conservation, storm water awareness, graffiti abatement, and maintain a 50% solid waste diversion rate via education and public outreach).
- Continue to build local and regional partnerships by working with neighboring cities and agencies including the Hesperia Unified School District, Hesperia Recreation and Parks District, and the Hesperia Chamber of Commerce.
- Implement the Township Revitalization Program.
- Facilitate Public Safety Committee.
- Develop a Citizen Satisfaction Survey to be conducted every two years.
- Place a public kiosk at the Hesperia Chamber of Commerce to provide access to City information and eventually conduct on-line bill paying.
- Develop an annual program of activities at the City's Downtown Center that may include a Farmer's Market, Art Festival, Auto Shows and special events at the new Downtown Park.
- Create a series of public service announcements and training videos to be made available to citizens via the City website and to City employees via the City Intranet.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Number of community events	n/a	n/a	21	17

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 117,777	$ 178,439	$ 218,129	$ 195,433	$ 241,976	11%
Benefits	35,443	76,028	82,411	83,797	94,137	14%
Materials	17,064	19,433	29,750	22,800	26,410	-11%
Contractual	23,066	10,443	55,260	31,600	5,705	-90%
Other Operating	587	2,236	6,825	5,675	8,370	23%
Capital Outlay	0	0	0	0	32,000	100%
Debt Service	0	0	0	0	0	0%
Total	$ 193,937	$ 286,579	$ 392,375	$ 339,305	$ 408,598	4%

DIVISION DESCRIPTION

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

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

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

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

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Eliminate two part-time Office Assistant positions (0.92 FTE) and replace with one additional Deputy City Clerk (1.0 FTE) position for the Citywide records management and imaging programs and serve as back-up for other personnel within the City Clerk's Office.
- Funding of $50,000 is included in the Water District Administration program budget to have the legal review and ordinance preparation of the Water Code for the City Council review and inclusion into the City of Hesperia Water District codes.
- Funding of $32,000 is included to automate the agenda preparation process by the purchase of specialized software, installation, consulting, and three day training, as well as on-going maintenance.
- Contractual expenditures are reduced by $50,000 because no election is planned during Fiscal Year 2007-08.

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

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Assistant City Clerk	0.00	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	2.00
Total Full-Time Staff	2.00	3.00	3.00	4.00
Part-Time Staff				
Office Assistant	0.46	0.00	0.92	0.00
Total Part-Time Staff	0.46	0.00	0.92	0.00
Total Full & Part-Time Staff	2.46	3.00	3.92	4.00

2006-07 DIVISION ACCOMPLISHMENTS

- Completion of conversion of City Manager's archived files as per Council adopted functional filing system.
- Maintained Citywide records storage area – approximately 1,500 archived boxes.
- Prepared election manual for November 2006 Municipal Election and performed all election duties as required under California Government Election Codes.
- Updated City Council Orientation Manual.
- Purged and shredded indexed documents per the Council adopted Records Retention Program.
- Implemented Granicus MinutesTaker and Voting System for City Council meetings in conjunction with web streaming.
- Held citywide staff training on agenda process/staff reports.
- Held refresher course for employees on Council adopted Records Management Program.
- Continuation of indexing of stored documents in the warehouse (dating to 1955).

2007-08 DIVISION GOALS AND OBJECTIVES

- Assist City departments in the annual purging of documents for indexing and archiving and/or shredding (on-going program).
- Completion of indexing of stored documents in the warehouse and archiving/destruction as per the Council adopted Records Retention program.
- Annual Municipal Code codification.
- Finalize codification of Water Code for Council adoption and incorporation into the Municipal Code.
- Implement electronic agenda and coordinate with existing Granicus web streaming and Minutes Taker.
- Provide LaserFiche database to all employees for document search and retrieval.

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

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Average Number of Council/Board Meetings	45	45	45	45
Average Number of Standing Committee Meetings*	12	28	0	0
Annual Number of Ordinances Processed	29	30	28	30
Annual Number of Resolutions Processed	230	240	245	225
Annual Contracts Approved and Processed	250	275	270	450
Annual Claims/Lawsuits Processed	125	145	50	50
Recorded Documents Processed	200	235	285	260
Public Hearing Notices/Postings	48	50	64	67
Records Requests/Pages Provided	75/1862	60/1900	112/3000	85/1800
Maps Processed	56	70	65	68
Records Requested from Storage	n/a	n/a	144	150
Bonds Processed	n/a	n/a	145	140

*Council Standing Committees discontinued January 2006.

FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19

DEPARTMENT EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 989,595	$ 1,177,908	$ 1,583,696	$ 1,528,395	$ 1,847,291	17%
Benefits	338,375	432,141	568,969	551,296	639,694	12%
Materials	567,198	512,749	711,400	734,996	703,500	-1%
Contractual	593,898	850,039	1,098,399	1,243,041	1,399,700	27%
Other Operating	231,463	251,315	155,305	144,242	86,896	-44%
Capital Outlay	845,189	39,145	154,500	439,931	159,000	3%
Debt Service	0	0	0	0	0	0%
Total	$ 3,565,718	$ 3,263,297	$ 4,272,269	$ 4,641,901	$ 4,836,081	13%

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
220 Finance	$ 1,214,894	$ 973,912	$ 1,640,493	$ 1,405,493	$ 1,888,098	15%
225 Human Resources/ Risk Management	732,956	1,072,046	1,210,392	1,376,862	1,652,304	37%
228 Management Information Services	587,474	819,900	1,055,359	1,337,094	1,295,679	23%
229 Nondepartmental	1,030,394	397,439	366,025	522,452	0	-100%
Total	$ 3,565,718	$ 3,263,297	$ 4,272,269	$ 4,641,901	$ 4,836,081	13%

DEPARTMENT STAFFING	2004-05	2005-06	2006-07	2007-08
Total Full-Time Staff	18.50	21.50	25.00	27.00
Total Part-Time Staff	0.00	0.48	0.00	0.00
Total Management Services Staff	18.50	21.98	25.00	27.00

DEPARTMENT GOALS FOR 2006-07

- Complete the financial system conversion and upgrade.
- With the assistance of a consultant, upgrade the City's Indirect Cost Allocation Plan (G & A Allocation), and develop a Citywide Fee Study analysis and recommendation.
- In conjunction with the City Council Advisory Committee, help other City departments manage the capital facility improvements in Fire, Police, Water, Sewer, Streets, storm drainage, etc.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

Finance

- During the 1st Quarter Budget Review, one Senior Account Clerk (1.0 FTE) position was eliminated and replaced with one additional Purchasing Analyst (1.0 FTE) position to more effectively deal with the increasing contracting and purchasing workload the City is experiencing, and the position is continued in the 2007-08 budget.
- All of the items that were previously accounted for in the Non-Departmental Program Budget have been moved to the Finance Division Budget for Fiscal Year 2007-08 and the Non-departmental Program Budget will now be closed. The primary items moved from Non-departmental include approximately $200,000 for maintenance for the copy machines serving the City Hall, Police and Code Compliance locations, City postage and shipping costs, Citywide expenditures for office supplies and rent expense for the portion of Eagle Plaza utilized by City government.
- Funding of $25,000 has been budgeted for a special tax audit of transient occupancy tax (TOT). With the recent increase in the TOT rate and the addition of new hotels within the City, this tax is becoming a major revenue source for the General Fund. The TOT audit will examine the tax reporting by the individual hotels/motels within the City to ensure proper reporting and proper tax remittance to the City.
- Funding of $15,000 has been included for a consultant to develop an implementation plan for the Governmental Accounting Standards Board (GASB) Pronouncements 43 and 45. These pronouncements relate to the required reporting of Other Post Employment Benefits (OPEB) in the Comprehension Annual Financial Report (CAFR), specifically retiree medical benefits.
- Funding of $35,000 has been budgeted for the completion of an Indirect Cost Allocation Study and Citywide Fee Study Analysis.
- Funding of $25,000 has been included for a property tax audit. With the approval by the County to change the apportionment of property tax for newly annexed areas within the City, this audit will examine the City's property tax revenues to ensure that the appropriate taxes have been remitted to the City.

Human Resources/Risk Management

- During the 1st Quarter Budget Review, one Human Resources Analyst (1.0 FTE) was added to provide additional professional level staff resources, and the position is continued in the 2007-08 Budget.
- The City's overall insurance costs are increasing by $256,801 or 61% for general liability, property, vehicle, etc. primarily because of the need for higher insurance coverage for the City's new, high-value buildings and expanded fleet, insurance related to construction of public facilities, and higher insurance premium rates, especially for excess insurance coverage.
- Litigation services funding of $50,000 is being transferred from the City Attorney Division to the Human Resources/Risk Management Division because starting in Fiscal Year 2006-07, the Public Agency Risk Sharing Authority of California (PARSAC) assigns City litigation cases to certain approved attorneys and law firms.
- Funding of $70,000 is included for a comprehensive update to the City's Emergency Preparedness Plan, to provide emergency training, and procure emergency supplies, materials and related tools for the citywide emergency preparedness operations.
- Funding of $15,000 is included for the purchase of four automatic defibrillators to be located in City facilities to provide life saving equipment and enhance emergency preparedness.

Management Information Services

- One additional Information Systems Specialist (1.0 FTE) position is included to deal with the continually increasing workload. This additional position will help to maintain the City's various automated systems and growing database/programming support needs.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES (Continued)

- Funding of $40,000 is included to complete the implementation of the City's technology disaster recovery infrastructure by installing a Storage Area Network (SAN) at the Code Compliance facility identical to the one installed at City Hall. The two SANs will replicate with each other nightly so that at all times there will be a full backup of the City's data stored in more than one location.
- Funding of $30,000 is included to contract for the implementation of a Sharepoint Portal Server in a clustered environment, resulting in more rapid response times to the servers as well as a failover in case of any server malfunctions. Sharepoint Portal Server will add functionality to the Sharepoint Services server currently in use for Citywide collaboration.
- Funding of $12,000 is included to purchase two public access kiosks to provide City residents with easy access to public information and to improve customer service by providing the ability to access the City's website and/or conduct City business online in the case that a citizen does not own a computer or simply wishes to avoid a line at the City counter.

DEPARTMENT STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Accountant	1.00	2.00	2.00	2.00
Administrative Analyst	0.00	0.00	1.00	1.00
Assistant City Manager - Management Services	0.00	0.00	1.00	1.00
Budget/Special Projects Manager	0.50	0.50	0.00	0.00
Deputy Finance Director	1.00	1.00	1.00	1.00
Deputy Human Resources/ Risk Management Director	1.00	1.00	1.00	1.00
Executive Secretary	1.00	1.00	1.00	1.00
Human Resources Analyst	0.00	0.00	0.00	1.00
Information Systems Manager	1.00	1.00	1.00	1.00
Information Systems Specialist	1.00	1.00	2.00	3.00
Information Systems Technician	1.00	1.00	1.00	1.00
Director of Management Services	1.00	1.00	0.00	0.00
Office Assistant	1.00	1.00	0.00	0.00
Management Analyst	0.00	0.00	1.00	1.00
Payroll Analyst	1.00	1.00	1.00	1.00
Personnel Technician	1.00	1.00	2.00	2.00
Purchasing Analyst	1.00	1.00	1.00	2.00
Purchasing Supervisor	0.00	0.00	1.00	1.00
Receptionist	0.00	1.00	0.00	0.00
Risk Manager	1.00	1.00	1.00	1.00
Senior Account Clerk	3.00	3.00	3.00	2.00
Senior Accountant	2.00	2.00	2.00	2.00
Senior Management Analyst	0.00	0.00	1.00	1.00
Senior Office Assistant	0.00	1.00	1.00	1.00
Total Full-Time Staff	18.50	21.50	25.00	27.00
Part-Time Staff				
Senior Account Clerk	0.00	0.48	0.00	0.00
Total Part-Time Staff	0.00	0.48	0.00	0.00
Total Full & Part-Time Staff	18.50	21.98	25.00	27.00

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 531,698	$ 640,018	$ 927,912	$ 848,912	$ 1,018,048	10%
Benefits	182,149	233,432	335,481	310,481	351,329	5%
Materials	21,769	30,679	43,400	46,900	211,000	386%
Contractual	57,095	56,434	208,200	95,000	205,700	-1%
Other Operating	6,202	8,849	13,000	9,200	50,021	285%
Capital Outlay	415,981	4,500	112,500	95,000	52,000	-54%
Debt Service	0	0	0	0	0	0%
Total	$ 1,214,894	$ 973,912	$ 1,640,493	$ 1,405,493	$ 1,888,098	15%

DIVISION DESCRIPTION

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

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Accountant	1.00	2.00	2.00	2.00
Administrative Analyst	0.00	0.00	1.00	1.00
Assistant City Manager - Management Services	0.00	0.00	0.50	0.50
Budget/Special Projects Manager	0.50	0.50	0.00	0.00
Deputy Finance Director	1.00	1.00	1.00	1.00
Director of Management Services	0.50	0.50	0.00	0.00
Executive Secretary	0.50	0.50	0.50	0.50
Management Analyst	0.00	0.00	1.00	1.00
Payroll Analyst	1.00	1.00	1.00	1.00
Purchasing Analyst	1.00	1.00	1.00	2.00
Purchasing Supervisor	0.00	0.00	1.00	1.00
Senior Account Clerk	3.00	3.00	3.00	2.00
Senior Accountant	2.00	2.00	2.00	2.00
Senior Management Analyst	0.00	0.00	1.00	1.00
Senior Office Assistant	0.00	0.50	0.50	0.50
Total Full-Time Staff	10.50	12.00	15.50	15.50

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

DIVISION STAFFING (Continued)	2004-05	2005-06	2006-07	2007-08
Part-Time Staff				
Senior Account Clerk	0.00	0.48	0.00	0.00
Total Part-Time Staff	0.00	0.48	0.00	0.00
Total Full & Part-Time Staff	10.50	12.48	15.50	15.50

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- During the 1st Quarter Budget Review, one Senior Account Clerk (1.0 FTE) position was eliminated and replaced with one additional Purchasing Analyst (1.0 FTE) position to more effectively deal with the increasing contracting and purchasing workload the City is experiencing, and the position is continued in the 2007-08 budget.
- All of the items that were previously accounted for in the Non-Departmental Program Budget have been moved to the Finance Division Budget for Fiscal Year 2007-08 and the Non-departmental Program Budget will now be closed. The primary items moved from Non-departmental include approximately $200,000 for maintenance for the copy machines serving the City Hall, Police and Code Compliance locations, City postage and shipping costs, Citywide expenditures for office supplies and rent expense for the portion of Eagle Plaza utilized by City government.
- Funding of $25,000 has been budgeted for a special tax audit of transient occupancy tax (TOT). With the recent increase in the TOT rate and the addition of new hotels within the City, this tax is becoming a major revenue source for the General Fund. The TOT audit will examine the tax reporting by the individual hotels/motels within the City to ensure proper reporting and proper tax remittance to the City.
- Funding of $15,000 has been included for a consultant to develop an implementation plan for the Governmental Accounting Standards Board (GASB) Pronouncements 43 and 45. These pronouncements relate to the required reporting of Other Post Employment Benefits (OPEB) in the Comprehension Annual Financial Report (CAFR), specifically retiree medical benefits.
- Funding of $35,000 has been budgeted for the completion of an Indirect Cost Allocation Study and Citywide Fee Study Analysis.
- Funding of $25,000 has been included for a property tax audit. With the approval by the County to change the apportionment of property tax for newly annexed areas within the City, this audit will examine the City's property tax revenues to ensure that the appropriate taxes have been remitted to the City.

2006-07 DIVISION ACCOMPLISHMENTS

- Comprehensive Annual Financial Report (CAFR) – Completed the City's Comprehensive Annual Financial Report for Fiscal Year 2005-06. The City also received notification from the Governmental Finance Officers' Association (GFOA) and the California Society of Municipal Finance Officers' Association (CSMFO) that the Fiscal Year 2004-05 CAFR earned the award for Excellence in Financial Reporting and the award for Outstanding Financial Reporting, respectively.
- Financial System Conversion – Phase 1 of the financial system conversion is complete. This included all of the financial statement history, Accounts Payable, Purchasing and General Ledger.
- Cost Allocation Plan – Prepared a citywide cost allocation plan to be used as part of the budget process.
- Debt Issuance – Issued the 2007 RDA debt issue; Hesperia's largest rated bond issue.
- Water Study Rate and Fee Analysis – Worked with the consultant to determine if a change in the water rates and fees are needed.
- Conducted training sessions for City staff regarding the City's Purchasing Ordinance.

2006-07 DIVISION ACCOMPLISHMENTS (Continued)

- Investment Policy and Reporting – Updated the City and Subsidiary Districts, Statement of Investment Policy for Fiscal Year 2005-06, and provided the monthly Treasurer's Reports, verifying the City's cash and investment position.
- Budget Reviews – Conducted the Fiscal Year 2006-07 First Quarter, Mid-Year, and Fourth Quarter Budget Reviews.
- Financial Management Analysis – Provided financial analysis and recommendations to City Management and the City Council.
- Monthly Financial Reporting – Provided Budget-to-Actual, Open Purchase Order, and Payroll Leave Reports to departments to assist them in the management of their sections.
- Submitted State Controller's Reports for the City, Fire, Redevelopment, and Water, as well as the Redevelopment Statement of Indebtedness and State Street Report.

2007-08 DIVISION GOALS AND OBJECTIVES

- Comprehensive Annual Financial Report (CAFR) – Complete the CAFR for Fiscal Year 2006-07 and submit the CAFR to the Governmental Finance Officers' Association (GFOA) for evaluation and awards consideration.
- Investment Policy and Reporting – 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.
- Fiscal Year 2007-08 Budget – Complete the Fiscal Year 2007-08 Budget and submit the document to the Government Finance Officers' Association (GFOA) for evaluation and awards consideration.
- Fiscal Year 2008-09 Budget Process – Coordinate the Fiscal Year 2008-09 Budget Process.
- Financial Management Analysis – Provide City Management and the City Council with financial analytical support on various projects.
- Public Safety Master Plan - Continue working on the Public Safety Master Plan, which will analyze the short and long-term service level requirements for Police and Fire operations and evaluate facility requirements, as well as identify costs and funding options.
- Automated Financial System – Continue the next phase of the upgrade to the financial system, with an ultimate goal of converting from the AS400 to a SQL server.
- Monthly Financial Reporting – Provide City Departments with monthly financial reports in a timely manner.
- City Council Budget Review – Develop and present quarterly and Mid-Year Budget Review for the City Council's consideration.
- Payroll – Develop a direct deposit policy.
- Purchasing – Begin updating/developing a purchasing manual.
- Citywide Fee Study – Perform an analysis and make a recommendation regarding a citywide fee schedule change.
- Travel Policy – Revise and improve the City's Travel Policy.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Invoices Processed	11,815	12,541	11,808	12,516
Accounts Payable Checks Issued	6,184	6,479	7,231	7,500
Number of Payroll Checks/Direct Deposits Processed	7,725	8,288	9,709	9,806
Average Annual Yield	2.26%	3.87%	5.06%	5.11%
Number of Monthly Financial Reports Issued	122	134	134	134
Number of Requests for Proposal/Qualification	27	16	34	40
Number of Informal Bids Produced	30	151	315	350
Number of Contracts Issued	63	78	100	125
Number of Amendments to Contracts	40	24	30	35
Number of Purchase Orders Issued	329	356	600	700
Number of Contracts Administered	n/a	92	140	160

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 282,103	$ 333,427	$ 366,448	$ 390,147	$ 453,603	24%
Benefits	95,392	123,676	129,840	136,822	159,201	23%
Materials	42,602	61,625	81,000	80,900	159,000	96%
Contractual	303,089	539,507	608,199	748,841	860,000	41%
Other Operating	9,770	13,811	24,905	20,152	20,500	-18%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
Total	$ 732,956	$ 1,072,046	$ 1,210,392	$ 1,376,862	$ 1,652,304	37%

DIVISION DESCRIPTION

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

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, providing safety training programs, coordinating Occupational Safety and Health Administration (OSHA) compliance, and workers' compensation claims management.

Employer-Employee Relations facilitates and ensures that the City's actions on employee relations are in accordance with Federal and State legislation on the collective bargaining process through negotiations and administration of Memorandum of Understanding (MOU) and related agreements with represented groups to include the San Bernardino Public Employees' Association (SBPEA); along with non-represented employees.

The Division also coordinates the City's Emergency Preparedness Training Program, to include community involvement, and catastrophic situational training for City employees. All training adheres and complies with County, State, and Federal guidelines.

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Assistant City Manager - Management Services	0.00	0.00	0.35	0.35
Deputy Human Resources/ Risk Management Director	1.00	1.00	1.00	1.00
Executive Secretary	0.35	0.35	0.35	0.35
Human Resources/Risk Manager	0.00	0.00	0.00	0.00
Human Resources Analyst	0.00	0.00	0.00	1.00
Director of Management Services	0.35	0.35	0.00	0.00
Office Assistant	1.00	1.00	0.00	0.00
Personnel Technician	1.00	1.00	2.00	2.00
Receptionist	0.00	1.00	0.00	0.00
Risk Manager	1.00	1.00	1.00	1.00
Senior Office Assistant	0.00	0.35	0.35	0.35
Total Full-Time Staff	4.70	6.05	5.05	6.05

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

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- During the 1st Quarter Budget Review, one Human Resources Analyst (1.0 FTE) was added to provide additional professional level staff resources, and the position is continued in the 2007-08 Budget.
- The City's overall insurance costs are increasing by $256,801 or 61% for general liability, property, vehicle, etc. primarily because of the need for higher insurance coverage for the City's new, high-value buildings and expanded fleet, insurance related to construction of public facilities, and higher insurance premium rates, especially for excess insurance coverage.
- Litigation services funding of $50,000 is being transferred from the City Attorney Division to the Human Resources/Risk Management Division because starting in Fiscal Year 2006-07, the Public Agency Risk Sharing Authority of California (PARSAC) assigns City litigation cases to certain approved attorneys and law firms.
- Funding of $70,000 is included for a comprehensive update to the City's Emergency Preparedness Plan, to provide emergency training, and procure emergency supplies, materials and related tools for the citywide emergency preparedness operations.
- Funding of $15,000 is included for the purchase of four automatic defibrillators to be located in City facilities to provide life saving equipment and enhance emergency preparedness.

2006-07 DIVISION ACCOMPLISHMENTS

Human Resources

- Completed Meet and Confer labor negotiations and various other labor relations matters with the San Bernardino Public Employees' Association and conducted compensation and classification analysis.
- Met with health insurance brokerage firm to ensure continuance of employee comprehensive insurance coverage, negotiated and locked in lower premium rates; and coordinated annual open enrollment for City sponsored medical, health, and other optional health insurance benefits; information accessibility via intranet; processed employee benefit premium payroll worksheets and acknowledgements, including pre-tax IRS 125 Cafeteria Plan, and deferred compensation; and coordinated modifications and changes with outside agencies.
- Managed the recruitment and selection process to include advertisement, application review, interviews, physicals, comprehensive background checks, and appointments.
- Complied with administration and monitoring of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) for extended health and other insurance benefit coverage for non-active employees and qualified family members, and, joined efforts with City staff and outside agencies in compliance with Federal regulatory measures (USERRA) as it pertains to City employees' military deployment.
- Revised Non-Represented Employee Evaluation Form and processed Personnel Action Forms for citywide compensation adjustments and 2006 COLA, and other salary changes in accordance with City Resolutions, Memorandum of Understanding, and Personnel Rules and Regulations.
- Coordinated various employee recognition programs such as Service Pins, Employee Celebration barbeque and Derby Race Competition, annual award ceremony for Employee of the Year, Safety Awards, Employee Quarterly Orientation, and Employee of the Month.
- Assisted City departments and divisions in resolving employee relations and discipline issues.
- Processed and complied with Federal mandate statistical audit reporting for Medicare Program and Federal mandate for Equal Employment Opportunities (EEO-4) Commission reporting regulation.
- Processed and assisted employee CalPERS buy-back retirement options, such as Air Time (ARCS) and military time, managed the administration of the 457(b) deferred compensation plans and 401(a) Supplemental Pension Plan, and successfully negotiated the elimination of administrative annual fees.

2006-07 DIVISION ACCOMPLISHMENTS (Continued)

Human Resources (Continued)

- Developed, coordinated, implemented, and monitored automated system for employee identification and city hall building accessibility (proximity cards), and assisted with the city hall move and open house efforts.

Risk Management

- Conducted employee training workshops on topics such as snake/insects information, bee alert, defensive driving, sexual harassment, violence in the workplace, ethics, winter weather workshop, other health and employee assistance related training, and the City's emergency responders training and mock scenarios in support of the City's Emergency Operations Center (EOC), and in compliance with State, Federal and County regulations.
- Monitored, processed and managed workers' compensation claims to return injured employees to work as soon as possible; monitored and updated the City's Workers' Compensation database reporting system in accord with third party administrator; and processed and monitored liability and Workers' Compensation claims with third party administrators and legal counsel as necessary.
- Conducted Safety Committee meetings and followed up with recommendations to minimize recidivism of injuries and unsafe work conditions, monitored Cal-OSHA rules and regulation updates, implemented in compliance with current mandates, and processed and complied with the Administration (OSHA) reporting.
- Oversaw and maintained City liability insurance policies for adequate coverage, processed fixed asset/property insurance policies to ensure savings, and conducted field inspections of liability claims for damage assessment.
- Developed and implemented policies and procedures for handling subpoenas, general liability claims, and lawsuits to assist with prompt handling and processing.
- Continuously participated with the National Weather Service Program, and actively communicated with Hesperia's Storm Ready Community Program team of volunteers.
- Assisted in the settlement of several liability claims and lawsuits, in addition to closing certain workers' compensation claims.

2007-08 DIVISION GOALS AND OBJECTIVES

Human Resources

- Conduct annual open enrollment for City sponsored medical, health, IRS 125 Cafeteria Plan, other optional insurance benefits; continue to manage the City's 457(b) deferred compensation plans and 401(a) Supplemental Pension Plan, coordinate all requested modifications or adjustments with payroll and outside agencies.
- Continue to revise and update all employee comprehensive benefits and compensation as necessary; monitor and process employee benefits' worksheets as needed; review, amend and incorporate information as it pertains to health insurance, claims, legal, and related statements to be processed.
- Continue to coordinate, administer and comply with the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) extended health and other insurance benefits for non-active employees and qualified family members; manage the administration of USERRA (Federal mandate) for military deployment; and other leaves, such as FMLA, administrative, workers' compensation, short/long-term, and disciplinary imposed.
- Continue to monitor and update citywide, department and division policies and procedures to ensure compliance with City rules and regulations, and State and Federal laws; assist with the resolution of employee relations, discipline issues and investigative efforts; continue to work cohesively with other divisions in an effort to mutually reach goals as it pertains to employee relations and interrelated matters.

2007-08 DIVISION GOALS AND OBJECTIVES (Continued)

Risk Management

- Monitor, revise, update and implement changes to forms utilized by employees to ensure consistency and adherence to City policies, procedures, rules and regulations; and continue to support and coordinate the Records Management Retention Program.
- Continue to maximize the use of the City's Intranet for easy employee accessibility to policies and procedures, job classification specifications, salary schedules, job recruitment bulletins, forms and other related employee documents and information.
- Continue to work with outside agencies for successful implementation of the Employee Wellness Program; develop and subsequently implement a comprehensive bilingual incentive program.
- Continue to actively manage, monitor, and process workers' compensation claims; assist and explore reasonable accommodations in support of injured employee to return to work as soon as possible; monitor and update the City's workers' compensation database system; and act as City liaison when dealing with third party administrators, legal counsel, and medical staff.
- Promote and monitor employee safety in the workplace; coordinate Safety Committee meetings and follow up with recommendations for review in an effort to prevent and avoid unsafe work conditions and/or incidents; update and monitor any changes in laws affecting citywide safety programs to ensure compliance with City rules and regulations, and State and Federal laws; and conduct field inspections relating to liability claims for damage assessment.
- Continue to monitor Cal-OSHA rules and regulation updates and the implementation of new laws and regulations to fully comply with all current mandates, monitor new compliance regulations, and process the Occupational, Safety, Health and Administration (OSHA) reporting.
- Continue to monitor and maintain City liability insurance policies to ensure required and adequate coverage; monitor and update policies and procedures for handling subpoenas, general liability claims, and lawsuits to ensure proper, timely handling and processing. During Fiscal Year 2007-08, conduct a comprehensive audit of all insurance requirements and needs, and present findings and options report for review and consideration.
- Coordinate essential staff training in support of the City's Emergency Operations Center (EOC) and emergency preparedness program; update the citywide Emergency Management Plan; attend related training sessions, and promote and support mutually beneficial efforts with outside agencies.
- Continue to apply, when eligible, for Federal Emergency Management Act (FEMA) grant and Emergency Management Performance grant funding, and continue to pursue grant funding through the State and Federal Government to fund training and equipment for the City's Emergency Operations.
- Schedule, coordinate, and conduct Community Emergency Response Team (CERT) training for all City employees and key community members in order to develop a comprehensive trained volunteer register pool to aid during a disaster and/or citywide emergency situation, and develop, implement, and monitor a feasible and comprehensive emergency evacuation plan for newly constructed City Hall and Public Library.
- Continue to lend support and participate with the National Weather Service Program, and actively communicate with Hesperia's Storm Ready Community Program team of volunteers.
- Continue to monitor, update, and implement the City's Injury Illness Prevention Plan (IIPP) in compliance with State and Federal legislation and mandates.

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

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Human Resources				
Benefit Worksheets Processed	340	690	762	845
Employee Evaluations Processed	58	79	121	165
Personnel Action Forms Processed	343	477	426	545
Classification Studies Conducted	0	28	6	10
Compensation Studies Conducted	0	36	20	17
Disciplinary Actions Conducted	6	8	15	22
Investigations Conducted	7	8	9	6
Records Retention Program Processed	0	0	65	52
Staff Professional Development Attended	0	4	13	17
Recruitments and Selection Initiated	36	68	52	60
Advertising/Marketing Placed and Monitored	42	80	65	72
Employment Applications Reviewed/Processed	1,313	2,556	2,254	2,405
Employment Testing and Assessments Proctored	7	12	10	14
Employment Interviews Coordinated and Monitored	64	136	109	103
Background Checks (includes rescinds and hires)	45	85	59	63
New Employee (hires) Processed	34	58	47	46
Employee Promotions Processed	8	23	28	20
Employment Separations Processed	20	19	19	19
Total	2,323	4,367	4,080	4,481

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Risk Management				
City Vehicles Damaged	43	11	14	12
Court Appearances	0	3	5	4
City Equipment Damaged	0	3	4	3
Field Inspections	6	4	2	4
Lawsuits Filed and Monitored	6	14	4	8
Lawsuits Settled	1	0	6	2
Liability Claims	57	61	38	52
Liability Property Claims	6	4	22	10
Liability Claims Settled	20	4	12	12
Property Damaged by Employees	0	10	9	6
Subpoenas Processed	3	13	12	9
Workers' Compensation Claims Processed and Monitored	26	16	24	22
Workers' Compensation Claims Settled	44	10	23	25
Liability Investigations Handled	0	4	4	3
Training and Drills Coordinated	6	9	9	8
Total	218	166	188	180

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 175,794	$ 204,463	$ 289,336	$ 289,336	$ 375,640	30%
Benefits	60,834	75,033	103,648	103,993	129,164	25%
Materials	104,025	272,738	322,000	342,200	333,500	4%
Contractual	204,081	218,940	282,000	399,200	334,000	18%
Other Operating	17,830	14,081	16,375	13,865	16,375	0%
Capital Outlay	24,910	34,645	42,000	188,500	107,000	155%
Debt Service	0	0	0	0		0%
Total	$ 587,474	$ 819,900	$ 1,055,359	$ 1,337,094	$ 1,295,679	23%

DIVISION DESCRIPTION

Design, develop, administer, and maintain various telecommunications and computer networks operating systems and related services such as core systems management, equipment installation, coordination of services, and billing and budget requirements. The MIS Program supports a Wide Area Network comprised of 8 distinct locations, 5 Local Area Networks, 206 individual computers, 139 separate software applications, 5 operating systems, 23 servers, 16 databases, etc.

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Assistant City Manager - Management Services	0.00	0.00	0.15	0.15
Executive Secretary	0.15	0.15	0.15	0.15
Information Systems Manager	1.00	1.00	1.00	1.00
Information Systems Specialist	1.00	1.00	2.00	3.00
Information Systems Technician	1.00	1.00	1.00	1.00
Director of Management Services	0.15	0.15	0.00	0.00
PC Technician	0.00	0.00	0.00	0.00
Senior Office Assistant	0.00	0.15	0.15	0.15
Total Full-Time Staff	3.30	3.45	4.45	5.45

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- One additional Information Systems Specialist (1.0 FTE) position is included to deal with the continually increasing workload. This additional position will help to maintain the City's various automated systems and growing database/programming support needs.
- Funding of $40,000 is included to complete the implementation of the City's technology disaster recovery infrastructure by installing a Storage Area Network (SAN) at the Code Compliance facility identical to the one installed at City Hall. The two SANs will replicate with each other nightly so that at all times there will be a full backup of the City's data stored in more than one location.
- Funding of $30,000 is included to contract for the implementation of a Sharepoint Portal Server in a clustered environment, resulting in more rapid response times to the servers as well as a failover in case of any server malfunctions. Sharepoint Portal Server will add functionality to the Sharepoint Services server currently in use for citywide collaboration.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES (Continued)

- Funding of $12,000 is included to purchase two public access kiosks to provide City residents with easy access to public information and to improve customer service by providing the ability to access the City's website and/or conduct City business online in the case that a citizen does not own a computer or simply wishes to avoid a line at the City counter.

2006-07 DIVISION ACCOMPLISHMENTS

- Completed a near flawless transition of the City's Information Systems from the old City Hall into the new City Hall, with no down-time, including telecommunications systems, computers, phones, data network, servers, etc.
- Completed the first phase of a City wireless network by implementing wireless connectivity at all City buildings.
- Implemented a new Fiber Institutional Network (I-NET), which provides high bandwidth reliable connections between all City locations.
- Coordinated with the City Clerk on implementation of a video streaming solution for City Council meetings, thereby giving the public access to view the meetings through the Internet.
- Continued the migration of all billing and financial data off of the IBM AS/400 server onto a Windows-based environment. The General Ledger and Utility Billing modules have been completed, and the remaining modules are expected to be completed in Fiscal Year 2007-08.
- Installed a new Storage Area Network (SAN) solution at City Hall, which allows for improved storage of City data and real-time backups of the data throughout the work day. This project is still in progress, as a second SAN is planned at another City location for replication of data to a second site, as well as a server clustering solution for redundant access to the City servers.
- Implemented a new Virtual Private Network (VPN) solution that allows for improved remote access for water/sewer technicians and building inspectors that must connect to the City's network.
- Implemented a Sharepoint Services server which has improved internal collaboration on City projects, especially when they require coordination among multiple departments.
- Conducted a configuration and security assessment of the City's information systems. All items identified in the assessment as requiring reconfiguration will be resolved prior to the end of Fiscal Year 2007-08.
- Installed 20 new computers for new positions throughout the City and replaced 20 computers that were at the end of their life cycle.
- Continued to provide full operational support to City staff in the operation of their workstations, laptops, printers, and peripherals.

2007-08 DIVISION GOALS AND OBJECTIVES

- Update the Disaster Recovery Plan for the City's technology infrastructure and data restoral.
- Complete the implementation of the City's wireless network by connecting all City sites as permanent redundant links which will provide improved communications for normal daily functions as well as during emergency situations.
- Continue working with Engineering staff to complete the installation of a full-featured Geographic Information System (GIS) solution.
- Coordinate with the architect and all technology vendors for the new Public Works facility in order to ensure that all communication and technology needs are addressed in the design and construction of the building.

2007-08 DIVISION GOALS AND OBJECTIVES (Continued)

- Continue with the yearly replacement of a quarter of the City's computer workstations. This is in keeping with the four-year life cycle of all of the City's computer systems.
- Continue to provide full operational support to the City staff in the operation and functionality of all their technology needs.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
City Sites Serviced	8	8	8	8
Data Backed Up Nightly (Gigabytes)	421	500	700	750
Databases Managed	9*	12	16	18
E-mails Processed (Incoming)	25,555	794,767(1)	3,846,018	4,500,000
▪ Valid E-mails (Incoming)	n/a	132,781	265,704	300,000
▪ Spam E-mails (Incoming)	n/a	661,986	3,580,314	4,200,000
E-mails Processed (Outgoing)	11,413	51,982	96,311	100,000
File Servers Managed	18	21	23	23
Laptops Supported	33	51(2)	55	60
Local Area Networks Managed	4	5	5	5
Operating Systems Managed	6	5	5	5
Compaq iPaqs and Blackberries	23	17	28	32
Printers, Plotters, and Copiers Supported	55	55	51	53
Routers and Switches Managed	20	22	30	30
Software Applications Supported	130	135	139	140
Trouble Calls Processed	2,260	3,400	5,144	6,000
Average Time Per Trouble Call	15 min	30 min	36 min	36 min
User Accounts Managed:				
▪ Network Accounts	154	160	214	220
▪ AS/400 Accounts	66	79	96	100
▪ Telephone Accounts	145	172	179	185
Wireless Network Clients	6	12	20	25
Workstations Supported	150	174	206	212

(1)Includes all spam E-mails as well as voice mails that now go to E-mail system because of VoIP.
(2)Includes new laptops for Building Inspectors and laptops in trucks for Public Works for remote access.

FUND: GENERAL FUND 100
DEPARTMENT: MANAGEMENT SERVICES 19
DIVISION: NON-DEPARTMENTAL 229

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	398,802	147,707	265,000	264,996	0	-100%
Contractual	29,633	35,158	0	0	0	0%
Other Operating	197,661	214,574	101,025	101,025	0	-100%
Capital Outlay	404,298	0	0	156,431	0	0%
Debt Service	0	0	0	0	0	0%
Total	$ 1,030,394	$ 397,439	$ 366,025	$ 522,452	$ 0	-100%

DIVISION DESCRIPTION

This program includes expenditures not included in other City departments, divisions, and programs for City facilities rent, citywide office supplies, postage, copiers, leases, utility expenses to include telephone and line expenses.

DIVISION STAFFING

None.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- All of the items that were previously accounted for in this Non-Departmental Program Budget have been moved to the Finance Division Budget for Fiscal Year 2007-08 and the Non-departmental Program Budget will now be closed at year end. The specific items moved from Non-departmental include, maintenance for the copy machines serving the City Hall, Police and Code Compliance locations, City postage and shipping costs, Citywide expenditures for coffee supplies, paper, envelopes, office supplies, bad debt expense, and rent expense for the portion of Eagle Plaza utilized by City government.

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

FUND EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 351,427	$ 409,864	$ 742,016	$ 537,386	$ 809,497	9%
Benefits	115,951	145,054	281,799	217,613	298,219	6%
Materials	143,220	171,869	340,169	248,002	404,750	19%
Contractual	5,073,052	10,667,272	53,282,871	27,665,102	88,146,888	65%
Other Operating	319,624	410,345	327,103	418,863	379,142	16%
Capital Outlay	18,873	3,027,118	1,976,741	3,700,787	11,014,978	457%
Debt Service	1,508,304	3,690,535	3,805,699	3,745,799	3,782,036	-1%
Total	$ 7,530,451	$ 18,522,057	$ 60,756,398	$ 36,533,552	$ 104,835,510	73%

FUND EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Redevelopment Agency						
385 Low/Moderate Income	$ 242,849	$ 1,257,426	$ 7,177,535	$ 3,103,208	$ 19,592,572	173%
389 RDA Administration	471,974	0	2,154,726	1,202,763	2,371,505	10%
485 RDA Debt Service	0	0	0	0	0	0%
486 RDA Project Area #1 D/S	5,088,156	9,817,263	13,416,448	13,627,881	17,465,185	30%
487 RDA Project Area #2 D/S	620,288	1,054,326	1,644,653	1,367,957	1,665,598	1%
585 RDA Capital Improvements	202,246	0	0	0	0	0%
586 RDA Project Area #1-CIP	0	4,849,571	20,738,161	7,724,738	56,317,749	172%
587 RDA Project Area #2-CIP	0	181,643	306,409	380,060	604,539	97%
588 RDA VVEDA	0	0	100,000	0	500,000	400%
Sub-Total RDA	$ 6,625,513	$ 17,160,229	$ 45,537,932	$ 27,406,607	$ 98,517,148	116%
C D B G						
251 CDBG Administration	719,705	948,534	1,293,185	721,945	1,399,619	8%
252 HOME	148,233	213,294	12,400,281	8,405,000	3,300,928	-73%
253 CDBG Revolving Loans	37,000	200,000	1,525,000	0	1,617,815	6%
Sub-Total CDBG	$ 904,938	$ 1,361,828	$ 15,218,466	$ 9,126,945	$ 6,318,362	-58%
Total Econ Dev	$ 7,530,451	$ 18,522,057	$ 60,756,398	$ 36,533,552	$ 104,835,510	73%

DEPARTMENT STAFFING	2004-05	2005-06	2006-07	2007-08
Total Full-Time Staff	5.70	7.20	12.33	12.33
Total Part-Time Staff	0.46	0.48	0.48	0.00
Total Economic Development Staff	6.16	7.68	12.81	12.33

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

DEPARTMENT GOALS FOR 2007-08

- Develop Real Estate Strategy for Hesperia Community Redevelopment Agency ("Agency").
- Contemplate formation of a Housing Authority.
- Prepare the Mid-Plan Review for the Agency.
- Institute pre-construction activities (design and engineering) of 'G' Avenue Rail Lead Track.
- Evaluate viability of pursing a SB 211 Amendment to the Redevelopment Plans of the Agency.
- Complete Economic Development Element of the General Plan Update.
- Develop Notice of Funding Availability ("NOFA") for Agency Housing Set-Aside and Community Development Block Grant Funding.
- Develop formal incentive/inducement/lending underwriting criteria and policies for the Agency.
- Continue land acquisition/disposition efforts to support redevelopment, housing, and CDBG.

SIGNIFICANT DEPARTMENT EXPENDITURES AND STAFFING CHANGES

Redevelopment:

- Funding in the amount of $46,196,506 has been included to fund various CIP projects including four fire stations, a police station, Ranchero Road Undercrossing, the FY 2007-08 Street Improvement Project, drainage projects, and Township Improvements.
- Funding in the amount of $13,550,000 has been included to fund RDA contributions for the Sunrise Terrace I & II affordable family apartments, the Village at Hesperia Senior Apartments, Santa Fe Apartments, and Horizons.
- One Administrative Analyst (1.0 FTE) position has been eliminated along with the elimination of one part-time Administrative Analyst (0.24 FTE) position and replaced with one Senior Management Analyst (1.0 FTE) position to provide higher level staffing resources for the Redevelopment Division.
- Funds in the amount of $100,000 have been included for the preparation of a Master Plan for a freeway retail corridor.
- Funding amounting to $100,000 has been included for a Redevelopment (RDA) Plan Amendment.
- Funds amounting to $210,000 have been included for consultant services relating to an SB211 Amendment, real estate strategy, RDA technical services, marketing strategy, and a labor market analysis.
- Funds in the amount of $7,500,000 have been included for commitments to Owner Participation Agreements and for the Facade Improvement Program.
- Funding in the amount of $3,400,000 has been included for the acquisition of real estate within Project Area No. 1.
- Funding in the amount of $100,000 has been included for the establishment of a Foreign Trade Zone Sub-zone.
- Funding amounting to $124,090 has been included as a carryover for the Inclusionary Housing Study.
- Funding amounting to $73,125 has been included as Home Matching funds.
- Funding amounting to $155,000 has been included for a Tax Credit Consultant and Housing Authority Feasibility Study.

SIGNIFICANT DEPARTMENT EXPENDITURES AND STAFFING CHANGES (Continued)

Community Development Block Grant:

- One part-time Administrative Analyst (0.24 FTE) has been eliminated in conjunction with the addition of a Senior Management Analyst.
- Funding in the amount of $3,140,000 has been included for the balance of construction funds for the Village at Hesperia Senior Housing Complex, Sunrise Terrace and Sunrise Terrace II affordable family apartments.
- Funding in the amount of $1,592,815 has been budgeted for pending inducement offers authorized by the City Council in FY 2006-07 and new inducements to support projects which will create jobs within the city.
- Funding in the amount of $336,996 has been budgeted for housing programs, as approved within the 2007-08 CDBG Action Plan.
- Funding amounting to $493,563 has been budgeted for land, buildings, and public improvements in the CDBG target area.
- Because funds will no longer be available through the Home Grant, the Down Payment Assistance Program will now be funded through the Redevelopment Agency.

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Redevelopment Agency (RDA) Funds (385, 389, 486, 487, 586, 587, 588) Taxes						
RDA Debt Service - Project Area #1 Tax Increment 486 25 261 0000 4060	$ 6,038,990	$ 11,349,717	$ 18,138,513	$ 17,556,946	$ 23,210,677	28%
RDA Debt Service - Project Area #1 Amendment Tax Increment 486 25 261 0000 4062	702,686	1,487,210	2,300,406	2,486,259	3,997,808	74%
RDA Debt Service - Project Area #2 Tax Increment 487 25 261 0000 4060	781,571	1,258,243	2,361,081	1,796,796	2,275,515	-4%
RDA Project Area #1 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4070	1,509,748	2,925,416	4,534,628	4,389,236	5,802,669	28%
RDA Project Area #1 Amendment Low/Mod - LMI 20% Property Tax 385 25 263 2700 4073	175,671	371,802	575,102	621,565	999,452	74%
RDA Project Area #2 Low/Mod - LMI 20% Property Tax 385 25 263 2700 4075	195,393	324,304	590,270	449,199	568,879	-4%
SubTotal Property Tax Increment	9,404,059	17,716,692	28,500,000	27,300,001	36,855,000	29%
VVEDA - Low/Mod 385 25 263 2700 4078	83,794	329,426	222,900	220,096	218,749	-2%
VVEDA - Capital Project 588 25 261 0000 4068	58,233	291,903	227,443	194,555	218,749	-4%
Total Taxes	$ 9,546,086	$ 18,338,021	$ 28,950,343	$ 27,714,652	$ 37,292,498	29%

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

DIVISION RELATED REVENUE DETAIL

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Interest						
RDA - Debt Service - Interest Project Area #1 486 19 220 0000 5600	$ 137,481	$ 289,343	$ 141,527	$ 379,226	$ 379,226	168%
RDA - Debt Service - Interest Project Area #2 487 19 220 0000 5600	10,936	12,497	10,000	15,852	1,120	-89%
RDA Low/Mod Fund–Interest Income 385 19 220 0000 5600	45,422	440,955	382,000	565,514	294,025	-23%
RDA CIP Area #1 - Interest 586 19 220 0000 5600	0	695,403	400,000	657,019	657,019	64%
RDA CIP Area #2 - Interest 587 19 220 0000 5600	0	78,541	40,000	69,695	69,695	74%
RDA CIP VVEDA - Interest 588 19 220 0000 5600	0	8,176	0	11,134	11,134	n/a
Total Interest Income	$ 193,839	$ 1,524,915	$ 973,527	$ 1,698,440	$ 1,412,219	45%
Other						
Other-All Other Combined	$ 663,226	$ 1,000,933	$ 1,067,000	$ 12,000	$ 1,118,390	5%
Total RDA Other	$ 663,226	$ 1,000,933	$ 1,067,000	$ 12,000	$ 1,118,390	5%
Total Redevelopment Agency Revenue	$ 10,403,151	$ 20,863,869	$ 30,990,870	$ 29,425,092	$ 39,823,107	28%

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Community Development Block Grant (CDBG) Funds (251, 252, 253)						
251 CDBG Fund						
Intergovernmental						
CDBG Administration Reimbursement 251 25 270 2700 4730	$ 853,133	$ 1,041,409	$ 1,319,738	$ 790,147	$ 1,435,749	9%
CDBG Loan Repayment 251 25 270 2700 4746	112,157	29,986	30,000	60,000	45,000	50%
Total Intergovernmental	$ 965,290	$ 1,071,395	$ 1,349,738	$ 850,147	$ 1,480,749	10%
Total CDBG Fund 251	$ 965,290	$ 1,071,395	$ 1,349,738	$ 850,147	$ 1,480,749	10%
252 HOME Grant Fund						
Interest						
CDBG HOME Grant Program Interest Income 252 19 220 0000 5600	$ 1,661	$ 5,423	$ 6,665	$ 9,876	$ 9,876	48%
Total Interest Income	$ 1,661	$ 5,423	$ 6,665	$ 9,876	$ 9,876	48%

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

REVENUE DETAIL (Continued)	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Grants						
CDBG HOME Grant 2000	$ 155,934	$ 165,909	$ 285,000	$ 139,072	$ 160,928	-44%
252 25 264 2700 4750						
CDBG HOME Grant 1999	58,885	0	0	0	0	n/a
252 25 264 2700 4745						
1999 Home-HRLP Loan Repayment	56,457	27,501	30,000	50,195	60,000	100%
252 25 264 2700 4748						
CDBG 2002 HOME Grant-DAP	85,367	58,555	1,139,172	294,168	605,832	-47%
252 25 264 2700 4755						
CDBG 2002 HOME Construction	20,000	0	10,990,000	7,900,000	3,080,000	-72%
252 25 264 2700 4756						
Total Grants	$ 376,643	$ 251,965	$ 12,444,172	$ 8,383,435	$ 3,906,760	-69%
Total HOME Fund 252	$ 378,304	$ 257,388	$ 12,450,837	$ 8,393,311	$ 3,916,636	-69%
253 CDBG-Revolving Loan Fund						
Interest						
CDBG Revolving Loan Program Interest Income	$ 32,910	$ 48,218	$ 59,030	$ 63,669	$ 63,669	8%
253 19 220 0000 5600						
CDBG-Revolving Loan Fund - Miscellaneous Income	0	0	0	136,045	0	
Total CDBG-Revolving Loan Fund 253	$ 32,910	$ 48,218	$ 59,030	$ 199,714	$ 63,669	8%
Total CDBG Funds (251, 252, 253)	$ 1,376,504	$ 1,377,001	$ 13,859,605	$ 9,443,172	$ 5,461,054	-61%

DEPARTMENT STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Aide	0.00	1.00	1.00	1.00
Administrative Analyst	2.00	2.00	4.33	3.33
Business Development Officer	0.50	1.00	0.00	0.00
Deputy Director of Development Services - Economic Development	1.00	1.00	0.00	0.00
Deputy Economic Development Director	0.00	0.00	1.00	1.00
Director of Development Services	0.00	0.00	0.00	0.00
Director of Development Services - City Engineer	0.10	0.10	0.00	0.00
Director of Economic Development	0.00	0.00	1.00	1.00
Executive Secretary	0.10	0.10	1.00	1.00
Management Analyst	0.00	0.00	2.00	2.00
Senior Development Specialist	1.00	1.00	0.00	0.00
Senior Management Analyst	0.00	0.00	1.00	2.00
Senior Office Assistant	1.00	1.00	1.00	1.00
Total Full-Time Staff	5.70	7.20	12.33	12.33
Part-Time Staff				
Administrative Aide	0.46	0.00	0.00	0.00
Administrative Analyst	0.00	0.48	0.48	0.00
Total Part-Time Staff	0.46	0.48	0.48	0.00
Total Full & Part-Time Staff	6.16	7.68	12.81	12.33

FUNDS: REDEVELOPMENT AGENCY SUMMARY
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: REDEVELOPMENT PROJECTS 261, LOW/MOD HOUSING 263, HOUSING 264

DEPARTMENT EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 217,797	$ 130,420	$ 714,853	$ 518,953	$ 797,240	12%
Benefits	73,483	47,787	272,515	209,786	293,808	8%
Materials	134,734	1,481	331,500	241,500	393,500	19%
Contractual	223,860	87,421	6,799,848	401,500	15,295,509	125%
Other Operating	46,076	1,167	133,000	118,000	172,000	29%
Capital Outlay	18,873	0	62,500	1,814,787	4,010,000	6316%
Debt Service	0	989,150	1,018,045	1,001,445	1,002,020	-2%
Total	$ 714,823	$ 1,257,426	$ 9,332,261	$ 4,305,971	$ 21,964,077	135%

DEPARTMENT EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Redevelopment Agency						
385 Low/Moderate Income	$ 242,849	$ 1,257,426	$ 7,177,535	$ 3,103,208	$ 19,592,572	173%
389 RDA Administration	471,974	0	2,154,726	1,202,763	2,371,505	10%
485 RDA Debt Service	0	0	0	0	0	0%
486 RDA Project Area #1 D/S	5,088,156	9,817,263	13,416,448	13,627,881	17,465,185	30%
487 RDA Project Area #2 D/S	620,288	1,054,326	1,644,653	1,367,957	1,665,598	1%
585 RDA Capital Improvements	202,246	0	0	0	0	0%
586 RDA Project Area #1-CIP	0	4,849,571	20,738,161	7,724,738	56,317,749	172%
587 RDA Project Area #2-CIP	0	181,643	306,409	380,060	604,539	97%
588 RDA VVEDA	0	0	100,000	0	500,000	400%
Sub-Total RDA	$ 6,625,513	$ 17,160,229	$ 45,537,932	$ 27,406,607	$ 98,517,148	116%
Operating Transfers	20,648,391	250,000	1,328,552	1,328,552	877,705	-34%
Total	$ 27,273,904	$ 17,410,229	$ 46,866,484	$ 28,735,159	$ 99,394,853	112%

REDEVELOPMENT STAFFING SUMMARY	2004-05	2005-06	2006-07	2007-08
Full-Time Staff	3.70	4.70	8.08	8.18
Part-Time Staff	0.00	0.00	0.00	0.00
Total Full & Part-Time Staff	3.70	4.70	8.08	8.18

FUND: RDA-ADMINISTRATION 385
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION:
PROGRAM: RDA-ADMINISTRATION

DEPARTMENT EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 105,389	$ 0	$ 468,662	$ 328,712	$ 525,028	12%
Benefits	35,056	0	179,564	134,264	195,005	9%
Materials	134,409	0	316,000	231,500	373,500	18%
Contractual	133,221	0	1,015,000	338,000	1,122,472	11%
Other Operating	45,026	0	113,000	105,500	145,500	29%
Capital Outlay	18,873	0	62,500	64,787	10,000	-84%
Debt Service	0	0	0		0	0%
Total	$ 471,974	$ 0	$ 2,154,726	$ 1,202,763	$ 2,371,505	10%

DEPARTMENT DESCRIPTION

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

To receive tax increment, a Redevelopment Agency must have "debt" on its books. The Agency issued bonds in 1994 to support community development projects. These 1994 bonds were refinanced with 2005 Tax Allocation Bonds. Additional bond proceeds were derived from the sale and are earmarked for qualified capital and redevelopment projects. The HCRA intends to issue 2007 Tax Allocation Bonds prior to the close of fiscal year 2006-07. These 2007 bond proceeds will be used to fund additional qualified capital and redevelopment projects. To intensify the collection of tax increment, Redevelopment staff is tasked with developing and implementing new and existing programs that will facilitate residential, commercial, and industrial development.

DEPARTMENT STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Aide	0.00	0.00	0.40	0.50
Administrative Analyst	0.35	0.75	3.83	2.83
Business Development Officer	0.50	1.00	0.00	0.00
Deputy Director of Development Services - Economic Development	0.35	0.35	0.00	0.00
Deputy Economic Development Director	0.00	0.00	0.50	0.50
Director of Development Services	0.00	0.00	0.00	0.00
Director of Development Services - City Engineer	0.10	0.10	0.00	0.00

FUND: RDA-ADMINISTRATION 385
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION:
PROGRAM: RDA-ADMINISTRATION 2700

DEPARTMENT STAFFING (Continued)	2004-05	2005-06	2006-07	2007-08
Director of Economic Development	0.00	0.00	0.75	0.75
Executive Secretary	0.10	0.10	0.50	0.50
Management Analyst	0.00	0.00	1.00	1.00
Senior Development Specialist	0.00	0.00	0.00	0.00
Senior Management Analyst	0.00	0.00	0.50	1.50
Senior Office Assistant	0.40	0.40	0.60	0.60
Total Full-Time Staff	1.80	2.70	8.08	8.18

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- One Administrative Analyst (1.0 FTE) position has been eliminated along with the elimination of one part-time Administrative Analyst (0.24 FTE) position and replaced with one Senior Management Analyst (1.0 FTE) position to provide higher level staffing resources for the Redevelopment Division.
- Funds in the amount of $100,000 have been included for the preparation of a Master Plan for a freeway retail corridor.
- Funding amounting to $100,000 has been included for an Redevelopment (RDA) Plan Amendment.
- Funds amounting to $210,000 have been included for consultant services relating to an SB211 Amendment, real estate strategy, RDA technical services, marketing strategy, and a labor market analysis.

2006-07 DEPARTMENT ACCOMPLISHMENTS

- Successful negotiation and execution of an Owner Participation Agreement (OPA) with Target Stores to support the on-going operation of a 180,000 square foot Super Target retail store.
- Successful negotiation and execution of an OPA with 84 Lumber/Hardy Management to support operation of a new 84,000 square foot commercial construction products wholesale/retail operation in City's industrial area including groundbreaking.
- Prepared the Pre-Application and Final Application for $2,000,000 in grant funding from the United States Department of Commerce, Economic Development Administration to support the construction of the 'G' Avenue Rail Lead Track.
- Provided Agency funds for the required local match to the EDA Grant in the amount of $3,638,401.
- Successful negotiation and execution of an OPA with Lewis Group of Companies to support the on-going operations of the Gateway Retail Center at Main Street and Interstate 15.
- Aggressively promoted retail opportunities in Hesperia through attendance at regional, state, and national conventions and trade shows catering to retail industry.
- Identified, negotiated, and acquired additional property surrounding the Hesperia Community Civic Plaza to further elevate its viability as the new downtown hub for the City.
- Facilitated the preparation of Environmental Impact Reports (EIR) to support the Hesperia Marketplace (anchored by a Super Wal-Mart and Home Depot) and Gateway Retail Center (anchored by Super Target).
- Authored and submitted proposal to San Bernardino County for new Victor Valley Government Center.
- Developed and secured approval of lease with San Bernardino County Library to operate the new Hesperia Branch Library.

FUND: RDA-ADMINISTRATION 385
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION:
PROGRAM: RDA-ADMINISTRATION 2700

- Negotiated with numerous retail, industrial, and commercial developers interested in, or developing in the Redevelopment Project Areas.
- Issued Request for Qualifications/Proposals for Master Developer of Community Civic Plaza and negotiated Exclusive Negotiating Rights Agreement ("ENRA").
- Evaluated Agency's incentive/inducement programs to determine if they were still competitive and recommended new innovative initiatives.
- Prepared required Agency reports including Annual Report to the Legislative Body, and assisted with Statement of Indebtedness and State Controller's Report.
- Successful negotiation of an Owner Participation Agreement ("OPA") with Centex Homes to support the on-going operation of a 75,000 square foot truss manufacturing facility in Redevelopment Project Area No. 1 expected to create over 100 new jobs.
- Held groundbreaking for new Courtyard by Marriott Hotel culminating Agency's efforts to cause development of this new hospitality venue. Negotiated leases with Victor Valley Wastewater Reclamation Authority (VVWRA) and Desert Engineering who will occupy office space in Eagle Plaza formerly occupied by City Hall.
- Monitored active OPAs to ensure compliance with job creation, investment, and other requirements.
- Requested and received reimbursement for all but $38,927.32 of $943,225 in Institute of Museum and Library Services grants.

2007-08 DEPARTMENT GOALS AND OBJECTIVES

- Develop Real Estate Strategy for Hesperia Community Redevelopment Agency (Agency).
- Prepare and adopt the Mid-Plan Review for the Agency.
- Evaluate viability of pursing a SB 211 Amendment to the Redevelopment Plans of the Agency.
- Complete Economic Development Element of the General Plan Update.
- Develop formal incentive/inducement/lending underwriting criteria and policies for the Agency.
- Continue master planning efforts for Automobile Corridor/Outdoor Experience.
- Develop new marketing and promotional materials to support Agency recruitment and retention efforts.
- Coordinate and cause the preparation of an application for United States Department of Commerce (DOC) Foreign Trade Zone Sub-Zone designation.
- Evaluate results of Conference/Convention Center Feasibility Study.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Active Development Leads	41	54	60	70
Site Visits By Prospective Companies	16	10	24	27
Formal Proposals Prepared And Submitted	43	62	100	115
Quarterly Newsletters	4	4	4	4
Focused Event Sponsorships	7	7	10	10
Groundbreakings	1	0	2	5
Ribbon Cuttings	2	1	0	4
Advertising Placements	25	29	43	46
Advertising Inquiries	40	59	100	110
OPAs Negotiated	4	6	7	14
Job Creation via OPAs	50	250	350	450

FUND: REDEVELOPMENT CAPITAL IMPROVEMENT 585, 586, 587, 588
DEPARTMENT: ECONOMIC DEVELOPMENT 25
DIVISION: REDEVELOPMENT PROJECTS 261
PROGRAM: RDA-CAPITAL IMPROVEMENTS

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 124,697	$ 0	$ 0	$ 0	0%
Benefits	0	45,326	0	0	0	0%
Materials	0	163,377	0	0	0	0%
Contractual	202,246	1,604,199	19,594,570	6,108,088	50,910,873	160%
Other Operating	0	66,497	0	110,710	0	0%
Capital Outlay	0	3,027,118	1,550,000	1,886,000	6,511,415	320%
Debt Service	0	0	0	0	0	0%
Total	$ 202,246	$ 5,031,214	$ 21,144,570	$ 8,104,798	$ 57,422,288	172%

DIVISION DESCRIPTION

To effect redevelopment in the project areas within the City, capital improvements must be made. In some cases, incentives are funded, and in others, infrastructure development or enhancements are funded. Fund 586 and 587 underwrite expenses incurred as a result of Owner's Participation Agreements (OPAs) and other obligations associated with debts incurred to fund the necessary capital improvements. Actual capital expenditures are allocated by project area and are specifically delineated in Funds 586 and 587.

DIVISION STAFFING

- None

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Funding in the amount of $41,710,006 has been included to fund various CIP projects including four fire stations, a police station, Ranchero Road Undercrossing, the FY 2007-08 Street Improvement Project, drainage projects, and Township Improvements.
- Funds in the amount of $7,500,000 has been included for commitments to Owner Participation Agreements and the Facade Improvement Program.
- Funding in the amount of $3,400,000 has been included for the acquisition of real estate within Project Area No. 1.
- Funding in the amount of $100,000 has been included for the establishment of a Foreign Trade Zone Sub-zone.

2006-07 DIVISION ACCOMPLISHMENTS

- Negotiated Land Exchange Agreement between the Hesperia Fire Protection District (HFPD) and Barlan Capital to support construction of Fire Station 305.
- Funded Site Study and design of Fire Stations to serve the Hesperia Community Redevelopment Project Areas (Stations 301 and 305).
- Supported and provided funding for design Hesperia Civic Plaza Park – Juniper and 8th Avenues.
- Acquired real property to support the development of the new Hesperia Police Headquarters.
- Provided major funding to support the City's 2006-07 Street Improvement Project consistent with the Agency's Redevelopment and Implementation Plans.

2006-07 DIVISION ACCOMPLISHMENTS (Continued)

- Provided financial support to facilitate construction of the A-04 drainage facility.
- Design, implementation, and funding of the Township Improvement and Redevelopment Project.
- Administered the three (3) Institute of Museum and Library Services (IMLS) grants provided to the City to support the construction and operation of the new Hesperia Branch Library.
- Provided significant funding (local match) and staff support to complete construction of the 20,000 square foot Hesperia Branch Library.
- Acquired certain parcels within the City's industrial area to support the development of the 'G' Avenue Rail Lead Track.
- Continued timely payment of Pass-Through Obligations to Taxing Entities.
- Utilization of VVEDA tax increment revenue to augment construction of the Hesperia Branch Library which will directly benefit that project area.
- Issuance of 2007 Tax Allocation Bonds (TABs) for funding to support necessary capital improvement in the Redevelopment Project Areas consistent with the Redevelopment Plans for Project Area Nos. 1 and 2.

2007-08 DIVISION GOALS AND OBJECTIVES

- Implement the Hesperia Community Redevelopment Agency's Façade Improvement Program.
- Participate and fund the redevelopment efforts of the Township Area.
- Institute pre-construction activities (design and engineering) of 'G' Avenue Rail Lead Track.
- Pursue property acquisition in Redevelopment Project Areas to support the Agency's redevelopment goals.
- Fund design and construction of necessary public facilities, including interchanges and aqueduct crossings within the Redevelopment Project Areas consistent with the Agency's Redevelopment and Implementation Plans.
- Provide incentives and/or inducements to facilitate development of projects that support the Agency's Redevelopment Plans.
- Continue land acquisition efforts to support development of public safety facilities to meet the goals of the City's Public Safety Needs Report.
- Provide major funding to support the City's 2007-08 Street Improvement Project consistent with the Agency's Redevelopment and Implementation Plans.
- Provide funding to underwrite the construction expenses of the new Civic Green Park within the City's Civic Plaza.
- Continue financial investment in construction of the H-01 and A-04 drainage facilities.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
OPAs Negotiated	4	6	7	14
Job Creation via OPAs	50	250	350	450

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 112,408	$ 130,420	$ 246,191	$ 190,241	$ 272,212	11%
Benefits	38,427	47,787	92,951	75,522	98,803	6%
Materials	325	1,481	15,500	10,000	20,000	29%
Contractual	90,639	87,421	5,784,848	63,500	14,173,037	145%
Other Operating	1,050	1,167	20,000	12,500	26,500	33%
Capital Outlay	0	0	0	1,750,000	4,000,000	100%
Debt Service	0	989,150	1,018,045	1,001,445	1,002,020	-2%
Total	$ 242,849	$ 1,257,426	$ 7,177,535	$ 3,103,208	$ 19,592,572	173%

DIVISION DESCRIPTION

A mandate of Redevelopment Law is the set-aside of 20% of tax increment generated in Redevelopment Project Areas to Low-to-Moderate Income (LMI) or Affordable Housing Programs. The Economic Development Department is charged with administering this program on behalf of the Hesperia Community Redevelopment Agency (Agency).

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

The Economic Development Department develops, manages and promotes programs and projects that preserve and improve the supply of affordable housing in the City of Hesperia. Staff coordinates several affordable housing programs, including the Housing Rehabilitation Loan Programs (HRLP) funded by CDBG, HOME and RDA Set-Aside Funding, the First-Time Homebuyer Down Payment Assistance Program, and the Emergency/Disaster Housing Rehabilitation Loan Program (EDHRLP), and three rental housing new construction projects. The First-Time Homebuyer Down Payment Assistance Program (DAP) offers to eligible first-time homebuyer families zero percent (0%) interest loans of up to $115,000 for use towards down payment and closing costs. The DAP Program will continue to be offered in Fiscal Year 2007-08 using the balance of HOME funding awards. The Housing Rehabilitation Loan Program (HRLP) provides for deferred payments for loans of up to $20,000 for lower income owner-occupied households for repair to basic home systems (water/wastewater, plumbing, electrical, HVAC, roof, and other items.)

Hesperia has three on-going HOME-funded rental housing new construction projects: the 68-unit Village at Hesperia senior housing project, and the 110 unit Sunrise Terrace I, and 72-unit Sunrise Terrace II apartment complex. It is anticipated that each of these projects will be completed during Fiscal Year 2007-08.

Department staff also endeavors to identify external funding sources to promote affordable housing development projects. Linkages with San Bernardino County provide Hesperia residents with access to a Mortgage Assistance Program ("MAP") and other services. The Pacific Housing Finance Authority, California Cities Home Ownership Authority (CCHOA) and Pacific Housing Finance Agency (PHFA) are three programs in which the City/HCRA participates providing lease-purchase opportunities to targeted residents. Additionally, the Agency is the repository for VVEDA LMI Tax Increment revenue and responsible for overseeing affordable housing development and maintenance in the VVEDA Project Area.

The Department also contemplates participation in developer-based proposals for affordable housing projects.

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

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Aide	0.00	0.50	0.50	0.50
Administrative Analyst	0.90	0.50	0.50	0.50
Deputy Director of Development Services - Economic Development	0.35	0.35	0.00	0.00
Deputy Economic Development Director	0.00	0.00	0.40	0.40
Director of Economic Development	0.00	0.00	0.25	0.25
Executive Secretary	0.00	0.00	0.50	0.50
Management Analyst	0.00	0.00	1.00	1.00
Senior Development Specialist	0.30	0.30	0.00	0.00
Senior Management Analyst	0.00	0.00	0.50	0.50
Senior Office Assistant	0.35	0.35	0.40	0.40
Total Full-Time Staff	1.90	2.00	4.05	4.05
Part-Time Staff				
Administrative Aide	0.00	0.00	0.00	0.00
Administrative Analyst	0.00	0.00	0.24	0.00
Total Part-Time Staff	0.00	0.00	0.24	0.00
Total Full & Part-Time Staff	1.90	2.00	4.29	4.05

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- One part-time Administrative Analyst (0.24 FTE) has been eliminated in conjunction with the addition of a Senior Management Analyst.
- Funding in the amount of $13,550,000 has been included to fund RDA contributions for the Sunrise Terrace I & II affordable family apartments, the Village at Hesperia senior apartments, Santa Fe Apartments, and Horizons.
- Funding amounting to $124,090 has been included as a carryover for the Inclusionary Housing Study .
- Funding amounting to $73,125 has been included as Home Matching funds.
- Funding amounting to $155,000 has been included for a Tax Credit Consultant and Housing Authority Feasibility Study.

2006-07 DIVISION ACCOMPLISHMENTS

- Issued Request for Proposals (RFP) seeking consulting expertise to prepare a Housing Authority Formation Feasibility Study.
- Completed conditions precedent of the Owner Participation Agreement with KDF Communities pursuant to development of Phase I & III (89 units) of The Village at Hesperia affordable senior apartments enabling construction to commence.
- Completed conditions precedent of the Owner Participation Agreement with KDF Communities pursuant to development of Sunrise Terrace I, a 100% affordable 110-unit family apartment complex thereby enabling construction to commence.
- Completed conditions precedent of the Owner Participation Agreement with KDF Communities pursuant to development of Sunrise Terrace II, a 100% affordable 72-unit family apartment complex thereby enabling construction to commence
- Issued 2007 Low-Mod Tax Allocation Bonds (TABs) from which proceeds will fund affordable housing projects within the Agency's Redevelopment Project Areas.

2006-07 DIVISION ACCOMPLISHMENTS (Continued)

- Completed draft of Inclusionary Housing Study.
- Prepared and submitted Workforce Housing Grant application in the amount of $710,500.
- Received $91,566 in Workforce Housing Grant funds from California Department of Housing and Community Development as a result of Hesperia Community Redevelopment Agency's production of affordable housing.
- Purchased real property to support development of Phase II of The Village at Hesperia affordable senior housing apartments.
- Negotiated with Simpson Housing Solutions to develop 100-percent affordable family housing complex at Olive and G and supported their 9% tax credit allocation application by allocating up to $2.9 in Agency low/mod set-aside funds as secondary financing for the development.
- Negotiated with Palm Desert Development to develop 100-percent affordable family housing complex on Santa Fe Avenue and supported their 9% tax credit allocation application by allocating up to $4.4 in Agency low/mod set-aside funds as secondary financing for the development.
- Databased historical housing construction in the Redevelopment Project Areas to accurately reflect the mandated inclusionary housing requirements of the Agency.
- Acreage acquired to support affordable housing.

2007-08 DIVISION GOALS AND OBJECTIVES

- Develop and issue Notice of Funding Availability (NOFA) to serve as vehicle for agencies and developers to seek Agency financing for affordable housing related projects, including Agency support of potential tax credit applications.
- Adopt Inclusionary Housing Program.
- Evaluate creation of Housing Authority based upon Housing Authority Formation Feasibility Study results.
- Evaluate the Agency's Housing Compliance Plan as a function of the required Mid-Plan review of the Five-Year Implementation Plan and make amendments as needed.
- Continue efforts to identify and provide financial support affordable housing developments within the Agency's project areas.
- Evaluate inclusionary housing production requirements for Hesperia's Victor Valley Economic Development Authority (VVEDA) project area.
- Satisfy Agency obligations to provide gap financing in the form of residual receipts loans to Sunrise Terrace I & II, and The Village at Hesperia affordable housing projects totaling $6,150,000.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
HRLP Loans Approved	6-10	7	12	14
Housing Developer Proposal Reviews	5	8	10	10
Inclusionary Housing Production Requirement	33.6	220.05	180	180
Deed Restricted Units Funded	0	180	68	221
Low-Mod Funds Committed via Owner Participation Agreements to support affordable housing	0	$3.25M	$2.9M	$7.3M

FUND:	RDA DEBT SERVICE	485, 486, 487
DEPARTMENT:	ECONOMIC DEVELOPMENT	25
DIVISION:	REDEVELOPMENT PROJECTS	261

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	4,393,424	8,394,018	12,523,847	12,488,584	16,625,767	33%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	1,315,020	2,477,571	2,537,254	2,507,254	2,505,016	-1%
Total	$ 5,708,444	$ 10,871,589	$15,061,101	$ 14,995,838	$ 19,130,783	27%

DIVISION DESCRIPTION

Redevelopment tax increment (net of Low-Mod Set-Aside) generated in Project Areas 1 and 2 is 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). In prior years the tax increment was combined into Fund 0305. Capital improvements within Redevelopment Project Areas 1 and 2 are expensed within Funds 586 and 587 respectively. Hesperia Community Redevelopment Agency (Agency) debt expenses are also charged to Funds 586 and 587. Overall accomplishments for Capital Projects are reflected in earlier sections of this document.

DIVISION STAFFING

- None.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The increase simply reflects increase Pass-through payment due to higher tax increment revenue.

2006-07 DIVISION ACCOMPLISHMENTS

- Made timely debt service payments on all Agency debt.
- Allocated appropriate tax increment revenue (20%) to the Low-Mod Housing Set-Aside (Fund 385).
- Continued timely Pass-through payments to various taxing entities.
- Continued aggressive growth in assessed valuation within Redevelopment project areas generating significant increases in tax increment revenue collection.

2007-08 DIVISION GOALS AND OBJECTIVES

- Allocate 2007 Tax Allocation Bond (TAB) proceeds to appropriate Economic Development programs/funds for disbursement to support eligible redevelopment and economic development initiatives and projects.
- Continue timely pass-through payments to taxing entities.
- Continue timely debt service payments on 2005 and 2007 TABs and other financial obligations of the Agency.
- Allocate TAB proceeds to Funds 385, 586, and 587 for capital and affordable housing projects in the Redevelopment project areas.

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 133,630	$ 154,747	$ 27,163	$ 18,433	$ 12,257	-55%
Benefits	42,468	51,941	9,284	7,827	4,411	-52%
Materials	8,486	7,011	8,669	6,502	11,250	30%
Contractual	253,522	581,634	14,364,606	8,666,930	5,314,739	-63%
Other Operating	273,548	342,681	194,103	190,153	207,142	7%
Capital Outlay	0	0	364,241	0	493,563	36%
Debt Service	193,284	223,814	250,400	237,100	275,000	10%
Total	$ 904,938	$ 1,361,828	$ 15,218,466	$ 9,126,945	$ 6,318,362	-58%

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
C D B G						
251 CDBG						
Administration	$ 719,705	$ 948,534	$ 1,293,185	$ 721,945	$ 1,399,619	8%
252 CDBG HOME						
Grant	148,233	213,294	12,400,281	8,405,000	3,300,928	-73%
253 CDBG						
Revolving Loans	37,000	200,000	1,525,000	0	1,617,815	6%
Sub-Total CDBG	$ 904,938	$ 1,361,828	$ 15,218,466	$ 9,126,945	$ 6,318,362	-58%

CDBG STAFFING SUMMARY	2004-05	2005-06	2006-07	2007-08
Full-Time Staff	2.00	2.50	0.20	0.10
Part-Time Staff	0.46	0.48	0.24	0.00
Total Full & Part-Time Staff	2.46	2.98	0.44	0.10

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 133,630	$ 154,747	$ 27,163	$ 18,433	$ 12,257	-55%
Benefits	42,468	51,941	9,284	7,827	4,411	-52%
Materials	8,486	7,011	8,669	6,502	11,250	30%
Contractual	68,289	168,340	439,325	261,930	395,996	-10%
Other Operating	273,548	342,681	194,103	190,153	207,142	7%
Capital Outlay	0	0	364,241	0	493,563	36%
Debt Service	193,284	223,814	250,400	237,100	275,000	10%
Total	$ 719,705	$ 948,534	$ 1,293,185	$ 721,945	$ 1,399,619	8%

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) 2007-08, the City is projected to receive a CDBG entitlement of $743,852, which represents an increase of 1% when compared to the PY 2006-07 grant. Of this, 20% is allocated to administration and planning, 15% to Public Service activities and programs, with the remainder obligated to Section 108 debt service and other eligible CDBG uses that are approved as a function of the City's annual CDBG Action Plan.

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

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

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Aide	0.00	0.50	0.10	0.00
Administrative Analyst	0.75	0.75	0.00	0.00
Deputy Director of Development Services - Economic Development	0.30	0.30	0.00	0.00
Deputy Economic Development Director	0.00	0.00	0.10	0.10
Senior Development Specialist	0.70	0.70	0.00	0.00
Senior Office Assistant	0.25	0.25	0.00	0.00
Total Full-Time Staff	2.00	2.50	0.20	0.10

DIVISION STAFFING (Continued)	2004-05	2005-06	2006-07	2007-08
Part-Time Staff				
Administrative Aide	0.46	0.00	0.00	0.00
Administrative Analyst	0.00	0.48	0.24	0.00
Total Part-Time Staff	0.46	0.48	0.24	0.00
Total Full & Part-Time Staff	2.46	2.98	0.44	0.10

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The staffing allocation for CDBG Administration has been reduced, as the City is using consultants who specialize in this field.
- Funding in the amount of $336,996 has been budgeted for housing programs, as approved within the 2007-08 CDBG Action Plan.
- Funding amounting to $493,563 has been budgeted for land, buildings, and public improvements in the CDBG target area.

2006-07 DIVISION ACCOMPLISHMENTS

- Developed 2007-08 CDBG Action Plan.
- Reprogrammed prior years' unspent CDBG entitlements.
- Continued retiring Section 108 loan debt with annual entitlement.
- Provided staff support for Economic Development Revolving Loan Fund (253) efforts.
- Administered City's Annual CDBG Program consistent with federal regulations and City Council policies and directives.
- Maintained IDIS CDBG balance ratio to US Department of Housing & Urban Development's (HUD) target goal of 1.5 times the annual entitlement grant).
- Submitted 2005-06 Consolidated Annual Performance and Evaluation Report (CAPER).
- Implemented second year of Five-Year Consolidated Plan.
- Submitted timely required financial and performance reports to HUD.
- Supported capital/public improvement projects.
- Continued implementation of Housing Rehabilitation Loan Program.
- Provided staffing support to the City's HOME Programs (Fund 252) – Downpayment Assistance Program (DAP) and Housing Rehabilitation Loan Program (HRLP).

2007-08 DIVISION GOALS AND OBJECTIVES

- Identify unspent prior years CDBG entitlements and initiate appropriate reprogramming.
- Support capital/public improvement projects in CDBG target areas.
- Continue timely draw-down of CDBG resources.
- Submit 2006-07 Consolidated Annual Performance and Evaluation Report ("CAPER").
- Provide appropriate funding to support the completion of the Hesperia Branch Library.
- Continue land acquisition efforts within the CDBG target areas.
- Support the development of affordable, safe, and decent housing within the CDBG target areas.

2007-08 DIVISION GOALS AND OBJECTIVES (Continued)

- Continue funding Housing Rehabilitation Loan Program ("HRLP").
- Continue staffing support for the City's HOME Grant Program (Fund 252) and Economic Development Revolving Loan Fund (Fund 253).

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
HRLP Loans Funded	N/A	N/A	3	6
Section 108 Debt Service Payments (P&I)	3	3	3	3
Annual IDIS Draw-dows	7	6	6	8
Public Service Agencies Funded	10	8	13	11

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	148,233	213,294	12,400,281	8,405,000	3,300,928	-73%
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	$ 148,233	$ 213,294	$ 12,400,281	$ 8,405,000	$ 3,300,928	-73%

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 are earmarked for 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 funds are earmarked for 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 allocated to a rental housing new construction project. The rental new construction project funds are earmarked for the 72-unit Sunrise Terrace II family apartment complex.

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

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Funding in the amount of $3,140,000 has been included for the balance of construction funds for the Village at Hesperia Senior Housing Complex, Sunrise Terrace, and Sunrise Terrace II affordable family apartments.
- Because funds will no longer be available through the Home Grant, the Down Payment Assistance Program will now be funded through the Redevelopment Agency.

2006-07 DIVISION ACCOMPLISHMENTS

- Successfully completed "set-up" of 2002 HOME Grant to support development of Phase I and III (89 units) of The Village at Hesperia affordable senior apartments enabling construction to commence.
- Successfully completed "set-up" of 2004 HOME Grant to support development of Sunrise Terrace I, 110-unit affordable family apartment complex enabling construction to commence.
- Successfully completed "set-up" of 2005 HOME Grant to support development of Sunrise Terrace II, 72-unit affordable family apartment complex enabling construction to commence.
- Strategically managed receipt of HOME Program Income (PI) and Recaptured Funds (RF) to maximize program performance and operational efficiency.
- Monitored 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.
- Prepared and submitted required quarterly reports to the Department of Housing and Community Development (HCD).
- Evaluated the efficiency and appropriateness of continued funding of DAP and HRLP with HOME funds due to cumbersome eligibility requirements and lack of applicants qualifying for assistance.
- Proactively administered the HOME Program including processing subordination and demand requests.
- Made timely disbursements of HOME Program income.

2007-08 DIVISION GOALS AND OBJECTIVES

- Develop and submit 2007 HOME Grant application for, eligible affordable housing project is identified.
- Complete construction of Sunrise Terrace I affordable apartment development and commence lease-up.
- Complete construction of Sunrise Terrace II affordable family apartment complex and commence lease-up activities.
- Complete construction of The Village at Hesperia Phases I and III affordable senior apartments and commence lease up activities.
- Underwrite HRLP and DAP applications in-house vs. contracting for service.
- Continue staffing support for the City's HOME Grant Program (Fund 252) and Economic Development Revolving Loan Fund (Fund 253).
- 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.
- Evaluate disencumbering HOME Program funds for DAP and HRLP and shifting programs to Hesperia Community Redevelopment Agency Low-Mod Set-Aside.

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

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
DAP Advertisements Placed	6	1	0	4
DAP Applications Issued	293	400	490	600
DAP Applications Submitted	26	27	55	75
DAP Applications Approved	4	10	2	5
HRLP Advertisements Placed	2	0	0	2
HRLP Applications Issued	78	0	0	100
HRLP Loans Approved (HOME & CDBG)	18	4	0	20
HOME Construction Funds Remaining	70%	80%	28%	0%
HOME Program Funds Remaining	35%	60%	9%	0%
HOME Asset Portfolio	$8.9 Mil	$11 Mil	$14 Mil	$14Mil
DAP Loans Closed	4	2	8	10
Affordable Units Approved	110	72	0	68
Affordable Units Under Construction	0	0	271	68
Rental Project Construction Starts	n/a	n/a	3	1

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	37,000	200,000	1,525,000	0	1,617,815	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	$ 37,000	$ 200,000	$ 1,525,000	$ 0	$ 1,617,815	6%

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.

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Analyst	0.00	0.00	0.00	0.00
Deputy Director of Development Services - Economic Development	0.00	0.00	0.00	0.00
Senior Development Specialist	0.00	0.00	0.00	0.00
Senior Office Assistant	0.00	0.00	0.00	0.00
Total Full-Time Staff	0.00	0.00	0.00	0.00

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Funding in the amount of $1,592,815 has been budgeted for pending inducement offers authorized by the City Council in FY 2006-07 and for new inducements to support projects that will create jobs within the city.

2006-07 DIVISION ACCOMPLISHMENTS

- Developed creative inducement packages to encourage development and job creation.
- Aggressively marketed EDRLF to potential job producing projects.
- Secured repayment of outstanding EDRLF loan.

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

2007-08 DIVISION GOALS AND OBJECTIVES

- Complete Section 108 Loan Agreement amendment.
- Encumber substantial portion of EDRLF.
- Aggressively market availability of EDRLF.
- Incorporate EDRLF in City/HCRA OPA's.
- Develop creative inducements to encourage development and job creation.
- Fund appropriate infrastructure improvements to facilitate development.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Percentage of Section 108 Loan Encumbered	55%	50%	70%	
Inducement Offers Made	10	8	10	

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 1,565,173	$ 1,713,263	$ 1,478,480	$ 1,259,409	$ 1,549,003	5%
Benefits	580,929	662,459	545,608	477,780	556,315	2%
Materials	112,508	156,600	61,500	72,378	104,371	70%
Contractual	632,169	1,526,230	2,112,963	1,790,000	2,056,750	-3%
Other Operating	45,633	48,198	27,500	31,020	52,580	91%
Capital Outlay	99,512	157,708	32,000	36,519	0	-100%
Debt Service	0	0	0	0	0	0%
Total	$ 3,035,924	$ 4,264,458	$ 4,258,051	$ 3,667,106	$ 4,319,019	1%

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Planning	$ 610,616	$ 1,097,032	$ 2,138,042	$ 1,737,610	$ 2,142,420	0%
Code Enforcement	489,508	532,048	0	0	0	0%
Building & Safety	1,168,496	1,787,599	2,120,009	1,929,496	2,176,599	3%
Animal Control	767,304	847,779	0	0	0	0%
Total	$ 3,035,924	$ 4,264,458	$ 4,258,051	$ 3,667,106	$ 4,319,019	1%

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Total Full-Time Staff	34.15	38.15	23.98	23.03
Total Part-Time Staff	1.32	1.32	0.92	0.92
Total D.S. Community Development Staff	35.47	39.47	24.90	23.95

DIVISION GOALS FOR 2007-08

- Completion of the Main Street/I-15 Specific Plan will occur in early 2007-08. This plan will be used to guide development with respect to land use, circulation, architecture, and landscaping on the City's two principle commercial corridors.
- Adopt the 2007 California Building Codes. State publication will occur by July 2007 and the City must amend and adopt by January 2008. Amendments to the codes will be made due to Hesperia's unique topographic, climatic, and geologic conditions. A grading ordinance will also be adopted as it is not included with the Building Code.
- Completion of the General Plan Update. Staff and a City consultant will complete this revision to the 1991 General Plan.

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

DIVISION GOALS FOR 2007-08

- The following major development projects are scheduled for review:
  - High Desert Gateway Shopping Center (Target). This includes approximately 325,000 square feet of retail sales space and is located at the southwest corner of Main Street and the I-15 Freeway.
  - Rancho Las Flores Specific Plan. This is a complete master planned development intended to develop 15,950 residences and more than 650,000 square feet of commercial, office, and business park space.
  - Majestic Hills Specific Plan (Suncal). This is a second master planned project in Summit Valley and is planned to develop approximately 4,000 residences on approximately 1,500 acres.
  - Wal-Mart/Home Depot shopping center. This project will include nearly 410,000 square feet of retail space and is located on the southeast corner of Main Street and Escondido.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGE

Planning

- During the 1st Quarter 2006-07 Budget Review, one Community Development Technician position was eliminated and replaced with a new Community Development Coordinator position to more effectively deal with the front counter workload. The Community Development Coordinator position is continued in the 2007-08 Budget.
- One Associate Planner (1.00 FTE) position will not be funded in the 2007-08 Budget because recruitment efforts have not been successful and because of possible workload decreases.
- A second Associate Planner (1.00 FTE) position will not be funded, however, in its place, one Assistant Planner will continue to be budgeted.
- One new Senior Office Specialist (1.0 FTE) position is added and one Office Assistant (1.0 FTE) is eliminated to provide a more appropriate classification level for the Planning Program.
- Completion of the Main Street/I-15 Specific Plan will require that $110,000, be carried over from Fiscal Year 2006-07 to the 2007-08 Budget.
- Funding of $600,00 is included to continue the update of the City's General Plan, which was approved in 1991.

Building & Safety

- Funding of $225,000 ($168,750 General Fund and $56,250 Water District) is included for consultant assistance for additional systems assistance and training on the use and improvements of the Automated Project Tracking System (Accela).

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

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Animal Control Officer	1.00	1.00	0.00	0.00
Animal Control Supervisor	1.00	1.00	0.00	0.00
Animal Control Technician	2.00	2.00	0.00	0.00
Assistant Planner	0.00	0.00	0.00	1.00
Associate Planner	0.00	0.00	3.00	1.00
Building Inspector	2.00	3.00	3.00	3.00
Building Inspection Supervisor	1.00	1.00	0.95	1.00
Code Compliance Manager	0.00	0.00	0.00	0.00
Code Compliance Supervisor	0.00	0.00	0.00	0.00
Code Enforcement Officer	4.00	4.00	0.00	0.00
Code Enforcement Supervisor	1.00	1.00	0.00	0.00
Community Development Coordinator	0.00	0.00	0.00	1.00
Community Development Supervisor	0.00	0.00	1.00	1.00
Community Development Technician	2.75	2.75	1.75	0.75
Community Development Technician Supervisor	1.00	1.00	0.00	0.00
Deputy Director Development Services-Community Development	1.00	1.00	1.00	1.00
Director of Development Services	0.00	0.00	0.14	0.14
Director of Development Services/ City Engineer	0.20	0.20	0.00	0.00
Executive Secretary	0.20	0.20	0.14	0.14
Management Analyst	0.00	0.00	1.00	1.00
Office Assistant	5.00	5.00	1.00	0.00
Planner	3.00	3.00	0.00	0.00
Plans Examiner	2.00	3.00	3.00	3.00
Principal Planner	1.00	1.00	1.00	1.00
Receptionist	0.00	0.00	1.00	1.00
Registered Veterinary Technician	1.00	1.00	0.00	0.00
Senior Animal Control Officer	3.00	3.00	0.00	0.00
Senior Community Development Technician	0.00	0.00	2.00	2.00
Senior Office Assistant	1.00	2.00	1.00	1.00
Senior Office Specialist	0.00	0.00	0.00	1.00
Senior Planner	0.00	1.00	2.00	2.00
Senior Plans Examiner	1.00	1.00	1.00	1.00
Shelter Supervisor	0.00	0.00	0.00	0.00
Total Full-Time Staff	34.15	38.15	23.98	23.03
Part-Time Staff				
Animal Control Technician	0.46	0.46	0.00	0.00
Code Enforcement Officer	0.40	0.40	0.00	0.00
Office Assistant	0.46	0.46	0.00	0.00
Receptionist	0.00	0.00	0.92	0.92
Total Part-Time Staff	1.32	1.32	0.92	0.92
Total Full & Part-Time Staff	35.47	39.47	24.90	23.95

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 400,319	$ 418,613	$ 750,062	$ 578,520	$ 753,579	0%
Benefits	134,636	150,700	264,680	209,012	272,770	3%
Materials	16,743	19,084	19,800	36,758	41,341	109%
Contractual	51,957	476,136	1,091,000	900,000	1,045,000	-4%
Other Operating	6,961	11,042	12,500	13,320	29,730	138%
Capital Outlay	0	21,457	0	0	0	0%
Debt Service	0	0	0	0	0	0%
Total	$ 610,616	$ 1,097,032	$ 2,138,042	$ 1,737,610	$ 2,142,420	0%

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 recommending changes to land use for Hesperia's future growth and success.

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Assistant Planner	0.00	0.00	0.00	1.00
Associate Planner	0.00	0.00	3.00	1.00
Community Development Coordinator	0.00	0.00	0.00	0.50
Community Development Supervisor	0.00	0.00	0.25	0.25
Community Development Technician	1.75	1.75	1.25	0.75
Community Development Technician Supervisor	0.20	0.20	0.00	0.00
Deputy Director Development Services-Community Development	0.40	0.40	0.60	0.60
Director of Development Services	0.00	0.00	0.10	0.10
Director of Development Services-City Engineer	0.10	0.10	0.00	0.00
Executive Secretary	0.10	0.10	0.10	0.10
Management Analyst	0.00	0.00	1.00	1.00
Office Assistant	1.00	1.00	1.00	0.00
Planner	3.00	3.00	0.00	0.00
Principal Planner	1.00	1.00	1.00	1.00
Senior Community Development Techician	0.00	0.00	1.00	1.00
Senior Office Assistant	0.25	0.25	0.60	0.60
Senior Office Specialist	0.00	0.00	0.00	1.00
Senior Planner	0.00	1.00	2.00	2.00
Senior Plans Examiner	0.10	0.10	0.10	0.10
Total Full-Time Staff	7.90	8.90	12.00	11.00

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- During the 1st Quarter 2006-07 Budget Review, one Community Development Technician position was eliminated and replaced with a new Community Development Coordinator position to more effectively deal with the front counter workload. The Community Development Coordinator position is continued in the 2007-08 Budget.
- One Associate Planner (1.00 FTE) position will not be funded in the 2007-08 Budget because recruitment efforts have not been successful and because of possible workload decreases.
- A second Associate Planner (1.00 FTE) position will not be funded, however, in its place, one Assistant Planner will continue to be budgeted.
- One new Senior Office Specialist (1.0 FTE) position is added and one Office Assistant (1.0 FTE) is eliminated to provide a more appropriate classification level for the Planning Program.
- Completion of the Main Street/I-15 Specific Plan will require that $110,000, be carried over from Fiscal Year 2006-07 to the 2007-08 Budget.
- Funding of $600,000 is included to continue the update of the City's General Plan, which was approved in 1991.

2006-07 PROGRAM ACCOMPLISHMENTS

- The Main Street/I-15 Specific Plan is nearing completion. The draft plan and Environmental Impact Report (EIR) were completed and circulated per State law. The final documents are completed and will be scheduled for workshops and hearings in the first quarter of 2007-08.
- The Rancho Las Flores Specific Plan and Environmental Impact Report (EIR) were submitted. The City contracted with Lilburn Corporation to assist in the review and processing of the plan. The plan was found to need additional attention in several areas, and revisions have been requested from the developer.
- The applications for three small annexations in the west portion of the City were withdrawn after the City Council determined not to proceed with them. State law was amended in September 2006 and would allow the annexations to be filed through 2014 should the City choose to pursue them further.
- Nuvis landscape architects were recruited and selected to design the Downtown Park. Nuvis conducted a design hearing to develop the parks's amenities. The resulting park will be approximately five acres and will include an amphitheater for 600, a water feature, a free-play area, and lawn games designed for senior citizens.
- City staff worked on with developers of the Barcelona Heights and Maple Avenue West subdivisions to develop two new public parks. The Barcelona Heights (Mojave Street) Park is a six acre neighborhood park adjacent to a four acre subregional detention basin. The Maple Avenue Park is a 40 acre community park that will be home to the Recreation and Park District's soccer fields.
- Planning staff prepared 145 new development items for review by the Development Review Committee (DRC). Staff reports were prepared for 70 Public Hearing items on the Planning Commission Agendas and 31 Public Hearing items on the City Council Agendas.

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

2007-08 PROGRAM GOALS AND OBJECTIVES

- Completion of the land use review of several major projects is anticipated. Among these are the following:
  - The Site Plans and Environmental Impact Report (EIR) for the High Desert Gateway Shopping Center (Target) will be reviewed and presented to the Planning Commission for approval.
  - The Rancho Las Flores Specific Plan and Environmental Impact Report will be reviewed by both the Planning Commission and City Council.
  - The Majestic Hills Specific Plan and Environmental Impact Report will be presented to the Planning Commission and City Council for approval. Majestic Hills is a 1,500 acre, 4,000 unit planned development proposed south and west of Hesperia Airport by the Suncal Corporation.
  - The Conditional Use Permits and Environmental Impact Reports for the Wal-Mart/Home Depot shopping center located at Main Street and Escondido will be presented to the Planning Commission for approval.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Parcel/Tract Maps	47	50	45	45
Site Plan Reviews and Revisions	36	40	57	60
General Plan Amendments/Zone Changes	32	35	23	30
Total Applications	594	600	588	550
Apartment Units Approved	103	200	490	150
Public Hearings	92	80	101	80
Business Licenses Issued	3,346	3,500	3,736	4,100

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	COMMUNITY DEVELOPMENT	300
PROGRAM:	CODE ENFORCEMENT	3010

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 288,298	$ 329,735	$ 0	$ 0	$ 0	0%
Benefits	109,263	130,083	0	0	0	0%
Materials	20,312	22,252	0	0	0	0%
Contractual	37,254	23,745	0	0	0	0%
Other Operating	11,467	7,683	0	0	0	0%
Capital Outlay	22,914	18,550	0	0	0	0%
Debt Service	0	0	0	0	0	0%
Total	$ 489,508	$ 532,048	$ 0	$ 0	$ 0	0%

PROGRAM DESCRIPTION

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

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Building Inspector Supervisor	0.05	0.05	0.00	0.00
Code Compliance Manager	0.00	0.00	0.00	0.00
Code Compliance Supervisor	0.00	0.00	0.00	0.00
Code Enforcement Officer	4.00	4.00	0.00	0.00
Code Enforcement Supervisor	1.00	1.00	0.00	0.00
Community Development Technician Supervisor	0.05	0.05	0.00	0.00
Deputy Director Development Services-Community Development	0.20	0.20	0.00	0.00
Director of Development Services	0.00	0.00	0.00	0.00
Director of Development Services-City Engineer	0.04	0.04	0.00	0.00
Executive Secretary	0.04	0.04	0.00	0.00
Office Assistant	1.00	1.00	0.00	0.00
Senior Office Assistant	0.20	0.20	0.00	0.00
Total Full-Time Staff	6.58	6.58	0.00	0.00
Part-Time Staff				
Code Enforcement Officer	0.40	0.40	0.00	0.00
Total Part-Time Staff	0.40	0.40	0.00	0.00
Total Full & Part-Time Staff	6.98	6.98	0.00	0.00

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	COMMUNITY DEVELOPMENT	300
PROGRAM:	CODE ENFORCEMENT	3010

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Program transferred to the new Code Compliance Division for Fiscal Year 2006-07.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
New Enforcement Cases	2,630	2,800	0	0
Inspections (New & Recheck)	5,450	6,890	0	0
Notices Issued	1,430	1,800	0	0
Citations	1,140	1,200	0	0
Warrants	160	140	0	0
Court Hearings	460	480	0	0
Administrative Citations	680	700	0	0

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 457,621	$ 510,349	$ 728,418	$ 680,889	$ 795,424	9%
Benefits	152,277	183,560	280,928	268,768	283,545	1%
Materials	25,629	60,834	41,700	35,620	63,030	51%
Contractual	491,470	947,287	1,021,963	890,000	1,011,750	-1%
Other Operating	9,067	12,035	15,000	17,700	22,850	52%
Capital Outlay	32,432	73,534	32,000	36,519	0	-100%
Debt Service	0	0	0	0	0	0%
Total	$ 1,168,496	$ 1,787,599	$ 2,120,009	$ 1,929,496	$ 2,176,599	3%

PROGRAM DESCRIPTION

Building and Safety is responsible for permitting, plan checking, building inspecting, and land grading for compliance with adopted building codes and State and Federal Laws. Technicians at the public counter process permits and provide public information for a wide variety of development related issues. The program also reviews storm water pollution prevention plans and verifies that pollution controls are in place before and during any ground disturbing activities.

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Building Inspector	2.00	3.00	3.00	3.00
Building Inspection Supervisor	0.95	0.95	0.95	1.00
Community Development Coordinator	0.00	0.00	0.00	0.50
Community Development Supervisor	0.00	0.00	0.75	0.75
Community Development Technician	1.00	1.00	0.50	0.00
Community Development Technician Supervisor	0.75	0.75	0.00	0.00
Deputy Director Development Services-Community Development	0.25	0.25	0.40	0.40
Director of Development Services	0.00	0.00	0.04	0.04
Director of Development Services-City Engineer	0.04	0.04	0.00	0.00
Executive Secretary	0.04	0.04	0.04	0.04
Plans Examiner	2.00	3.00	3.00	3.00
Receptionist	0.00	0.00	1.00	1.00
Senior Community Development Techician	0.00	0.00	1.00	1.00
Senior Office Assistant	0.40	0.40	0.40	0.40
Senior Plans Examiner	0.90	0.90	0.90	0.90
Total Full-Time Staff	8.33	10.33	11.98	12.03
Part-Time Staff				
Office Assistant	0.46	0.46	0.00	0.00
Receptionist	0.00	0.00	0.92	0.92
Total Part-Time Staff	0.46	0.46	0.92	0.92
Total Full & Part-Time Staff	8.79	10.79	12.90	12.95

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGE

- Funding of $225,000 ($168,750 General Fund and $56,250 Water District) is included for consultant assistance for additional systems assistance and training on the use and improvements of the Automated Project Tracking System (Accela).

2006-07 PROGRAM ACCOMPLISHMENTS

- Staff purchased the hardware and software necessary to implement the Integrated Voice Response (IVR) and Wireless Permit Reporting systems. The system has been installed and training has been completed.
- Staff took great advantage of the opportunity given by the City Council to close City offices every two weeks for a training program. Specialized training in customer service, zoning, permitting, plan check, inspections, and automation were held and a training manual has been prepared for future reference.
- Staff reorganized the public counter personnel and the new organization allows for staff devoted to project management (Community Development Supervisor) and plan check management (Community Development Coordinator).
- Building and Safety moved more than 36,000 permit files and 3,500 plans during the City's move to the new City Hall. This task was complicated due to the change from a top-labeled file system in the old building to an end-tab system in the new building. Each permit required a new file folder addressed to its location.
- Building and Safety staff issued 5,400 Building Permits, including 750 new single family residences. Plans Examiners reviewed more than 2,100 sets of plans, and Building Inspectors made more than 25,000 inspections during the year.

2007-08 PROGRAM GOALS AND OBJECTIVE

- Adoption of the 2007 California Building Codes. The State of California plans to publish new codes in July 2007 requiring City adoption by January 2008. The California Codes will include the first time adoption of the International Building Code and require a significant increase in staff training, as the code is considerably different than the Uniform Building Code adopted in Hesperia since 1988 and previously in San Bernardino County since 1946. Staff will also work with other High Desert cities to provide training for local builders, architects, and engineers.
- Building and Safety's front counter staff, plan checkers, and inspection staff are going to begin a cross-training program. The intent is to train everyone (City employees and contract technicians) in the basics of each area of responsibility. The purpose is two-fold: first, it will increase awareness of the other staff members' responsibilities; and second, it will allow some responsibilities to be shifted. Examples of this would include technicians assisting with minor plan checking and plan checkers issuing permits when workloads warrant it.
- Two internal programs will be implemented in the second half of the fiscal year (after Code adoption). The first will be to develop a better statistical reporting system in order to better report departmental activity. The second will be to develop a complete procedures and policies manual. This will refresh or replace the current manual and be updated to current organization and staffing levels.
- Staff will develop a more effective reporting system to better account for delays in the plan check section. The system will coordinate with Planning and Engineering to synchronize the timing of plan check for non-residential projects.

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

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Permits Issued	4,610	5,900	5,400	5,000
New Residential Permits	1,250	1,700	750	600
Plans Reviewed	2,200	2,300	2,100	2,000
Inspections	28,500	42,000	25,000	25,000
Inspections Per Day Per Inspector	28.5	24.3	21.0	20

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	COMMUNITY DEVELOPMENT	300
PROGRAM:	ANIMAL CONTROL	5000

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 418,935	$ 454,566	$ 0	$ 0	$ 0	0%
Benefits	184,753	198,116	0	0	0	0%
Materials	49,824	54,430	0	0	0	0%
Contractual	51,488	79,062	0	0	0	0%
Other Operating	18,138	17,438	0	0	0	0%
Capital Outlay	44,166	44,167	0	0	0	0%
Debt Service	0	0	0	0	0	0%
Total	$ 767,304	$ 847,779	$ 0	$ 0	$ 0	0%

PROGRAM DESCRIPTION

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

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Animal Control Officer	1.00	1.00	0.00	0.00
Animal Control Supervisor	1.00	1.00	0.00	0.00
Animal Control Technician	2.00	2.00	0.00	0.00
Code Compliance Manager	0.00	0.00	0.00	0.00
Code Compliance Supervisor	0.00	0.00	0.00	0.00
Deputy Director Development Services-Community Development	0.15	0.15	0.00	0.00
Director of Development Services	0.00	0.00	0.00	0.00
Director of Development Services-City Engineer	0.02	0.02	0.00	0.00
Executive Secretary	0.02	0.02	0.00	0.00
Office Assistant	3.00	3.00	0.00	0.00
Registered Veterinary Technician	1.00	1.00	0.00	0.00
Senior Animal Control Officer	3.00	3.00	0.00	0.00
Senior Office Assistant	0.15	1.15	0.00	0.00
Shelter Supervisor	0.00	0.00	0.00	0.00
Total Full-Time Staff	11.34	12.34	0.00	0.00
Part-Time Staff				
Animal Control Technician	0.46	0.46	0.00	0.00
Total Part-Time Staff	0.46	0.46	0.00	0.00
Total Full & Part-Time Staff	11.80	12.80	0.00	0.00

FUND:	GENERAL FUND	100
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	COMMUNITY DEVELOPMENT	300
PROGRAM:	ANIMAL CONTROL	5000

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Program transferred to the new Code Compliance Division for Fiscal Year 2006-07.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Calls Received	15,300	14,000	0	0
Owner Turn-ins	1,685	1,480	0	0
Strays Recovered	4,209	3,500	0	0
Animals Adopted	1,325	1,200	0	0
Animals Euthanized	4,332	3,580	0	0
Licenses Issued	7,670	11,000	0	0

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 0	$ 1,134,527	$ 1,002,093	$ 1,479,312	30%
Benefits	0	0	471,362	439,870	577,335	22%
Materials	0	0	133,790	131,136	274,047	105%
Contractual	0	0	208,100	163,600	301,280	45%
Other Operating	0	0	42,450	38,650	51,040	20%
Capital Outlay	0	0	167,000	161,000	102,000	-39%
Debt Service	0	0	0	0	0	0%
Total	$ 0	$ 0	$ 2,157,229	$ 1,936,349	$ 2,785,014	29%

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Code Enforcement	$ 0	$ 0	$ 812,155	$ 681,163	$ 1,225,789	51%
Animal Control	0	0	1,345,074	1,255,186	1,559,225	16%
Total	$ 0	$ 0	$ 2,157,229	$ 1,936,349	$ 2,785,014	29%

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Total Full-Time Staff	0.00	0.00	24.37	29.32
Total Part-Time Staff	0.00	0.00	0.86	1.32
Total D.S. Code Compliance Staff	0.00	0.00	25.23	30.64

DIVISION GOALS FOR 2007-08

- In conjunction with the Police Department, take the lead in implementing the new Neighborhood Enhancement Program.
- Continue proactive enforcement on a six-day service, focusing on reducing street vendors, illegal subdivision signs and unpermitted yard/garage sales.
- Begin implementation of the citywide Rental Housing Program. This will result in the inspection of every rental unit.
- Increase adoptions of animals by 25%, and similarly reduce the number of euthanized animals by 25%
- Coordinate transfer of eligible/adoptable animals with other shelters in Southern California.

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

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

Code Enforcement

- Two Code Enforcement Officers (2.0 FTE), one Office Assistant (1.0 FTE), and one part-time Office Assistant (0.46 FTE) positions are added for the Rental Housing Certification Program along with program expenses of $60,000, $50,000 Equipment Capital, and $52,000 for two vehicles.
- Reclassify the Code Compliance Supervisor (0.50 FTE) to a Code Enforcement Supervisor (1.0 FTE) whose full responsibility will be the supervision of the Code Enforcement Officers.
- Eliminate one Code Enforcement Officer (1.0 FTE) position to improve supervision on alternate Fridays and weekends.
- Reallocated 0.05 FTE of the Building Inspection Supervisor to the Building and Safety program.
- Funding of $6,000 is included to purchase the Geo Manager System, which will provide management the ability to accurately know the location of all Code Enforcement field officers and track all inspection activity.
- Funding of $28,000 is included to purchase eight 3-channel-2 way radios for all field staff and key staff to improve communications.

Animal Control

- Reclassify the Code Compliance Supervisor (0.50 FTE) to a Code Enforcement Supervisor (1.0 FTE) and transfer the reclassified position full-time to the Code Enforcement Program.
- Add one new Animal Control Supervisor (1.0 FTE) position to supervise the Animal Control Officers.
- Add one Animal Control Technician (1.0 FTE) position to deal with increasing Animal Shelter workload.
- Carryover funding of $75,000 is included for Santa Fe facility improvements.
- Funding of $6,000 is included to purchase the Geo Manager System, which will provide management the ability to accurately know the location of all Animal Control field officers and track all inspection activity.
- Funding of $24,500 included to purchase seven 3-channel-2 way radios for all field staff and key staff to improve communications.

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Animal Control Officer	0.00	0.00	2.00	2.00
Animal Control Supervisor	0.00	0.00	0.00	1.00
Animal Control Technician	0.00	0.00	3.00	4.00
Building Inspection Supervisor	0.00	0.00	0.05	0.00
Code Compliance Manager	0.00	0.00	1.00	1.00
Code Compliance Supervisor	0.00	0.00	1.00	0.00
Code Enforcement Officer	0.00	0.00	6.00	7.00
Code Enforcement Supervisor	0.00	0.00	0.00	1.00
Director of Development Services	0.00	0.00	0.16	0.16

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

DIVISION STAFFING (Continued)	2004-05	2005-06	2006-07	2007-08
Executive Secretary	0.00	0.00	0.16	0.16
Office Assistant	0.00	0.00	5.00	6.00
Registered Veterinary Technician	0.00	0.00	0.00	0.00
Senior Animal Control Officer	0.00	0.00	3.00	3.00
Senior Code Enforcement Officer	0.00	0.00	0.00	1.00
Senior Office Assistant	0.00	0.00	2.00	2.00
Shelter Supervisor	0.00	0.00	1.00	1.00
Total Full-Time Staff	0.00	0.00	24.37	29.32
Part-Time Staff				
Animal Control Technician	0.00	0.00	0.46	0.46
Code Enforcement Officer	0.00	0.00	0.40	0.40
Office Assistant	0.00	0.00	0.00	0.46
Total Part-Time Staff	0.00	0.00	0.86	1.32
Total Full & Part-Time Staff	0.00	0.00	25.23	30.64

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 0	$ 450,599	$ 374,242	$ 666,102	48%
Benefits	0	0	173,416	158,172	237,387	37%
Materials	0	0	41,590	25,699	126,960	205%
Contractual	0	0	75,000	60,000	77,000	3%
Other Operating	0	0	11,550	13,050	16,340	41%
Capital Outlay	0	0	60,000	50,000	102,000	70%
Debt Service	0	0	0	0	0	0%
Total	$ 0	$ 0	$ 812,155	$ 681,163	$ 1,225,789	51%

PROGRAM DESCRIPTION

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Two Code Enforcement Officers (2.0 FTE), one Office Assistant (1.0 FTE), and one part-time Office Assistant (0.46 FTE) positions are added for the Rental Housing Certification Program along with program expenses of $60,000, $50,000 Equipment Capital, and $52,000 for two vehicles.
- Reclassify the Code Compliance Supervisor (0.50 FTE) to a Code Enforcement Supervisor (1.0 FTE) whose full responsibility will be the supervision of the Code Enforcement Officers.
- Eliminate one Code Enforcement Officer (1.0 FTE) position to improve supervision on alternate Fridays and weekends.
- Reallocated 0.05 FTE of the Building Inspection Supervisor to the Building and Safety program.
- Funding of $6,000 is included to purchase the Geo Manager System, which will provide management the ability to accurately know the location of all Code Enforcement field officers and track all inspection activity.
- Funding of $28,000 is included to purchase eight 3-channel-2 way radios for all field staff and key staff to improve communications.

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

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Building Inspection Supervisor	0.00	0.00	0.05	0.00
Code Compliance Manager	0.00	0.00	0.50	0.50
Code Compliance Supervisor	0.00	0.00	0.50	0.00
Code Enforcement Officer	0.00	0.00	6.00	7.00
Code Enforcement Supervisor	0.00	0.00	0.00	1.00
Director of Development Services	0.00	0.00	0.10	0.10
Executive Secretary	0.00	0.00	0.10	0.10
Office Assistant	0.00	0.00	1.00	2.00
Senior Code Enforcement Officer	0.00	0.00	0.00	1.00
Senior Office Assistant	0.00	0.00	0.00	0.00
Total Full-Time Staff	0.00	0.00	8.25	11.70
Part-Time Staff				
Code Enforcement Officer	0.00	0.00	0.40	0.40
Office Assistant	0.00	0.00	0.00	0.46
Total Part-Time Staff	0.00	0.00	0.40	0.86
Total Full & Part-Time Staff	0.00	0.00	8.65	12.56

2006-07 PROGRAM ACCOMPLISHMENTS

- Assisted Advance Disposal in the removal of 203 tons of trash and debris during the two City clean-up days held in October 2006 and April 2007.
- Disposed of over 320 E-waste items in October 2006.
- Implemented part of the Neighborhood Enhancement Program at 17301 Olive Street. This resulted in the improvement of approximately 100 units and consisted of installing new screens, outside doors, repairing fences, removal of trash and debris, painting of building exterior, and removal of inoperable vehicles.
- Assisted the weekend clean-up crew "Reach" assisted in the removal of trash, debris, tires, etc. throughout the City (including vacant lots).
- Assisted in the construction of new shelter kennels and the installation of new office carpeting.
- Assisted in two open houses including the City Hall dedication ceremony.
- Provided seven-day per week coverage of the City, with proactive code enforcement focusing on reducing illegal street vending, illegal subdivision signage, and non-permitted yard/garage sales.

2007-08 PROGRAM GOALS AND OBJECTIVES

- Code Enforcement Officers will assist Advance Disposal staff in the removal of trash and debris during the two City clean-up days.
- Continue proactive enforcement on a six-day service, focusing on reducing street vendors, illegal subdivision signs and unpermitted yard/garage sales.
- Begin implementation of the citywide Rental Housing Program. This will result in the inspection of every rental unit.

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

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
New Enforcement Cases	2,630	2,800	1,376	3,000
Inspections (New and Recheck)	5,450	6,890	3,800	7,500
Notices Issued	1,430	1,800	1,535	2,200
Citations	1,140	1,200	440	1,400
Warrants	160	140	75	160
Court Hearings	460	480	480	450
Administrative Citations	680	700	700	750

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 0	$ 683,928	$ 627,851	$ 813,210	19%
Benefits	0	0	297,946	281,698	339,948	14%
Materials	0	0	92,200	105,437	147,087	60%
Contractual	0	0	133,100	103,600	224,280	69%
Other Operating	0	0	30,900	25,600	34,700	12%
Capital Outlay	0	0	107,000	111,000	0	-100%
Debt Service	0	0	0	0	0	0%
Total	$ 0	$ 0	$ 1,345,074	$ 1,255,186	$ 1,559,225	16%

PROGRAM DESCRIPTION

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Reclassify the Code Compliance Supervisor (0.50 FTE) to a Code Enforcement Supervisor (1.0 FTE) and transfer the reclassified position full-time to the Code Enforcement Program.
- Add one new Animal Control Supervisor (1.0 FTE) position to supervise the Animal Control Officers.
- Add one Animal Control Technician (1.0 FTE) position to deal with increasing Animal Shelter workload.
- Carryover funding of $75,000 is included for Santa Fe facility improvements.
- Funding of $6,000 is included to purchase the Geo Manager System, which will provide management the ability to accurately know the location of all Animal Control field officers and track all inspection activity.
- Funding of $24,500 included to purchase seven 3-channel-2 way radios for all field staff and key staff to improve communications.

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Animal Control Officer	0.00	0.00	2.00	2.00
Animal Control Supervisor	0.00	0.00	0.00	1.00
Animal Control Technician	0.00	0.00	3.00	4.00
Code Compliance Manager	0.00	0.00	0.50	0.50
Code Compliance Supervisor	0.00	0.00	0.50	0.00
Deputy Director Development Services-Community Development	0.00	0.00	0.00	0.00
Director of Development Services	0.00	0.00	0.06	0.06
Executive Secretary	0.00	0.00	0.06	0.06

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

PROGRAM STAFFING (Continued)	2004-05	2005-06	2006-07	2007-08
Office Assistant	0.00	0.00	4.00	4.00
Registered Veterinary Technician	0.00	0.00	0.00	0.00
Senior Animal Control Officer	0.00	0.00	3.00	3.00
Senior Office Assistant	0.00	0.00	2.00	2.00
Shelter Supervisor	0.00	0.00	1.00	1.00
Total Full-Time Staff	0.00	0.00	16.12	17.62
Part-Time Staff				
Animal Control Technician	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	0.00	0.00	16.58	18.08

2006-07 PROGRAM ACCOMPLISHMENTS

- Conducted three Animal Shelter Saturday open house events. A total of 30 animals were adopted and more than 100 animals were licensed.
- The new Microchip Program was implemented which requires that all dogs leaving the facility be chipped for rapid ownership identification and quicker returns of dogs. To date, staff has micro-chipped 115 animals.
- License canvassing of City resulted in 1,700 notices issued.
- Animal Control investigated 3 houses with hoarders with each having between 70 and 250 animals. All animals were removed and the homes brought into compliance.
- Assisted in evacuation/shelter of animals displaced by the March 2007 Las Flores fire.

2007-08 PROGRAM GOALS AND OBJECTIVES

- Increase adoptions of animals by 25%, and similarly reduce the number of euthanized animals by 25%
- Open the shelter on Saturdays for the public to retrieve their stray animals and increase adoptions of available animals.
- Placement of bi-monthly advertisements in Daily Press to increase adoption of animals.
- Increased canvassing of the entire City.
- Coordinate transfer of eligible/adoptable animals with other shelters in Southern California.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Calls Received	15,300	14,000	14,000	19,000
Owner Turn-ins	1,685	1,480	1,818	2,000
Strays Recovered	4,209	3,500	3,711	4,400
Animals Adopted	1,325	1,200	1,197	1,500
Animals Euthanized	4,332	3,580	4,000	3,050
Licenses Issued	7,670	11,000	7,757	11,000

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$1,145,780	$1,279,454	$1,650,541	$1,529,600	$1,950,760	18%
Benefits	430,293	513,094	692,734	670,693	782,352	13%
Materials	446,572	646,374	763,050	713,764	853,612	12%
Contractual	722,316	3,522,380	1,755,587	1,857,098	1,717,478	-2%
Other Operating	126,765	100,559	119,150	117,772	190,539	60%
Capital Outlay	159,274	106,965	210,000	303,880	619,000	195%
Debt Service	0	0	0	0	0	0%
Total	$3,031,000	$6,168,826	$5,191,062	$5,192,807	$6,113,741	18%

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Fund 263						
3150 Street Maintenance	2,261,475	2,367,713	2,834,751	2,708,169	3,497,541	23%
Total Fund 263	$2,261,475	$2,367,713	$2,834,751	$2,708,169	$3,497,541	23%
Fund 100						
3100 Engineering	$ 420,037	$ 778,466	$1,357,873	$1,301,225	$1,391,898	3%
3110 Building Maintenance	95,274	198,167	340,301	476,065	596,224	75%
6515 CIP	254,214	2,824,480	658,137	707,348	628,078	-5%
Total General Fund	$ 769,525	$3,801,113	$2,356,311	$2,484,638	$2,616,200	11%
Total 263 Street Maintenance and 100 General Fund	$3,031,000	$6,168,826	$5,191,062	$5,192,807	$6,113,741	18%

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Total Full-Time Staff	26.45	30.10	33.45	37.45
Total Part-Time Staff	0.46	0.23	0.46	0.46
Total D.S. Public Works Staff	26.91	30.33	33.91	37.91

DIVISION GOALS FOR 2007-08

- Complete pavement repairs as needed to provide a safe driving surface, including pothole repair, overlays, shoulder paving, trench repair for Water Division, and other maintenance related to asphalt pavement management.
- Minimize flood damage on public right-of-way 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.
- Downed stop signs will be replaced within one hour of notification. Other regulatory signs will be replaced within one working day. Information signs will be replaced or repaired within five working days depending on availability and shipping.

DIVISION GOALS FOR 2007-08 (Continued)

- Strive to respond within twenty-four hours of reporting to eliminate graffiti.
- City streets will be striped on a semi-annual basis and will cover approximately 540,000 linear feet.
- Continue providing quality HVAC service to City Hall, Branch Library, and Code Compliance facilities through a comprehensive Predictive/Preventive Maintenance Program.
- Continue to provide a safe and clean work environment for employees at City Hall and Code Compliance facilities.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

Street Maintenance

- During the First Quarter Budget Review, two Maintenance Worker (2.0 FTE) positions were added to have a second Graffiti Abatement Crew, and these two positions are continued in the 2007-08 Budget.
- One Office Assistant (0.50 FTE) is added and one Administrative Analyst (0.25 FTE) position is eliminated to more effectively deal with various office-related workload.
- One Maintenance Worker (1.0 FTE) position is added to provide half of the staffing for a second "Vactor" positive displacement storm drain and sewer cleaning truck. The second Maintenance Worker position to staff the Vactor truck is funded in the Water District Sewer program.
- Purchase of a second "Vactor" positive displacement sewer and storm drain cleaning truck for $340,000.
- Funding of $50,000 is included to replace one 1 ton 4x4 truck with a dump bed and outfitted with snow plow hardware.
- Funding of $48,000 is included to purchase one new crack seal machine, along with $15,000 for one new trailer mounted air compressor to support crack seal and paving programs.
- Funding of $6,000 is included to purchase one new diamond blade wet saw.
- Funding of $10,000 is included to replace four traffic counters.
- Funding of $30,000 is included for one new sport utility vehicle 4x4 for the Maintenance Crew Supervisor.
- Funding of $60,000 is included to add two complete video detection upgrades at Main and "G" and Main and "E".
- Funding of $6,000 is included for one new laptop computer and docking station for new graffiti truck, added in Fiscal Year 2006-07.
- Funding of $17,000 is included for one new rock bucket for loader to sort debris for fill material.
- Funding of $30,000 is included to replace guard rail at various locations.

Engineering

- One additional Construction Inspector (.50 FTE) position is added to deal with the high level of inspection workload.
- One Senior Engineer (.50 FTE) position is funded in the 2007-08 Budget, which has been vacant for several years, which will allow for the attraction of qualified candidates for this professional middle management position.
- Added one Geographical Information systems Technician (0.50 FTE) and eliminated one Senior Engineering Technician (0.50 FTE) to more effectively reflect the work expected to be performed.

Building Maintenance

- One Administrative Analyst (0.25 FTE) position is eliminated in conjunction with the Office Assistant position addition in the Administration program.
- Materials cost increased due to the annualized landscape maintenance, electric and gas utility cost for City Hall, and the Library. Contractual expenditures increased primarily for improved preventive maintenance programs and security guard services.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES (Continued)

Building Maintenance (Continued)

- Funding of $5,000 is included to purchasing one hot water pressure washer.
- Funding of $47,000 is included to purchase one new maintenance vehicle as a replacement for Vehicle #1740.

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Analyst	1.00	1.50	1.50	1.00
Assistant Engineer	0.65	0.65	0.65	0.65
City Engineer	0.00	0.00	0.50	0.50
Community Development Technician	0.25	0.25	0.25	0.25
Construction Inspection Supervisor	0.00	0.00	0.65	0.65
Construction Inspector	0.65	1.15	1.15	1.65
Custodian	0.50	1.00	1.50	1.50
Deputy City Engineer	0.50	0.50	0.00	0.00
Director of Development Services	0.00	0.00	0.30	0.30
Director Development Services/City Engineer	0.30	0.30	0.00	0.00
Enineering Aide	0.50	0.50	1.00	1.00
Engineering Technician	0.00	0.00	0.00	0.00
Equipment Operator	4.00	4.30	4.30	4.30
Executive Secretary	0.30	0.30	0.30	0.30
Facilities Supervisor	0.00	0.00	0.50	0.50
Geographical Information Systems Manager	0.00	0.00	0.50	0.50
Geographical Information Systems Technician	0.00	0.00	0.00	0.50
Maintenance Crew Supervisor	2.30	2.30	2.30	2.30
Maintenance Worker	6.80	7.10	6.10	9.10
Office Assistant	0.50	0.50	1.00	1.50
Project Construction Manager	0.00	0.75	0.75	0.75
Public Works Manager	0.00	0.00	0.50	0.50
Public Works Superintendent	0.50	0.50	0.00	0.00
Public Works Supervisor	0.00	0.00	1.00	1.00
Senior Construction Inspector	0.65	0.65	0.00	0.00
Senior Engineer	0.65	0.65	0.00	0.50
Senior Engineering Technician	0.65	1.15	1.65	1.15
Senior Maintenance Worker	4.60	4.90	5.90	5.90
Senior Office Assistant	1.15	1.15	1.15	1.15
Total Full-Time Staff	26.45	30.10	33.45	37.45
Part-Time Staff				
Custodian	0.23	0.00	0.00	0.00
Office Assistant	0.23	0.23	0.46	0.46
Total Part-Time Staff	0.46	0.23	0.46	0.46
Total Full & Part-Time Staff	26.91	30.33	33.91	37.91

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 961,529	$ 988,358	$ 1,204,564	$ 1,139,235	$ 1,409,010	17%
Benefits	362,778	405,421	506,887	501,554	571,704	13%
Materials	413,794	505,754	553,300	428,100	536,438	-3%
Contractual	304,437	274,780	277,000	274,500	259,000	-6%
Other Operating	89,219	86,435	91,000	90,900	149,389	64%
Capital Outlay	129,718	106,965	202,000	273,880	572,000	183%
Debt Service	0	0	0	0	0	0%
Total	$ 2,261,475	$ 2,367,713	$ 2,834,751	$ 2,708,169	$ 3,497,541	23%

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 Enforcement 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	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Analyst	0.50	1.00	1.00	0.75
Assistant Engineer	0.30	0.30	0.30	0.30
City Engineer	0.00	0.00	0.25	0.25
Construction Inspection Supervisor	0.00	0.00	0.30	0.30
Construction Inspector	0.30	0.30	0.30	0.30
Deputy City Engineer	0.25	0.25	0.00	0.00
Director of Development Services	0.00	0.00	0.30	0.30
Director Development Services/City Engineer	0.30	0.30	0.00	0.00
Engineering Technician	0.00	0.00	0.00	0.00
Equipment Operator	4.00	4.30	4.30	4.30
Executive Secretary	0.30	0.30	0.30	0.30
Maintenance Crew Supervisor	2.30	2.30	2.30	2.30
Maintenance Worker	6.80	7.10	6.10	9.10
Office Assistant	0.50	0.50	0.50	1.00
Public Works Manager	0.00	0.00	0.50	0.50
Public Works Superintendent	0.50	0.50	0.00	0.00
Public Works Supervisor	0.00	0.00	1.00	1.00
Senior Construction Inspector	0.30	0.30	0.00	0.00
Senior Engineer	0.30	0.30	0.00	0.00
Senior Engineering Technician	0.30	0.30	0.30	0.30

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

PROGRAM STAFFING (Continued)	2004-05	2005-06	2006-07	2007-08
Senior Maintenance Worker	4.60	4.90	5.90	5.90
Senior Office Assistant	0.80	0.80	0.80	0.80
Total Full-Time Staff	22.35	23.75	24.45	27.70
Part-Time Staff				
Office Assistant	0.23	0.23	0.23	0.23
Total Part-Time Staff	0.23	0.23	0.23	0.23
Total Full & Part-Time Staff	22.58	23.98	24.68	27.93

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

Street Maintenance

- During the First Quarter Budget Review, two Maintenance Worker (2.0 FTE) positions were added to have a second Graffiti Abatement Crew, and these two positions are continued in the 2007-08 Budget.
- One Office Assistant (0.50 FTE) is added and one Administrative Analyst (0.25 FTE) position is eliminated to more effectively deal with various office-related workload.
- One Maintenance Worker (1.0 FTE) position is added to provide half of the staffing for a second "Vactor" positive displacement storm drain and sewer cleaning truck. The second Maintenance Worker position to staff the Vactor truck is funded in the Water District Sewer program.
- Purchase of a second "Vactor" positive displacement sewer and storm drain cleaning truck for $340,000.
- Funding of $50,000 is included to replace one 1 ton 4x4 truck with a dump bed and outfitted with snow plow hardware.
- Funding of $48,000 is included to purchase one new crack seal machine, along with $15,000 for one new trailer mounted air compressor to support crack seal and paving programs.
- Funding of $6,000 is included to purchase one new diamond blade wet saw .
- Funding of $10,000 is included to replace four traffic counters.
- Funding of $30,000 is included for one new sport utility vehicle 4x4 for the Maintenance Crew Supervisor.
- Funding of $60,000 is included to add two complete video detection upgrades at Main and "G" Ave and Main and "E" Ave.
- Funding of $6,000 is included for one new laptop computer and docking station for new graffiti truck, added in Fiscal Year 2006-07.
- Funding of $17,000 is included for one new rock bucket for loader to sort debris for fill material.
- Funding of $30,000 is included to replace guard rail at various locations.

2006-07 PROGRAM ACCOMPLISHMENTS

- Used 2,000 tons of asphalt to pave 390,000 square feet of roads and 5,400 linear feet of berm. Used 412 tons of cold mix to repair 61,000 potholes.
- Completed 29,000 square feet of trench repair for Water Division.
- Hauled 10,000 yards of material in the process of debris removal, shoulder backfill, and dirt road rebuilding.
- Graded 82 miles of dirt roads.

2006-07 PROGRAM ACCOMPLISHMENTS (Continued)

- Maintained 6,900 street signs and replaced 504 street signs due to vandalism, theft, and traffic collisions.
- Used 2,061 gallons of paint and painted 2,800 legends throughout the City.
- Removed graffiti from 6,900 locations within the City from both public and private property.
- Contributed 12,000 hours to miscellaneous programs within the City that included furniture moving, meeting set-ups, parades, clean-up days, and various other staffing needs that were not, or could not, be met by other departments.
- Administered and utilized court-appointed, work-sentence personnel an average of 100 additional staff hours per week to supplement department projects.
- Administered service contracts that provide street sweeping to all housing tracts and the following arterials: Main Street, Bear Valley, "I" Avenue, "E" Avenue, and Hesperia Road.
- Provided annual striping services to maintain safe guidance for all motorists and provided services for traffic signals to maintain consistent operation of the entire system.
- Provided services for weed abatement to provide a clean appearance to the right-of-way.
- Provided services for bus shelter maintenance to provide clean shelters for the public.
- Fifty percent of the storm drain system was hydro-cleaned and flushed.
- Fifty percent of the storm drain inlets were cleaned and inspected.

2007-08 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, trench repair for Water Division, and other maintenance related to asphalt pavement management.
    - Provide services for weed abatement and tree trimming in City right-of-way to maintain safe movement of pedestrian and vehicle traffic.
    - Grade dirt roads every 12 to 18 weeks, or as needed, for an improved ride.
    - Minimize flood damage on public right-of-way by removing flood debris from right-of-way, maintain detention ponds owned by the City, and maintain box culverts, including inlet and outlet areas and open concrete channels.
    - Street sweeping shall be performed on a weekly and monthly basis so that streets will be free of debris and trash.
    - Keep storm drains free and unobstructed.
    - Proactively clean and flush the storm drain systems.
- Provide safe and efficient traffic movement throughout the City:
    - Monitor Traffic Control System and ensure an adequate preventative system.
    - Provide adequate training to ensure that personnel properly maintain traffic signal controllers to minimize downtime, as well as contractor call-outs.
    - Signs will be visually inspected every 18 months and annually for nighttime reflectivity.

2007-08 PROGRAM GOALS AND OBJECTIVES (Continued)

- Downed stop signs will be replaced within one hour of notification. Other regulatory signs will be replaced within one working day. Information signs will be replaced or repaired within five working days depending on availability and shipping.

- The City will be free from graffiti and keep the City graffiti-free.:
  - Strive to respond within twenty-four hours of reporting to eliminate graffiti.
  - 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.

PERFORMANCE AND

WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Pavement Repaired (Square Feet)	500,000	500,000	390,000	400,000
Pavement Repaired/Water Patches (square feet)	n/a	n/a	29,500	29,500
Berms Constructed (Feet)	6,000	10,000	5,400	6,000
Hot Mix (Tons)	4,000	4,500	2,000	3,000
Potholes Repaired	89,000	60,000	61,000	60,000
Cold Mix (Tons)	900	600	412	500
Dirt Roads Graded (Miles)	90	100	82	75
Shoulders Graded (Miles)	25	15	9	15
Debris Removed (Loads)	1,500	1,000	400	350
Fill Dirt (Loads)	1,600	900	725	600
Legends Painted	600	1,200	2,800	2,800
Signs Maintained	6,700	6,700	6,900	6,800
Graffiti Sites Addressed	889	1,000	6,900	6,000
Striping (Feet)	524,500	524,500	540,000	540,000
Street Sweeping (Curb Miles)	2,300	2,500	2,600	2,800
Storm Drains Cleaned (Counts)	240	62	299	350

- City streets will be striped on a semi-annual basis and will cover approximately 540,000 linear feet.
- Evaluate the network to determine where additional markings may be necessary.

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 151,778	$ 254,752	$ 362,521	$ 320,821	$ 461,432	27%
Benefits	55,954	91,945	146,452	134,852	172,918	18%
Materials	22,365	20,475	34,950	32,180	46,548	33%
Contractual	152,237	403,880	800,000	800,000	687,350	-14%
Other Operating	8,147	7,414	13,950	13,372	23,650	70%
Capital Outlay	29,556	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
Total	$ 420,037	$ 778,466	$1,357,873	$1,301,225	$1,391,898	3%

PROGRAM DESCRIPTION

The Engineering Division is responsible for the planning, design, and construction of the infrastructure of the City to address the needs of the community today, as well as 20 years into the future and beyond. The Division also reviews all development proposals to ensure that they conform to City codes and standards, and provides technical input to street, transit, and wastewater member agencies. The Division also oversees many aspects of the City's Capital Improvement Program, most notably the Annual Paving Program and street and storm drain related construction projects.

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Analyst	0.25	0.25	0.25	0.25
Assistant Engineer	0.35	0.35	0.35	0.35
City Engineer	0.00	0.00	0.25	0.25
Community Development Technician	0.25	0.25	0.25	0.25
Construction Inspection Supervisor	0.00	0.00	0.35	0.35
Construction Inspector	0.35	0.85	0.85	1.35
Deputy City Engineer	0.25	0.25	0.00	0.00
Director Development Services/City Engineer	0.00	0.00	0.00	0.00
Engineering Aide	0.50	0.50	1.00	1.00
Engineering Technician	0.00	0.00	0.00	0.00
Executive Secretary	0.00	0.00	0.00	0.00
Geographical Information Systems Manager	0.00	0.00	0.50	0.50
Geographical Information Systems Technician	0.00	0.00	0.00	0.50
Office Assistant	0.00	0.00	0.50	0.50
Project Construction Manager	0.00	0.75	0.75	0.75
Senior Construction Inspector	0.35	0.35	0.00	0.00
Senior Engineer	0.35	0.35	0.00	0.50
Senior Engineering Technician	0.35	0.85	1.35	0.85
Senior Office Assistant	0.35	0.35	0.35	0.35
Total Full-Time Staff	3.35	5.10	6.75	7.75
Part-Time Staff				
Office Assistant	0.00	0.00	0.23	0.23
Total Part-Time Staff	0.00	0.00	0.23	0.23
Total Full & Part-Time Staff	3.35	5.10	6.98	7.98

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- One additional Construction Inspector (.50 FTE) position is added to deal with the high level of inspection workload.
- One Senior Engineer (.50 FTE) position is funded in the 2007-08 Budget, which has been vacant for several years, which will allow for the attraction of qualified candidates for this professional middle management position.
- Added one Geographical Information systems Technician (0.50 FTE) and eliminated one Senior Engineering Technician (0.50 FTE) to more effectively reflect the work expected to be performed.

2006-07 PROGRAM ACCOMPLISHMENTS

Completed the updates of the City's Master Plans for Water, Wastewater, and Recycled Water. These updates will be utilized to program the City's Capital Improvement Plan for the upcoming years.

- Completed the most aggressive Annual Pavement Rehabilitation Program in the City's history by paving and maintaining over 60 miles of roadways throughout the City.
- Implemented the City's Non-Motorized Transportation Plan by striping several miles of Class II bike trails throughout the City and aggressively sought grant funding for alternative transportation corridors through the City.
- Began the implementation of the City's Geographical Information Systems (GIS) Map by converting the County base map into the required format suitable for use by the City.
- Improved the City's Public Transportation System by improving bus stops throughout the City. This was accomplished through the construction of sidewalk and ramps at "G" Avenue and Olive Street, sidewalks at Danbury Avenue, a new bus stop turn-out at the new City Hall, and the installation of several new shelters and benches throughout the City.
- Continued to support the various departments and divisions throughout the City through the production of maps, exhibits, standards, and other documents required.
- Began preliminary studies and design of the infrastructure projects identified by Senior Staff and the City Council as high priority projects for the next five years.
- Through a contract with a consultant, began the design of a fully signalized intersection at Rock Springs Road and Main Street, as well as updates for the intersections at Main Street & "C" Avenue and Main Street and 3rd Avenue.
- The contract for the design of the Township Rehabilitation along Spruce Street and Smoketree Street was awarded to a consultant with construction anticipated in spring of 2008.
- Continued to implement the City's Circulation Element by obtaining the required right-of-way dedications from new developments along identified arterial highways.
- 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.
- Continued to provide timely and professional plan checking and inspection services to the development community.
- Completed the Year 2 Annual Report for compliance with the City's general storm water permit.
- Adopted the Sewer System Management Plan required by the State's Waste Discharge Requirement (WDR).

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

2007-08 PROGRAM GOALS AND OBJECTIVES

- Utilize the updates of the City's Master Plans for Water, Wastewater, and Recycled Water to program the City's Capital Improvement Plan for the new fiscal year.
- Complete the annual Pavement Rehabilitation Program with the goal of paving all the roadways east of the railroad within the next two fiscal years while incorporating improvements to identified arterial roadways.
- Continue to implement the City's Non-Motorized Transportation Plan by striping several miles of Class II bike trails throughout the City and obtain grant funding for alternative transportation corridors through the City.
- Update the City's Geographical Information Systems (GIS) Map by converting the City's Public Works Asset Management and Pavement Management Programs into the required format suitable for use by the GIS Map.
- Continue to improve the City's public transportation system by improving bus stops throughout the City and implementing the findings of the Operational Analysis completed for the Victor Valley Transit Agency.
- Continue to support the various departments and divisions throughout the City through the production of maps, exhibits, standards, and other documents required.
- Complete studies and design of the infrastructure projects identified by Senior Staff and the City Council as high priority projects for the next five years, and begin construction on several of these projects through the City's Capital Improvement Program.
- Complete the construction of a fully signalized intersection at Rock Springs Road and Main Street, as well as the updates for the intersections at Main Street & "C" Avenue and Main Street and 3rd Avenue.
- Complete the design of the Township Rehabilitation along Spruce Street and Smoketree Street and begin the construction of these township improvements.
- Continue to implement the City's Circulation Element by obtaining the required right-of-way dedications from new developments along identified arterial highways.
- Continue to implement the City's Flood Hazard Protection Ordinance through the acquisition of drainage easements where required, and review all development that is potentially impacted by storm water run-off.
- Continue to provide timely and professional plan checking and inspection services to the development community.
- Complete the Year 3 Annual Report for compliance with the City's general storm water permit.
- Contract with an Engineering firm to assist the City with the management, design, construction, and inspection of several key projects as identified in the City's Capital Improvement Plan.
- Continue preparation and adoption of the next phase of Waste Discharge Requirement regulations by the State.

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 32,473	$ 36,344	$ 83,456	$ 69,544	$ 80,318	-4%
Benefits	11,561	15,728	39,395	34,287	37,730	-4%
Materials	10,413	120,145	174,800	253,484	270,626	55%
Contractual	11,428	19,240	20,450	75,250	143,050	600%
Other Operating	29,399	6,710	14,200	13,500	17,500	23%
Capital Outlay	0	0	8,000	30,000	47,000	488%
Debt Service	0	0	0	0	0	0%
Total	$ 95,274	$ 198,167	$ 340,301	$ 476,065	$ 596,224	75%

PROGRAM DESCRIPTION

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

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

This program is responsible for supporting the operations of City Hall/Branch Library (9700 and 9650 Seventh Street), Public Works (15776 Main Street), Code Compliance (11011 East Santa Fe), Fire Department facilities (various locations), and the City of Hesperia Park and Ride Facility (Joshua at Hwy. 395).

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Analyst	0.25	0.25	0.25	0.00
Custodian	0.50	1.00	1.50	1.50
Facilities Supervisor	0.00	0.00	0.50	0.50
Total Full-Time Staff	0.75	1.25	2.25	2.00
Part-Time Staff				
Custodian	0.23	0.00	0.00	0.00
Total Part-Time Staff	0.23	0.00	0.00	0.00
Total Full & Part-Time Staff	0.98	1.25	2.25	2.00

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- One Administrative Analyst (0.25 FTE) position is eliminated in conjunction with the Office Assistant position addition in the Administration program.
- Materials cost increased due to the annualized landscape maintenance, electric and gas utility cost for City Hall, and the Library. Contractual expenditures increased primarily for improved preventive maintenance programs and security guard services.
- Funding of $5,000 is included to purchasing one hot water pressure washer.
- Funding of $47,000 is included to purchase one new maintenance vehicle as a replacement for Vehicle #1740.

2006-07 PROGRAM ACCOMPLISHMENTS

- Completed AC duct cleaning and heating unit maintenance for the Animal Control facility to improve employee health and welfare.
- Completed entrance and access gate repairs allowing reliable access for Animal Control and Public Works employees entering and exiting the facility.
- Completed the landscape maintenance contract to provide scheduled maintenance for Code Compliance/ Public Works facility and City of Hesperia Park and Ride.
- Began training on the Hansen Work Order program in order to improve the building maintenance request process and maintenance cost tracking.
- Improved the safety of Animal Control staff by installing safety glass at the front business counter.
- Improved Code Compliance/Public Works parking areas by reorganizing and establishing identified parking locations for employees.

2007-08 PROGRAM GOALS AND OBJECTIVES

- Continue training on the Hansen Work Order Program and begin implementation of the program into the field.
- Improve the appearance of the Public Works/Animal Control facility by adding drought tolerant vegetation and additional desert landscape to the existing planters.
- Continue providing quality HVAC service to City Hall, Branch Library, and Code Compliance facilities through a comprehensive Predictive/Preventive Maintenance Program.
- Continue to monitor and provide guidance to all sub-contractors under the direction of Public Works Facility Management.
- Continue to provide a safe and clean work environment for employees at City Hall and Code Compliance facilities.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Customer Service Request Orders	432	420	400	420

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 1,518,170	$ 1,895,232	$ 3,090,337	$ 2,796,692	$ 3,547,725	15%
Benefits	521,085	654,227	1,042,163	1,008,239	1,178,109	13%
Materials	3,207,156	3,609,244	6,198,863	5,934,520	7,947,210	28%
Contractual	5,844,241	11,585,453	28,224,685	12,752,082	25,154,258	-11%
Other Operating	1,079,296	1,160,083	1,232,850	1,286,122	1,147,494	-7%
Capital Outlay	453,828	1,280,204	1,125,790	1,027,652	895,285	-20%
Debt Service	2,063,944	2,121,201	2,293,737	2,217,332	2,385,231	4%
Total	$ 14,687,720	$ 22,305,644	$ 43,208,425	$ 27,022,639	$ 42,255,312	-2%

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Water Operating 700						
4010 Source of Supply	$ 619,842	$ 728,789	$ 1,454,798	$ 2,172,643	$ 2,621,481	80%
4020 Production	2,570,047	3,080,541	3,489,587	3,275,388	4,118,632	18%
4030 Distribution	791,261	1,160,415	1,654,540	1,248,229	1,297,458	-22%
4035 Pipeline Maintenance	0	338,709	2,533,039	1,517,637	2,269,841	-10%
4040 Engineering	354,359	349,209	567,437	498,146	1,615,478	185%
4050 Customer Service	890,193	1,220,968	1,466,509	1,019,309	1,521,931	4%
4060 Utility Billing	541,441	622,869	681,901	715,569	798,403	17%
4070 Administration	3,723,176	4,433,152	5,172,754	4,628,477	4,608,833	-11%
4080 Property Management	104,221	314,735	307,581	282,682	343,522	12%
Total Water Operating	$ 9,594,540	$ 12,249,387	$ 17,328,146	$ 15,358,080	$ 19,195,579	11%
Water Capital Projects 701 Capital Projects Summary	$ 5,093,180	$ 10,056,257	$ 25,880,279	$ 11,664,559	$ 23,059,733	-11%
Total Water Capital Projects	$ 5,093,180	$ 10,056,257	$ 25,880,279	$ 11,664,559	$ 23,059,733	-11%
Total Water Operating & Capital Projects	$ 14,687,720	$ 22,305,644	$ 43,208,425	$ 27,022,639	$ 42,255,312	-2%

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Total Full-Time Staff	35.95	44.55	65.53	69.53
Total Part-Time Staff	1.59	1.36	1.57	2.03
Total D.S. Water Staff	37.54	45.91	67.10	71.56

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

DIVISION GOALS FOR 2007-08

- Complete the equipping of Wells #29, #31, #32.
- Complete construction of Well Plant #22.
- Design and construct a new 5.0 million gallon reservoir at Plant 19.
- Continue implementing the Radio-Read System on existing water meters.
- Complete Schedule II of the 2005-06 Pipeline Replacement Project.
- Design and construct the 2006-07 Pipeline Replacement Project.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

Source of Supply

- Funding of $30,000 is included for the replacement of one service vehicle to be used by the Water Conservation Specialist for the monitoring of nuisance water flows and transporting items used in both performing water audits and water conservation activities such as the Desert Communities Water Awareness Expo.
- Materials costs increased from $1.2 million to $2.4 million due to the increased amount and the costs associated with the purchase of makeup water.

Production

- Electricity expenditures are expected to increase by approximately 20% or $440,000, due to the addition of three wells to serve additional growth and increase power rates.
- Funding of $75,000 is included for one additional F-450 truck with utility bed to be utilized as a plant site maintenance vehicle.
- Funding of $35,000 is included to replace vehicle #1166 with a truck with 4x4 capabilities to reach plant sites during adverse weather conditions.
- Funding of $40,000 is included to purchase connection equipment for better connection to portable standby generators.
- Carryover funding of $120,000 is included for two roll-off buildings at Wells 19A and 20, and additional funding of $60,000 is included for one roll-off building at Well 22A.

Distribution

- Funding of $75,000 is included for one new F-450 truck with utility bed to be used by the leak crew. This vehicle will replace #1141, which is a 1997 F-350 with excessive mileage (105,860), and is unreliable for daily use.
- Carryover funding of $65,000 is also included for one new F-450 truck with utility bed.

Pipeline Maintenance

- Carryover funding of $180,000 is included for two Gang trucks with air/hydraulic sources.

Engineering

- One additional Construction Inspector (.50 FTE) position is added to deal with the high level of inspection workload.
- One Senior Engineer (.50 FTE) position is funded in the 2007-08 Budget, which has been vacant for several years, which will allow for the attraction of qualified candidates for this professional middle management position.
- Added one Geographical Information Systems Technician (0.50 FTE) and eliminated one Senior Engineering Technician (0.50 FTE) to more effectively reflect the work expected to be performed.
- Contractual expenditures increased significantly because the expenditures for the Water/Sewer Recycling Master Plan, Public Works Inspector contract, Citywide on-call surveying and design services, contract plan check services, and the water modeling analysis were transferred from the Administration Program to the Engineering Program in Fiscal Year 2007-08.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES (Continued)

Customer Service

- One new Senior Maintenance Worker (1.0 FTE) position is included to oversee the Meter Readers during regular hours and "A" shift.
- Funding of $35,000 is included for one new ¾ ton truck with service bed for the new Senior Maintenance Worker position.
- Funding of $7,500 is included for a service bed for Truck #1170, a full-size 2003 ½ ton truck.

Utility Billing

- During the 2006-07 Mid-year Budget Review, one Senior Customer Service Representative (1.0 FTE) position and one part-time Customer Service Representative (0.46 FTE) position were added due to additional workload, being open five days a week, and serving as central cashier for the City Hall location.
- Change the Account Clerk position to a Senior Account Clerk position due to the level of complexity and increasing utility billing.
- Compiled and mailed over 208,000 water/sewer bills for 26,000 customers.
- Implemented centralized cashiering and managed payments for multiple departments.
- Installed 3 new cash register systems and 5 credit card terminals.
- Updated various forms to reflect new address, greater content, and improved procedures.
- Applied 4,519 standby charges to the County Tax Roll.

Administration

- One Office Assistant (0.50 FTE) position is added and one Administrative Analyst (0.25 FTE) position is eliminated to more effectively deal with various office related workload.
- One new Senior Warehouse Technician (1.0 FTE) is added to oversee and provide additional staffing for ordering, receiving, distributing, and maintaining the inventory of the City's materials and supplies in the warehouse.
- Funding of $6,500 is included to replace the existing color laser printer utilized by all of the Public Works divisions.
- Funding of $5,000 is included to cover the cost to add two (2) new computers, desk phones, and Nextel radios with cameras for the Public Works Supervisors.
- Contractual expenditures decreased because the expenditures for the Water/Sewer Recycling Master Plan, Public Works Inspector contract, Citywide on-call surveying and design services, contract plan check services, and the water modeling analysis were transferred from the Administration Program to the Engineering Program in Fiscal Year 2007-08.

Property Management

- One Administrative Analyst (0.25 FTE) position is eliminated in conjunction with the addition of the Office Assistant in the Administrative Program.
- Carryover funding of $45,000 is included to install a free standing 24' X 30" steel material cover at the Mojave Yard to be used for the Pipeline Maintenance Program.
- Funding of $45,000 is included for the repair of Eagle Plaza stucco, repainting the facility, and installing parking bumpers at some locations to prevent stucco damage in the future and for the slurry seal and re-striping of the parking area of Eagle Plaza.
- Funding of $28,500 is included for additional cubicles and reconfiguration in the Utility Billing Program.
- Materials costs increased by $46,000 for electric utility costs for the area of the building occupied by the Water District and an unrented area.

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

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Water Operating Fund (700)						
Taxes						
Secured Property Taxes	$ 222,102	$ 254,196	$ 268,506	$ 270,048	$ 275,449	3%
700 29 400 4070 4000						
Standby Charge	93,053	86,198	69,418	78,350	67,687	-2%
700 29 400 4060 4040						
Debt Service Taxes	1,272	93	0	50	0	n/a
700 29 400 4070 4045						
AB 1661 ERAF	(190,056)	(208,853)	0	0	0	n/a
700 29 400 4070 4720						
Other Taxes	13,242	13,817	15,161	14,406	17,801	17%
Total Taxes	$ 139,613	$ 145,451	$ 353,085	$ 362,854	$ 360,937	2%
Interest						
Interest Income	$ 125,525	$ 289,741	$ 319,049	$ 398,988	$ 398,988	25%
700 29 400 4070 5605						
Other Interest	1,729	605	0	600	600	n/a
Total Interest	$ 127,254	$ 290,346	$ 319,049	$ 399,588	$ 399,588	25%
Intergovernmental						
City Rent Charge	$ 197,661	$ 214,574	$ 96,025	$ 96,025	$ 86,085	-10%
700 29 400 4070 5880						
Total Intergovernmental	$ 197,661	$ 214,574	$ 96,025	$ 96,025	$ 86,085	-10%
Charges for Services						
Water Sales	$ 10,350,484	$ 11,319,260	$ 12,345,000	$ 12,047,120	$ 13,127,611	6%
700 29 400 4060 5100						
Water Meter Fees	447,867	469,481	535,000	214,000	200,000	-63%
700 29 400 4070 5140						
Reconnection Fees	134,584	183,560	175,200	217,000	263,000	50%
700 29 400 4070 5130						
Water Inspection	63,566	52,198	45,000	109,000	40,000	-11%
700 29 400 4070 5180						
Rent Eagle Plaza	118,030	117,275	124,000	124,000	214,233	73%
700 29 400 4070 5875						
Other Charges for Services	80,127	70,897	60,700	59,000	59,000	-3%
Total Charges for Services	$ 11,194,658	$ 12,212,671	$ 13,284,900	$ 12,770,120	$ 13,903,844	5%
Grants						
Grants	$ 0	$ 0	$ 0	$ 0	$ 0	n/a
Total Grants	$ 0	$ 0	$ 0	$ 0	$ 0	n/a
Other Operating						
Other Operating	$ 58,519	$ 70,768	$ 60,500	$ 91,500	$ 90,500	50%
Total Other Operating	$ 58,519	$ 70,768	$ 60,500	$ 91,500	$ 90,500	50%
All Other						
All Other	$ 6,446	$ 8,049	$ 5,000	$ 5,000	$ 10,000	100%
Total All Other	$ 6,446	$ 8,049	$ 5,000	$ 5,000	$ 10,000	100%
Total Water Operating Fund (700)	$ 11,724,151	$ 12,941,859	$ 14,118,559	$ 13,725,087	$ 14,850,954	5%

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

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	2006-07 Budget
Water Capital Fund (701)						
Charges for Services						
Capital Facility Charges	$ 5,477,601	$ 8,959,070	$ 3,688,550	$ 3,688,550	$ 2,727,600	-26%
701 29 400 4070 5120						
Water Capital Surcharge	1,579,444	1,748,366	1,863,409	1,790,000	1,575,000	-15%
701 29 400 4060 5110						
Other Charges for Services	218,476	570,715	866,344	689,240	1,016,540	17%
Total Water Capital Fund (701)	$ 7,275,521	$ 11,278,151	$ 6,418,303	$ 6,167,790	$ 5,319,140	-17%
Total Water Operating and Capital Fund Revenue	$ 18,999,672	$ 24,220,010	$ 20,536,862	$ 19,892,877	$ 20,170,094	-2%

Sewer Operating Fund (710)

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Account Clerk	0.00	0.00	1.00	0.00
Administrative Analyst	1.00	1.50	1.83	1.33
Assistant Engineer	0.35	0.35	0.35	0.35
City Engineer	0.00	0.00	0.50	0.50
Community Development Technician	1.00	1.00	2.00	2.00
Construction Inspection Supervisor	0.00	0.00	0.35	0.35
Construction Inspector	0.35	0.85	0.85	1.35
Custodian	0.50	1.00	1.50	1.50
Customer Service Representative	3.00	4.00	5.00	5.00
Customer Service Supervisor	1.00	1.00	1.00	1.00
Deputy City Engineer	0.50	0.50	0.00	0.00
Director of Development Services	0.00	0.00	0.40	0.40
Director Development Services/City Engineer	0.40	0.40	0.00	0.00
Engineering Aide	0.50	0.50	1.00	1.00
Engineering Technician	0.00	0.00	0.00	0.00
Environmental Programs Coordinator	0.00	0.50	0.50	0.50
Equipment Operator	0.00	0.70	2.70	2.70
Executive Secretary	0.40	0.40	0.40	0.40
Facilities Supervisor	0.00	0.00	0.50	0.50
Geographical Information Systems Manager	0.00	0.00	0.50	0.50
Geographical Information Systems Technician	0.00	0.00	0.00	0.50
Maintenance Crew Supervisor	2.25	3.00	4.00	4.00
Maintenance Worker	6.30	7.00	15.00	15.00
Management Analyst	0.00	1.00	1.00	1.00
Meter Reader	3.00	3.00	4.00	4.00
Office Assistant	0.50	0.50	1.00	1.50
Project Construction Manager	0.00	0.25	0.25	0.25
Public Works Manager	0.00	0.00	0.50	0.50

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

DIVISION STAFFING (Continued)	2004-05	2005-06	2006-07	2007-08
Public Works Superintendent	0.50	0.50	0.00	0.00
Public Works Supervisor	0.00	0.00	1.00	1.00
Pump Maintenance Worker	0.95	0.95	0.95	0.95
Pump Operator	0.95	1.95	1.95	1.95
Senior Account Clerk	1.00	1.00	1.00	2.00
Senior Construction Inspector	0.35	0.35	0.00	0.00
Senior Customer Service Representative	1.00	1.00	1.00	2.00
Senior Engineer	0.35	0.35	0.00	0.50
Senior Engineering Technician	0.35	0.85	1.35	0.85
Senior Maintenance Worker	2.70	3.40	5.40	6.40
Senior Office Assistant	0.85	0.85	0.85	0.85
Senior Pump Maintenance Worker	0.95	0.95	0.95	0.95
Senior Pump Operator	0.95	0.95	0.95	0.95
Senior Warehouse Technician	0.00	0.00	0.00	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	35.95	44.55	65.53	69.53
Part-Time Staff				
Custodian	0.23	0.00	0.00	0.00
Customer Service Representative	0.00	0.00	0.00	0.46
Maintenance Worker	0.67	0.67	0.19	0.19
Meter Reader	0.46	0.46	0.92	0.92
Office Assistant	0.23	0.23	0.46	0.46
Total Part-Time Staff	1.59	1.36	1.57	2.03
Total Full & Part-Time Staff	37.54	45.91	67.10	71.56

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 38,211	$ 77,798	$ 87,353	$ 86,353	$ 98,874	13%
Benefits	9,900	18,400	31,105	31,340	32,707	5%
Materials	507,068	596,869	1,255,550	1,983,450	2,447,150	95%
Contractual	64,426	35,086	78,040	69,000	10,000	-87%
Other Operating	237	636	2,750	2,500	2,750	0%
Capital Outlay	0	0	0	0	30,000	100%
Debt Service	0	0	0	0	0	0%
Total	$ 619,842	$ 728,789	$ 1,454,798	$ 2,172,643	$ 2,621,481	80%

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	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Analyst	0.00	0.00	0.33	0.33
Environmental Programs Coordinator	0.00	0.50	0.50	0.50
Water Conservation Specialist	1.00	1.00	1.00	1.00
Total Full-Time Staff	1.00	1.50	1.83	1.83

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Funding of $30,000 is included for the replacement of one service vehicle to be used by the Water Conservation Specialist for the monitoring of nuisance water flows and transporting items used in both performing water audits and water conservation activities such as the Desert Communities Water Awareness Expo.
- Materials costs increased from $1.2 million to $2.4 million due to the increased amount and the costs associated with the purchase of makeup water.

2006-07 PROGRAM ACCOMPLISHMENTS

- The Water Division participated in several community events including Hesperia Days, High Desert Water Awareness Expo, Tri-Community Science Fair, Garden Party, Read Across America, The Job Fair, Kid's Fest and The Air Fair.
- Plumbing retrofit kits were assembled for distribution to Hesperia residents.
- The water awareness coloring contest was held again this year with the theme "H_20 2 U."
- A children's activity book was created for Alliance for Water Awareness and Conservation (AWAC). The activity book will be distributed to schools and at various activities throughout the year.

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

2006-07 PROGRAM ACCOMPLISHMENTS (Continued)

- 32 water audits were performed at local businesses and a file has been created for each business.
- Visited with over 100 residents to discuss water run-off issues and to perform simple water audits at their residence.

2007-08 PROGRAM GOALS AND OBJECTIVES

- Continue water awareness programs with the Hesperia Unified School District and at community events.
- Implement and enforce a landscape ordinance program and continue 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 in order to promote conservation.
- Develop a Water Efficiency Rewards Program that will give residents incentives such as rebates for ultra-low flush toilets. Ultra-low flush toilets can save more than 25% of water used inside a home.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Water Lease Purchases (Acre-Feet)				
▪ Make-up Water (Centro)	1,770	1,000	2,000	2,000
▪ Carryover Water (Alto)	5,543	6,000	6,500	10,000
▪ Permanent Water (Alto)	0	500	1,000	0
Coloring Contest Participants	3,500	4,000	3,500	3,200
Community Event Participation	8	10	8	10
School Presentations Made	35	60	8	8
Commercial Water Audits Performed *	n/a	n/a	30	30
Residential Water Audits Performed *	n/a	n/a	20	40
Nuisance Water Complaints Addressed *	n/a	n/a	110	140

*** New program activities being documented**

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 301,610	$ 345,867	$ 430,696	$ 426,696	$ 465,757	8%
Benefits	92,927	107,689	132,016	132,442	144,645	10%
Materials	1,832,826	1,845,025	2,310,075	2,358,450	2,765,280	20%
Contractual	98,983	259,450	520,000	250,000	332,000	-36%
Other Operating	32,870	76,935	71,800	73,100	80,950	13%
Capital Outlay	210,831	445,575	25,000	34,700	330,000	1220%
Debt Service	0	0	0	0	0	0%
Total	$ 2,570,047	$ 3,080,541	$ 3,489,587	$ 3,275,388	$ 4,118,632	18%

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.

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Maintenance Crew Supervisor	0.95	1.00	1.00	1.00
Maintenance Worker	0.00	0.00	2.00	2.00
Pump Maintenance Worker	0.95	0.95	0.95	0.95
Pump Operator	0.95	1.95	1.95	1.95
Senior Pump Maintenance Worker	0.95	0.95	0.95	0.95
Senior Pump Operator	0.95	0.95	0.95	0.95
Water Quality Technician	1.00	1.00	1.00	1.00
Total Full-Time Staff	5.75	6.80	8.80	8.80
Part-Time Staff				
Maintenance Worker	0.48	0.48	0.00	0.00
Total Part-Time Staff	0.48	0.48	0.00	0.00
Total Full & Part-Time Staff	6.23	7.28	8.80	8.80

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Electricity expenditures are expected to increase by approximately 20% or $440,000, due to the addition of three wells to serve additional growth and increase power rates.
- Funding of $75,000 is included for one additional F-450 truck with utility bed to be utilized as a plant site maintenance vehicle.
- Funding of $35,000 is included to replace vehicle #1166 with a truck with 4x4 capabilities to reach plant sites during adverse weather conditions.
- Funding of $40,000 is included to purchase connection equipment for better connection to portable standby generators.
- Carryover funding of $120,000 is included for two roll-off buildings at Wells 19A and 20, and additional funding of $60,000 is included for one roll-off building at Well 22A.

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

2006-07 PROGRAM ACCOMPLISHMENTS

- Provided positive water pressure and safe drinking water throughout the year, even during power outages and disruptions.
- Started construction of three (3) new water wells (# 29, 31, and 32).
- Maintained 24-hour communications with all Hesperia pumping facilities.
- Maintained compliance with State and Federal regulations.
- Maintained compliance with State Health Department regulation to the cross-connection control program. This program has monitored the testing of more than 726 backflow assemblies.
- Maintained positive operations of the District's sewer pumping lift stations.
- Maintained a safe working environment without incident.
- Finished the disinfection of Well #19A and put in service.
- Finished upgrades to Well #20 and put in service.
- Commenced and completed the destruction of Well #22.

2007-08 PROGRAM GOALS AND OBJECTIVES

- Ensure that all pumping equipment is maintained and running efficiently.
- Provide Consumer Confidence Report to the citizens of Hesperia by July 1, 2007.
- Provide safe drinking water to the citizens of Hesperia by consistent sampling analysis weekly and monthly system wide.
- Purchase a portable emergency sewer pump.
- Equip emergency generators for field operations during power disruptions.
- Continue to maintain a good water quality and backflow cross-connection program.
- Comply with United States Environmental Protection Agency (USEPA) and State Department of Health Services (DHS) Un-regulated Contaminate Monitoring Rule Program (UCMR).
- Complete the equipping of Wells #29, #31, #32.
- Complete construction of Well Plant #22.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Water Produced (Acre-Feet)	16,500	17,000	17,500	18,000
Water Samples	1,798	1,850	2,300	2450
Reservoirs	11	13	13	13
Wells	14	17	15	18
Water Booster Station	6	6	6	6
Sewer Booster Station	0	0	2	2

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 251,318	$ 381,996	$ 542,492	$ 472,480	$ 595,146	10%
Benefits	100,112	150,939	185,226	172,188	205,864	11%
Materials	244,960	348,039	342,500	266,061	295,998	-14%
Contractual	73,298	88,752	500	500	500	0%
Other Operating	48,226	42,329	48,500	42,000	40,950	-16%
Capital Outlay	73,347	148,360	535,322	295,000	159,000	-70%
Debt Service	0	0	0	0	0	0%
Total	$ 791,261	$ 1,160,415	$ 1,654,540	$ 1,248,229	$ 1,297,458	-22%

PROGRAM DESCRIPTION

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

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Equipment Operator	0.00	0.70	0.70	0.70
Maintenance Crew Supervisor	0.30	1.00	1.00	1.00
Maintenance Worker	4.30	5.00	6.00	6.00
Senior Maintenance Worker	1.70	2.40	3.40	3.40
Utility Line Locator	1.00	1.00	1.00	1.00
Total Full-Time Staff	7.30	10.10	12.10	12.10
Part-Time Staff				
Maintenance Worker	0.19	0.19	0.19	0.19
Total Part-Time Staff	0.19	0.19	0.19	0.19
Total Full & Part-Time Staff	7.49	10.29	12.29	12.29

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- Funding of $75,000 is included for one new F-450 truck with utility bed to be used by the leak crew. This vehicle will replace #1141, which is a 1997 F-350 with excessive mileage (105,860) and unreliable for daily use.
- Carryover funding of $65,000 is also included for one new F-450 truck with utility bed.

2006-07 PROGRAM ACCOMPLISHMENTS

- Assisted the inspectors on all the new waterline projects.
- Continued servicing 120 fire hydrants and 275 valves throughout the City.
- Repaired 370 water mainline leaks.
- Installed 190 water meter sets throughout the City and replaced 20 old service lines.
- Flushed all dead end water lines within the City.

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

2007-08 PROGRAM GOALS AND OBJECTIVES

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

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Water Leaks Repaired	227	224	370	250
Water Service Line Leaks Repaired	253	305	35	100
Water Meter Leaks Repaired	111	85	65	100
Valves Serviced	883	350	275	500
Fire Hydrants Serviced	864	162	120	500
Water Lines Flushed	350	70	96	350
New Meter Sets	570	300	190	200
Service Replacements	31	31	20	200

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 22,654	$ 408,140	$ 349,640	$ 447,738	10%
Benefits	0	5,055	127,164	125,586	142,287	12%
Materials	0	5,795	1,234,655	712,611	1,364,316	11%
Contractual	0	0	303,500	76,300	78,000	-74%
Other Operating	0	0	70,580	51,000	37,500	-47%
Capital Outlay	0	305,205	389,000	202,500	200,000	-49%
Debt Service	0	0	0		0	0%
Total	$ 0	$ 338,709	$ 2,533,039	$ 1,517,637	$ 2,269,841	-10%

PROGRAM DESCRIPTION

The pipeline maintenance crew, established in FY 2005-06, has the purpose of repairing, maintaining, and replacing water lines and related infrastructure for the water system throughout the City.

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Equipment Operator	0.00	0.00	2.00	2.00
Maintenance Crew Supervisor	0.00	0.00	1.00	1.00
Maintenance Worker	0.00	0.00	5.00	5.00
Senior Maintenance Worker	0.00	0.00	1.00	1.00
Total Full-Time Staff	0.00	0.00	9.00	9.00

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGE

- Carryover funding of $180,000 is included for two Gang trucks with air/hydraulic sources.

2006-07 PROGRAM ACCOMPLISHMENTS

- Pipeline personnel established.
- Pipeline installation started in November 2006.
- Trained crew by assisting other crews (water, sewer, production, street departments).
- Schedule III pipeline project to be completed by end of Fiscal Year 2006-07.
- Approximately 8.5 miles of pipe will have been installed in Fiscal Year 2006-07.
- Approximately 178 new water valves will have been installed in Fiscal Year 2006-07.
- Approximately 60 new fire hydrants will have been installed in Fiscal Year 2006-07.
- Approximately 355 water services will have been changed over in Fiscal Year 2006-07.

2007-08 PROGRAM GOALS AND OBJECTIVES

- Start and complete Schedule II pipeline replacement project.
- Bring crew up to speed and replace 9 – 13 miles of old, undersized steel water mains with new 8” PVC water pipe, including valves, hydrants, and water services.

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

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Replace old pipeline with new pipeline	n/a	n/a	8.5 miles	13 miles
Hydrant Replacements	n/a	n/a	60	88
Water services changed over	n/a	n/a	355	300
Water valves replaced or installed	n/a	n/a	178	140

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 159,824	$ 209,534	$ 371,076	$ 320,176	$ 462,388	25%
Benefits	61,191	82,515	153,186	138,828	177,534	16%
Materials	25,231	25,776	28,675	20,442	41,506	45%
Contractual	46,579	5,152	3,500	3,500	903,600	25717%
Other Operating	1,609	4,148	10,000	8,200	30,450	205%
Capital Outlay	59,925	22,084	1,000	7,000	0	-100%
Debt Service	0	0	0	0	0	0%
Total	$ 354,359	$ 349,209	$ 567,437	$ 498,146	$ 1,615,478	185%

PROGRAM DESCRIPTION

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

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Analyst	0.25	0.25	0.25	0.25
Assistant Engineer	0.35	0.35	0.35	0.35
Community Development Technician	1.00	1.00	2.00	2.00
Construction Inspection Supervisor	0.00	0.00	0.35	0.35
Construction Inspector	0.35	0.85	0.85	1.35
Engineering Aide	0.50	0.50	1.00	1.00
Engineering Technician	0.00	0.00	0.00	0.00
Office Assistant	0.00	0.00	0.50	0.50
Geographical Information Systems Manager	0.00	0.00	0.50	0.50
Geographical Information Systems Technician	0.00	0.00	0.00	0.50
Project Construction Manager	0.00	0.25	0.25	0.25
Senior Construction Inspector	0.35	0.35	0.00	0.00
Senior Engineer	0.35	0.35	0.00	0.50
Senior Engineering Technician	0.35	0.85	1.35	0.85
Senior Office Assistant	0.35	0.35	0.35	0.35
Total Full-Time Staff	3.85	5.10	7.75	8.75
Part-Time Staff				
Office Assistant	0.00	0.00	0.23	0.23
Total Part-Time Staff	0.00	0.00	0.23	0.23
Total Full & Part-Time Staff	3.85	5.10	7.98	8.98

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- One additional Construction Inspector (.50 FTE) position is added to deal with the high level of inspection workload.
- One Senior Engineer (.50 FTE) position is funded in the 2007-08 Budget, which has been vacant for several years, which will allow for the attraction of qualified candidates for this professional middle management position.
- Added one Geographical Information Systems Technician (0.50 FTE) and eliminated one Senior Engineering Technician (0.50 FTE) to more effectively reflect the work expected to be performed.
- Contractual expenditures increased significantly because the expenditures for the Water/Sewer Recycling Master Plan, Public Works Inspector contract, Citywide on-call surveying and design services, contract plan check services and the water modeling analysis were transferred from the Administration Program to the Engineering Program in Fiscal Year 2007-08.

2006-07 PROGRAM ACCOMPLISHMENTS

- The Water Master Plan, Wastewater Master Plan, and Recycled Water Master Plan Updates were all completed. These plans will be utilized to plan the City's annual Capital Improvement Plans as well as guide development in the required infrastructure demands.
- The Engineering Division continued to provide timely project review for new developer projects and continues to provide professional and prompt plan review services on commercial and industrial projects. The review of new residential development continues to be performed by contract services and overseen by this Division.
- The Engineering Division performed a record number of inspections this year utilizing both City inspectors and contract services. The addition of a full-time Storm Water Construction Inspector has set the standard for National Pollutant Discharge Elimination System (NPDES) compliance in the Victor Valley and ensures that there will be minimal impact from construction projects to the City's ground water supply during storm events.
- Began the implementation of the City's Geographical Information System (GIS) Map by constructing the County's base map into the required format suitable for City use. The database of the GIS map is currently being expanded to archive the information in a usable format for the GIS map.
- Completed all three schedules of the Fiscal Year 2005-06 Water Pipeline Replacement Program.
- Completed the design of the FY 2006-07 Water Pipeline Replacement Program and awarded the first half of the project to a contractor. The second half of the project will be performed by the City's in-house pipeline maintenance crew.
- The Engineering Staff continued to update the City's water and sewer atlas as development occurred at a rapid pace throughout the City.
- The Engineering Staff continued to support the other departments and divisions throughout the City by providing data and mapping services.
- Completed the equipping of three new wells (#29, 31 and 32).
- Completed the update of the City's water and sewer standards and have them in electronic format available to the general public.

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

2007-08 PROGRAM GOALS AND OBJECTIVES

- Implement the findings of the Water Master Plan, Wastewater Master Plan, and Recycled Water Master Plan updates. These plans will be utilized to plan the City's annual Capital Improvement Plans, as well as guide development in the required infrastructure demands. The first phase of the plans will be the design for the City's newly annexed freeway corridor for the installation of the required water and sewer infrastructure.

- The Engineering Division will continue to provide timely project review for new developer projects and continue to provide professional and prompt plan review services on commercial and industrial projects. The review of new residential development will continue to be performed by contract services and overseen by this Division.

- The Engineering Division will continue to perform timely and professional public works inspection services utilizing both City inspectors and contract services. The full-time Storm Water Construction Inspector will ensure City compliance with its National Pollutant Discharge Elimination System (NPDES) requirements and ensures that there will be minimal impact from construction projects to the City's ground water supply during storm events.

- Update the City's Geographical Information System (GIS) Map by converting the City's water and sewer atlas into a format suitable for the GIS Map.

- Complete the construction of the Fiscal Year 2006-07 Water Pipeline Replacement Program.

- Complete the design of the FY 2007-08 Water Pipeline Replacement Program and begin the construction of the project. Work will be performed exclusively by the City's in-house pipeline maintenance crew.

- Update the City's water and sewer atlas in GIS format as new development occurs throughout the City.

- Continue to support other City departments and divisions by providing data and mapping services.

- Implement the findings of the updated Water Master Plan by designing for additional storage capacity and drilling new wells as determined by the update.

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 289,969	$ 319,720	$ 408,623	$ 361,076	$ 457,287	12%
Benefits	99,986	105,176	123,767	121,653	144,342	17%
Materials	438,826	663,623	859,858	444,610	826,086	-4%
Contractual	18,273	17,599	17,541	38,600	19,821	13%
Other Operating	19,044	18,478	29,720	29,250	31,895	7%
Capital Outlay	24,095	96,372	27,000	24,120	42,500	57%
Debt Service	0	0	0	0	0	0%
Total	$ 890,193	$ 1,220,968	$ 1,466,509	$ 1,019,309	$ 1,521,931	4%

PROGRAM DESCRIPTION

This Program is responsible for reading domestic and commercial water meters and reporting the reads to the Water Billing Section. It performs meter flow testing and replaces meters that do not meet the American Water Works Association's (AWWA) standards for accuracy. It addresses customer concerns regarding consumption, leaks, water pressure, and meter sizing.

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Customer Service Representative	0.00	0.00	0.00	0.00
Customer Service Supervisor	0.00	0.00	0.00	0.00
Maintenance Crew Supervisor	1.00	1.00	1.00	1.00
Maintenance Worker	2.00	2.00	2.00	2.00
Meter Reader	3.00	3.00	4.00	4.00
Senior Account Clerk	0.00	0.00	0.00	0.00
Senior Customer Service Representative	0.00	0.00	0.00	0.00
Senior Maintenance Worker	1.00	1.00	1.00	2.00
Total Full-Time Staff	7.00	7.00	8.00	9.00
Part-Time Staff				
Meter Reader	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	7.46	7.46	8.92	9.92

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- One new Senior Maintenance Worker (1.0 FTE) position is included to oversee the Meter Readers during regular hours and "A" shift.
- Funding of $35,000 is included for one new ¾ ton truck with service bed for the new Senior Maintenance Worker position.
- Funding of $7,500 is included for a service bed for Truck #1170, a full-size 2003 ½ ton truck.

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

2006-07 PROGRAM ACCOMPLISHMENTS

- Meter Rotation Program replaced 1,500 meters in Fiscal Year 2006-07.
- Phase 5 Automated Meter Reading (AMR) Program July 2006 to June 2007 reflects 2,709 installations.
- New meters increased by 1,879 in Fiscal Year 2006-07
- New meter sets in tract homes decreased from 1,600 in Fiscal Year 2005-06 to under 500 in Fiscal Year 2006-07 due to decline in the new tract home developments.

2007-08 PROGRAM GOALS AND OBJECTIVES

- Provide timely and accurate meter reading with minimal errors.
- Continue implementation of the Radio-Read System with goal of 4,000 for Fiscal Year 2007-08.
- Ensure meters are recording within acceptable national standards.
- Continue Meter Rotation Program with a goal of 1,500 for Fiscal Year 2007-08.
- Provide customers with a properly functioning meter assembly.
- Address customer complaints/concerns in a timely and courteous manner.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Customer Service Requests	15,030	18,520	22,588	26,500
Meter Reads	135,395	145,479	157,390	167,500
Meter Repairs	6,684	5,960	3,549	5,000
Meters Rotated/Replaced	1,117	823	1,500	1,500
Remote Radio-Reads Installed (AMR)	2,285	2,728	2,709	4,000
New Meter Sets (Tract Homes)	752	1,409	433	550

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 204,854	$ 270,501	$ 359,469	$ 336,725	$ 446,747	24%
Benefits	65,733	86,421	114,689	117,147	126,968	11%
Materials	107,897	84,380	98,800	111,700	110,100	11%
Contractual	20,102	20,848	27,725	45,725	44,804	62%
Other Operating	73,232	100,179	15,000	49,272	15,999	7%
Capital Outlay	69,623	60,540	66,218	55,000	53,785	-19%
Debt Service	0	0	0	0	0	0%
Total	$ 541,441	$ 622,869	$ 681,901	$ 715,569	$ 798,403	17%

PROGRAM DESCRIPTION

The Utility Billing Section provides customer service for over 20,000 customers of the Hesperia Water District, which provides water and sewer services. Customer service consists of establishing new services, shut-offs, and posting all payments. It also manages all aspects of billing, including scheduling meter reads, calculating bills, and processing delinquent accounts.

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Account Clerk	0.00	0.00	1.00	0.00
Customer Service Representative	3.00	4.00	5.00	5.00
Customer Service Supervisor	1.00	1.00	1.00	1.00
Senior Account Clerk	1.00	1.00	1.00	2.00
Senior Customer Service Representative	1.00	1.00	1.00	2.00
Total Full-Time Staff	6.00	7.00	9.00	10.00
Part-Time Staff				
Customer Service Representative	0.00	0.00	0.00	0.46
Total Part-Time Staff	0.00	0.00	0.00	0.46
Total Full & Part-Time Staff	1.00	1.00	1.00	10.46

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- During the 2006-07 Mid-year Budget Review, one Senior Customer Service Representative (1.0 FTE) position and one part-time Customer Service Representative (0.46 FTE) position were added due to additional workload, being open five days a week, and serving as central cashier for the City Hall location.
- Change the Account Clerk position to a Senior Account Clerk position due to the level of complexity and increasing utility billing.

2006-07 PROGRAM ACCOMPLISHMENTS

- Compiled and mailed over 208,000 water/sewer bills for 26,000 customers.
- Implemented centralized cashiering and managed payments for multiple departments.

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

2006-07 PROGRAM ACCOMPLISHMENTS (Continued)

- Installed 3 new cash register systems and 5 credit card terminals.
- Updated various forms to reflect new address, greater content, and improved procedures.
- Applied 4,519 standby charges to the County Tax Roll.

2007-08 PROGRAM GOALS AND OBJECTIVES

- Continue to provide excellent customer service, including starting new accounts, accurately processing payments, and calculating bills.
- Improve and reroute billing zones.
- Complete processing of past-due accounts and assign to a collection agency.
- Upgrade the computer system to Logos.net software program.
- Complete a Utility Billing Procedures Manual.
- Improve customer/resident database.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Bills Processed	132,667	197,492	208,000	225,000
New Accounts Established (New Meters)	1,173	1,792	1,200	1,000
Accounts Transferred	5,796	6,596	9,500	10,000
Water Service Accounts	22,628	24,529	25,500	26,450
Sewer Service Accounts	3,872	4,170	4,600	5,000

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 239,912	$ 230,819	$ 399,502	$ 374,502	$ 493,470	24%
Benefits	79,667	82,332	135,615	134,743	166,032	22%
Materials	48,770	38,383	66,900	31,100	44,000	-34%
Contractual	392,784	1,060,069	1,357,000	955,000	626,600	-54%
Other Operating	885,186	900,348	890,000	889,800	887,000	0%
Capital Outlay	12,913	0	30,000	26,000	6,500	-78%
Debt Service	2,063,944	2,121,201	2,293,737	2,217,332	2,385,231	4%
Total	$ 3,723,176	$ 4,433,152	$ 5,172,754	$ 4,628,477	$ 4,608,833	-11%

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	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Analyst	0.50	1.00	1.00	0.75
City Engineer	0.00	0.00	0.50	0.50
Deputy City Engineer	0.50	0.50	0.00	0.00
Director of Development Services	0.00	0.00	0.40	0.40
Director Development Services/City Engineer	0.40	0.40	0.00	0.00
Executive Secretary	0.40	0.40	0.40	0.40
Management Analyst	0.00	1.00	1.00	1.00
Office Assistant	0.50	0.50	0.50	1.00
Public Works Manager	0.00	0.00	0.50	0.50
Public Works Superintendent	0.50	0.50	0.00	0.00
Public Works Supervisor	0.00	0.00	1.00	1.00
Senior Office Assistant	0.50	0.50	0.50	0.50
Senior Warehouse Technician	0.00	0.00	0.00	1.00
Warehouse Technician	1.00	1.00	1.00	1.00
Total Full-Time Staff	4.30	5.80	6.80	8.05
Part-Time Staff				
Office Assistant	0.23	0.23	0.23	0.23
Total Part-Time Staff	0.23	0.23	0.23	0.23

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- One Office Assistant (0.50 FTE) position is added and one Administrative Analyst (0.25 FTE) position is eliminated to more effectively deal with various office related workload.
- One new Senior Warehouse Technician (1.0 FTE) is added to oversee and provide additional staffing for ordering, receiving, distributing, and maintaining the inventory of the City's materials and supplies in the warehouse.

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES (Continued)

- Funding of $6,500 is included to replace the existing color laser printer utilized by all of the Public Works divisions.
- Funding of $5,000 is included to cover the cost to add two (2) new computers, desk phones, and Nextel radios with cameras for the Public Works Supervisors.
- Contractual expenditures decreased because the expenditures for the Water/Sewer Recycling Master Plan, Public Works Inspector contract, Citywide on-call surveying and design services, contract plan check services, find the water modeling analysis were transferred from the Administration Program to the Engineering Program in Fiscal Year 2007-08.

2006-07 PROGRAM ACCOMPLISHMENTS

- Completed Zone J separation for Phase I (with the exception of Cedar and Mariposa due to right of way acquisition).
- In-house Pipeline Replacement Program started their first schedule.
- Completed Mojave Site plans and specifications (out for bid).
- Completed the update of the District's Water and Sewer Master Plans.
- Completed the Reclaimed Water Master Plan.
- Continued to promote certification for Water Division staff through sponsorship of continuing education.
- Maintained a presence with Mojave Water Agency (MWA) as a leading producer in the Alto Sub-basin
- Represented the Hesperia Water District (HWD) for the Alto Sub-basin Committee of the Watermaster for the Mojave River Basin.

2007-08 PROGRAM GOALS AND OBJECTIVES

- Complete Zone J separation for phase II in the north quadrant.
- Continue with the In-house Pipeline Replacement Program to no longer need or utilize the use of out side contracts for pipeline replacement.
- Complete a Water Rate Analysis Update Study.
- Continue to work in conjunction with the Victor Valley Wastewater Reclamation Authority (VVWRA) to begin the site-specific environmental studies and design of sub-regional wastewater facility in the northwest quadrant of the City to provide an additional source of irrigation water for use throughout the city.
- Continue to maintain a leading presence with the Mojave Water Agency (MWA).
- Continue to work with the Mojave Water Agency (MWA) and San Bernardino County Flood Control on joint projects, such as the Ranchero Road Recharge Basin on the Antelope Valley Wash.
- Continue as a committee member on the Alto Sub-basin Committee for the Mojave River Basin Watermaster.

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 32,472	$ 36,343	$ 82,986	$ 69,044	$ 80,318	-3%
Benefits	11,569	15,700	39,395	34,312	37,730	-4%
Materials	1,578	1,354	1,850	6,096	52,774	2753%
Contractual	36,616	42,240	36,600	25,000	79,200	116%
Other Operating	18,892	17,030	94,500	141,000	20,000	-79%
Capital Outlay	3,094	202,068	52,250	7,230	73,500	41%
Debt Service	0	0	0	0	0	0%
Total	$ 104,221	$ 314,735	$ 307,581	$ 282,682	$ 343,522	12%

PROGRAM DESCRIPTION

Property/Facilities Management shall support all Water Department and District facilities to provide a safe, clean work environment for all employees. This will be accomplished through a Predictive/Preventive Maintenance (PPM) Program that will reduce facility depreciation and reduce unforeseen equipment/structural failures. A PPM Program supported by Hansen maintenance software will allow the Building Maintenance Division to better serve customers with advanced notification of maintenance that will be conducted in their work areas, while reducing the affects of catastrophic mechanical and structural failures leading to prolonged customer inconvenience and interruption of daily operations. These facilities are as follows: Eagle Plaza (15776 Main Street), Hesperia Police Station (9393 Santa Fe Ave.), and Hesperia Water District Warehouse (17282 Mojave Street).

Currently Public Works and the City Clerk's office occupy approximately 20% of the property known as Eagle Plaza (15776 Main Street). Approximately 8% of the property is unoccupied at this time, with the remaining 72% utilized as rental property. The Hesperia Police Department occupies the property located at 9393 Santa Fe Avenue East, and the Water District occupies the property located at 17282 Mojave Street.

PROGRAM STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Administrative Analyst	0.25	0.25	0.25	0.00
Custodian	0.50	1.00	1.50	1.50
Facilities Supervisor	0.00	0.00	0.50	0.50
Total Full-Time Staff	0.75	1.25	2.25	2.00
Part-Time Staff				
Custodian	0.23	0.00	0.00	0.00
Total Part-Time Staff	0.23	0.00	0.00	0.00
Total Full & Part-Time Staff	0.98	1.25	2.25	2.00

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- One Administrative Analyst (0.25 FTE) position is eliminated in conjunction with the addition of the Office Assistant in the Administrative Program.
- Carryover funding of $45,000 is included to install a free standing 24' X 30" steel material cover at the Mojave Yard to be used for the Pipeline Maintenance Program.

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

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES (Continued)

- Funding of $45,000 is included for the repair of Eagle Plaza stucco, repainting the facility and installing parking bumpers at some locations to prevent stucco damage in the future and for the slurry seal and re-striping of the parking area of Eagle Plaza.
- Funding of $28,500 is included for additional cubicles and reconfiguration in the Utility Billing Program.
- Materials costs increased by $46,000 for electric utility costs for the area of the building occupied by the Water District and an unrented area.

2006-07 PROGRAM ACCOMPLISHMENTS

- Began training on the Hansen Work Order Program in order to improve the building maintenance request process.
- Provided new signage for Public Works located at Eagle Plaza.
- Provided scope of work and planning to accomplish re-keying Eagle Plaza to provide key control after the main body of City Hall moved to the new location.
- Provided scope of work and planning to provide landscape maintenance contract to improve the appearance of Eagle Plaza, Hesperia Police Department, and the Water Department warehouse.
- Provided subcontractor management for Eagle Plaza to facilitate the lease of approximately 8,250 square feet of office space.
- Resolved numerous unknown service calls at the above locations through staff maintenance or subcontractors.

2007-08 PROGRAM GOALS AND OBJECTIVES

- Continue training on the Hansen Work Order Program and begin implementation of the Program in the field.
- Replace seven (7) aging HVAC units located at Eagle Plaza and Hesperia Police Department.
- Replace the remaining quantity (4) aging hot water heaters at Eagle Plaza tenant locations.
- Repair existing stucco and repaint the front of Eagle Plaza and install parking bumpers to prevent reoccurrence of stucco damage.
- Implement a Preventive/Predictive Maintenance Program at the above state locations supported by the Hansen maintenance management software.
- Erect a steel 24' X 30' free standing material cover at the Mojave Yard.
- Complete a facility maintenance-level report in order to determine custodial needs for all City facilities.

PERFORMANCE AND WORKLOAD INDICATORS	2003-04	2004-05	2005-06	2006-07
Units Leased	100%	100%	92%	100%

FUND:	WATER CAPITAL	700
DEPARTMENT:	DEVELOPMENT SERVICES	29
DIVISION:	WATER	400
PROGRAM:	CAPITAL IMPROVEMENT PROJECTS	

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	5,093,180	10,056,257	25,880,279	11,288,457	23,059,733	-11%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	376,102	0	0%
Debt Service	0	0	0	0	0	0%
Total	$ 5,093,180	$ 10,056,257	$ 25,880,279	$ 11,664,559	$ 23,059,733	-11%

See Capital Improvement Plan Section G for capital projects information.

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 110,409	$ 138,737	$ 198,654	$ 176,193	$ 242,739	22%
Benefits	$ 37,396	45,027	64,563	59,425	80,601	25%
Materials	$ 551,786	630,156	710,300	694,982	724,787	2%
Contractual	$ 66,830	2,798	1,611,670	62,700	547,750	-66%
Other Operating	$ 188,641	18,035	12,200	13,200	14,200	16%
Capital Outlay	$ 17,021	49,950	255,000	119,000	550,000	116%
Debt Service	$ 0	0	0	0	0	0%
Total	$ 972,083	$ 884,703	$ 2,852,387	$ 1,125,500	$ 2,160,077	-24%

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Sewer Operations 710	$ 972,083	$ 884,703	$ 1,123,467	$ 1,050,500	$ 1,160,077	3%
Sewer Capital 711	0	0	1,728,920	75,000	1,000,000	-42%
Total Operations and Capital	$ 972,083	$ 884,703	$ 2,852,387	$ 1,125,500	$ 2,160,077	-24%

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Total Full-Time Staff	3.25	3.50	4.50	5.50
Total Part-Time Staff	0.19	0.19	0.19	0.19
Total D.S. Sewer Staff	3.44	3.69	4.69	5.69

DIVISION GOALS FOR 2007-08

- Keep the wastewater collection system free and unobstructed.
- Proactively clean and flush the wastewater collection system.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- One Maintenance Worker (1.0 FTE) position is added to provide half of the staffing for a second “Vactor” positive displacement sewer and storm drain cleaning truck. The second Maintenance Worker position to staff the Vactor truck is funded in the Public Works Street Maintenance Program.

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

REVENUE DETAIL	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Sewer Operating Fund (710)						
Interest						
Interest Income	$ 50,639	$ 104,506	$ 114,149	$ 159,863	$ 159,863	40%
710 19 220 0000 5600						
Total Interest	$ 50,639	$ 104,506	$ 114,149	$ 159,863	$ 159,863	40%
Charges for Services						
Sewer Billing	$ 952,927	$ 1,309,133	$ 1,228,920	$ 1,500,000	$ 1,575,000	28%
710 29 420 4200 5200						
Sewer Inspections	177,818	230,810	100,000	200,000	90,000	-10%
710 29 420 4200 5250						
Other Charges for Services	60,956	39,800	30,000	15,000	15,000	-50%
Total Charges for Service	$ 1,191,701	$ 1,579,743	$ 1,358,920	$ 1,715,000	$ 1,680,000	24%
Total Sewer Operating Fund (0304)	$ 1,242,340	$ 1,684,249	$ 1,473,069	$ 1,874,863	$ 1,839,863	25%
Sewer Capital Fund (711)						
Charges for Services						
Sewer Connections	$ 969,484	$ 1,455,911	$ 852,313	$ 725,000	$ 511,000	-40%
711 29 420 4200 5220						
Other Sewer Capital Revenue	22,493	46,355	34,315	101,124	101,124	195%
Total Sewer Capital Fund (0304)	$ 991,977	$ 1,502,266	$ 886,628	$ 826,124	$ 612,124	-31%
Total Sewer Operating & Capital	$ 2,234,317	$ 3,186,515	$ 2,359,697	$ 2,700,987	$ 2,451,987	4%

DIVISION STAFFING	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Maintenance Crew Supervisor	0.45	0.70	0.70	0.70
Maintenance Worker	1.90	1.90	2.90	3.90
Pump Maintenance Worker	0.05	0.05	0.05	0.05
Pump Operator	0.05	0.05	0.05	0.05
Senior Maintenance Worker	0.70	0.70	0.70	0.70
Senior Pump Maintenance Worker	0.05	0.05	0.05	0.05
Senior Pump Operator	0.05	0.05	0.05	0.05
Total Full-Time Staff	3.25	3.50	4.50	5.50
Part-Time Staff				
Maintenance Worker	0.19	0.19	0.19	0.19
Total Part-Time Staff	0.19	0.19	0.19	0.19
Total Full & Part-Time Staff	3.44	3.69	4.69	5.69

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 110,409	$ 138,737	$ 198,654	$ 176,193	$ 242,739	22%
Benefits	37,396	45,027	64,563	59,425	80,601	25%
Materials	551,786	630,156	710,300	694,982	724,787	2%
Contractual	66,830	2,798	82,750	62,700	97,750	18%
Other Operating	188,641	18,035	12,200	13,200	14,200	16%
Capital Outlay	17,021	49,950	55,000	44,000	0	-100%
Debt Service	0	0	0	0	0	0%
Total	**$ 972,083**	**$ 884,703**	**$1,123,467**	**$1,050,500**	**$1,160,077**	3%

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	2004-05	2005-06	2006-07	2007-08
Full-Time Staff				
Maintenance Crew Supervisor	0.45	0.70	0.70	0.70
Maintenance Worker	1.90	1.90	2.90	3.90
Pump Maintenance Worker	0.05	0.05	0.05	0.05
Pump Operator	0.05	0.05	0.05	0.05
Senior Maintenance Worker	0.70	0.70	0.70	0.70
Senior Pump Maintenance Worker	0.05	0.05	0.05	0.05
Senior Pump Operator	0.05	0.05	0.05	0.05
Total Full-Time Staff	3.25	3.50	4.50	5.50
Part-Time Staff				
Maintenance Worker	0.19	0.19	0.19	0.19
Total Part-Time Staff	0.19	0.19	0.19	0.19
Total Full & Part-Time Staff	3.44	3.69	4.69	5.69

SIGNIFICANT PROGRAM EXPENDITURE AND STAFFING CHANGES

- One Maintenance Worker (1.0 FTE) position is added to provide half of the staffing for a second “Vactor” positive displacement sewer and storm drain cleaning truck. The second Maintenance Worker position to staff the Vactor truck is funded in the Public Works Street Maintenance Program.

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

2006-07 PROGRAM ACCOMPLISHMENTS

- Over 25% of the wastewater collection system was hydro cleaned.
- Over 25% of the wastewater manholes were cleaned and inspected.
- Started video taping the wastewater collecting system on a protective maintenance schedule and have over 25% of the wastewater system on video and documented in the computer.

2007-08 PROGRAM GOALS AND OBJECTIVES

- Keep the wastewater collection system free and unobstructed.
- Proactively clean and flush the wastewater collection system.
- Video inspect the wastewater collection system to identify defects and illegal connections.
- Proactively account for wastewater lateral with video inspection and add to the wastewater management system.

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Wastewater Lines Cleaned (miles)	29	57	74	22
Manholes Maintained	433	1,000	1,500	845
Wastewater Lines Videotaped (miles)	0.44	4.73	25.00	31

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

PROGRAM EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 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	1,528,920	0	450,000	-71%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	200,000	75,000	550,000	175%
Debt Service	0	0	0	0	0	0%
Total	$ 0	$ 0	$1,728,920	$ 75,000	$1,000,000	-42%

FUND: GENERAL FUND 100
DEPARTMENT: POLICE 51

DEPARTMENT EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 12,969	$ 19,067	$ 17,358	$ 17,358	$ 18,036	4%
Benefits	2,514	4,072	3,713	1,800	1,611	-57%
Materials	341,013	253,379	316,800	273,136	401,100	27%
Contractual	6,322,676	7,422,382	9,190,422	8,860,976	10,829,476	18%
Other Operating	48,051	81,884	18,515	20,629	54,198	193%
Capital Outlay	15,738	0	0	0	12,000	100%
Debt Service	0	0	0	0	0	0%
Total	$6,742,961	$7,780,784	$9,546,808	$9,173,899	$ 11,316,421	19%

DEPARTMENT DESCRIPTION

The mission of the Police Department of the City of Hesperia is to provide public safety services through education, enforcement, and the empowerment of its employees. The Department works in partnership with the community to promote individual responsibility, create safer neighborhoods, and preserve the quality of life. The San Bernardino County Sheriff's Department (SBSD) provides services to the City under a service contract and has done so since its incorporation in 1988. The City of Hesperia is the third largest contract city in the County, the second busiest for calls for service per Deputy Sheriff, and makes more arrests per deputy than any other city in the High Desert.

The City of Hesperia provides its citizens with full-service law enforcement, which includes patrol, traffic, investigations, a Problem Oriented Policing Unit, a Community Service Officer, a Community Policing Unit, and the support and administration to operate effectively. Additionally, by virtue of the contract with the Sheriff's Department, the City benefits from the resources of the Sheriff Department's special capabilities such as Homicide, Crimes Against Children, Aviation, Narcotics, Gang Team, Emergency Services Unit, High Tech Crimes Unit, and the Crime Impact Unit, to name a few.

DEPARTMENT STAFFING	2004-05	2005-06	2006-07	2007-08
Total Full-Time Staff	51.00	55.00	64.00	73.00
Total Part-Time Staff	0.50	0.50	0.50	0.50
Total Police Staff	51.50	55.50	64.50	73.50

DEPARTMENT GOALS FOR 2007-08

- The Police Department will assign new deputy sheriffs to each watch (graveyard, days, and swing shifts). This deployment will allow for better response times to emergency calls, increase proactive patrol times, and increase investigative capability.

- The additional Sheriff's Service Specialists will allow the Police Department to deploy at least one Field SSS from 0700 hours to 2200 hours, 7 days a week.

- Utilizing the deputy assigned to the Neighborhood Enhancement Program, the Police Department will create a plan for the project areas and work towards addressing crime issues, career criminals, and elimination of blight. Program goals will concentrate on the reduction of crime and address quality of life issues.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- The contract with the County Board of Supervisors for Police Services is proposed to increase in total by 20.9%, or $1,771,000 from $8,867,425 to $10,638,425. To continue the current level of services, the contract increased 7.1%, or $538,301, from $8,867,425 to $9,405,726. In addition to current level, $1,232,699 is included for one Sheriff's Deputy as a component of the Citywide Graffiti Task Force and five safety and three non-safety staff and related vehicles to improve patrol services as follows:

  - Five Sheriff's Deputies – Patrol
  - One Sheriff's Deputy – Graffiti Task Force
  - One Sheriff's Service Specialist
  - One Supervising Office Specialist
  - One Office Specialist
  - Three Marked Units
  - Three Mid-size 4x4 Trucks

- Funding of $12,000 is included to replace two motorcycles for the Off-Highway Vehicle Enforcement Program.

DEPARTMENT STAFFING	2004-05	2005-06	2006-07	2007-08
Sworn Officers (Contract)				
Captain	1.00	1.00	1.00	1.00
Lieutenant	1.00	1.00	1.00	1.00
Sergeant	6.00	6.00	7.00	7.00
Detective/Corporal	5.00	5.00	5.00	5.00
Sheriff Deputy	27.00	30.00	35.00	41.00
Total Sworn Full-Time Staff	40.00	43.00	49.00	55.00
Non-Sworn Staff (Contract)				
Office Specialist	6.00	6.00	7.00	8.00
Secretary	1.00	1.00	1.00	1.00
Sheriff's Service Specialist	4.00	5.00	7.00	8.00
Supervising Office Specialist	0.00	0.00	0.00	1.00
Total Non-Sworn Full-Time Staff	11.00	12.00	15.00	18.00
Total Sworn & Non-Sworn Staff	51.00	55.00	64.00	73.00
Part-Time Staff				
Administrative Aide	0.50	0.50	0.50	0.50
Crossing Guard	0.00	0.00	0.00	0.00
Total Part-Time Staff	0.50	0.50	0.50	0.50
Total Sworn, Non-Sworn & Part-Time Staff	51.50	55.50	64.50	73.50

2006-07 DEPARTMENT ACCOMPLISHMENTS

- The added field personnel were deployed as outlined in the 2006-07 goals and objectives. This deployment enabled deputies to respond to Calls for Service in a more timely manner. The acting detective position allowed the Investigations Division to handle more cases.

- The addition of two Sheriff's Service Specialists made a significant difference in response to non-injury traffic collisions and miscellaneous report calls, thus freeing up patrol deputies for proactive patrol time.

2006-07 DEPARTMENT ACCOMPLISHMENTS (Continued)

- The Neighborhood Enhancement Program deputy has begun work in the outlined project areas. Baseline statistical information has been compiled and an initial enforcement plan has been implemented.

- Injury traffic collisions in 2006 were reduced by 12%. The Police Department's driving under the influence enforcement deputies arrested 285 impaired drivers in 2006. All special enforcement operations were conducted successfully.

- The Off Highway Vehicle (OHV) Program was very active. This unit aggressively addressed calls for service and chronic OHV complaints. Overall OHV complaints have decreased by 18% from 2005 to 2006. In addition to the numerous citations issued, this unit made several arrests and recovered stolen motorcycles.

- The Citizen on Patrol unit consists of 35 volunteers from the community. This unit, for the last two years, has consistently exceeded the number of volunteer hours over all other Citizens On Patrol units in the County.

2007-08 DEPARTMENT GOALS AND OBJECTIVES

- The Police Department will assign new deputy sheriffs to each watch (graveyard, days, and swing shifts). This deployment will allow for better response times to emergency calls, increase proactive patrol times, and increase investigative capability.
- The additional Sheriff's Service Specialists will allow the Police Department to deploy at least one Field SSS from 0700 hours to 2200 hours, 7 days a week.
- Utilizing the deputy assigned to the Neighborhood Enhancement Program, the Police Department will create a plan for the project areas and work towards addressing crime issues, career criminals, and elimination of blight. Program goals will concentrate on the reduction of crime and address quality of life issues.
- The Police Department will continue to improve the overall Community Policing program by:
  - Utilizing one of the new deputy sheriff positions to create a graffiti/gang enforcement position. This position would be part of the Problem Oriented Policing (POP) unit and would be the enforcement component of the citywide graffiti task force. This deputy would also address gang crimes and coordinate efforts with the County's and adjacent cities gang units.
  - Encouraging Department members to become more engaged with local community groups and businesses within their assigned community service areas.
  - Maintaining interactive communications with other agencies and departments that could be part of the problem solving team.
  - Working together with all community State coalition problem solving team members to improve the quality of life for the citizens of Hesperia.
  - The Police Department plans to increase its traffic enforcement activities with the overall goal of reducing injury and fatal traffic collisions. The Department will continue to deploy dedicated personnel to the Driving Under the Influence (DUI) enforcement program as well as provide continual training for all field deputy sheriff's in the area of DUI enforcement. A series of special traffic enforcement programs will be conducted by the Traffic Division (seatbelt, safety checkpoints, DUI checkpoints, DUI saturation patrols, and tow truck operator inspections).

2007-08 DEPARTMENT GOALS AND OBJECTIVES (Continued)

- The Police Department continues to maintain and train special Off Highway (OHV) certified deputies that are deployed to address the legal off-highway riding violations and complaints. Utilizing the Department's off-highway capable motorcycles and deputies outfitted with the appropriate safety equipment, this unit focuses its efforts on the City's illegal off-highway rider problems. The last two years have shown an overall reduction in calls for service related to off-highway vehicle complaints. This year's goal is to maintain the level of off-highway vehicle patrol hours and promptly address any new problem areas in an attempt to continually reduce the OHV calls for service.
- In an effort to provide our Citizens On Patrol volunteer unit with the necessary equipment to accomplish their duties, two of the mid-size pickup trucks incorporated in the Police services contract will be allocated to this volunteer unit. These vehicles will allow the Citizens On Patrol to log more proactive patrol hours and provide them with reliable transportation.

PERFORMANCE AND WORKLOAD INDICATORS[1]	2004	2005	[1]2006	[2]2007
Part I Offenses				
Homicide	1	4	9	3
Rape	8	12	17	16
Robbery	61	83	61	48
Assaults	402	442	515	438
Burglary	442	484	565	480
Theft	916	948	942	864
Theft Motor Vehicle	460	606	556	426
Total Part I Offenses	2,290	2,579	2,665	2,275
Part II Offenses	2,958	4,935	5,892	6,462
Arrests				
Adult	1,912	2,606	2,941	3,016
Juvenile	203	225	251	320
Total Arrests	2,115	2,831	3,192	3,336
Average Response Time				
Emergency	6	n/a	n/a	n/a
Priority 1	16	n/a	n/a	n/a
Priority 2	44	n/a	n/a	n/a
Priority 3	56	n/a	n/a	n/a
Priority 4	68	n/a	n/a	n/a
Calls For Service	47,988	54,019	81,370	86,034
Reports	7,494	8,535	8,996	9,300
Proactive Patrol	-5%	n/a	n/a	n/a
Collisions				
Fatal	12	7	11	12
Injury	130	131	122	92
Non-Injury	1,021	911	986	964
Total Collisions	1,163	1,049	1,119	1,068

FUND: GENERAL FUND 100
DEPARTMENT: POLICE 51

PERFORMANCE AND WORKLOAD INDICATORS[1] (Continued)	2004	2005	[1]2006	[2]2007
Citations				
Hazard	3,118	3,521	4,711	4,098
DUI	487	389	352	456
Non-Hazard	869	889	1,545	3,138
Total Citations	4,474	4,799	6,608	7,692

[1] Performance and Workload Indicators information is reported on a calendar year basis.
[2] 2007 totals are estimates based on a three month average

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55

DEPARTMENT EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	153,981	130,000	87,505	87,505	92,780	6%
Materials	12,001	6,397	25,610	27,783	26,000	2%
Contractual	5,540,122	5,679,012	7,843,571	7,497,807	8,294,789	6%
Other Operating	12,543	23,949	35,000	5,000	35,000	0%
Capital Outlay	9,353	17,773	510,000	577,500	1,505,000	195%
Debt Service	0	0	0	0	0	0%
Total	$ 5,728,000	$ 5,857,131	$ 8,501,686	$ 8,195,595	$ 9,953,569	17%

DEPARTMENT EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
520 Operations and Community Safety	$ 5,402,668	$ 5,584,008	$ 7,721,405	$ 7,321,707	$ 8,091,789	5%
521 Administration	325,332	273,123	780,281	873,888	1,861,780	139%
Total Fire District	$ 5,728,000	$ 5,857,131	$ 8,501,686	$ 8,195,595	$ 9,953,569	17%

DEPARTMENT STAFFING SUMMARY	2004-05	2005-06	2006-07	2007-08
Full-Time Safety Staff	41.00	47.00	53.00	53.00
Full-Time Non-Safety Staff	4.00	4.00	6.00	6.00
Total Full-Time Safety and Non-Safety Staff (Contract)	45.00	51.00	59.00	59.00

DEPARTMENT GOALS FOR 2007-08

- Implement the Public Safety Master Plan as prepared by the Public Safety Ad Hoc Committee which includes replacing Fire Station #301 and construction of a new Fire Station #305.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- The County contract for the current level of service has increased from $7,721,405 to $8,091,789, for a $370,384, or 4.8% increase paid to the San Bernardino County Consolidated Fire District for the continuation of 53.0 FTE safety staff and 6.0 FTE non-safety staff, plus other expenses provided in the contract.
- Carryover funding of $752,500 ($695,000 Redevelopment Capital/$57,500 Fire Operating) is included for the purchase of one replacement type one Fire Engine, one replacement 4x4 Ambulance, and one replacement Battalion Command SUV approved in Fiscal Year 2006-07.
- Funding of $752,500 ($695,000 Redevelopment Capital/$57,500 Fire Operating) is included for the purchase one replacement type one Fire Engine, one replacement 4x4 Ambulance, and one replacement Battalion Command SUV.

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55

REVENUE	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Taxes						
Secured Property Taxes 200 55 521 0000 4000	$ 3,582,644	$ 3,816,789	$ 3,811,000	$ 4,113,277	$ 4,195,543	10%
Fire Assessment 200 55 521 0000 4020	25,514	6,164	0	2,200	0	n/a
CFD# 94-1 200 55 521 0000 4030	93,176	149,374	311,988	311,988	342,307	10%
Redevelopment Agency Pass Through 200 55 521 0000 4090	548,785	1,050,909	1,663,260	1,575,617	2,102,700	26%
Total Taxes	$ 4,250,119	$ 5,023,236	$ 5,786,248	$ 6,003,082	$ 6,640,550	15%
Interest						
Interest Income 200 19 220 0000 5600	$ 13,840	$ 7,317	$ 20,000	$ 37,534	$ 37,534	88%
Other Interest	2,970	3,396	3,400	3,400	3,400	0%
Total Interest	$ 16,810	$ 10,713	$ 23,400	$ 40,934	$ 40,934	75%
Charges for Services						
Mutual Aid Reimbursements 200 55 521 0000 5320	$ 14,932	$ 0	$ 0	$ 0	$ 0	n/a
Hazard Abatement Reimbursements 200 55 523 0000 5366	16,801	6,876	4,000	2,750	0	-100%
State Regulated Inspections 200 55 523 0000 5330	1,937	628	12,500	1,500	1,200	-90%
Tenant Improvement Plans 200 55 523 0000 4963	2,952	4,853	13,991	8,500	9,000	-36%
Burn Permits 200 55 523 0000 4340	13,556	13,334	18,330	5,500	3,300	-82%
Paramedic Ambulance Fees 200 55 525 0000 5300	1,179,380	1,506,524	1,600,000	1,700,000	1,800,000	13%
Non-Transport EMS Charge 200 55 525 0000 5315	94,426	92,402	94,000	94,000	94,000	0%
Ambulance Membership 200 55 525 0000 5305	35,906	34,597	32,000	32,000	35,000	9%
City/County HazMat Contract 200 55 527 0000 5368	0	164,155	87,002	87,002	133,000	53%
Other Charges for Services	44,105	51,463	85,630	74,620	118,108	38%
Total Charges for Services	$ 1,403,995	$ 1,874,832	$ 1,947,453	$ 2,005,872	$ 2,193,608	13%
Grants						
State Used Motor Oil Collection Grant 200 55 527 0000 4700	$ 16,840	$ 2,920	$ 3,000	$ 2,007	$ 0	-100%
Total Grants	$ 16,840	$ 2,920	$ 3,000	$ 2,007	$ 0	-100%

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55

REVENUE	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	%Change From 2006-07 Budget
Other Operating						
Cingular Cell Tower Rent 200 19 220 0000 5885	$ 23,100	$ 28,191	$ 30,000	$ 30,000	$ 30,000	0%
Sale of Equipment 200 55 521 0000 5905	0	3,000	0	0	0	n/a
State Mandated Claims Reimbursements 0200 8101 4030 5216 0000	0	8,612	0	9,449	0	n/a
Other Operating	0	0	0	0	0	n/a
Total Other Operating	$ 23,100	$ 39,803	$ 30,000	$ 39,449	$ 30,000	0%
All Other						
All Other	$ 9,851	$ 1,934	$ 1,000	$ 60	$ 100	-90%
Total All Other	$ 9,851	$ 1,934	$ 1,000	$ 60	$ 100	-90%
Total Fire District Fund	$ 5,720,715	$ 6,953,437	$ 7,791,101	$ 8,091,404	$ 8,905,192	14%

DEPARMENT STAFFING DETAIL	2004-05	2005-06	2006-07	2007-08
Full-Time Safety Staff (Contract)				
Battalion Chief	2.00	2.00	2.00	2.00
Captain	9.00	9.00	9.00	9.00
Engineer	9.00	9.00	9.00	9.00
Firefighter/Paramedic	15.00	18.00	21.00	21.00
Firefighter – Limited Term	6.00	9.00	12.00	12.00
Total County Full-Time Safety Staff	41.00	47.00	53.00	53.00
Full-Time Non-Safety Staff (Contract)				
Account Clerk I	1.00	1.00	1.00	1.00
Accounts Representative	1.00	1.00	1.00	1.00
Clerk III	0.00	0.00	1.00	1.00
Ambulance Biller	0.00	0.00	1.00	1.00
Arson Fire Prevention Specialist	1.00	1.00	1.00	1.00
Fire Prevention Officer	1.00	1.00	1.00	1.00
Total County Full-Time Non-Safety Staff	4.00	4.00	6.00	6.00
Total Full-Time Safety and Non-Safety Staff (Contract)	45.00	51.00	59.00	59.00

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	5,402,668	5,584,008	7,721,405	7,321,707	8,091,789	5%
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	$ 5,402,668	$ 5,584,008	$ 7,721,405	$ 7,321,707	$ 8,091,789	5%

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	2004-05	2005-06	2006-07	2007-08
Full-Time Safety Staff (Contract)				
Battalion Chief	2.00	2.00	2.00	2.00
Captain	9.00	9.00	9.00	9.00
Engineer	9.00	9.00	9.00	9.00
Firefighter/Paramedic	15.00	18.00	21.00	21.00
Firefighter – Limited Term	6.00	9.00	12.00	12.00
Total County Full-Time Safety Staff	41.00	47.00	53.00	53.00
Full-Time Non-Safety Staff (Contract)				
Account Clerk I	1.00	1.00	1.00	1.00
Accounts Representative	1.00	1.00	1.00	1.00
Clerk III	0.00	0.00	1.00	1.00
Ambulance Biller	0.00	0.00	1.00	1.00
Arson Fire Prevention Specialist	1.00	1.00	1.00	1.00
Fire Prevention Officer	1.00	1.00	1.00	1.00
Total County Full-Time Non-Safety Staff	4.00	4.00	6.00	6.00
Total Full-Time Safety and Non-Safety(Contract)	45.00	51.00	59.00	59.00

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

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The County contract for the current level of service has increased from $7,721,405 to $8,091,789, for a $370,384, or 4.8% increase paid to the San Bernardino County Consolidated Fire District for continuation of 53.0 FTE safety staff and 6.0 FTE non-safety staff, plus other expenses provided in the contract.

2006-07 DIVISION ACCOMPLISHMENTS

- Completed Public Safety Master Plan prepared by the Public Safety Ad Hoc Committee which includes for FY 2007-08 the reconstruction of Station #301 and the construction of a new Station #305.
- Put fourth Medic Ambulance into service for City of Hesperia and added ambulance enclosure.
- Established hazardous materials training program of District personnel. This training will enhance the District's hazardous materials response program.
- Started replacement of outdated fire apparatus and medic ambulances throughout City stations.

2007-08 DIVISION GOALS AND OBJECTIVES

- Start construction of Station 301 and Station 305.
- Continue to update the mapping system.
- Develop a wildland urban interface tactical response plan for the southern portions of the City.
- Continue replacement of out-dated fire apparatus and medic ambulances throughout City stations.
- Maintain a positive and proactive relationship with City personnel in all departments, the business community, other agencies, and the citizens served.

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

PERFORMANCE AND WORKLOAD INDICATORS	2004-05	2005-06	2006-07	2007-08
Training Burns Completed–Approved vs. Completed	100%	95%	95%	95%
Incident Command System–Total Hours District Refresher	90%	100%	100%	100%
Technical Rescue Team–Number of Personnel/Cumulative Hours	n/a	n/a	n/a	50%
Confined Space	100%	80%	85%	90%
Low Angle	100%	80%	85%	85%
Swift Water	100%	100%	100%	100%
Rescue Systems	100%	100%	100%	100%
Building Shoring	100%	100%	100%	100%
Technical Rescue	100%	100%	100%	100%
Hazardous Materials Team	n/a	n/a	n/a	50%
First Responder/Operational	100%	85%	85%	85%
First Responder/Decon	100%	100%	100%	100%
Fire Company				
Company Evolution-Company vs. Drills Completed	90%	95%	95%	95%
Development-Personnel (240 Hours/Annually)	90%	90%	90%	90%
Annual Training Hours (9840)	90%	90%	90%	95%
Testing: Promotion & Qualified-Applicants vs. Successful Candidates				
Captain	n/a	55%	65%	70%
Engineer	n/a	75%	75%	75%
Paramedic/Firefighters	n/a	75%	75%	75%
Fire Prevention				
Assembly (Churches, Assembly Inspections)	115	106	106	2
Auto Wrecking Yards	6	6	6	n/a
Christmas Tree Lot Inspections/Permits	10	8	8	6
Classes and Talks	6	12	12	2
Dust-Producing Inspections/Permits	17	16	16	n/a
Haunted House Inspections/Permits	4	2	2	n/a
High-Piled Combustible Storage Inspections	2	3	3	n/a
Juvenile Fire Setters Counseled	25	39	39	10
Inspections Outside Normal Hours	1	2	2	13
Lumber Yard Inspections/Permits	1	1	1	n/a
New Business Inspections	175	177	177	301
Model Rocket Launching Site Inspection	0	1	1	n/a
Day Care and Adult Care Facility Inspections	50	106	106	27
Motor Vehicle Fuel Dispensing Station Inspections	35	38	38	7
Special Event Inspections/Permits	25	14	14	6
State Regulated Inspections - Apartments Under 100 Units	190	187	187	4
State Regulated Inspections - Apartments Over 100 Units	7	12	12	n/a
School Site Inspections	n/a	n/a	n/a	4
Tents, Canopies/Temporary Membrane	15	11	11	7
School Programs Attendance	3,000	4,000	4,500	4,500

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

PERFORMANCE AND WORKLOAD INDICATORS (Continued)	2004-05	2005-06	2006-07	2007-08
Fire Plan Review				
Modification of Sprinklers	40	n/a	n/a	37
Parcel Map	50	n/a	n/a	62
Plan Review Alarm System	30	n/a	n/a	51
Plan Review Spray Booth	14	n/a	n/a	13
Plan Review Sprinkler System	40	n/a	n/a	62
Site Plan Review	100	n/a	n/a	109
Structural Plans Review/Inspection	50	n/a	n/a	70
Tenant Improvement Plans Inspection	50	n/a	n/a	74
Vegetation Management				
Burn Permits	1,500	1327	440	330
Public Service Station Tours/Public Education	40	65	75	75
Advanced Life Support (ALS)	1,806	1,913	4302	5106
Basic Life Support (BLS)	2,600	2,634	n/a	n/a
Traffic Collisions	760	766	775	909
Total	5,166	5,312	5,077	6,015
Emergency Responses:				
Bomb Threats	3	2	2	0
Fire Alarm Systems	210	95	55	77
Fires-Grass	78	93	111	127
Fires-Miscellaneous	35	31	29	12
Fires-Refuse	11	17	23	30
Fires-Structure	46	49	55	63
Fires-Truck	8	9	11	6
Fires-Vehicle	62	61	63	54
Hazardous Conditions	78	n/a	n/a	13
Hazardous Materials	70	16	13	16
Investigations	233	435	504	522
Mass Casualty Incidents	3	1	n/a	1
Mutual Aids	40	n/a	n/a	n/a
Public Service	466	301	349	380
Rescues	2	2	2	1
Strike Team	3	n/a	n/a	n/a
Traffic Collisions	746	751	755	909
Traffic Extrications	20	21	20	23
Total	2,119	1,884	1,992	2,233
Household Collection Center				
Number of Participants	3,500	2416	2502	3689
Used Oil Collection	13,000	12,124	12,619	11,880
E-waste Only (Pounds-includes CRTs + Misc. Elec.)	n/a	n/a	103,007	110,277
Total Waste Materials Collected (Pounds-includes oil and E-wastes)	180,000	200,528	351,756	353,065
Hazardous Materials				
Underground Tank Operation Inspections	36	39	48	71
Hazardous Materials Inspections	125	131	117	101
Certified Unified Program Agency (CUPA) Inspections	225	225	178	162

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

DIVISION EXPENDITURE SUMMARY	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget	% Change From 2006-07 Budget
Salaries	$ 0	$ 0	$ 0	$ 0	$ 0	0%
Benefits	153,981	130,000	87,505	87,505	92,780	6%
Materials	12,001	6,397	25,610	27,783	26,000	2%
Contractual	137,454	95,004	122,166	176,100	203,000	66%
Other Operating	12,543	23,949	35,000	5,000	35,000	0%
Capital Outlay	9,353	17,773	510,000	577,500	1,505,000	195%
Debt Service	0	0	0	0	0	0%
Total	$ 325,332	$ 273,123	$ 780,281	$ 873,888	$ 1,861,780	139%

DIVISION DESCRIPTION

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

DIVISION STAFFING

- None.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Carryover funding of $752,500 ($695,000 Redevelopment Capital/$57,500 Fire Operating) is included for the purchase of one replacement type one Fire Engine, one replacement 4x4 ambulance, and one replacement Battalion Command SUV approved in Fiscal Year 2006-07.
- Funding of $752,500 ($695,000 Redevelopment Capital/$57,500 Fire Operating) is included for the purchase one replacement type one Fire Engine, one replacement 4x4 Ambulance, and one replacement Battalion Command SUV.
- Contractual expenditures increased primarily because the County costs for the Household Hazardous Waste Program increased substantially, however the costs are covered by reimbursements from Advance Disposal.

2006-07 DIVISION ACCOMPLISHMENTS

- Managed the County of San Bernardino Fire services contract issues and expenditures.
- Monitored Fire District revenues
- Managed Fire District expenditures for non-contract costs and issues related to old workers' compensation claims and CalPERS.

2007-08 DIVISION GOALS AND OBJECTIVES

- Manage County of San Bernardino Fire services contract issues and expenditures.
- Monitor Fire District revenue.
- Manage Fire District expenditures for non-contract costs and issues related to old workers' compensation claims and CalPERS.

CAPITAL IMPROVEMENT PLAN
(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*

OVERVIEW

The Capital Improvement Plan (CIP) Summary includes the continued and new capital projects funded in the 2007-08 Budget. Information on capital projects completed in Fiscal Year (FY) 2006-07 are included to identify capital projects completed recently, and Fiscal Year 2004-05 CIP projects are 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, which have an extended life, are included in the Capital Improvement Plan. 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 2006-07	Projects Continued in 2007-08 Budget	New Projects Included in 2007-08 Budget	New & Continued Projects Included in 2007-08 Budget
Streets C I P Projects	$605,480	$31,217,590	$25,470,267	$56,687,857
Storm Drainage	0	10,800,000	0	10,800,000
Facilities	10,462,980	9,314,000	9,150,000	18,464,000
Water	187,000	17,442,170	712,000	18,154,170
Sewer	0	550,000	350,000	900,000
Total C I P Projects	$11,255,460	$69,323,760	$35,682,267	$105,006,027

Streets C I P Projects - $56,687,857 (2007-08 Budget)

- 2007-08 Street Improvement Project - $20,920,267 is included in the 2007-08 Budget for the eighth year of the major Citywide Street Residential Improvement Program as well as $1,512,465 to complete the FY 2006-07 Street Improvement Program. 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	$11,379,826	57.0	11.0
Seven Year Total	$29,169,285	197.3	37.6
2007-08 Street Improvement Project	$20,920,267	57.0	4.0
Eight Year Total	$50,089,552	254.3	41.6

- Ranchero Road Related Projects – 3 Projects $18,864,625 – Included in the 2007-08 Budget are three projects related to the Ranchero Road Corridor with the largest being the Ranchero Road Interchange project. The three projects are as follows:

• Ranchero Road Undercrossing	$ 8,200,000
• Ranchero Road I-15 Interchange Project Approval and Environmental Document	10,164,625
• Ranchero Road Improvement – 7th Avenue to Mariposa Road	500,000
	$18,864,625

- Two Major New Streets Projects – 2 Projects $2,750,000 – Included in the 2007-08 Budget are two major streets improvement projects as follows:

• Juniper/Smoketree/8th Avenue Project	$ 1,500,000
• Industrial Park Lead Track Project	1,250,000
	$ 2,750,000

- Thirteen Other Streets Projects – 13 Projects $12,640,500 – Included in the 2007-08 Budget are 13 other new and continuing streets projects. These projects include traffic signal and paving projects as well as aqueduct crossing and township improvements.

• Widen Seventh Avenue – Main Street to Willow Street	$ 4,360,000
• Township Improvements	3,500,000
• New Traffic Signal – Main Street and Rock Springs Road	1,130,000
• Main Street Corridor Design – 395 to 11th Avenue	750,000
• Main Street/Hesperia Interchange Feasibility Design	500,000
• 7th Avenue Roadway Improvements – Willow to Bear Valley Road	500,000
• Muscatel Street Overpass – Phase 1	470,000
• Bear Valley Road Widening – Mariposa Road to 600 Feet East	300,000
• Aqueduct Crossing Improvements – Widen Bridge at Main Street	300,000
• New Aqueduct Crossing – Bridge at Escondido Avenue	300,000
• Railroad Crossing Feasibility Study – Eucalyptus/Lemon/Mojave	250,000
• Traffic Signal Upgrade – Main Street and Third Avenue	214,000
• Intersection at Main and C Avenue	66,500
	$ 12,640,500

Storm Drainage C I P Projects - 4 Projects $10,800,000 – Included in the 2007-08 Budget are four drainage projects, two major construction projects and two design projects as follows:

• H-01 Drainage Facility – (Section 2) Main Street to Smoke Tree Street	$ 5,100,000
• A-04 Drainage Facility – Mojave Street to Mesa Avenue	4,600,000
• H-01 Drainage Facility – (Section 1) Maple Avenue to Main Street	750,000
• H-01 Drainage Facility – (Section 3) 4th Avenue to the Railroad Tracks	350,000
	$10,800,000

Facilities C I P Projects - 7 Projects $18,464,000 – The following seven projects totaling $18,464,000 will be continued or initiated in Fiscal Year 2007-08 as follows:

• Fire Station – 305	$ 6,700,000
• Fire Station – 301	3,600,000
• New Police Station	2,600,000
• Fire Station – 302	1,500,000
• Fire Station – 304 Expansion	950,000
• Fire Station Site Study and Design	899,000
• Downtown Park	2,215,000
	$18,464,000

Water C I P Projects - 13 Projects $18,154,700

- FY 2007-08 Pipeline Replacement Program - $200,000 is included in the 2007-08 budget to prepare the annual pipeline replacement design, which will ultimately be installed by the Pipeline Replacement Crew, and $6,269,170 has been budgeted as a carryover for the FY 2005-06 and FY 2006-07 waterline replacement programs.

- Two 2007-08 New Water Infrastructure Projects - $512,000 is included for the following new projects:

• Water System Velocity Improvements Arrowhead/Tank 18/Maple	$ 412,000
• Recoat and Repaint Reservoir Plant 30	100,000
	$ 512,000

- Eight Other Projects Continued in the 2007-08 Budget - 8 water projects for $11,173,000 will be continued in Fiscal Year 2007-08 as follows:

• Mojave Corporation Yard Expansion	$ 4,000,000
• Plant 19 Reservoir Improvements	3,273,000
• Property Acquisition for Reservoir Expansion Sites 19A & 21	1,100,000
• Interstate 15 Corridor – New Water System Design	1,000,000
• Waterline Replacement – Juniper Street and Chestnut Street	1,000,000
• Equip Well No's 29, 31, and 32	400,000
• Zone J Separation Project Phase 2	100,000
• New Construction – Plant 22 Well A	300,000
	$11,173,000

Sewer C I P Projects - 3 Projects $900,000

The following three Sewer C I P projects totaling $900,000 will be continued or initiated in Fiscal Year 2007-08 as follows:

• Sub-regional Wastewater Reclamation Plant Design	$ 450,000
• Escondido Bypass Lane	350,000
• Santa Fe Improvements – Sewer Upgrade Phase 1	100,000
	$ 900,000

C I P EXPENDITURES BY PROJECT

Project Number	Project Title	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
New Streets Projects in FY 2007-08						
7104	Railroad Crossing Feasibility Study Eucalyptus/Lemon/Mojave	0	0	0	0	$ 250,000
7105	Main Street Corridor Design (395 to 11th Avenue)	0	0	0	0	750,000
7106	Main Street/Hesperia Interchange Feasibility Design	0	0	0	0	500,000
7103	2007-08 Street Improvement Project	0	0	0	0	20,920,267
7107	Juniper/Smoketree/8th Avenue Project (Park)	0	0	0	0	1,500,000
7108	Industrial Park Lead Track Project -Design, ROW Acquisition, Construction	0	0	0	0	1,250,000
7110	Bear Valley Road Widening - Mariposa Road to 600 feet east	0	0	0	0	300,000
	Sub-Total New 2007-08 Streets C I P Projects	$ 0	$ 0	$ 0	$ 0	$ 25,470,267
Streets CIP Projects Continued in FY 2007-08						
7046	Ranchero Road Undercrossing -Design, Right-of-Way, Construction	$ 36,400	$ 146,410	$ 7,438,585	$ 180,000	$ 8,200,000
7085	Widen Seventh Avenue – Main Street to Willow Street	0	59,095	4,403,000	106,200	4,360,000
7086	Ranchero Road I-15 Interchange Project Approval and Environmental Document -Design, Right-of-Way, Construction	0	2,845	830,000	375,304	10,164,625
7089	2006-07 Street Improvement Project	0		9,411,360	9,867,361	1,512,465
7093	Intersection at Main Street and C Avenue - Design, Right-of-Way Acquisition	0		100,000	5,000	66,500
7094	Ranchero Road Improvements – 7th Avenue to Mariposa Road, Phase 1 – Engineering & Right-of-Way Identification	0	0	100,000	0	500,000
7095	7th Avenue Roadway Improvements – Willow to Bear Valley Road – Design & Right-of-Way Identification	0	0	300,000	0	500,000
7096	Aqueduct Crossing Improvements – Widen Bridge at Main Street – Design and Right-of-Way Acquisition	0	0	300,000	0	300,000
7097	New Aqueduct Crossing – Bridge at Escondido Avenue – Design	0	0	300,000	0	300,000
7098	Muscatel Street Overpass, Phase 1 – Project Study Report/Project Development Study (PSR/PDS)	0	0	150,000	15,000	470,000
7100	New Traffic Signal – Main Street & Rock Springs Road - Construction, Design	0	0	750,000	5,000	1,130,000
7101	Traffic Signal Upgrade - Main Street and Third Avenue	0	0	150,000	2,000	214,000
7102	Township Improvements and Redevelopment - Construction (Spruce/Smoketree)	0	0	3,809,278	50,000	3,500,000
	Sub-Total Streets C I P Projects Continued in FY 2007-08	$ 36,400	$ 208,350	$ 28,042,223	$ 10,605,865	$ 31,217,590

C I P EXPENDITURES BY PROJECT

Project Number	Project Title	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Streets C I P Projects Completed in FY 2006-07						
7056	Paving Mesquite - Maple to Escondido	0	0	$ 355,480	$ 355,480	0
7081	Ranchero Road I-15 Interchange Project Study Report (PSR)	$ 75,009	$ 73,051	25,000	25,000	0
7080	Highway 395 Study and Design (SANBAG Project)	93,750	0	0	225,000	0
7099	Joshua Street Off-Ramp – Interstate 15 Northbound Lane, Phase 1 – Project Study Report/Project Development Study (PSR/PDS)	0	0	100,000	0	0
	Sub-Total Streets C I P Projects Completed in FY 2006-07	$ 168,759	$ 73,051	$ 480,480	$ 605,480	$ 0
Streets Projects Completed in FY 2005-06						
7084	2005-06 Street Improvement Project	0	$ 6,221,264	0	0	0
	Sub-Total Streets Projects Completed in 2005-06	0	$ 6,221,264	0	0	0
Streets Projects Completed in FY 2004-05						
7008	Main Street & I-15 Interchange	$ 32,349	0	0	0	0
7066	Bear Valley Road Enhancements	35,629	0	0	0	0
7076	2004-05 Street Improvement Project	3,166,412	0	0	0	0
7077	Summit Valley Road Paving (County Project)	98,708	0	0	0	0
7078	Summit Valley Road-City Limits to Laurel Lane	350,000	0	0	0	0
7079	Re-stripe Main Street-3rd to “C” Avenue	150,000	0	0	0	0
	Sub-Total Streets Projects Completed in 2004-05	$ 3,833,098	$ 0	$ 0	$ 0	$ 0
Total Summary Streets C I P Projects		$ 4,038,257	$ 6,502,665	$ 28,522,703	$ 11,211,345	$ 56,687,857
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	$ 250,000	0	$ 750,000
7091	H-01 Drainage Facility – Section 3 (4th Avenue to the Railroad Tracks) – Design and Right-of-Way Acquisition	0	0	100,000	0	350,000
7092	A-04 Drainage Facility – Mojave Street to Mesa Avenue - Construction	0	0	3,300,000	750,000	4,600,000
7087	H-01 Drainage Facility – (Section 2) Main Street to Smoke Tree Street	0	$ 77,305	5,200,000	$ 383,000	5,100,000
7088	Drainage Repairs G and 1st Street	0	326,658	0	0	0
Total Storm Drainage C I P Projects		$ 0	$ 403,963	$ 8,850,000	$ 1,133,000	$ 10,800,000

C I P EXPENDITURES BY PROJECT

Project Number	Project Title	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Facilities Projects						
6516	New Police Station - Property Identification, Acquisition, Design and	0	0	$ 1,000,000	0	$ 2,600,000
6517	Fire Station 301 Construction/Property	0	0	0	$ 150,000	3,600,000
6518	Fire Station 305 Construction	0	0	0	0	6,700,000
6519	Fire Station 302 - Property Acquisition, Design,	0	0	0	0	1,500,000
6521	Fire Station 304 Expansion Project	0	0	0	0	950,000
6510	Hesperia Branch Library	$ 618,065	$ 5,497,649	3,439,709	2,523,300	0
6511	Hesperia Civic Plaza	1,242,014	13,065,246	9,196,897	7,939,680	0
6514	Fire Station Site Study and Design	0	119,250	1,800,000	128,000	899,000
6515	Downtown Park - Northwest Corner of Juniper Street and 8th Avenue - Design and Construction	0	23,041	2,135,000	20,000	2,215,000
Total Facilities Projects		$ 1,860,079	$ 18,705,186	$ 17,571,606	$ 10,760,980	$ 18,464,000
New Water C I P Projects in FY 2007-08						
8081	Recoat and Repaint Reservoir Plant 30	0	0	0	0	$ 100,000
8080	Annual Pipeline Design Project (50,000 Ft)	0	0	0	0	200,000
8082	Water System Velocity Improvements Arrowhead/Tank 18/Maple	0	0	0	0	412,000
	Sub-Total New 2007-08 Water C I P Projects	$ 0	$ 0	$ 0	$ 0	$ 712,000
Water C I P Projects Continued in FY 2007-08						
8074	FY 2006-07 Pipeline Replacement	0	0	$ 6,000,000	$ 258,000	$ 6,030,170
8075	Waterline Replacement –Juniper Street & Chestnut Street, Design & Construction (between 7th Avenue & 3rd Avenue)	0	0	680,000	21	1,000,000
8077	Interstate 15 Corridor – New Water System Design	0	0	1,000,000	0	1,000,000
8078	Property Acquisition for Reservoir Expansion @ Sites 19A & 21, New Reservoir to Serve Freeway Corridor	0	0	1,000,000	376,102	1,100,000
8079	New Construction Plant 22 Well A	0	0	0	250,000	300,000
8070	FY 2005-06 Pipeline Replacement	0	$ 1,610,231	6,038,997	5,800,000	239,000
8071	Equip Well No's 29, 31 and 32	0	140,872	1,750,000	2,700,000	400,000
8073	Plant 19 Reservoir Improvements - Design, Tank Construction (2 Tanks)	0	0	3,000,000	45,550	3,273,000
8061	Zone J Separation Project Phase 2	$ 24,075	429,856	150,000	0	100,000
6506	Mojave Corporation Yard Expansion	21,213	105,086	2,000,000	100,000	4,000,000
	Sub -Total Water C I P Projects Continued in FY2007-08	$ 45,288	$ 2,286,045	$ 21,618,997	$ 9,529,673	$ 17,442,170
Water C I P Projects Completed in FY 2006-07						
8076	Four New Well Sites - Property	$ 0	$ 0	1,000,000	187,000	0
	Sub-Total Water C I P Projects Completed in FY 2006-07	$ 0	$ 0	$ 1,000,000	$ 187,000	$ 0

C I P EXPENDITURES BY PROJECT

Project Number	Project Title	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Water C I P Projects Completed in FY 2005-06						
8063	Two New 5.0 MG Reservoirs	$ 5,298	$ 3,609,030	0	0	0
8065	Construction of Wells	954,420	434,282	0	0	0
8066	FY 2004-05 Pipeline Replacement	860,937	2,464,465	0	0	0
8067	Equip Well 19A	12,171	275,199	0	0	0
	Sub-Total Water C I P Projects Completed in FY 2005-06	$ 1,832,826	$ 6,782,976	$ 0	$ 0	$ 0
Water C I P Projects Completed in FY 2004-05						
8048	Mariposa Road Pipeline Project	$ 275,000	0	0	0	0
8055	Building Enclosures at Wells 14A and 18	96,430	0	0	0	0
8057	2003-04 Pipeline Replacement Program	723,849	0	0	0	0
8062	Farmdale Avenue Pipeline Project	97,056	0	0	0	0
8064	Design of Well Equipment for Well 24	178,374	0	0	0	0
8068	Repaint and Recoat Reservoirs 18 & 21	530,665	0	0	0	0
8069	Ranchero Road Transmission Pipeline	500,000	0	0	0	0
	Sub-Total Water C I P Projects Completed In FY 2004-05	$ 2,401,374	$ 0	$ 0	$ 0	$ 0
Total Water C I P Projects (Note #1)		$ 4,279,488	$ 9,069,021	$ 22,618,997	$ 9,716,673	$ 18,154,170
Sewer C I P Projects						
9007	Sub-regional Wastewater Reclamation Plant Design and Environmental	0	0	$ 200,000	$ 0	$ 450,000
9009	Santa Fe Improvements - Sewer Upgrade Phase I	0	0	100,000	0	100,000
9010	Escondido Bypass Lane - Design, Construction	0	0	0	0	350,000
Total Sewer C I P Projects (Note #2)		$ 0	$ 0	$ 300,000	$ 0	$ 900,000
Total Summary Streets C I P Projects		$ 4,038,257	$ 6,502,665	$ 28,522,703	$ 11,211,345	$ 56,687,857
Total Storm Drainage C I P Projects		$ 0	$ 403,963	$ 8,850,000	$ 1,133,000	$ 10,800,000
Total Facilities Projects		$ 1,860,079	$ 18,705,186	$ 17,571,606	$ 10,760,980	$ 18,464,000
Total Water C I P Projects (Note #1)		$ 4,279,488	$ 9,069,021	$ 22,618,997	$ 9,716,673	$ 18,154,170
Total Sewer C I P Projects (Note #2)		$ 0	$ 0	$ 300,000	$ 0	$ 900,000
Grand Total		$ 10,177,824	$ 34,680,835	$ 77,863,306	$ 32,821,998	$ 105,006,027

Note #1 - In addition to water C I P projects, water funds are used to partially fund streets and storm drainage projects and the water funding is shown with those specific projects, not in this section.

Note #2 - In additon to Sewer C I P projects, sewer funds are used to partially fund the Township Improvement Project (within the Street Projects category) and the Sewer funding is shown with that specific project, not in this section.

Project Number	Project Title	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
100 General Fund						
6515	Downtown Park - Northwest Corner of Juniper Street and 8th Avenue	0	0	$ 250,000	0	250,000
7076	2004-05 Street Improvement Project	$ 254,214	0	0	0	0
7084	2005-06 Street Improvement Project	0	$ 2,497,822	0	0	0
7088	Drainage Repairs G & 1st Street	0	326,658	0	0	0
7089	2006-07 Street Improvement Project	0	0	408,137	707,348	178,078
7107	Juniper/Smoke Tree	0	0	0	0	200,000
	Total General Fund 100	$ 254,214	$ 2,824,480	$ 658,137	$ 707,348	$ 628,078
201 Measure I – Arterial Fund						
7076	2004-05 Street Improvement Project	$ 718,571	0	0	0	0
7080	Highway 395 Study and Design	93,750	0	0	225,000	0
7084	2005-06 Street Improvement Project	0	164,286	0	0	0
7085	Widen Seventh Avenue - Main St. to Willow St.	0	59,095	$ 1,550,000	106,200	1,443,800
7087	H-01 Drainage Facility - Main Street to Smoke Tree Street	0	0	350,000	0	350,000
7089	2006-07 Street Improvement Project	0	0	1,982,760	1,229,403	322,796
7093	Intersection at Main Street and C Avenue - Design	0	0	100,000	5,000	66,500
7100	New Traffic Signal - Main Street and Rock Springs Road	0	0	250,000	0	250,000
7101	Traffic Signal Upgrade - Main Street and Third Avenue	0	0	150,000	2,000	214,000
7103	2007-08 Street Improvement Project	0	0	0	0	2,647,340
	Total Measure I – Arterial Fund 201	$ 812,321	$ 223,381	$ 4,382,760	$ 1,567,603	$ 5,294,436
202 Measure I – Local Fund						
7076	2004-05 Street Improvement Project	$ 400,000	0	0	0	0
7084	2005-06 Street Improvement Project	0	$ 940,463	0	0	0
7089	2006-07 Street Improvement Project	0	0	$ 919,969	919,969	0
7103	2007-08 Street Improvement Project	0	0	0	0	1,651,812
	Total Measure I – Local Fund 202	$ 400,000	$ 940,463	$ 919,969	$ 919,969	$ 1,651,812
205 Gas Tax Fund						
7079	Re-stripe Main Street –3rd - "C" Avenue	$ 150,000	0	0	0	0
7087	H-01 Drainage Facility - Main Street to Smoke Tree Street	0	0	350,000	0	500,000
7103	2007-08 Street Improvement Project	0	0	0	0	68,655
	Total Gas Tax Fund 205	$ 150,000	$ 0	$ 350,000	$ 0	$ 568,655
207 Local Transportation Fund						
7084	2005-06 Street Improvement Project	0	$ 374,630	0	0	0
7103	2007-08 Street Improvement Project	0	0	0	0	60,000
	Total Local Transportation Fund 207	$ 0	$ 374,630	$ 0	$ 0	$ 60,000
250 Traffic Congestion Relief Fund						
7076	2004-05 Street Improvement Project	$ 46,630	0	0	0	0
7084	2005-06 Street Improvement Project	0	$ 317,581	0	0	0
7103	2007-08 Street Improvement Project	0	0	0	0	20,000
	Total Traffic Congestion Relief Fund 250	$ 46,630	$ 317,581	$ 0	$ 0	$ 20,000

Project Number	Project Title	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300 Development Impact Fee (DIF)-Streets Fund						
7046	Ranchero Road Undercrossing	$ 36,400	$ 146,410	$ 1,500,000	$ 116,764	0
7056	Paving Mesquite - Maple to Escondido	0	0	355,480	355,480	0
7077	Summit Valley Road Paving/County Project	98,708	0	0	0	0
7078	Summit Valley Road-City Limits to Laurel Lane	150,000	0	0	0	0
7081	Ranchero Road I-15 Interchange Project Study Report (PSR)	75,009	73,051	25,000	25,000	0
7085	Widen Seventh Avenue - Main St. to Willow St.	0	0	1,200,000	0	0
7086	Ranchero Road I-15 Interchange Project Approval and Environmental Document	0	2,845	830,000	375,304	$ 10,164,625
7092	A-04 Drainage Facility – Mojave Street to Mesa Avenue - Construction	0	0	350,000	0	0
7094	Ranchero Road Improvements - 7th Avenue to Mariposa Road - Phase 1	0	0	100,000	0	500,000
7095	7th Avenue Roadway Improvements - Willow to Bear Valley Road - Design and Right-of-Way Acquisition	0	0	300,000	0	500,000
7096	Aqueduct Crossing Improvements - Widen Bridge at Main Street - Design and Right-of-Way Acquisition	0	0	300,000	0	0
7097	New Aqueduct Crossing - Bridge at Escondido Avenue - Design	0	0	300,000	0	0
7098	Muscatel Street Overpass - Phase 1 Project Study Report/Project Development Study (PSR/PDS)	0	0	150,000	15,000	470,000
7099	Joshua Street Off-ramp - Interstate 15 Northbound Lane - Phase 1	0	0	100,000	0	0
7100	New Traffic Signal - Main Street and Rock Springs Road	0	0	500,000	5,000	880,000
7104	Railroad Crossing Feasibility Study Eucalyptus/Lemon/Mojave	0	0	0	0	250,000
7105	Main Street Corridor Design (395 to 11th Avenue)	0	0	0	0	750,000
7106	Main Street/Hesperia Interchange Feasibility Design	0	0	0	0	500,000
7110	Bear Valley Road Widening - Mariposa Road to 600 feet east	0	0	0	0	300,000
	Total DIF Fund–Streets 300	$ 360,117	$ 222,306	$ 6,010,480	$ 892,548	$ 14,314,625

Project Number	Project Title	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
301 Development Impact Fee (DIF)-Storm Drainage						
7087	H-01 Drainage Facility - Main Street to Smoke Tree Street	0	$ 77,305	$ 2,600,000	0	0
7085	Widen Seventh Avenue - Main St. to Willow St.	0	0	1,128,000	0	1,128,000
7090	H-01 Drainage Facility - Section 1(Maple Avenue to Main Street) Phase 1	0	0	250,000	0	750,000
7091	H-01 Drainage Facility - Section 3 (4th Avenue to Railroad Tracks) Phase 1	0	0	100,000	0	350,000
7092	A-04 Drainage Facility - Mojave Street to Mesa Avenue - Construction	0	0	1,650,000	0	0
	Total DIF-Storm Drainage Fund 301	$ 0	$ 77,305	$ 5,728,000	$ 0	$ 2,228,000
302 Development Impact Fee (DIF) - Fire						
6514	Fire Station Site Study and Design	0	0	0	$ 36,667	$ 247,000
6517	Fire Station 301 Construction/Property	0	0	0	50,000	1,200,000
6518	Fire Station 305 Construction	0	0	0	0	2,233,333
	Total DIF-Fire Fund 302	0	0	0	86,667	3,680,333
502 Fire Station Building Fund						
6514	Fire Station Site Study and Design	0	0	0	$ 73,000	$ 528,500
	Total Fire Building Fund 502	0	0	0	73,000	528,500
505 Hesperia Civic Plaza Fund						
6511	Hesperia Civic Plaza Fund	$ 1,242,014	$ 13,065,246	$ 9,196,897	$ 7,939,680	$ 0
	Total Hesperia Civic Plaza Fund 505	$ 1,242,014	$ 13,065,246	$ 9,196,897	$ 7,939,680	$ 0
586 Redevelopment Capital - Project Area No. 1						
6514	Fire Station Site Study and Design	0	$ 107,361	$ 1,800,000	$ 18,333	$ 123,500
6515	Downtown Park - Northwest Corner of Juniper Street and 8th Avenue	0	23,041	1,885,000	20,000	1,965,000
6516	New Police Station - Property Identification, Acquisition, Design and Construction	0	0	1,000,000	0	2,600,000
6517	Fire Station 301 Construction/Property	0	0	0	$ 100,000	2,400,000
6518	Fire Station 305 Construction	0	0	0	0	4,466,667
6519	Fire Station 302 - Property Acquisition, Design, Construction	0	0	0	0	1,500,000
6521	Fire Station 304 Expansion Project	0	0	0	0	950,000
7046	Ranchero Road Undercrossing	0	0	0	0	2,324,651
7084	2005-06 Street Improvement Project	0	845,603	0	0	0
7085	Widen Seventh Avenue - Main St. to Willow St.	0	0	0	0	1,188,200
7087	H-01 Drainage Facility – (Section 2) Main Street to 4th Avenue	0	0	1,900,000	383,000	4,250,000
7089	2006-07 Street Improvement Project	0	0	3,846,199	4,682,695	558,005
7092	A-04 Drainage Facility – Mojave Street to Mesa Avenue - Construction	0	0	1,300,000	750,000	4,600,000
7096	Aqueduct Crossing Improvements - Widen Bridge at Main Street - Design and Right-of-Way Acquisition	0	0	0	0	300,000
7097	New Aqueduct Crossing - Bridge at Escondido Avenue - Design	0	0	0	0	300,000

Project Number	Project Title	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
586 Redevelopment Capital - Project Area No. 1 (Continued)						
7102	Township Improvements and Redevelopment	0	0	1,591,962	50,000	3,500,000
7103	2007-08 Street Improvement Project	0	0	0	0	12,015,944
7107	Juniper/Smoke Tree	0	0	0	0	1,300,000
7108	Industrial Park Lead Track Project -Design, ROW Acquisition, Construction	0	0	0	0	1,250,000
	Total Redevelopment Capital - Project Area No. 1 586	$ 0	$ 976,005	$ 13,323,161	$ 6,004,028	$ 45,591,967
587 Redevelopment Capital - Project Area No. 2						
6514	Fire Station Site Study and Design	0	$ 11,889	0	0	0
7084	2005-06 Street Improvement Project	0	93,643	0	0	0
7089	2006-07 Street Improvement Project	0	0	$ 306,409	$ 380,060	$ 101,852
7103	2007-08 Street Improvement Project	0	0	0	0	502,687
	Total Redevelopment Capital - Project Area No. 2 587	$ 0	$ 105,532	$ 306,409	$ 380,060	$ 604,539
596 Measure I C I P Fund						
7008	Main Street and I-15 Interchange	$ 32,349	0	0	0	0
7066	Bear Valley Road Enhancement	35,629	0	0	0	0
7076	2004-05 Street Improvement Project	933,305	0	0	0	0
7078	Summit Valley Road-City Limits to Laurel Lane	200,000	0	0	0	0
	Total Measure I C I P Fund 596	$ 1,201,283	0	0	0	0
600 Ranchero Road Undercrossing Fund						
7046	Ranchero Road Undercrossing	0	0	$ 5,938,585	63,236	5,875,349
	Total Ranchero Road Undercrossing Fund 600	$ 0	$ 0	$ 5,938,585	$ 63,236	$ 5,875,349
601 Hesperia Branch Library Fund						
6510	Hesperia Branch Library Fund	$ 618,065	$ 5,497,649	$ 3,439,709	$ 2,523,300	$ 0
	Total Hesperia Branch Library Fund 601	$ 618,065	$ 5,497,649	$ 3,439,709	$ 2,523,300	$ 0
701 Water Capital Fund						
7076	2004-05 Street Improvement Project	$ 813,692	0	0	0	0
7084	2005-06 Street Improvement Project	0	$ 987,236	0	0	0
7085	Widen Seventh Avenue - Main St. to Willow	0	0	$ 525,000	0	$ 600,000
7089	2006-07 Street Improvement Project	0	0	1,947,886	$ 1,947,886	351,734
7102	Township Improvements and	0	0	788,396	0	0
7103	2007-08 Street Improvement Project	0	0	0	0	3,953,829
	Total Water Capital Fund 701	$ 813,692	$ 987,236	$ 3,261,282	$ 1,947,886	$ 4,905,563
701	Water C I P Projects (See Water C I P for Project Detail)	$ 4,279,488	$ 9,069,021	$ 22,618,997	$ 9,716,673	$ 18,154,170
	Total Water Capital Fund 701*	$ 5,093,180	$ 10,056,257	$ 25,880,279	$ 11,664,559	$ 23,059,733

Project Number	Project Title	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
711 Sewer Capital Fund						
711	Sewer C I P Projects	0	0	$ 300,000	0	$ 900,000
7102	Township Improvements and Redevelopment	0	0	1,428,920	0	0
	Total Sewer Capital Fund 711*	$ 0	$ 0	$ 1,728,920	$ 0	$ 900,000
	TOTAL ALL C I P FUNDS	$ 10,177,824	$ 34,680,835	$ 77,863,306	$ 32,821,998	$ 105,006,027

*Note: A difference exists between the total Water CIP and Sewer CIP expenditures shown in section D of this document. These differences are for expenditures of the respective funds that are not attributable to a specific project.

Streets and Storm Drain Related						
100	General Fund	$ 254,214	$ 2,824,480	$ 408,137	$ 707,348	$ 378,078
201	Measure I – Arterial Fund	812,321	223,381	4,382,760	1,567,603	5,294,436
202	Measure I – Local Fund	400,000	940,463	919,969	919,969	1,651,812
205	Gas Tax Fund	150,000	0	350,000	0	568,655
207	Local Transportation Fund	0	374,630	0	0	60,000
250	Traffic Congestion Relief Fund	46,630	317,581	0	0	20,000
300	Development Impact Fee-Streets Fund	360,117	222,306	6,010,480	892,548	14,314,625
301	Development Impact Fee-Storm Drainage	0	77,305	5,728,000	0	2,228,000
586	Redevelopment Capital - P/A #1	0	845,603	8,638,161	5,865,695	31,586,800
587	Redevelopment Capital - P/A #2	0	93,643	306,409	380,060	604,539
596	Measure I C I P Fund	1,201,283	0	0	0	0
600	Ranchero Road Undercrossing Fund	0	0	5,938,585	63,236	5,875,349
701	Water Capital Fund	813,692	987,236	3,261,282	1,947,886	4,905,563
711	Sewer Capital Fund	0	0	1,428,920	0	0
	Total Streets and Storm Drain Related	$ 4,038,257	$ 6,906,628	$ 37,372,703	$ 12,344,345	$ 67,487,857
Facilities Related						
100	General Fund	$ 0	$ 0	$ 250,000	$ 0	$ 250,000
302	Development Impact Fee - Fire	0	0	0	86,667	3,680,333
502	Fire Building Fund	0	0	0	73,000	528,500
505	Hesperia Civic Plaza Fund	1,242,014	13,065,246	9,196,897	7,939,680	0
586	Redevelopment Capital Projects	0	130,402	4,685,000	138,333	$ 14,005,167
587	Redevelopment Capital - P/A #2	0	11,889	0	0	0
601	Hesperia Branch Library Fund	$ 618,065	$ 5,497,649	$ 3,439,709	$ 2,523,300	0
	Total City Facilities Related	$ 1,860,079	$ 18,705,186	$ 17,571,606	$ 10,760,980	$ 18,464,000
Water and Sewer Related						
701	Water Capital Fund *	$ 4,279,488	$ 9,069,021	$ 22,618,997	$ 9,716,673	$ 18,154,170
711	Sewer Capital Fund	0	0	300,000	0	900,000
	Total Water and Sewer Related *	4,279,488	9,069,021	22,918,997	9,716,673	19,054,170
	Total City Capital Improvement Program (C I P)	$ 10,177,824	$ 34,680,835	$ 77,863,306	$ 32,821,998	$ 105,006,027

*Note: For purposes of the C I P section, the $4,905,563 of street projects, which are budgeted in water funds, the $378,078 budgeted in the General Fund, and the $32,191,339 budgeted in the RDA Capital Project funds will be shown in the streets related category and not in the Water related, Sewer related or City Facility related categories, so the expenditures are not double counted.

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Project Title: 2006-07 Street Improvement Project

Project Number: 7089

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project will involve the reconstruction and repair of approximately 38 miles of roadway, asphalt overlay of approximately 18 miles of roadway, and crack seal and slurry seal of approximately 11 miles of roadway. Many of the streets included in this year's program have exceeded their useful lives and require regular maintenance. The project includes remedial repair to streets that were constructed 5-10 years ago in order to extend their useful life. The reconstruction and overlay work will take place on 75 separate roadways throughout the City. Slurry seal work will take place on 8 roads. City staff presents a list of roadways as possible candidates for improvement to the City Council Advisory Committee (CCAC) for review, which then forwards a final list of recommended roadways to the City Council for approval. The City Council will continue to allocate additional funding towards a more aggressive overlay program similar to last fiscal year, and roads will be added to the original list as indicated on the 5 Year Road Paving Map. The CCAC recommended that the overlay paving should be concentrated within City blocks as opposed to being spread throughout the City.

Existing Situation:

Many of the streets included in this year's program have exceeded their useful lives and require regular maintenance. The project includes remedial repair to streets that were constructed five to ten years ago in order to extend their useful life.

Project Schedule for 2007-08 Budget:

The project will carry over into the 2007-08 Budget year. When completed, the total project cost will be $11.38 million.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
100-700-7089 Contractual	0	0	$408,137	$707,348	$178,078
201-700-7089 Contractual	0	0	1,982,760	1,229,403	322,796
202-700-7089 Contractual	0	0	919,969	919,969	0
586-700-7089 Contractual	0	0	3,846,199	4,682,695	558,005
587-700-7089 Contractual	0	0	306,409	380,060	101,852
701-800-7089 Contractual	0	0	1,947,886	1,947,886	351,734
Total Expenditures	0	0	$9,411,360	$9,867,361	$1,512,465
Source of Funds					
100 General Fund	0	0	$408,137	$707,348	$178,078
201 Measure I - Arterial Fund	0	0	1,982,760	1,229,403	322,796
202 Measure I - Local Fund	0	0	919,969	919,969	0
586 Redevelopment Capital P/A #1	0	0	3,846,199	4,682,695	558,005
587 Redevelopment Capital P/A #2	0	0	306,409	380,060	101,852
701 Water Capital	0	0	1,947,886	1,947,886	351,734
Total Source of Funds	0	0	$9,411,360	$9,867,361	$1,512,465

Project Funding Narrative:

The 2006-07 Street Improvement Project is funded from multiple funding sources as identified above.

Project Impact on Operating Budget:

The project will result in a decrease to operation expenses due to reduction of street repairs needed. See attached listing of streets to be paved.

FY 2006/2007 - Street Improvements

Street	Limits	Lineal Feet		Square Foot
Remove and Repair - with Water Lines				
Sycamore Street	"I" Avenue to Peach	1,950		46,800
Alder Street	"I" Avenue to Peach	1,960		47,040
Tecate Avenue	Willow through Cul-de-sac	1,970		47,280
Carmel Street	Benecia to Glendale	2,790		66,960
San Pablo Avenue	Benecia to Willow	1,660		39,840
Yucca Street	Timberlane to Pecan	2,470		59,280
Quincey Avenue	Yucca to Live oak	1,300		31,200
Madrone Street	Shefield to Glendale	3,260		78,240
Shefield Street	Rock Springs Road to Devon	3,560		85,440
Guava Avenue	Orange to Walnut	1,165		27,960
Pecan Avenue	Orange to Walnut	1,202		28,848
Sabina Avenue	Orange to Walnut	1,211		29,064
Sumac Avenue	Orange to Walnut	1,205		28,920
Tangerine Avenue	Orange to Walnut	1,190		28,560
Madrone Street	Tangerine to Peach	700		16,800
Lilford Avenue	Walnut to Orange	1,125		27,000
Lilford Court	Orange to end Cul-de-Sac	310		7,440
Madrone Street	Lilford to Lassen	880		21,120
Lassen Street	Walnut to Centennial	1,410		33,840
Orange Street	Buckthorn to Lassen	4,795		115,080
Centennial Street	Peach to Arrowhead Lake Road	2,430		68,040
Manzanita Avenue	Balsam to Bornite	10,060		241,440
Birch Street	Third to First	2,350		56,400
Eucalyptus Street	Third to First	1,980		67,320
Los Palmas Street	Third to First	1,860		44,640
Verrano Street	Third to First	1,740		41,760
Verde Street	Third to First	1,330		31,920
Second Avenue	Deodar to Birch	1,380		33,120
Third Avenue	Lemon to Sequoia	8,810		255,490
Fourth Avenue	Manzanita to Sequoia	1,330		31,920
Fifth Avenue	Manzanita to Sequoia	1,330		31,920
Sixth Avenue	Manzanita to Sequoia	1,330		31,920
Seventh Avenue*	Mesa to Sequoia	7,470		253,980
Eighth Avenue	Manzanita to Sequoia	1,350		32,400
Tenth Avenue	Manzanita to Sequoia	1,340		32,160
Eleventh Avenue*	Sycamore to Bear Valley	2,640		73,920
Hickory Road	Manzanita to Sequoia	1,325		31,800
Cypress Street	Manzanita to Sequoia	1,345		32,280
Pinon Avenue	Manzanita to Sequoia	1,330		31,920
Sequoia Street	Cypress to Ninth	2,680		75,040
Sequoia Street	Seventh to Calcite	3,330		93,240
Live Oak Street	Choicena to Glendale	3760		90240
Carrissa Avenue	Hercules to Willow	3580		85920
Grapefruit Avenue	Live Oak to Pine	1200		28800
Cajon Street	Timberlane to Buckthorne	1180		28320
Chestnut Street	Timberlane to Juniper	1000		24000
Subtotal		105,573		2,716,622

*Indicates City Arterial Roadway

FY 2006/2007 - Street Improvements (Continued)

Street	Limits	Lineal Feet		Square Foot
Remove and Repair - without Water Lines				
Alder Street	Peach to Orchid	3460		83,040
Live Oak Street	"I" Avenue. to Choiceana	9780		234,720
Yucca Street	Pecan to Live Oak	7370		176,880
Glendale Avenue	Centennial to Live Oak	1,800		43,200
Lemert Street	Valencia to Choiceana	1,260		30,240
Wisteria Street	Cactus to Covina	5,700		136,800
Wisteria Court	South of Wisteria	440		10,560
Covina Street	Orchid through Covina Court	3,580		85,920
Valencia Street	Choiceana to Cul-de-sac	1,280		30,720
Valencia Court	South of Valencia	1,070		25,680
Valencia Street	Peach to Orchid	2,000		48,000
Talisman Street	Peach to Orchid	2,780		66,720
Eucalyptus Street*	Peach to Orchid	3,580		85,920
Deodar Street	"I" Avenue. to Orchid	5,390		129,360
Devon Avenue	Madrone to Centennial	770		18,480
Eucalyptus Street*	Seventh to Third	2,600		88,400
Eucalyptus Street*	First to Hesperia Road	2,130		72,420
Second Avenue	Eucalyptus to Deodar	580		13,920
Second Avenue	Birch to Manzanita	1,290		30,960
Calcite Avenue	Manzanita to Sequoia	1,270		30,480
Ninth Avenue	Manzanita to Sequoia	1,270		30,480
Sequoia Street	Balsam to Cypress	1,340		37,520
Sequoia Street	Ninth to Seventh	1,260		35,280
Sequoia Street	Calcite to Hesperia Road	2,820		78,960
Mesa Street	Eleventh to Seventh	2,610		62,640
Mauna Loa (Dirt)	Eleventh to Seventh	2,830		67,920
Poplar Street (Dirt)	Cottonwood to Pinon	2,130		51,120
Pinon Street (Dirt)	Poplar to Sultana	850		20,400
Palm Street (Dirt)	Fifth to Sixth	750		18,000
Sixth Avenue (Dirt)	Palm to Cactus	2,320		55,680
Cactus Street (Dirt)	Seventh to Sixth	750		18,000
Second Avenue	Sequoia to Manzanita	1,295		31,080
Bornite	Sequoia to Manzanita	1,292		31,008
Jacaranda Avenue	Alder to Peach	4,465		151,810
Peach Avenue*	Main to Lemon	10,056		341,904
Subtotal		94,168		2,474,222
Overlay Process				
Orchid Street	Eucalyptus to Jacarada	4,940		118,560
Capri Street	"I" Avenue to Manzanita	3,100		74,400
Carob Street	Peach to Manzanita	1,370		32,880
Verano Street	Cactus to Peach	1,170		28,080
Balsam Ave	Main to Lilac	8,780		210,720
First Avenue	Lemon to Eucalyptus (with water)	4,225		101,400
Yucca	Maple to Cootonwood	2,412		57,888
Walnut	Maple to Redwood	2,100		50,400
Redwood	Yucca to Walnut	550		13,200
Oakwood	Main to Orange	1,300		31,200
Lincoln	Juniper to Live Oak	1,900		45,600
Cajon	Balsam to 11th	1,900		45,600
Hercules	Balsam to Cypress	1,100		26,400

*Indicates City Arterial Roadway

FY 2006/2007 - Street Improvements (Continued)

Street	Limits	Lineal Feet		Square Foot
Overlay Process (Continued)				
Cajon	Pyrite to Topaz	2,000		48,000
Chestnut	Pyrite to Topaz	2,000		48,000
Smoketree	Pyrite to Topaz	2,000		48,000
Spruce	Pyrite to Topaz	2,000		48,000
Sunset	Mariposa to Maple	1,800		43,200
Hemlock	Sycamore to Deodar	1,200		28,800
Deodar	Hemlock to Oakwood	710		17,040
Mojave	Cypress to 11th	1,100		26,400
Cashew	11th to 9th	1,425		34,200
Mesa	7th to 3rd	2,600		62,400
Hercules	7th to Hesperia	4,141		99,384
Cashew	5th to 3rd	1,300		31,200
5th	Willow to Sycamore	11,500		299,000
Kimball	Cottonwood to Redwood	1,193		28,632
Summit Valley	Ranchero to Airport	2,300		59,800
Sage	Sante Fe to E Avenue	1,500		36,000
Cactus	Sante Fe to E Avenue	1,500		36,000
Allthorn	Sante Fe to E Avenue	1,500		36,000
Mesquite	Sante Fe to E Avenue	1,500		36,000
Bodart	Sante Fe to E Avenue	1,500		36,000
Ash	Sante Fe to E Avenue	1500		36,000
Mission	Sante Fe to E Avenue	1500		36,000
Mission	Joshua to Alston	1700		40,800
Las Lunes	Jenkins to Paw Paw	500		12,000
Paw Paw	Las Lunes to Vista	650		15,600
Vista	Paw Paw to Dead End	1500		36,000
La Junta	Jenkins to El Cajon	1500		36,000
Cochise	Jenkins to Lyons	950		22,800
Middleton	Summit Valley to Dead End	1500		36,000
Verde	I Avenue to Timberlane	1700		40,800
*Seventh Avenue	Willow to Mesa	5,780		161,840
Subtotal		98,396		2,412,224
Crack Seal and Slurry				
"I" Avenue*	Main Street to Bear Valley	19,490		779,600
"I" Avenue*	Ranchero to Main Street	14,000		560,000
"E" Avenue*	Main Street to "I" Avenue	12,700		508,000
Pepper Avenue	Orchid to Alder	1,400		33,600
Lilac Street	Orchid to Choiceana	2,130		51,120
Manzanita Street	"I" Avenue to Peach	1,885		45,240
Verano Street	Peach to Choiceana	3,662		87,888
Cactus Avenue	Talisman to Lemon	2,352		56,448
Subtotal		57,619		2,121,896
Concrete Repair and Access Imps.(Citywide)				
Total		355,756		9,724,964
	Miles	67		
10% Surveying, Soils, and Contingency				
Grand Total				

*Indicates City Arterial Roadway

Project Title: Intersection at Main Street and C Avenue - Design

Project Number: 7093

Department/Program: Development Services – Streets CIP

Project Description and Location:

There is a four way signalized intersection at Main Street and C Avenue which has been performing at Level of Service (LOS) "F" for the last few years (the worst rating given to an intersection under Caltrans guidelines). Recent approval of several commercial projects along the C Avenue corridor will increase the traffic impact at this intersection. The existing development at three of the four corners of the intersection poses a tremendous challenge to widening the intersection to its ultimate configuration and adding the required lanes to mitigate the traffic through the intersection.

Prior work involved engaging a contract surveyor to determine the preliminary requirements for additional lanes and the associated right-of-way requirements. This project (CO 7093) involves preliminary design work, determination of exact right-of-way requirements, and a detailed cost analysis for the entire project. A traffic engineering firm (Albert Grover and Associates) was engaged in 2006-07 to provide this detailed work and produce an Engineer's Report. The project was awarded with another signal project (7100 – Main Street and Rock Springs Road), which reduced the design cost.

Existing Situation:

The preliminary survey has been completed and an engineering firm has been engaged to perform the additional detailed work.

Project Schedule for 2007-08 Budget:

It is anticipated that the detailed design, right-of-way identification, appraisals, and cost analysis will be completed by Mid-Year 2007-08. Once completed, staff will bring the information to the City Council for direction.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
201-700-7093 Contractual	0	0	$100,000	5,000	$66,500
Total Expenditures	0	0	$100,000	5,000	$66,500
Source of Funds					
201 Measure I - Arterial Fund	0	0	$100,000	5,000	$66,500
Total Source of Funds	0	0	$100,000	5,000	$66,500

Project Funding Narrative:

This portion of the project is funded from Measure I – Arterial funds.

Project Impact on Operating Budget:

There will be no impact to the operating budget from this portion of the project.

Project Title: Ranchero Road Improvements – 7th Avenue to Mariposa Road
Phase 1 – Preliminary Engineering and Right-of-Way Identification

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, a new interchange at I-15 and widening of Ranchero between the two. This is the City's highest transportation priority. With the anticipated construction of the underpass, traffic on Ranchero Road is expected to increase dramatically. This project will perform the engineering to select the ultimate alignment for Ranchero Road between the western terminus of the Ranchero Road Underpass Project, Seventh Avenue, and Mariposa Road. Identification of the required right-of-way will be determined and cost estimates will be prepared for the entire stretch of roadway.

The majority of Ranchero Road within this stretch is located outside the City limits within the unincorporated area of San Bernardino County. Should the City move forward with this construction, the City would be asking for financial assistance from the County for the portion within their area. Preliminary discussions with County representatives are that the project is supported by the County and a Cooperative Agreement with the County will be prepared to establish funding responsibilities.

Existing Situation:

There is currently no work being performed for this portion of Ranchero Road.

Project Schedule for 2007-08 Budget:

This project is anticipated to begin Fall 2007 and will be finished before the end of the fiscal year.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7094 Contractual	0	0	$100,000	0	$500,000
Total Expenditures	0	0	$100,000	0	$500,000
Source of Funds					
300 DIF Streets	0	0	$100,000	0	$500,000
Total Source of Funds	0	0	$100,000	0	$500,000

Project Funding Narrative:

This project is funded with Streets Development Impact Fees.

Project Impact on Operating Budget:

This project will have no impact on the operating budget at this time.

Project Title: 7th Avenue Roadway Improvements – Willow to Bear Valley Road Design and Right-of-Way Identification

Project Number: 7095

Department/Program: Development Services – Streets CIP

Project Description and Location:

The City is widening and constructing the ultimate improvements to 7th Avenue from Main Street to Willow Street as part of the Civic/Library complex in Fall 2007. The City's Master Plan of Arterial Highways indicates that 7th Avenue is a Secondary Arterial north to Bear Valley Road. The City is in need of a multi-lane roadway in the north-south direction, and 7th Avenue is one of the most likely candidates to be widened to ultimate width. This project will perform the design of the ultimate roadway, analyze the right-of-way requirements and calculate the costs associated with the construction of the facility, including right-of-way acquisition.

Existing Situation:

The project was in the 2006-07 Capital Improvement Program; however, there is no work currently being performed for this portion of 7th Avenue.

Project Schedule for 2007-08 Budget:

Design of this project is anticipated to begin Fall 2007 and all right-of-way needs and design will be finished before the end of the Fiscal Year.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7095 Contractual	0	0	$300,000	0	$500,000
Total Expenditures	0	0	$300,000	0	$500,000
Source of Funds					
300 DIF Streets	0	0	$300,000	0	$500,000
Total Source of Funds	0	0	$300,000	0	$500,000

Project Funding Narrative:

This project is being funded with Streets Development Impact Fees (DIF) funds.

Project Impact on Operating Budget:

This project will have no impact on the operating budget at this time.

Project Title: Aqueduct Crossing Improvements – Widen Bridge at Main Street Design and Right-of-Way Acquisition

Project Number: 7096

Department/Program: Development Services – Streets CIP

Project Description and Location:

The bridge along Main Street which crosses the Southern 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, new large scale retail development along this corridor will impact Main Street with additional traffic. As a result, the bridge will have to be widened to accommodate the ultimate configuration of Main Street. The widening project has many potential issues, the chief issue being interaction with the Department of Water Resources (DWR). Other issues involve a potential retro-fit of the existing bridge structure to meet the new State seismic requirements, potential environmental issues, and involvement of Caltrans given the proximity to Interstate 15.

This project will identify preliminary design and the issues associated with that design, including right-of-way and outside agency coordination. Complete cost estimates and a proposed schedule will also be results of this project.

Existing Situation:

There is no work currently being performed for this project.

Project Schedule for 2007-08 Budget:

The project study will be performed on a contract basis by the most qualified respondent to the City's Request for Proposals. Selection of a consultant should occur in late summer or early fall 2007 in order to complete the study by the end of the fiscal year.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7096 Contractual	0	0	$300,000	0	0
586-700-7096 Contractual	0	0	0	0	$300,000
Total Expenditures	0	0	$300,000	0	$300,000
Source of Funds					
300 DIF Streets	0	0	$300,000	0	0
586 Redevelopment Capital – P/A #1	0	0	0	0	$300,000
Total Source of Funds	0	0	$300,000	0	$300,000

Project Funding Narrative:

This project is funded by a combination of Streets Development Impact Fees and Redevelopment Capital Project funds.

Project Impact on Operating Budget:

This project will have no effect on the operating budget at this time.

Project Title: New Aqueduct Crossing – Bridge at Escondido Avenue Design

Project Number: 7097

Department/Program: Development Services – Streets CIP

Project Description and Location:

The future alignment of Escondido Avenue, as indicated on the City's Master Plan of Arterial Highways, crosses the Southern California Aqueduct approximately ¼ of a mile north of Main Street. The northerly extension of Escondido Avenue will connect to a realignment of Mariposa Avenue through the City's future commercial area north of Main Street. This realignment of Mariposa and the extension of Escondido Avenue over the aqueduct will be driven by the influx of commercial development of this area. This is a new bridge crossing over the aqueduct, which would have to be constructed under permits from the State Department of Water Resources (DWR). This project has many potential issues, the chief issue being interaction with DWR. Other issues involve potential environmental impacts and involvement of Caltrans given the proximity to Interstate 15.

This project will identify preliminary design and the issues associated with that design, including right-of-way and outside agency coordination. Complete cost estimates and a proposed schedule will also be results of this project.

Existing Situation:

Project Schedule for 2007-08 Budget:

The project study will be performed on a contract basis by the most qualified respondent to the City's Request for Proposals. Selection of a consultant should occur in late summer or early fall 2007 in order to complete the study by the end of the fiscal year. The two aqueduct crossing projects (Nos. 7096 and 7097) could be awarded to a single consultant to realize the best cost advantage for the projects.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7097 Contractual	0	0	$300,000	0	0
586-700-7097 Contractual	0	0	0	0	$300,000
Total Expenditures	0	0	$300,000	0	$300,000
Source of Funds					
300 DIF Streets	0	0	$300,000	0	0
586 Redevelopment Capital – P/A #1	0	0	0	0	$300,000
Total Source of Funds	0	0	$300,000	0	$300,000

Project Funding Narrative:

This project is funded by a combination of Streets Development Impact Fees and Redevelopment Capital Project funds.

Project Impact on Operating Budget:

These projects will no effect on the operating budget at this time.

Project Title: Muscatel Street Overpass Phase 1
Project Study Report/Project Development Study (PSR/PDS)

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 Interstate 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 to be 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 bridge would connect the proposed large scale commercial areas on each side of the freeway, enabling easy access to both sides of the freeway and providing better circulation within the City without having to utilize the Main Street interchange. In addition, the City proposed to concurrently evaluate modifications to the Joshua Street off-ramps to provide a northbound off-ramp (under Project 7099); however, due to the current spacing between Main Street, Muscatel Street, Joshua Street, and the U.S. 395/I-15 Junctions, all connections together will not meet Caltrans nor the Federal Highway Administration standards. Consequently, the City has decided to consolidate the Muscatel and Joshua projects into one project in order to evaluate one freeway connection that will be acceptable to both agencies. Preliminary discussions with both agencies indicate that the Muscatel Street alignment would be preferred over Joshua Street alignment; however, this initial planning process will provide documentation to support the preferred alignment.

The initial Phase of this project would involve the selection of a consultant to perform the Project Study Report/Project Development Study (PSR/PDS) portion of the project for submittal to Caltrans.

Existing Situation:

There is currently no work being performed on this project.

Project Schedule for 2007-08 Budget:

It is anticipated that the PSR/PDS process will conclude in March 2008 with approval by Caltrans before the end of Fiscal Year 2007-08.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7098 Contractual	0	0	$150,000	$15,000	$470,000
Total Expenditures	0	0	$150,000	$15,000	$470,000
Source of Funds					
300 DIF Streets	0	0	$150,000	$15,000	$470,000
Total Source of Funds	0	0	$150,000	$15,000	$470,000

Project Funding Narrative:

This project is funded with Streets Development Impact Fees (DIF) funds. Project funding from the project and project 7099 (Joshua Street) were combined for Parsons current FY 2006-07 contract of $249,892. Additional funds will be needed to conclude the PSR/PDSS process in 2007-08.

Project Impact on Operating Budget:

This project will have no effect on the operating budget at this time.

Project Title: Joshua Street Off-Ramp – Interstate 15 Northbound Lane
Phase 1 – Project Study Report/Project Development Study (PSR/PDS)

Project Number: 7099

Department/Program: Development Services – Streets CIP

Project Description and Location:

The connection of Highway 395 to Interstate 15 was constructed as a connector between the two Highways, and not as an interchange. As a result, there is no direct connection to the bridge which crosses Interstate 15 at Joshua Street. While Caltrans expects to reconstruct this interchange some time in the future, it could be several decades before this happens, and the City requires direct access to the east side of the freeway for northbound traffic to open this side of the freeway for commercial development.

Existing Situation:

Several developers have approached the City about this area and the possibility of an off-ramp at Joshua Street to improve access to their proposed projects. The City has made discreet inquires to Caltrans regarding the possibility of obtaining a permit for such a project and has not received any negative response, although the likelihood of Caltrans participating financially in this project is non-existent.

Project Schedule for 2007-08 Budget:

THIS HAS BEEN COMBINED WITH PROJECT 7098

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7099 Contractual	0	0	$100,000	0	0
Total Expenditures	0	0	$100,000	0	0
Source of Funds					
300 DIF Streets	0	0	$100,000	0	0
Total Source of Funds	0	0	$100,000	0	0

Project Funding Narrative:

This project is funded with Streets Development Impact Fees (DIF) funds.

Project Impact on Operating Budget:

The project will have no impact on operation and maintenance expenses. The new off-ramp will be owned, operated, and maintained by Caltrans.

Project Title: New Traffic Signal – Main Street and Rock Springs Road

Project Number: 7100

Department/Program: Development Services – Streets CIP

Project Description and Location:

The intersection of Main Street and Rock Springs Road within the City has recently been the site of several accidents. The City's Traffic Engineer has reviewed the collision reports and examined traffic counts through the intersection. In addition, two large projects, one commercial and one residential tract, were approved on Glendale Avenue, and both projects will contribute a large volume of traffic to this intersection, thus providing warrants for the signal when development occurs.

Existing Situation:

By today's traffic counts, the intersection does not warrant a signal. It is, however, recommended that the City be proactive, and constructs the signal to have it in place prior to the traffic impact. Additionally, the accident history of the intersection would suggest that a signal should be placed at the intersection immediately. While envisioned to be done in 2006-07, development has occurred quicker than previously expected. An engineering consultant was engaged to begin design (Albert Grover and Associates) in March 2007.

Project Schedule for 2007-08 Budget:

Design will be completed by Fall 2007, after which right-of-way acquisition will occur. Construction is expected to begin by Spring 2008.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
201-700-7100 Contractual	0	0	$250,000	0	$250,000
300-700-7100 Contractual	0	0	500,000	5,000	880,000
Total Expenditures	0	0	$750,000	5,000	$1,130,000
Source of Funds					
201 Measure I - Arterial	0	0	$250,000	0	$250,000
300 DIF Streets	0	0	500,000	5,000	880,000
Total Source of Funds	0	0	$750,000	5,000	$1,130,000

Project Funding Narrative:

This project is funded with Measure I Arterial Funds and Streets Development Impact Fees (DIF) funds

Project Impact on Operating Budget:

This project will result in an increase to operation and maintenance expenses due to the construction of a new traffic signal at Main Street and Rock Springs Road.

Project Title: Traffic Signal Upgrade – Main Street and Third Avenue

Project Number: 7101

Department/Program: Development Services – Streets CIP

Project Description and Location:

Several of the City's traffic signals along Main Street are in need of replacement. Some of the original signal equipment has not been replaced or upgraded since the original installation of the signal in the early 1980's. Much of the signal equipment is obsolete and replacement parts are no longer available. This project will replace the signal controllers and equipment at the intersection of Main Street and Third Avenue.

Existing Situation:

This project was previously approved at the FY 2005/2006 Mid-Year Budget, and funds were committed under Streets Maintenance. This project was added to the Capital Improvement Program in 2006-07 so that it may be budgeted and tracked separately from "Maintenance." A traffic signal consultant (Republic ITS) was engaged in June 2007 to design and install the added upgrades.

Project Schedule for 2007-08 Budget:

All work associated with the design-build will be completed by Spring 2008.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
201-700-7101 Contractual	0	0	$150,000	2,000	$214,000
Total Expenditures	0	0	$150,000	2,000	$214,000
Source of Funds					
201 Measure I - Arterial	0	0	$150,000	2,000	$214,000
Total Source of Funds	0	0	$150,000	2,000	$214,000

Project Funding Narrative:

This project is funded from Measure I Arterial funds.

Project Impact on Operating Budget:

This project will reduce the maintenance required to keep the obsolete signal equipment working properly and increase the effectiveness of the signal, thus lowering the impact to the operating budget.

Project Title: Township Improvements and Redevelopment

Project Number: 7102

Department - Program: Development Services – Streets CIP

Project Description and Location:

The original residential land subdivision within the City of Hesperia is located primarily north of Main Street and west of Hesperia Road to 7th Avenue. This area is primarily served by septic tanks and steel water lines located within easements behind the homes. The lots are very small and some of the homes are in poor condition. Development of this area is stymied by the State's requirement that does not allow septic systems on lots smaller than 15,000 square feet, so until sewer lines are constructed, it is not possible to build on these lots, unless they are combined.

The City is investing 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 commercial center surrounding the Civic Complex. The City is committing, as part of this project, to improve two streets the first year and complete the project over the next six 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:

The City has recently performed an overlay paving of several streets in the Township Area as an interim improvement which will not see the complete reconstruction for a couple of years. It is intended that Spruce and Smoke Tree Streets be the first streets to receive the full improvements. A consultant has been engaged to conduct the survey and design work (Hall and Foreman).

Project Schedule for 2007-08 Budget:

Design of the entire Township Area and construction plans for Spruce and Smoke Tree Streets are expected to be completed by the consultant by January 2008, and construction is slated to begin May 2008 with completion in Fiscal Year 2008-09.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
586-700-7102 Contractual	0	0	$1,591,962	$50,000	$3,500,000
701-700-7102 Contractual	0	0	788,396	0	0
711-700-7102 Contractual	0	0	1,428,920	0	0
Total Expenditures	0	0	$3,809,278	$50,000	$3,500,000
Source of Funds					
586 Redevelopment Capital - P/A #1	0	0	$1,591,962	$50,000	$3,500,000
701 Water Capital	0	0	788,396	0	0
711 Sewer Capital	0	0	1,428,920	0	0
Total Source of Funds	0	0	$3,809,278	$50,000	$3,500,000

Project Funding Narrative:

This project is funded by a combination of Redevelopment funds, Water Capital funds, 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.

Project Title: 2007-08 Street Improvement Project

Project Number: 7103

Department/Program: Development Services – Street

Project Description and Location:

This project involves the corrective maintenance through reconstruction and preventative maintenance through slurry seal or overlay of multiple roads throughout the City. The roads to be improved will include residential streets, collectors roads, and arterial roads (such as Main Street). The City Council Advisory Committee reviewed the plan in April 2007 and recommended the City Council accept the mix of streets subject to funding availability. The City Council concurred with the plan in April, subject to final Budget adoption.

Project Status or Work Completed Through Fiscal Year 2006-07:

Most of the streets in this year's annual project have exceeded their useful life, and routine maintenance cannot adequately repair the streets to keep them useable.

Project Schedule for Fiscal Year 2007-08 Budget:

As the eighth year of the major Citywide Street Improvement Program, this project supplements the approximately $29 million in expenditures for paving and/or slurry sealing over 230 miles of roads. Needed design and construction is expected to be completed by the end of the fiscal year.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
201-29-700-7103 Contractual	0	0	0	0	$2,647,340
202-29-700-7103 Contractual	0	0	0	0	1,651,812
205-29-700-7103 Contractual	0	0	0	0	68,655
207-29-700-7103 Contractual	0	0	0	0	60,000
250-29-700-7103 Contractual	0	0	0	0	20,000
586-29-700-7103 Contractual	0	0	0	0	12,015,944
587-29-700-7103 Contractual	0	0	0	0	502,687
701-29-700-7103 Contractual	0	0	0	0	3,953,829
Total Expenditures	0	0	0	0	$20,920,267
Source of Funds					
201 Measure I – Arterial Fund	0	0	0	0	$2,647,340
202 Measure I – Local Fund	0	0	0	0	1,651,812
205 Gas Tax Fund	0	0	0	0	68,655
207 Local Transportation Fund	0	0	0	0	60,000
250 Traffic Congestion Fund	0	0	0	0	20,000
586 Redevelopment Capital - P/A #1	0	0	0	0	12,015,944
587 Redevelopment Capital – P/A #2	0	0	0	0	502,687
701 Water Capital	0	0	0	0	3,953,829
Total Expenditures	0	0	0	0	$20,920,267

Project Title: 2007-08 Street Improvement Project (Continued)

Project Funding Narrative:

The 2007-08 Street Improvement Project is to be funded from multiple funding sources as noted above.

Project Impact on Operating Budget:

The project will result in a decrease in operational/maintenance expenses due to the reduction in street repairs to certain roads.

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's railway's right-of-way at Ranchero Road. The project would also include a new alignment through the Antelope Valley Wash between Santa Fe East and Danbury. The project limits are between 7th Avenue and Danbury. The BNSF Railroad bisects the City of Hesperia from north to south. The only street that crosses the railroad in the City of Hesperia is 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. 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. Closures on Main Street not only affect the motoring public, but also severely restrict fire and police response times throughout the City.

Existing Situation:

The BNSF Railway has indicated that the existing design of the underpass structure does not meet their current standards and will need to be redesigned. David Evans and Associates (DEA) were retained to finalize plans and specifications. The California Environmental Quality Act (CEQA) document was completed and adopted. The Federal National Environmental Policy Act (NEPA) document was finalized to Caltrans' satisfaction and is under review by the Federal Highway Administration (FHWA).

Project Schedule for 2007-08 Budget:

Right-of-way acquisition will begin in Summer 2007, pending acceptance of the environment document by FHWA, and the project will be bid for construction in late 2007, with construction commencing in Spring 2008.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7046 Contractual	$36,400	$146,410	$1 ,500,000	$116,764	0
586-700-7046 Right-of-Way Acquisition	0	0	0	0	1,261,415
586-700-7046 Construction	0	0	0	0	1,063,236
600-700-7046 Contractual	0	0	438,585	63,236	$136,764
600-700-7046 Right-of-Way Acquisition	0	0	500,000	0	738,585
600-700-7046 Construction	0	0	5,000,000	0	5,000,000
Total Expenditures	$36,400	$146,410	$7,438,585	$180,000	$8,200,000
Source of Funds					
300 DIF – Streets	$36,400	$146,410	$1,500,000	$116,764	0
586 Redevelopment Capital - P/A #1	0	0	0	0	$2,324,651
600 NCDPD Grant	0	0	938,585	63,236	875,349
600 SAFETEA – LU	0	0	1,000,000	0	1,000,000
600 SANBAG – STP	0	0	1,000,000	0	1,000,000
600 FHWA – STP	0	0	3,000,000	0	3,000,000
Total Source of Funds	$36,400	$146,410	$7,438,585	$180,000	$8,200,000

Project Title: Ranchero Road Undercrossing (Continued)

Project Funding Narrative

The total project expenditures of $27,200,000 are proposed to be funded from Streets Development Impact fees, the Redevelopment Agency, and Federal/State grants. The Streets Development Impact Fee fund and the Redevelopment Agency are expected to fund a combined $14,800,000, or 54% of the project, and the various grants identified below are expected to fund 12.4 million, or 46% of the project:

- National Corridor Planning and Development Program (NCPDP) – Federal Grant..... …… $ 2,000,000
- Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Project No. 1558, P.L. 109-59 – Federal Grant ..... …… $ 4,000,000
- Federal Highway Administration – Surface Transportation Program (FHWA-STP) – Federal Grant ..... …… $ 3,000,000
- San Bernardino Associated Governments – Surface Transportation Program (SANBAG-STP), Allocation to City of Hesperia ..... …… $ 3,400,000

Total Federal/State Project Funding $12,400,000

Project Title: Paving Mesquite – Maple to Escondido

Project Number: 7056

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involved the paving of Mesquite Road from Maple Avenue to Escondido Avenue. This project was administered by the County, but the City participated with that portion of work located within the City limits (between Maple Avenue and Topaz Avenue). Prior to 2006, the road was unpaved and heavily traveled by parents using the road for access to the Mesquite Trails School.

Existing Situation:

The road is currently unpaved and is heavily traveled by parents using the road for access to the Mesquite Trails School. During periods of high winds, the area becomes extremely dusty. The increased use of vehicles also requires additional road grading to keep the road surface drivable.

Project Schedule for 2006-07 Budget:

The County advertised and opened construction bids. A contract was awarded in February 2006. Construction began in May 2006. Construction was completed in FY 2006-07.

Project Schedule for 2007-08 Budget:

N/A – The project is complete.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7056 Capital	0	0	$355,480	$355,480	0
Total Expenditures	0	0	$355,480	$355,480	0
Source of Funds					
300 DIF – Streets	0	0	$355,480	$355,480	0
Total Source of Funds	0	0	$355,480	$355,480	0

Project Funding Narrative:

This project is being funded by Streets Development Impact Fees (DIF) since it is an expansion of the City's Arterial Highway System.

Project Impact on Operating Budget:

This project will reduce the cost of maintenance on Mesquite since it will no longer have to be graded on a regular basis.

Project Title: Ranchero Road I-15 Interchange Project Study Report (PSR)

Project Number: 7081 –Phase I

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, widening of Ranchero Road from Arrowhead Lake Road to I-15, and a new interchange at I-15. With the anticipated construction of the underpass, traffic on Ranchero Road is anticipated in increase, and a new access point to I-15 will be warranted. Due to the time required to obtain State and Federal approvals for new interchanges, the preparation of a Project Study Report (PSR) is recommended. The PSR process is required to be considered for State Transportation Improvement Program (STIP) funding, and is the first phase of documents required to proceed with design and construction.

Existing Situation:

Commuters driving to Interstate 15 from Ranchero Road must access from Joshua Street or Oak Hills Road. As traffic volumes increase as a result of new development and the Ranchero Road Underpass Project, these existing interchanges will become congested.

Project Status or Work Completed through Fiscal Year 2006-07:

The City finalized the selection of Tetra Tech, Inc., in September 2004 for preparation of the study, which commenced in November 2004. Traffic modeling and preparation of alternative alignments has been completed. The Draft PSR/PDS was completed in August 2005 and the Final PSR was reviewed by Caltrans in Fiscal Year 2005-06. Approval of the Final PSR/PDS was received in August 2007, thus completing this project. The Project Approval and Environmental Document (PA/ED) phase commenced under project number 7086.

Project Schedule for 2007-08 Budget:

N/A – The project is complete.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7081 Contractual	$75,009	$73,051	$25,000	$25,000	0
Total Expenditures	$75,009	$73,051	$25,000	$25,000	0
Source of Funds					
300 DIF Streets	$75,009	$73,051	$25,000	$25,000	0
Total Source of Funds	$75,009	$73,051	$25,000	$25,000	0

Project Funding Narrative:

FY 2005-06 and FY 2006-07 Funding, Streets Development Impact Fee.

Project Impact on Operating Budget:

None

Project Title: Widen Seventh Avenue – Main Street to Willow Street

Project Number: 7085 – Phase I

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the reconstruction and widening of Seventh Avenue from 2 to 4 lanes from Main Street to Willow Street. The project also includes the installation of major drainage facilities from Main Street to Willow Street to convey storm flows under Seventh Avenue, installation of concrete curb and gutters, and the relocation of overhead lines to underground conduits.

Seventh Avenue is a designated secondary arterial highway on the City's Circulation Master Plan. This road is a major north-south arterial used by many motorists, and extends through the City of Victorville (also designated as an arterial highway). Traffic on Seventh Avenue has increased since the completion of the Civic Center Plaza and Branch Library (in September 2006). The existing road condition has deteriorated and the pavement will be further affected by increased traffic counts.

Existing Situation:

Design of roadway and drainage improvements was completed June 2006. The City has also been coordinating with Southern California Edison (SCE) for a concurrent Rule 20A project in which all overhead utility lines will be placed underground. Design of this project was completed in April/May 2007.

Project Schedule for 2007-08 Budget:

Construction of the drainage improvements will commence in July 2007. Undergrounding of the utilities will follow by SCE, Verizon, and Charter Communications, after which the roadway improvements will be completed by November 2007.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
201-700-7085 Contractual	0	$59,095	$ 1,550,000	$106,200	$1,443,800
300-700-7085 Contractual	0	0	1,200,000	0	0
301-700-7085 Contractual	0	0	1,128,000	0	1,128,000
586 Redevelopment Capital - P/A #1	0	0	0	0	1,188,200
701-700-7085 Contractual	0	0	525,000	0	600,000
Total Expenditures	0	$59,095	$4,403,000	$106,200	$4,360,000
Source of Funds					
201 Measure I-Arterial	0	$59,095	$ 1,550,000	$106,200	$1,443,800
300 DIF Streets	0	0	1,200,000	0	0
301 DIF Storm Drainage	0	0	1,128,000	0	1,128,000
586 Redevelopment Capital - P/A #1	0	0	0	0	1,188,200
701 Water Capital	0	0	525,000	0	600,000
Total Source of Funds	0	$59,095	$4,403,000	$106,200	$4,360,000

Project Funding Narrative:

The design services for this project will be funded from Measure I Arterial funds; construction will be funded from a combination of Measure I Arterial funds, Water Funds, and Development Impact Fees (DIF) funds.

Project Impact on Operating Budget:

Initially the project will result in a minor decrease in operational expenses due to the replacement of deteriorated asphalt with new pavement.

Project Title: Ranchero Road I-15 Interchange Project Approval and Environmental Document

Project Number: 7086 – Phase II

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 various improvements to Ranchero Road including the Ranchero Road Underpass, widening of Ranchero Road from Arrowhead Lake Road to I-15, and a new interchange at I-15. The City, in anticipation of the time required to obtain State and Federal approvals for new interchanges, approved the preparation of a Project Study Report/Project Development Support (PSR) in Fiscal Year 2004-05. The City's Consultant (Tetra Tech) commenced preparation of the PSR/PDS in November of 2004 and completed the Final PSR/PDS through Caltrans in August 2006 (Project 7081).

The next stage is the preparation of the Project Approval and Environmental Document (PA&ED), which involves the environmental review of the alternative designs identified in the PSR, preliminary design of each alternative, traffic modeling, geotechnical studies, and completion of a final environmental document that identifies a recommended alternative.

Existing Situation:

The City Council awarded a Professional Services Agreement (PSA) to Parsons in May 2006 to prepare the Project Approval and Environmental Document. Project initiation commenced with Caltrans, monthly Project Development Team (PDT) meetings continue, and the required Value Analysis (VA) process was concluded in April 2007

Project Schedule for 2007-08 Budget:

The PDT meetings will continue through FY 2007-08. Work on the PA&ED will also continue throughout the entire fiscal year, concluding with the environmental determination in June 2008, and filing of the New Connection Report with the Federal Highway Administration. Final design is estimated to being in the fall 2007 and will continue through FY 2008-09.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7086 Contractual	0	$2,845	$830,000	$275,304	$1,262,000
300-700-7086 Land Acquisition	0	0	0	100,000	8,902,625
Total Expenditures	0	$2,845	$830,000	$375,304	$10,164,625
Source of Funds					
300 DIF Streets	0	$2,845	$830,000	$375,304	$10,164,625
Total Source of Funds	0	$2,845	$830,000	$375,304	$10,164,625

Project Funding Narrative:

This project is funded from Streets Development Impact Fee funds as it is considered an expansion to the City's Arterial Highway system.

Project Impact on Operating Budget:

None

Project Title: 2005-06 Street Improvement Project

Project Number: 7084

Department/Program: Development Services – Streets C I P

Project Description and Location:

This project involved the reconstruction and repair of approximately 16 miles of roadway located on 44 separate roads throughout the City.

Existing Situation

This project was completed in FY 2005-06.

Project Status or Work completed through Fiscal Year 2005-06

Work commenced in November 2005 and was completed during the spring of 2006.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
100-700-7084 Contractual	0	$2,497,822	0	0	0
201-700-7084 Contractual	0	164,286	0	0	0
202-700-7084 Contractual	0	940,463	0	0	0
207-700-7084 Contractual	0	374,630	0	0	0
250-700-7084 Contractual	0	317,581	0	0	0
586-700-7084 Contractual	0	845,603	0	0	0
587-700-7084 Contractual		93,643			
701-700-7084 Contractual	0	987,236	0	0	0
Total Expenditures	0	$6,221,264	0	0	0
Source of Funds					
100 General Fund	0	$2,497,822	0	0	0
201 Measure I – Arterial	0	164,286	0	0	0
202 Measure I - Local	0	940,463	0	0	0
207 Local Transportation	0	374,630	0	0	0
250 Traffic Congestion Relief	0	317,581	0	0	0
586 Redevelopment Capital	0	845,603	0	0	0
587 Redevelopment Capital		93,643			
701 Water Capital	0	987,236	0	0	0
Total Source of Funds	0	$6,221,264	0	0	0

Project Funding Narrative:

The 2005-06 Street Improvement Project is funded from multiple funding sources as identified above.

Project Impact on Operating Budget:

The project will result in a decrease to operation expenses due to reduction of street repairs needed.

FY 2005-06 STREET IMPROVEMENTS

Street	Limits	Lineal Feet	Square Foot
Remove and Repair - with Water Line			
Arbury Street	Seventh to Dalscote	1,480	35,520
Bleriot Street	Seventh to Dalscote	1,250	30,000
Cromdale Street	Seventh to Dalscote	900	21,600
Dalscote Street	Seventh to Ranchero	2,500	65,000
Eton Court	East of Seventh	320	7,680
Greenwood Street	Eleventh to Halinor	2,170	65,100
Halinor Street	Eleventh to Farmington	3,170	95,100
Victor Avenue	Maple to Aqueduct	4,103	98,472
Hemlock Avenue	Victor to Ash	4,001	96,024
Redwood Avenue	Ranchero to El Centro	2,977	74,425
Ash Street	Hemlock to Victor	334	8,016
Mission Street	Maple to Lincoln	1,862	44,688
Cottonwood Avenue	El Centro to Ranchero	2,700	70,200
Third Avenue	El Centro to Mesquite	2,900	78,300
El Centro Street	Cottonwood to Maple	2,500	65,000
Ash Street	Seventh to Third	2,700	64,800
Mission Street	Seventh to Third	2,700	64,800
El Centro Street	Seventh to Third	2,330	55,920
Oakwood Avenue	Ranchero to Aqueduct (removed)	0	0
Niles Avenue	Ranchero to end of Cul-de-sac	502	12,048
Subtotal		41,399	1,052,693
Remove and Repair - without Water Line			
Wells Fargo Street	Cottonwood to Aqueduct	1,650	39,600
Cottonwood Avenue	Main Street to El Centro	13,500	351,000
Cottonwood Avenue	Ranchero to Melbourne	650	16,900
Joshua Street	Maple to Fourth	10,100	242,400
Fourth Avenue	Joshua to Palm	1,035	24,840
Palm Avenue	Fourth to Exist. E.P.	600	14,400
Elm Avenue	Hickory to Eleventh	667	16,008
Palm Avenue	Eleventh to 9th	747	17,928
Cypress Avenue	Mauna Loa to Pendleton	1,662	39,888
Mariposa Avenue	Eucalyptus to Blanchard	4,952	128,752
Cottonwood Avenue	Sycamore to Bear Valley Road	2,274	59,124
Oakwood Avenue	Sycamore to Sequoia	1,993	51,818
Redwood Avenue	Sycamore to Sequoia	2,200	57,200
Hemlock Avenue	Sycamore to Sequoia	2,308	60,008
Subtotal		44,338	1,119,866
Overlay Process			
Kern Avenue	Ranchero to Rodeo	1,830	47,580
Third Avenue	7th to El Centro	3,415	88,790
Ninth Avenue	Mesquite to Main	9,910	257,660
Sultana Avenue	Eleventh to Hesperia Road	7,035	267,330
Cajon	7th Avenue to Hesperia Road	4,000	96,000

FY 2005-06 STREET IMPROVEMENTS

Street	Limits	Lineal Feet	Square Foot
Overlay Process (Continued)			
Hemlock	Pendleton to Mauna Loa	1,661	39,864
El Centro	7th Avenue to Aqueduct	4,645	111,480
Daly Court	North of Glendale	345	8,280
Lincoln	Pendleton to Mauna Loa	1,661	39,864
Cashew	Maple to Balsam	5,062	121,488
Vine	7th Avenue to Hesperia Rd	4,000	96,000
Mojave	Balsam to Maple	5,096	122,304
Cajon	Timberlane to Buckthorn	1,144	27,456
Victor	Live Oak to Juniper	1,806	43,344
Ash	Cottonwood to 11th	2,665	63,960
Arroyo	Cashew to Riverside	1,501	36,024
Kern	Pendleton to Mauna Loa	1,661	39,864
Pendleton	Hickory to Maple	6,777	162,648
Arroyo	Mauna Loa to Pendleton	1,653	39,672
Glendale Court	North of Glendale	345	8,280
Juniper	Pyrite to Topaz	2,052	49,248
Redwood	Live Oak to Juniper	1,809	43,416
Linden	Redlands to Balsam	764	18,336
Hickory	Sycamore to Mesa	5,241	125,784
Riverside	Balsam to Cottonwood	2,665	63,960
Hawthorn	Riverside to Cashew	1,497	35,928
Redwood	Pendleton to Mauna Loa	1,661	39,864
Orange	Maple to Cottonwood	2,412	57,888
Pine	7th Avenue to Hesperia Road	3,942	94,608
Appleton	Cottonwood to Maple	2,341	56,184
Victor	Appleton to Lilac	1,743	41,832
Pinon	Mesa to Sycamore	5,241	125,784
Eucalyptus	Hesperia Road to "A" Avenue	526	12,624
Second	Main to Willow	3548	85152
Lindsay	Glendale to Arrowhead Lake Road	2,104	71,536
Hinton	Glendale to Arrowhead Lake Road	2,160	73,440
Westlawn	Glendale to Arrowhead Lake Road	2,104	71,536
Lurelane	Summit Valley to Jenny	1,706	40,944
Jenny	Lurelane to Santa Fe	1,354	32,496
Smoke Tree	Balsam Avenue to 11th Avenue	1,599	38,376
Kittyhawk	Jenny to Laural Lane	1,145	27,480
Sante Fe	Jenny to Summit Valley	4,364	104,736
Kern	Riverside to Cashew	1,501	36,024
Dunkirk	Windsor to Peach	2,475	59,400
Redlands	Willow to Linden	1,409	33,816
Melbourne Court	South of Melbourne Street	308	7,392
Hemlock	Cashew to Riverside	1,491	35,784
Willow	3rd Avenue to Hesperia Road	1,280	30,720
Lilac	Maple to Cottonwood	2,442	58,608
Redwood	Mesquite to Mission	1,291	30,984
Lincoln	Cashew to Riverside	1,468	35,232
Lincoln	Appleton to Lilac	1,743	41,832
Shangra-la	Willow to Hercules	846	20,304
Primrose	Willow to Hercules	846	20,304

FY 2005-06 STREET IMPROVEMENTS

Street	Limits	Lineal Feet	Square Foot
Overlay Process (Continued)			
Orange	7th Avenue to Hesperia Rd	4,141	99,384
Redwood	Cashew to Riverside	1,474	35,376
Live Oak	7th Avenue to Hesperia Rd	4,000	96,000
Pine	Pyrite to Topaz	1,334	32,016
Cromdale	Redwood to Maple	1,148	27,552
Kingsley	Cromdale to Oakwood	1,218	29,232
Redwood	Ranchero to Farmington	2,590	62,160
Harding	Redwood to Oakwood	1,058	25,392
Harding Court	North of Harding	226	5,424
Wilson Street	Farmington to Cottonwood	1,193	28,632
Mission	Cottonwood Ave to Aqueduct	434	10,416
Lilac	Darwin to G Ave	2,700	64,800
G Avenue	E Avenue to Eucalyptus	2,241	53,784
A Avenue	Eucalyptus to Sycamore	3,650	87,600
Melbourne	Cottonwood to Kimball	1,585	38,040
Hemlock	Juniper to Live Oak	1,812	43,488
Hemlock	Appleton to Lilac	1,743	41,832
Redwood	Appleton to Lilac	1,743	41,832
Victor	Mauna Loa to Pendleton	1,661	39,864
Hawthorne	Mauna Loa to Pendleton	1,661	39,864
Portland	Mauna Loa to Pendleton	1,661	39,864
Pinion	Mauna Loa to Mesa	2,171	52,104
Portland	Riverside to Cashew	1,501	36,024
Victor	Riverside to Cashew	1,501	36,024
Orange	Cottonwood to Hickory	2,254	54,096
Subtotal		181,990	4,560,240
Crack Seal and Slurry			
Existing Tracts	South of Ranchero Road	51,916	1,868,976
Tract 14182	West of Maple, south of Main	5,756	207,216
Tract 15334	West of Maple, south of Main	5,692	204,912
Lime Ave	Third to Seventh	2,760	96,600
Mesquite Street	Third to Seventh	2,700	94,500
Cottonwood Avenue	Melbourne to Farmington	2,000	160,000
Oakwood Avenue	Ranchero to Aqueduct	4,220	109,720
Subtotal		75,044	2,741,924
Total		342,771	9,474,723
	Total in Miles	65	

Project Title: Railroad Crossing Feasibility Study (Eucalyptus/Lemon/Mojave)

Project Number: 7104

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the preparation of an engineering feasibility study to determine the better east-west crossing of the BNSF Railway tracks between Bear Valley Road and Main Street. Currently, Bear Valley Road and Main Street are the only crossings of the railroad tracks that serve the City. The Ranchero Road Undercrossing Project is underway, which will provide an additional crossing south of Main Street. In order to provide one additional crossing in the three-mile distance between Bear Valley Road and Main Street, two potential alignments have been identified: Eucalyptus Street, approximately one mile south of Bear Valley Road, and: a Lemon Street/Mauna Loa Street/Mojave Street alignment, approximately 1-3/4 to 2 miles south of Bear Valley Road.

This feasibility study will analyze both alignments, including right-of-way needs, and projected traffic volumes (based on the General Plan) of each. From this analysis, the more feasible alignment will be selected.

Existing Situation:

As a new project, there has been no work commenced at this time.

Project Schedule for Fiscal Year 2007-08 Budget:

The engineering feasibility study is anticipated to begin the late Summer/early Fall 2007 by a consultant firm to be engaged for the work and should be completed before the end of the fiscal year.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7104 Contractual	0	0	0	0	$250,000
Total Expenditures	0	0	0	0	$250,000
Source of Funds					
300 DIF Streets	0	0	0	0	$250,000
Total Source of Funds	0	0	0	0	$250,000

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)

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. This will assist in the implementation of the Main Street and Freeway Corridor Specific Plan, which has been in preparation since 2005 and will be completed in Fiscal Year 2007-08. 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.

Existing Situation

There has been no design work commenced at this time.

Project Schedule for Fiscal Year 2007-08 Budget:

The consultant firm to carry out the design is expected to be engaged by late summer/early fall 2007. Right-of-way identification and significant amount of design are expected to be completed by the end of the fiscal year. Completion of the design is expected in Fiscal Year 2008-09.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7105 Contractual	0	0	0	0	$750,000
Total Expenditures	0	0	0	0	$750,000
Source of Funds					
300 DIF Streets	0	0	0	0	$750,000
Total Source of Funds	0	0	0	0	$750,000

Project Funding Narrative:

This initial phase of the project will be funded by Streets Development Impact Fees.

Project Impact on Operating Budget:

N/A at this time.

Project Title: Main Street/Hesperia Road Interchange Feasibility Design

Project Number: 7106

Department/Program: Development Services – Streets CIP

Project Description and Location:

This project involves the preparation of an engineering feasibility analysis of improving vehicle movement and access from Main Street to Hesperia Road and Santa Fe Avenue. The BNSF railway tracks bisect the City, limiting east-west access. Hesperia Road is a north-south arterial on the west side of the railroad tracks, as is Santa Fe Avenue on the east side. The connection to and from these roads is circuitous, reducing their ability to effectively carry traffic. Using accepted design principles, an engineering design firm will be engaged to determine the most effective approach to connect these roads, potentially with a freeway-type interchange. Preliminary right-of-way needs will be included in the analysis.

Existing Situation

As a new project, no work has commenced at this time.

Project Schedule for Fiscal Year 2007-08 Budget:

The consultant firm to carry out the feasibility design is expected to be engaged in fall 2007, and the project should be completed by the end of the fiscal year.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7106 Contractual	0	0	0	0	$500,000
Total Expenditures	0	0	0	0	$500,000
Source of Funds					
300 DIF Streets	0	0	0	0	$500,000
Total Source of Funds	0	0	0	0	$500,000

Project Funding Narrative:

This project will be funded by Streets Development Impact Fees.

Project Impact on Operating Budget:

N/A at this time.

Project Title: Juniper/Smoke Tree/8th Ave Project

Project Number: 7107

Department/Program: Development Services – Streets CIP

Project Description and Location:

In connection with the proposed Downtown Park (Project 6515), the City is programming street improvements for the perimeter of the park on the north, south and east sides. Minimal paving is in place on Eight Avenue, which will be replaced by complete improvements for its use as a connection to parking and the plaza between the park and City Hall. Smoke Tree and Juniper Streets will be improved between Eighth and Ninth Avenues.

Existing Situation

Portions of Juniper and Eighth Avenue are in place, with interim improvements to serve the new Civic Plaza. Smoke Tree Street does not exist between Eighth and Ninth Avenues.

Project Schedule for Fiscal Year 2007-08 Budget:

Design of the streets will be done in connection with the Downtown Park project. Once all utility extensions are made to the park site (February – April 2008), construction of the street improvements will begin, with completion by the end of Fiscal Year 2007-08.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
100-700-7107	0	0	0	0	$200,000
586-700-7107	0	0	0	0	1,300,000
Total Expenditures	0	0	0	0	$1,500,000

Source of Funds					
100 General Fund	0	0	0	0	$200,000
586 Redevelopment Capital – P/A #1	0	0	0	0	1,300,000
Total Source of Funds	0	0	0	0	$1,500,000

Project Funding Narrative:

The project is funded from Redevelopment Capital Project funds

Project Impact on Operating Budget:

The project will result in a minor increase in maintenance and operations expenses due to their serving a new use that will attract and cater to the public.

Project Title: Industrial Park Lead Track Project

Project Number: 7108

Department/Program: Development Services – Streets CIP

Project Description and Location:

The City Redevelopment Agency's goals are to promote development of the City's industrial corridor, and implement business expansion efforts and job creation. In order to further these goals, a Railroad Conceptual Plan (RCP) was commissioned with Hansen-Wilson in 2006 to evaluate the feasibility of establishing rail opportunities within the industrial area between "E" and "I" Avenues, north of the Cushenberry rail line and south of Lemon Avenue.

Existing Situation and Work Completed Through Fiscal Year 2006--07:

An application was prepared for submittal to the U.S. Department of Commerce Economic Development Administration (EDA) for grant assistance to carry out the project. A pre-application was presented to EDA in October 2006, which was approved. The City was subsequently invited to submit a formal application, including cost outline and matching fund commitment. The application was submitted to EDA in March 2007. If approved, the project will include construction of approximately one-mile of railroad lead track on the west side of "G" Avenue, with a parallel runaround track. The City has received commitment from two developments that will construct additional rail spurs in the same project area.

Project Schedule for 2007-08 Budget:

Upon approval by EDA, the contract consultant will begin design of the rail spur and right-of-way identification.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
586-700-7108	0	0	0	0	$1,250,000
Total Expenditures	0	0	0	0	$1,250,000
Source of Funds					
586 Redevelopment Capital – P/A #1	0	0	0	0	$1,250,000
Total Source of Funds	0	0	0	0	$1,250,000

Project Funding Narrative:

The design will be funded by Economic Development administration grant ($2 million), and Redevelopment Project Area 1 tax increment and/or bond proceeds for grant match ($3,638,401). Design and right-of-way acquisition would be carried out in Fiscal Year 2007-08 and construction will occur in Fiscal Year 2008-09.

Project Impact on Operating Budget:

This has no impact on the Operating budget.

Project Title: Bear Valley Road Widening – Mariposa Road to 600 Feet East

Project Number: 7110

Department/Program: Development Services - Streets

Project Description and Location:

The intersection of Bear Valley Road and Mariposa Road is one of the heaviest traveled locations in the entire Victor Valley. While three eastbound travel lanes have been installed on the south side of Bear Valley Road, the ultimate improvements are not in place. New development in the vicinity (hotel) has necessitated the completion of the improvements. The curb line will be placed connecting to improvements approximately 600 feet east at a restaurant right-of-way, and the traffic signal on the southeast corner of the intersection be similarly relocated.

Existing Situation

The project was initially considered in 2006-07 to coincide with the new hotel completion; however, a fire at the hotel site significantly delayed the construction.

Project Schedule for Fiscal Year 2007-08 Budget:

The project will be advertised for construction in Spring 2007 and should be complete by the end of the Fiscal Year.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7110 Contractual	0	0	0	0	$300,000
Total Expenditures	0	0	0	0	$300,000
Source of Funds					
300 DIF Streets	0	0	0	0	$300,000
Total Source of Funds	0	0	0	0	$300,000

Project Funding Narrative:

This project will be funded by Streets, Development Impact Fees.

Project Impact on Operating Budget:

This project will result in a minor increase in operational/maintenance costs for the new improvements.

Project Title: H-01 Drainage Facility – Section 2 Main Street to 4th Avenue

Project Number: 7087

Department/Program: Development Services – Drainage CIP

Project Description and Location:

This project involves the construction of approximately 2,000 feet of major drainage facilities to convey storm flow through the H-01 Line designated on the City's Master Plan of Drainage from Main Street to 4th Avenue. The project would include a concrete box culvert crossing at Main Street, and the installation of open channel and concrete box facilities that would end at or near 4th Avenue.

Existing Situation:

The H-01 line is a major natural drainage wash that conveys storm flow from a large area in the City. During any moderate storm event, flows cross Main Street on the surface, and pose a traffic hazard to the motoring public due to the running water and debris deposits. Substantial damage has occurred at this portion of Main Street during large rain events. The storm runoff has also caused severe erosion downstream of Main Street, and has resulted in the damage to some homes and vacant property. This project would serve to protect Main Street and the properties that are located along the alignment from Main Street to 4th Avenue.

Project Status or Work Completed through Fiscal Year 2006-07:

City Council awarded a Professional Services Agreement (PSA) to CCL Engineering at the May 3, 2006 City Council meeting for the design and hydraulic analysis of the storm drain system. Due to right-of-way issues, design was delayed. The engineer is currently performing the design and meeting with City Staff to ensure that they remain on schedule. Design is expected to be completed by the end of Fiscal Year 2006-07. Property acquisition commenced in fall 2006 and is currently pending, (specifically property along Main Street).

Project Schedule for 2007-08 Budget:

Once right-of-way has been acquired, construction is anticipated to begin September 2007. The construction project is anticipated to take six to eight months to complete.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
201-700-7087 Contractual	0	0	$350,000	0	$350,000
205-700-7087 Contractual	0	0	350,000	0	500,000
301-700-7087 Contractual	0	77,305	2,600,000	0	0
586-700-7087 Contractual	0	0	1,900,000	122,000	3,500,000
586-700-7087 Capital Outlay	0	0	0	261,000	750,000
Total Expenditures	0	$77,305	$5,200,000	$383,000	$5,100,000
Source of Funds					
201 Measure I-Arterial	0	0	$350,000	0	$350,000
205 Gas Tax	0	0	350,000	0	500,000
301 DIF Storm Drainage	0	77,305	2,600,000	0	0
586 Redevelopment Capital – P/A #1	0	0	1,900,000	383,000	4,250,000
Total Source of Funds	0	$77,305	$5,200,000	$383,000	$5,100,000

Project Title: H-01 Drainage Facility – Section 2 Main Street to 4th Avenue (Continued)

Project Funding Narrative:

This drainage facility will be funded from Measure I Arterial funds, Storm Drainage Development Impact Fee funds, and Redevelopment Capital – Project Area #1 funds.

Project Impact on Operating Budget:

There will a decrease in operational expense due to the conveyance of storm flows in an improved channel and concrete box facility. Currently, staff is required to remove debris deposits and repair erosion caused by storm flows after every storm event.

Project Title: Drainage Repairs – G and 1st Street

Project Number: 7088

Department/Program: Development Services – Drainage CIP

Project Description and Location:

The City experienced several heavy storm events during the winter of 2003-04. Storm damage occurred throughout the City and two areas which were heavily impacted were stretches of First Avenue and G Avenue. At First Avenue just south of Eucalyptus Avenue, the entire roadway was washed away by storm water that crossed the street and the existing utilities were exposed. The same situation occurred at G Avenue just south of E avenue where the Master Plan of Drainage Line H-01 crosses the street. This project reconstructed the roadways utilizing concrete cut-off walls and concrete street sections to make them impervious to future storm water impacts.

Existing Situation:

Both street sections have been reconstructed and the utilities upgraded through these two crossings. Several storms have occurred since these projects were completed and the storm water has had no impact on the new roadways.

Project Status or Work Completed through Fiscal Year 2005-06:

This project was completed in March 2006.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
100-700-7088 Contractual	0	326,658	0	0	0
Total Expenditures	0	$326,658	0	0	0
Source of Funds					
100 General Fund	0	326,658	0	0	0
Total Source of Funds	0	$326,658	0	0	0

Project Funding Narrative:

This project was funded by the General Fund. A FEMA reimbursement was submitted and should offset some of the expenditures.

Project Impact on Operating Budget:

The City has spent a significant amount of resources at both these locations in the past repairing storm related damage. The net effect of this project will be a reduction of the operating budget since these crossings will not have to be reconstructed after every large storm event.

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 rapidly expanding high density residential area west of Maple Avenue. The City is planning on constructing the portion of the H-01 storm drain line from Main Street north to Hercules and beyond. The design of the drain line south of Main Street would allow the channelization of the storm water run-off through existing residential neighborhoods and protect many existing homes from flooding.

Existing Situation:

This project was included in the 2006-07 CIP; however, no work has commenced on this project.

Project Schedule for 2007-08 Budget:

Design of an alignment, right-of-way identification and engineering drawings are anticipated to be completed prior to the end of the fiscal year.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
301-700-7090 Contractual	0	0	$250,000	0	$750,000
Total Expenditures	0	0	$250,000	0	$750,000
Source of Funds					
301 DIF Storm Drainage	0	0	$250,000	0	$750,000
Total Source of Funds	0	0	$250,000	0	$750,000

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 and right-of-way acquisition will cost $500,000.

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 3 (4th Avenue to the Railroad Tracks) Design and Right-of-Way Identification

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 4th Avenue and Hercules 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 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 rapidly expanding high density residential area west of Maple Avenue. The City is planning on constructing the portion of the H-01 storm drain line from Main Street north to Hercules and 4th Avenue. The design of the drain line north of this newly constructed channel would allow the channelization of the storm water run-off through existing residential neighborhoods and protect many existing homes from flooding as the flow is conveyed to the existing open drainage channel at the railroad.

Existing Situation:

This project was included in the 2006-07 CIP; however, no work has commenced on this project as of this date.

Project Schedule for 2007-08 Budget:

Design of an alignment, right-of-way identification and engineering drawings are anticipated to be completed prior to the end of the fiscal year.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
301-700-7091 Contractual	0	0	$100,000	0	$350,000
Total Expenditures	0	0	$100,000	0	$350,000
Source of Funds					
301 DIF Storm Drainage	0	0	$100,000	0	$350,000
Total Source of Funds	0	0	$100,000	0	$350,000

Project Funding Narrative:

This phase of the project is funded from Storm Drainage Development Impact Fee funds. Design cost is estimated at $100,000 and right-of-way acquisition is estimated at $250,000.

Project Impact on Operating Budget:

None at this time.

Project Title: A-04 Drainage Facility – Mojave Street to Mesa Avenue Construction

Project Number: 7092

Department/Program: Development Services – Drainage CIP

This project is a direct use of Development Impact Fees to construct a major storm drain facility through a new residential tract. Tract 17291 being built by Frontier Homes as "Barcelona Heights", includes a ¼ mile segment to adequately convey the storm flows identified in the City's Master Plan of Drainage (MPD) as the A-04 drain line safely through their tract. Working in conjunction with the developer, City Staff was able to identify an alignment for this facility that could be placed underground through a landscaped paseo and connect existing and future park facilities. To mitigate their drainage and park requirements for the tract, the developer purchased a ten acre site for the construction of a park and retention basin. These will be two separate facilities.

This portion of the A-04 drain line will be designed by the developer's engineer and then bid and awarded as a City contract. Since the City is utilizing primarily Development Impact Fees (DIF), there are prevailing wage requirements and the project must be awarded to the lowest responsible bidder. The City is working with the developer to schedule the storm drain work concurrently with the construction of the other tract work.

This storm drain facility will include a conduit crossing under Mojave Street approximately ¼ mile east of Topaz. This conduit will discharge into a 4 acre retention basin, which will deposit clean storm water into a large conduit proceeding north along Tamarisk Avenue. This project will conclude at Mesa Avenue and discharge into the historical natural drainage course. As development occurs to the north and south of this facility, the City anticipates working with the developers in much the same manner to construct more reaches of the A-04 drain line.

Existing Situation:

The design of the facility was completed in March 2007 and the crossings at Mojave and Tamarisk Streets should be in place by the end of June 2007.

Project Schedule for 2007-08 Budget:

The balance of the project will be advertised for bid by the City in July 2007. Construction is anticipated to begin immediately thereafter and should take approximately six months to complete.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
300-700-7092 Contractual	0	0	$ 350,000	0	0
301-700-7092 Contractual	0	0	1,650,000	0	0
586-700-7092 Contractual	0	0	1,300,000	750,000	$4,600,000
Total Expenditures	0	0	$3,300,000	$750,000	$4,600,000
Source of Funds					
300 DIF Streets	0	0	$ 350,000	0	0
301 DIF Storm Drainage	0	0	1,650,000	0	0
586 Redevelopment Capital – P/A/ #1	0	0	1,300,000	750,000	$4,600,000
Total Source of Funds	0	0	$3,300,000	$750,000	$4,600,000

Project Funding Narrative:

This drainage facility will be funded from Street and Storm Drainage DIF funds, and Redevelopment Capital – Project Area #1 funds.

Project Impact on Operating Budget:

Once constructed, there will be a minor increase in operational expense due to annual maintenance of the facility.

Project Title: Hesperia Branch Library

Project Number: 6510

Department/Program: Development Services – Facilities CIP

Project Description and Location:

This project is one of two projects in the Civic Plaza. This project entails the design and construction of the new Hesperia Branch Library on a four (4) acre site located west of 7th Avenue and north of Juniper Street. Additionally, the project shall include installation of off-site public improvements, including but not limited to water and sewer lines, storm drainage, curbs, gutters, sidewalks, roadways, and all utilities necessary to support the facility, its operations, and environs. The Hesperia Branch Library will be a state-of-the-art 20,000 square foot building (with expansion capabilities to 40,000 square feet), furnished with the latest in library resources and technology to replace a 4,800 square foot facility at Seventh Avenue and Yucca Street. The new Branch library building and improvements will be owned and maintained by the City of Hesperia but operated by the San Bernardino County Library (SBCL) system. This replaces a retail storefront location at Main Street and Ninth Avenue.

Existing Situation:

Final punch list items and City requested change order work is being completed. Final closeout change orders are being negotiated with all subcontractors. Final retention monies withheld will be released once all change order negotiations are complete and all subcontractors have provided unconditional releases.

Project Schedule for 2007-08 Budget:

The project has essentially been completed. Minor work may be needed and final retention may be made during Fiscal Year 2007-08. If so, budget amendment request will be presented, along with final recap of project.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
100-19-229-0000-8400+7500 Land and Design Development	0	0	0	0	0
601-650-6510 Land and Design Development	$615,017		0	0	0
601-650-6510 Direct Branch Library and Onsite Costs (Guaranteed Maximum Price)	0	5,497,649	$2,604,534	$1,688,125	0
601-650-6510 Offsite Costs	0	0	680,936	680,936	0
601-650-6510 Other City Costs	3,048	0	154,239	154,239	0
Total Expenditures	$618,065	$5,497,649	$3,439,709	$2,523,300	0

Source of Funds	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
601 – Hesperia Branch Library Fund					
▪ Transfer in from General Fund	$618,065	0	0	0	0
▪ California State Library Grant	0	$5,497,649	$1,445,370	$1,445,370	0
▪ City CDBG	0	0	477,062	129,205	0
▪ IMLS Grants	0	0	943,225	943,225	0
▪ San Bernardino County CDBG	0	0	200,000	0	0
▪ Donations	0	0	5,500	5,500	0
▪ Hesperia Redevelopment Agency (Transfer In)	0	0	168,552	0	0
▪ VVEDA (Transfer in)	0	0	200,000	0	0
Total Source of Funds	$618,065	$5,497,649	$3,439,709	$2,523,300	0

Source of Funds Narrative

The Project is to be funded from multiple funding sources as noted above.

Project Title: Hesperia Civic Plaza

Project Number: 6511

Department/Program: Development Services – Facilities CIP

Project Description and Location:

This project is one of two projects in the Civic Plaza. This project involves the design and construction of a 58,000 square foot Civic Plaza on a portion of 27.4 acres of land that the City purchased. The new Civic Plaza is situated between 7th Avenue and 9th Avenue, and is bordered on the north by Smoke Tree Street and on the south by Juniper Street.

Prior to this project, the City Hall function is currently housed within a neighborhood retail strip center (Eagle Plaza) owned by the Hesperia Water District. The City occupies several suites within the center, totaling 22,987 square feet. While functional during the post incorporation days of Hesperia, the growth of the community in terms of population and service needs has clearly demonstrated the need for a modern, full-service building that is both functionally efficient and has adequate spatial parameters to accommodate current and expected staff. The layout does not lend itself to public service and does not represent the highest and best use given the property fronts Main Street and could command higher rents if occupied by appropriate commercial or retail tenants.

During FY 2003-04 the City awarded a Professional Service Agreement (PSA) contract to Griffin Structures, Inc., for the purpose of advancing from the space planning stage to a Schematic Design effort.

Existing Situation:

Final punch list items and City requested change order work is being completed. Final close out change orders are being negotiated with all subcontractors. Final retention monies withheld will be released once all change order negotiations are complete and all subcontractors have provided unconditional releases.

Project Schedule for 2007-08 Budget:

The project has essentially been completed. Minor work may be needed and final retention may be made during Fiscal Year 2007-08. If so, a budget amendment request will be presented, along with a final recap of the project.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
100-650-6511 Land and Design Development	0	0	0	0	0
505-650-6511 Land and Design Development	$1,235,537	0	0	0	0
505-650-6511 Direct and Onsite Costs (Guaranteed Maximum Price)	0	$13,065,246	$7,736,066	$6,478,849	0
505-650-6511 Offsite Costs	0	0	1,077,252	1,077,252	0
505-650-6511 Other City Costs	6,477	0	383,579	383,579	0
Total Expenditures	$1,242,014	$13,065,246	$9,196,897	$7,939,680	0

Source of Funds	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
General Fund Expenditure	$1,242,014	0	0	0	0
2005 Certificates of Participation Proceeds	0	$13,065,246	$9,196,897	$7,939,680	0
TOTAL	$1,242,014	$13,065,246	$9,196,897	$7,939,680	0

Project Title: Hesperia Civic Plaza (Continued)

Source of Funds Narrative

- General Fund Expenditures Through June 30, 2006 - General Fund expenditures for the Civic Plaza Project through Fiscal Year 2003-04 were $497,992 and for Fiscal Year 2004-05 were $1,235,537. Fiscal Year 2005-06 expenditures included $171,214, plus a one-time General Fund contribution of $4,952,580, resulting from an advance loan repayment from the Hesperia Community Redevelopment Agency. This loan repayment of $4,952,580 was transferred from the General Fund to the Civic Plaza Fund 505, as part of the City's funding of the Civic Plaza Project.
- Certificates of Participation - The final portion of the Civic Plaza Project funding will be the 2005 Certificates of Participation (COP's) bond proceeds of $15,000,000, which were received in Fiscal Year 2005-06 and were deposited in the Civic Plaza Fund 505. Note, for Fiscal Year 2007-08, the $15.0 million COP's are expected to have an annual debt service amount of $1,391,800) for which, a portion will be paid from capitalized interest. The amount of capitilized interest is dependent upon the variable rate interest environment. Therefore, for conservation, the full debt service amount has been allocated to the General Fund (24.27%) and the Public Services Department Impact Fees Fund (75.73%).
- Summary - The General Fund will have contributed approximately $6,863,800 or 31.4% as a down payment, and $15,000,000 in COP proceeds will finance the remainder of the Civic Plaza Project over 30 years.

Project Title: Fire Station Site Study and Design

Project Number: 6514 - Phase I

Department/Program: Development Services – Facilities CIP

Project Description and Location:

The City's rapid growth in the western portion of the City has identified the need to construct a new Fire Station in the area in addition to providing administrative offices for the San Bernardino County Fire Department. New Fire Station No. 305 will be constructed jointly by the City of Hesperia and the San Bernardino County Fire Department. Also, Fire Station 301 (Eleventh Avenue, south of Main Street) will be replaced with a new facility on an expanded site.

The City owned a site for future Fire Station No. 305, on the west side of Caliente Road, south of Joshua Street, but a "land-swap" was made in 2007 in order to acquire land on the east side of Caliente. Additional property was also acquired, south of Station 301 for the new facility. The estimated construction cost for Fire Station No. 301 is approximately $6.0 million and for Fire Station No. 305 is approximately $11.1 million. This item is for the funding of the design and environmental work only.

Existing Situation

The City has secured the services of an architectural consultant to perform a needs analysis for each fire station and prepare conceptual plans that will identify the preferred architecture for the fire stations. Upon completion of this task,the City will seek competitive proposals for preparation of environmental documents and final construction documents (PS&E). This item is for the funding of the design and environmental work only.

Project Schedule for 2007-08 Budget:

Design work will continue into 2007-08 and should be completed before the end of the fiscal year in order for construction to begin (under project numbers 6517/6518).

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
302-650-6514 Contractual	0	0	0	36,667	$247,000
502-650-6514 Contractual	0	0	0	73,000	528,500
586-650-6514 Contractual	0	107,361	1,800,000	18,333	123,500
587-650-6514 Contractual	0	11,889	0	0	0
Total Expenditures	0	$119,250	$1,800,000	$128,000	$899,000
Source of Funds					
302 Fire Dif (for 301)	0	0	0	36,667	$247,000
502 Fire Building Fund (for 305)	0	0	0	73,000	528,500
586 Redevelopment Capital – P/A #1 (for 301)	0	$107,361	$1,800,000	18,333	123,500
587 Redevelopment Capital - P/A #2	0	11,889	0	0	0
Total Source of Funds	0	$119,250	$1,800,000	$128,000	$899,000

Project Funding Narrative:

The initial stages of this project will be funded from Redevelopment Agency Capital Project funds, however Fire Development Impact Fees will also be used extensively for future phases.

Project Impact on Operating Budget:

Not applicable at this time.

Project Title: Downtown Park – Northwest Corner of Juniper Street and 8th Avenue Design and Construction

Project Number: 6515

Department/Program: Development Services – Facilities CIP

Project Description and Location:

This project will construct a multi-purpose park in the new Hesperia Downtown Area. This park will be located immediately west of the Civic Plaza and Branch Library, reaching from Smoke Tree Street to the north to Juniper Street on the south. The park will encompass approximately five acres and include the design of Eighth Avenue into a park. The western boundary of the park will terminate approximately 500 feet west of the Civic Center and leave a vacant pad for future development of other uses.

The Downtown Park will feature a number of distinct uses where residents and visitors can relax, socialize, enjoy recreation, entertainment and cultural venues, including a centralized water feature that both serves as an oasis and forms a linkage between the Civic Plaza/Library buildings and the future buildings to the west. The southern portion of the park will feature an amphitheater, including sound stage, dressing areas, and a movie screen backdrop where concerts, movies, and stage plays can be conducted outdoors. The amphitheater will accommodate 800 or more visitors in formal and informal settings.

A Civic Green Area will be provided at the north end of the park. This area will allow numerous other passive and non-organized events. Other features of the park include a large rose garden with overhead trellis', seating areas, and art displays; a curved section of Eighth Avenue that may be blocked for use as a Farmers Market, car show, or other outdoor event; and numerous niche areas where pastimes such as shuffleboard, bolle ball, chess, reading, and quiet reflection may be enjoyed. Space will also be established for a permanent Christmas Tree to be planted for an annual celebration.

Existing Situation:

The site is currently owned by the City and is vacant. Eighth Avenue is paved to allow two-way traffic.

Project Schedule for 2007-08 Budget:

Final construction plans are expected to be completed by September and construction should commence in February 2008.

Project Costs and Funding:

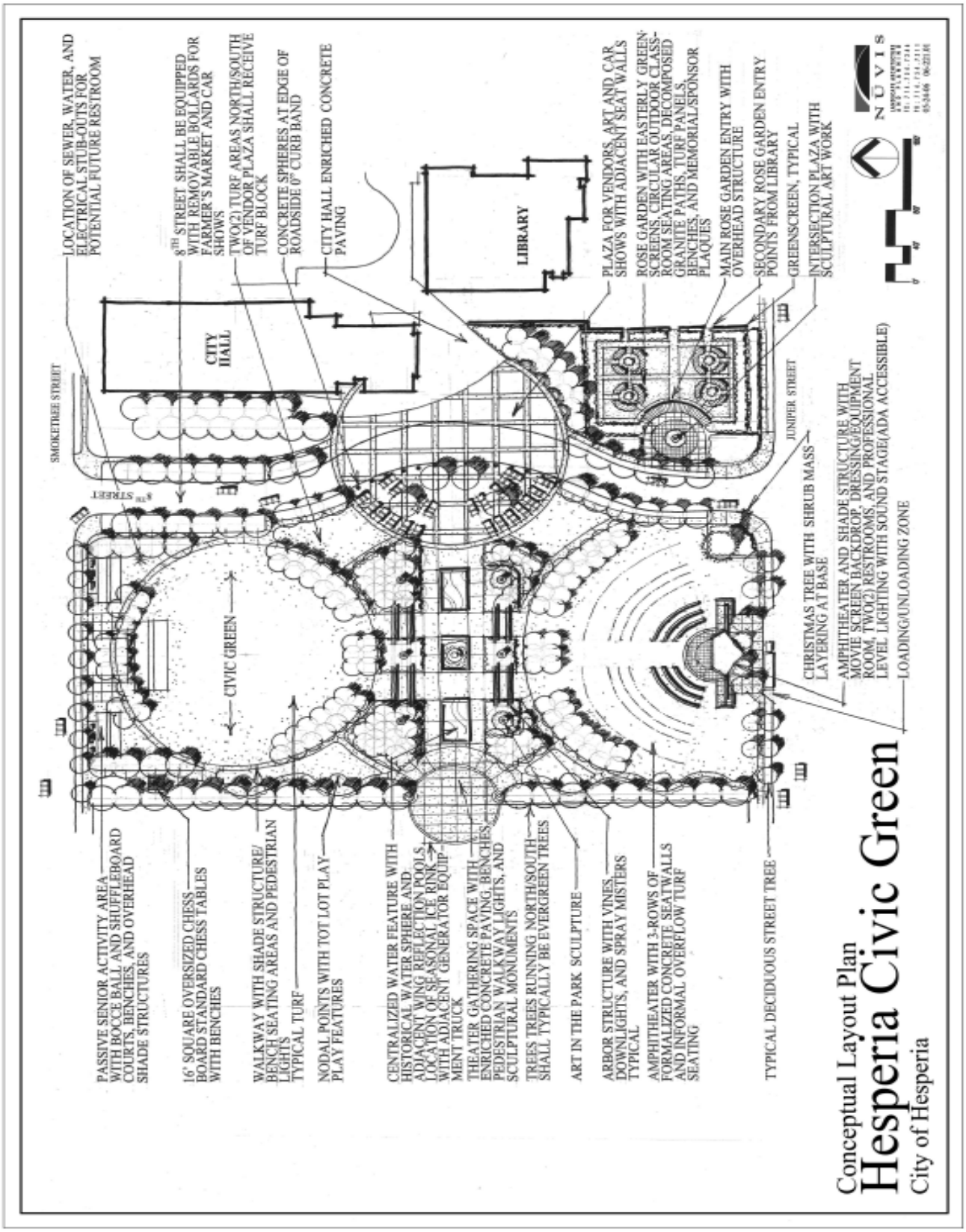
Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
100-650-6515 Contractual	0	0	$250,000	0	$250,000
586-650-6515 Contractual	0	$23,041	1,885,000	20,000	1,965,000
Total Expenditures	0	$23,041	$2,135,000	$20,000	$2,215,000
Source of Funds					
100 General Fund	0	0	$250,000	0	$250,000
586 Redevelopment Capital – P/A #1	0	$20,411	817,500	$10,000	848,610
586 Hesperia Recreation and Parks District - Reimbursement	0	2,630	1,067,500	10,000	1,116,390
Total Source of Funds	0	$23,041	$2,135,000	$20,000	$2,215,000

Project Funding Narrative:

Half of the project will be funded by the City from the General Fund and Redevelopment Capital Project funds. The other half of the project will be funded by the Hesperia Recreation and Park District.

Project Impact on Operating Budget:

None – Park will be operated and maintained by the Hesperia Recreation and Park District.


Conceptual Layout Plan
Hesperia Civic Green
City of Hesperia
PASSIVE SENIOR ACTIVITY AREA WITH BOCCE BALL AND SHUFFLEBOARD COURTS, BENCHES, AND OVERHEAD SHADE STRUCTURES
16' SQUARE OVERSIZED CHESS BOARD STANDARD CHESS TABLES WITH BENCHES
WALKWAY WITH SHADE STRUCTURE/ BENCH SEATING AREAS AND PEDESTRIAN LIGHTS
TYPICAL TURF
NODAL POINTS WITH TOT LOT PLAY PLAY FEATURES
CENTRALIZED WATER FEATURE WITH HISTORICAL WATER SPHERE AND ADJACENT WING REFLECTION POOLS, LOCATION OF SEASONAL ICE RINK WITH ADJACENT GENERATOR EQUIPMENT TRUCK
THEATER GATHERING SPACE WITH ENRICHED CONCRETE PAVING, BENCHES, PEDESTRIAN WALKWAY LIGHTS, AND SCULPTURAL MONUMENTS
TREES TREES RUNNING NORTH/SOUTH SHALL TYPICALLY BE EVERGREEN TREES
ART IN THE PARK SCULPTURE
ARBOR STRUCTURE WITH VINES, DOWNLIGHTS, AND SPRAY MISTERS TYPICAL
AMPHITHEATER WITH 3-ROWS OF FORMALIZED CONCRETE SEATWALLS AND INFORMAL OVERFLOW TURF SEATING
TYPICAL DECIDUOUS STREET TREE
CIVIC GREEN
SMOKETREE STREET
8TH STREET
CITY HALL
LIBRARY
JUNIPER STREET
LOCATION OF SEWER, WATER, AND ELECTRICAL STUB-OUTS FOR POTENTIAL FUTURE RESTROOM
8TH STREET SHALL BE EQUIPPED WITH REMOVABLE BOLLARDS FOR FARMER'S MARKET AND CAR SHOWS
TWO(2) TURF AREAS NORTH/SOUTH OF VENDOR PLAZA SHALL RECEIVE TURF BLOCK
CONCRETE SPHERES AT EDGE OF ROADSIDE 0" CURB BAND
CITY HALL ENRICHED CONCRETE PAVING
PLAZA FOR VENDORS, ART AND CAR SHOWS WITH ADJACENT SEAT WALLS
ROSE GARDEN WITH EASTERLY GREEN SCREENS, CIRCULAR OUTDOOR CLASSROOM SEATING AREAS, DECOMPOSED GRANITE PATHS, TURF PANELS, BENCHES, AND MEMORIAL/SPONSOR PLAQUES
MAIN ROSE GARDEN ENTRY WITH OVERHEAD STRUCTURE
SECONDARY ROSE GARDEN ENTRY POINTS FROM LIBRARY
GREEN/SCREEN, TYPICAL
INTERSECTION PLAZA WITH SCULPTURAL ART WORK
CHRISTMAS TREE WITH SHRUB MASS LAYERING AT BASE
AMPHITHEATER AND SHADE STRUCTURE WITH MOVIE SCREEN BACKDROP, DRESSING/EQUIPMENT ROOM, TWO(2) RESTROOMS, AND PROFESSIONAL LEVEL LIGHTING WITH SOUND STAGE(ADA ACCESSIBLE)
LOADING/UNLOADING ZONE
NUVIS

Project Title: New Police Station
Property Identification, Acquisition, Design, and Construction

Project Number: 6516

Department/Program: Development Services – Facilities C I P

Project Description and Location:

Phase I
The City's rapid growth over the last few years has necessitated the need to augment the City's police force. Because of this increase in the number of police officers and support staff serving our citizens, the City has identified the need to construct a new Police Station. The existing police station is technologically outdated and the size of the facility is inadequate for the needs of the City's existing and future police force. The City Council formed the Public Safety Ad Hoc Committee to guide this new Police Station Project effort. One of the primary goals of this project is to re-locate the Police Station to a more centralized site within the City in order to better serve our citizens. The Ad Hoc Committee has indicated a desire to locate the new Police Station within one mile of the new City Hall, if possible, and is a guiding force in selecting a suitable site. Phase 1 of this project evaluating multiple proposed sites and then ultimately identifying and purchasing the most appropriate site.

Phase II
This is the second phase of a project started in Fiscal Year 2006-07. The City's Public Safety Needs Report (revised in December 2006) established a service level of 0.75 sworn officers per 1,000 population. The existing Police Station on Santa Fe Avenue is inadequate to accommodate the City's ultimate needs, thereby warranting selection of a new site. Phase 1 of the project focused on identifying property within one-mile of the new Civic Plaza suitable for a 40,000 square foot facility.

Existing Situation

Phase 1 of the project (property identification and acquisition) is well underway. The preferred site has been selected, and acquisition of the necessary properties has commenced.

Project Schedule for 2007-08 Budget:

Phase I
Property acquisition will continue and be completed by the end of the Fiscal Year.

Phase II
The design and construction of this project will be approached utilizing the Program Manager at Risk method, the same method employed with the City Hall/Library project. A Program Manager at Risk firm will be engaged to begin design of the new 40,000 sq. ft. facility. This portion of work should be concluded within Fiscal Year 2007-08.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
586-650-6516 Contractual	0	0	$1,000,000	0	$1,500,000
586-650-6516 Capital Outlay	0	0	0	0	1,100,000
Total Expenditures	0	0	$1,000,000	0	$2,600,000
Source of Funds					
586 Redevelopment Capital – P/A #1	0	0	$1,000,000	0	$2,600,000
Total Source of Funds	0	0	$1,000,000	0	$2,600,000

Project Title: New Police Station (Continued)
Property Identification, Acquisition, Design, and Construction

Project Funding Narrative:

This project is expected to be funded from Redevelopment Capital Project funds and Police Department Impact Fee funds. The initial phase will be funded from Redevelopment funds. Please note that the $1,000,000 included in the 2006-07 Budget was a place holder or very preliminary estimate. The actual property acquisition costs have been higher.

Project Impact on Operating Budget:

None at this time. Construction of the larger Police Station will result in an increase in operation and maintenance expenses.

Project Title: Fire Station 301 Construction/Property Acquisition

Project Number: 6517

Department/Program: Development Services – Facilities CIP

Project Description and Location:

This project is the next phase of addressing the City's master-planned fire service needs that began in Project 6514. Existing Station 301, located on the west side of Eleventh Avenue, south of Main Street (9430 Eleventh Avenue) contains approximately 3,700 square feet of building space. In order to fulfill the City's Public Safety Needs Report requirements, the facility needs to be expanded/reconstructed to 12,000 square feet. In June 2006, the City sent a Request for Qualifications to architectural firms to provide architectural and construction support services. Wolff/Lang/Christopher (WLC) Architects was selected as the firm most qualified to meeting the needs of the City.

Existing Situation:

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. WLC Architects is currently preparing working drawings. City staff also began the process of acquiring the necessary property south of the current facility.

Project Schedule for Fiscal Year 2007-08 Budget:

It is expected that the land acquisition needed for the project will be concluded in Summer 2007. Construction plans will be completed in October, and construction will be bid. Construction will commence in winter/early spring 2008, and will continue into Fiscal Year 2008-09.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
302-650-6517 Land				$50,000	$1,200,000
302-650-6517 Contractual				0	0
586-650-6517 Land	0	0	0	100,000	
586-650-6517 Contractual	0	0	0	0	2,400,000
Total Expenditures	0	0	0	$150,000	$3,600,000

Source of Funds					
302 Fire Dif	0	0	0	$50,0000	$1,200,000
586 Redevelopment – P/A #1	0	0	0	100,000	$2,400,000
Total Source of Funds	0	0	0	$150,000	$3,600,000

Project Funding Narrative:

The estimated cost of land acquisition and construction is $6 million, which will be funded, in part, by Redevelopment Project Area 1 Capital and Development Impact Fees. The balance of the $6 million project cost not expensed in FY 2007-08 will be included in the Fiscal Year 2008-09 budget ($2.4 million).

Project Impact on Operating Budget:

Not applicable at this time.

Project Title: Fire Station 305 Construction

Project Number: 6518

Department/Program: Development Services – Facilities CIP

Project Description and Location:

This project is the next phase of addressing the City's master-planned fire service needs that began in Project 6514. In order to meet the needs of the developing freeway corridor, as well as provide administrative offices for the San Bernardino County Fire Department, the County and City are jointly participating in the development of Station 305, to be located on the west side of Interstate 15, east of Caliente Road, south of Joshua Street. The City's Public Safety Needs Report identifies a station that will be approximately 22,000 square feet in size. In June 2006, the City sent a Request for Qualifications to architectural firms to provide architectural and construction support services. Wolff/Lang/Christopher (WLC) Architects was selected as the firm most qualified to meeting the needs of the City. The City previously owned property in the same area, but west of Caliente Road. A "land-swap" was made with another property owner in early 2007 in order to establish a preferred location for the new station.

Existing Situation

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. WLC Architects is currently preparing working drawings. City staff began the process of acquiring the necessary property north of the current facility.

Project Schedule for Fiscal Year 2007-08 Budget:

Construction plans will be completed in October 2007 and the plans will be bid for construction. Construction will commence in winter/early spring 2008, and will continue into Fiscal Year 2008-09.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
302-650-6518 Contractual	0	0	0	0	$2,233,333
586-650-6518 Contractual	0	0	0	0	4,466,667
Total Expenditures	0	0	0	0	$6,700,000

Source of Funds					
302 Fire Dif	0	0	0	0	$2,233,333
586 Redevelopment – P/A #1	0	0	0	0	4,466,667
Total Source of Funds	0	0	0	0	$6,700,000

Project Funding Narrative:

The estimated cost of construction is $11.1 million and will be funded, in part, by Redevelopment Capital, Development Impact Fees, and contribution from the County of San Bernardino ($3 million). The balance of the $11.1 million project cost not expended in 2007-08 will be included in the Fiscal Year 2008-09 budget ($3.4 million).

Project Impact on Operating Budget:

Not applicable at this time.

Project Title: Fire Station 302 Property Acquisition and Design

Project Number: 6519

Department/Program: Development Services – Facilities CIP

Project Description and Location:

The City currently operates Fire Station 302 at 17288 Olive Street. This facility serves as the San Bernardino County Fire Department's headquarters and is 3,435 square feet in size. Upon completion of the new Station 305 (Project 6518), headquarters will be relocated to the new station. In order to meet the response times in the City's Public Safety Needs Report, Station 302 is to be relocated north of Main Street to serve the northeast portion of the City in the industrial park. The new facility will be 15,000 square feet in size.

Existing Situation

The Public Safety Needs Report, approved in December 2006, programs Station 302 for construction in Fiscal Year 2010-11. In order to meet this schedule, land must be acquired and design should begin.

Project Schedule for Fiscal Year 2007-08 Budget:

Property acquisition is expected to occur after July 2007. Once a site is selected, an architectural design consultant will be engaged to design the facility. Design is expected to take approximately ten months and will be complete by the end of the Fiscal Year.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
586-650-6519 Contractual	0	0	0	0	$1,500,000
Total Expenditures	0	0	0	0	$1,500,000
Source of Funds					
586 Redevelopment – P/A #1	0	0	0	0	$1,500,000
Total Source of Funds	0	0	0	0	$1,500,000

Project Funding Narrative:

Funding for the property acquisition (estimated at $1.5 million) and design (estimated at $600,000) will be from Redevelopment Capital.

Project Impact on Operating Budget:

None at this time.

Project Title: Fire Station 304 Expansion/Design

Project Number: 6521

Department/Program: Development Services –Facilities CIP

Project Description and Location:

This project involves the interior 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

A concept design was prepared by WLC Architects to add approximately 3,150 square feet and will cost $150,000, and construction is estimated at $1,340,000 and was reviewed for feasibility in April 2007. This proposal will be initiated in Fiscal Year 2007-08.

Project Schedule for Fiscal Year 2007-08 Budget:

An architectural design firm will be engaged in Summer 2007 to design the interim expansion. Design is expected to be completed by the end of Fiscal Year 2007-08.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
586-650-6521 Contractual	0	0	0	0	$950,000
Total Expenditures	0	0	0	0	$950,000
Source of Funds					
586 Redevelopment – P/A #1	0	0	0	0	$950,000
Total Source of Funds	0	0	0	0	$950,000

Project Funding Narrative:

The project is funded from Redevelopment Capital Project funds

Project Impact on Operating Budget:

Project Title: FY 2006-07 Pipeline Replacement

Project Number: 8074

Department/Program: Development Services – Water CIP

Project Description and Location:

This project involves the installation of approximately 130,000 linear feet of new 8-inch and 12-inch PVC pipeline in two schedules (59,500 and 70,500 respectively) to replace existing steel pipelines in approximately 26 streets located in various areas of the City. The replacement of these pipelines will also substantially increase fire flow availability and improve the quality of water to our customers.

These improvements will replace pipes that are approximately 50 years old that have a history of leak repairs and taste and odor complaints. In prior years, the City has replaced approximately 10 miles of pipeline per year and re-paved approximately 20 miles of roadway per year. The Roadway Program is "catching up" with the Water Pipeline Program, and the schedule for pipeline replacement should be accelerated in order to maintain the schedule for roadway repairs. It is recommended that the amount of pipe be increased from prior years to accommodate the annual Street Improvement Program. The pipelines selected for replacement were presented to the Public Works Advisory Committee (PWAC) as part of the recommended Five Year Water Pipeline Replacement CIP prior to the Fiscal Year 2006-07 Budget. In October 2006, an engineer (Southwest Engineering), was engaged to survey and design the project in two schedules ($257,475).

Existing Situation:

The design of Schedule 1 (59,500 linear feet) was completed in spring 2007, and the bid for construction for $2,850,000 was awarded in June 2007 to Arizona Pipeline Company (APL). A consultant engineering survey firm will be engaged for field staking work by the end of Fiscal Year 2006-07. Estimated cost of this work is $70,000.

Project Schedule for 2007-08 Budget:

Construction of Schedule 1 is expected to start in July 2007 and be completed by May 2008. Design of Schedule 2 should be complete by July, after which it will be bid for construction in July 2007. Construction will continue through the end of Fiscal Year into 2008-09.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8074 Contractual	0	0	$6,000,000	$258,000	$6,030,170
Total Expenditures	0	0	$6,000,000	$258,000	$6,030,170
Source of Funds					
701 Water Capital	0	0	$6,000,000	$258,000	$6,030,170
Total Source of Funds	0	0	$6,000,000	$258,000	$6,030,170

Project Funding Narrative:

This project is funded from the Water Capital Fund and fund reserves as needed. The costs for the four components are: Design of both schedules ($257,475); field staking work ($70,000); Schedule 1 construction ($2,850,000); and Schedule 2 (FY 2008-09) construction ($3,910,000), for a total project cost of an estimated $7,087,475. Six million dollars is budgeted in 2007-08.

Project Impact on Operating Budget:

This project will result in a decrease in water operation expenses due to the replacement of pipeline that has a history of leaks.

Project Title: Waterline Replacement – Juniper Street and Chestnut Street Design and Construction (between 7th Avenue and 3rd Avenue)

Project Number: 8075

Department/Program: Development Services – Water CIP

Project Description and Location:

The City received Environmental Protection Agency (EPA) Grants in 2004 and 2005 totaling a maximum of $327,300 for improvements to the City's water distribution network. The City is embarking on a "Township Improvement Project" for the original Township Area north of Main Street between 7th Avenue and Hesperia Road. The City is committing to improving two roads per year, beginning with Spruce and Smoke Tree. As part of these improvements, water lines will be installed within the roadways from 7th Avenue to 3rd Avenue where it will connect to existing water pipeline that were previously installed in the roadways.

City Staff has decided to utilize the funds as a first step in the Township Improvement Project (Project 7102) by replacing the old steel waterlines which are located in easements behind the homes. The new PVC water pipeline will be placed within the road right-of-way in front of the homes and allow new development that comes into the area to connect to the new pipeline. Although the existing service connections will not be relocated with this project, the laterals and facilities for the future meter sets will be constructed to allow for easier service conversions.

Existing Situation:

The City is embarking on an aggressive improvement plan for the original Township Area north of Main Street between 7th Avenue and Hesperia Road. The City is committing to improving two roads per year, beginning with Spruce and Smoke Tree. As part of these improvements, waterline will be installed within the roadways from 7th Avenue to 3rd Avenue where it will connect to existing water pipeline which was previously installed in the roadways. The utilization of these EPA grant funds will assist the City in constructing these Township improvements.

Project Schedule for 2007-08 Budget:

The replacement streets for the grant will be identified for approval by the EPA in early summer 2007. The design phase of the project should be completed by spring 2008, with construction also occurring in spring 2008.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8075 Contractual	0	0	$680,000	$21	$1,000,000
Total Expenditures	0	0	$680,000	$21	$1,000,000
Source of Funds					
701 Water Capital	0	0	$443,000	$21	$1,000,000
701 EPA Grant	0	0	$237,000	0	0
Total Source of Funds	0	0	$680,000	$21	$1,000,000

Project Funding Narrative:

This project is partially funded from the Water Capital fund revenue and fund reserves as needed and from two "line item" grants received from the Environmental Protection Agency totaling $327,300.

Project Impact on Operating Budget:

This project will result in a decrease to operational and maintenance expenses due to replacement of old, leaky waterlines with new pipe.

Project Title: Four New Well Sites – Property Acquisition

Project Number: 8076

Department/Program: Development Services – Water CIP

Project Description and Location:

The City's Water Master Plan recommends that the Water District have an additional 10,000 gallons per minute (gpm) pumping capacity in its system by the year 2025. Given the increase in development over the last two years, this recommendation seems conservative. The City is anticipating this increase in pumping capacity and looking for new locations to drill wells. This project coordinates the efforts of City Staff and consultants to identify up to four new sites to locate new production wells for the District.

Existing Situation:

The City has recently drilled two new test wells on the west end of the City. The production rates from these two test wells were not high enough to justify the expense of developing production wells at these sites. City staff is working with consultants to identify other potential sites for future wells in the City.

Project Schedule for 2007-08 Budget:

Additional properties along the I-15 freeway corridor will be pursued in Fiscal Year 2007-08.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8076 Contractual	0	0	$1,000,000	$187,000	0
Total Expenditures	0	0	$1,000,000	$187,000	0
Source of Funds					
701 Water Capital	0	0	$1,000,000	$187,000	0
Total Source of Funds	0	0	$1,000,000	$187,000	0

Project Funding Narrative:

This project is funded from the Water Capital fund revenue and fund reserves as needed. Project not funded in FY 2007-08. If acquisition property comes available, a budget amendment will be requested of City Council.

Project Impact on Operating Budget:

This project will result in a future increase to operation and maintenance expenses due to construction of four new wells.

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.

Existing Situation:

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. Based on these reports, the required pipeline and associated sizing was determined, as well as the water reservoir needed. In March, the City concurrently solicited engineering firms for the design of the corridor. It is expected that the consultant will be engaged before the end of Fiscal Year 2007-08.

Project Schedule for 2007-08 Budget:

The design work by the selected consultant will commence in July 2007. It will include the preparation of a plan for new water and sewer pipelines in Mariposa Road and Caliente Road to the southern City limits, a new booster station at Plant 30, and a new reservoir and hydro booster station to serve the upper zone areas. Plans should be completed by January 2008, after which, the construction will begin April/May 2008.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8077 Contractual	0	0	$1,000,000	0	$1,000,000
Total Expenditures	0	0	$1,000,000	0	$1,000,000
Source of Funds					
701 Water Capital	0	0	$1,000,000	0	$1,000,000
Total Source of Funds	0	0	$1,000,000	0	$1,000,000

Project Funding Narrative:

This project is funded from the Water Capital fund revenue and fund reserves as needed. Total project cost is $2,000,000 with $1,000,000 being funded in Fiscal Year 2007-08.

Project Impact on Operating Budget:

This project will result in an increase to operation and maintenance expenses due to construction of new water system facilities (tentatively scheduled for Fiscal Year 2008-09).

Project Title: Property Acquisition for Reservoir Expansion @ 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 5.0 MG water tanks at Plant Site 30 and one 5.0 MG water tank at Plant Site 19A, the City's total water storage will reach approximately 60.0 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 rapid rise in population in recent years has increased the demand for water that is available for domestic use and fire protection and is stretching the districts water system to the limits.

In 2006, a consultant (Stantec) 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 will include investigation and analysis of available real property that is contiguous to existing Plant 19A. In early 2007, the City acquired property north of Plant 19A, Plant 21, and real property that is available for a water storage tank at an appropriate location to serve the future Interstate 15 Corridor water system.

Existing Situation and Work Completed Through Fiscal Year 2006--07:

Property for Plant 19A expansion was concluded in Fiscal Year 2007 by acquisition of the northerly property for approximately $250,000. Plant 21 property acquisition has not occurred.

Project Schedule for 2007-08 Budget:

It is anticipated that in Fall 2007, a consultant will be selected to perform the investigation of available property for Plan 21 by Spring 2008.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8078 Contractual	0	0	$1,000,000	$376,102	$1,100,000
Total Expenditures	0	0	$1,000,000	$376,102	$1,100,000
Source of Funds					
701 Water Capital	0	0	$1,000,000	$376,102	$1,100,000
Total Source of Funds	0	0	$1,000,000	$376,102	$1,100,000

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: Construction – Plant 22 Well A

Project Number: 8079

Department/Program: Development Services – Water CIP

Project Description and Location:

This project is for the drilling of a new well at Plant 22. An existing well was originally drilled in 1986. In early 2007, the well pump seized and it was determined that the well casing had collapsed resulting in a catastrophic failure beyond repair. In April 2007, a contract was awarded (Bakersfield Well and Pump Company) for the drilling and re-establishment of a new well on-site.

Existing Situation and Work Completed Through Fiscal Year 2006--07:

As of May 2007, the well had been drilled and conductor pipe installed. Additional work is to continue through this fiscal year.

Project Schedule for 2007-08 Budget:

Completion of the well should be completed by October 2007.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8079 Contractual	0	0	0	$250,000	$300,000
Total Expenditures	0	0	0	$250,000	$300,000
Source of Funds					
701 Water Capital	0	0	0	$250,000	$300,000
Total Source of Funds	0	0	0	$250,000	$300,000

Project Funding Narrative:

This project is funded by Water Capital fund revenue and fund reserves as needed.

Project Impact on Operating Budget:

This replacement will have no net effect on the operating budget.

Project Title: Annual Pipeline Design Project (50,000 feet)

Project Number: 8080

Department/Program: Development Services – Water CIP

Project Description and Location:

The Hesperia Water District's 2003 Master Plan identified approximately 792,000 linear feet of existing pipe that is deficient for various reasons, including age (50+ years), leaks, taste, and odor complaints stemming from water being distributed through steel pipes, and substandard fire flow and size (less than 6-inches in diameter). Design to replace the deficient system is an annual project.

Existing Situation and Work Completed Through Fiscal Year 2006--07:

The District has engaged contractors to replace pipe, and in 2006, the District created an in-house Pipeline Replacement crew. Installation by the crew began in November 2006. The goal is to replace all out-sourcing with the District's crew, and consistently replaces 10-15 miles of pipe annually, beginning with this design.

Project Schedule for 2007-08 Budget:

An engineering design consultant will be engaged by late summer 2007, and design should be complete by December 2007. The City's Water Pipeline crew will then commence carrying out the design.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8080 Contractual	0	0	0	0	$200,000
Total Expenditures	0	0	0	0	$200,000
Source of Funds					
701 Water Capital	0	0	0	0	$200,000
Total Source of Funds	0	0	0	0	$200,000

Project Funding Narrative:

This project is funded from the Water Capital fund revenue reserves as needed.

Project Impact on Operating Budget:

Once constructed, the improvements made from the design will reduce water operation expenses.

Project Title: Recoat and Repaint Reservoir Plant 30

Project Number: 8081

Department/Program: Development Services – Water CIP

Project Description and Location:

This project involves the stripping, primer application, and painting of the reservoir at Plant 30, located south of Ranchero Road, east of Interstate 15. Exterior coating on the reservoir tanks helps protect the structure and needs to periodically be scheduled.

Existing Situation and Work Completed Through Fiscal Year 2006--07:

Plant 30 contains three 5-million gallon reservoirs (30, 30B and 30C). This project will rehabilitate the exterior condition of Reservoir 30 only.

Project Schedule for 2007-08 Budget:

Bids will be solicited in summer 2007, with the project completed by the end of 2007.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-29-800-8081 Contractual	0	0	0	0	$100,000
Total Expenditures	0	0	0	0	$100,000
Source of Funds					
701 Water Capital	0	0	0	0	$100,000
Total Source of Funds	0	0	0	0	$100,000

Project Funding Narrative:

The project is to be funded from Water Capital fund revenue reserves as needed.

Project Impact on Operating Budget:

The project will result in a minor decrease in operational expenses.

Project Title: Water System Velocity Improvements Arrowhead/Tank 18/Maple

Project Number: 8082

Department/Program: Development Services – Water CIP

Project Description and Location:

This project involves the design and construction of improvements to the existing water system to increase water velocities in the area of Plants 18 and 22, on Arrowhead Road, Ranchero Road and Maple Avenue. As growth and development increases, so does the need for additional pumping lane capacity and water velocity to serve the reservoir zones in the west and southwest portion of the City (Zone 3, 3A, and 4). This project will assist in improving velocity to plants in lower zones (Zone 1 and 2) to "feed" the upper zones (Plant 30).

Existing Situation:

This is a new project. There has been no work specifically for this project. The Water Master Plan Update identifies this system improvement (Improvement Nos. V1-V5) in the near term (prior to 2012).

Project Schedule for 2007-08 Budget:

A contract engineering consultant will be engaged by the end of December 2007, and design of the system improvements should be completed before the end of the fiscal year. Construction would be scheduled for the end of Fiscal Year 2007-08 and continue into Fiscal Year 2008-09.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-29-800-8082 Contractual	0	0	0	0	$412,000
Total Expenditures	0	0	0	0	$412,000
Source of Funds					
701 Water Capital	0	0	0	0	$412,000
Total Source of Funds	0	0	0	0	$412,000

Project Funding Narrative:

This project is funded from Water Capital fund revenue reserves as needed. Design is estimated at $100,000, and construction is estimated at $724,000. Approximately one-half would be expended in Fiscal Year 2007-08. The balance would be expended in 2008-09.

Project Impact on Operating Budget:

This will have no Operating Budget impact at this time.

Project Title: FY 2005-06 Pipeline Replacement Program

Project Number: 8070

Department/Program: Development Services – Water CIP

Project Description and Location:

This project involves the installation of approximately 74,800 feet of new 8-inch and 12-inch PVC pipeline to replace existing steel pipelines in 46 streets located throughout the north and east quadrants of the City. The replacement of these pipelines will also substantially increase fire flow availability and improve the quality of water to our customers.

These improvements will replace pipes that are approximately 50 years old that have a history of leak repairs and taste and odor complaints. It was recommended that the amount of pipe be increased from prior years to accommodate the annual Street Improvement Program. In prior years, the City has replaced approximately 10 miles of pipeline per year and re-paved approximately 20 miles of roadway per year. The Roadway Program is "catching up" with the Water Pipeline Program, and the schedule for pipeline replacement should be accelerated in order to maintain the schedule for roadway repairs. The pipelines selected for replacement were presented to the City Council Advisory Committee (CCAC) as part of the recommended Five Year Water Pipeline Replacement CIP.

Existing Situation:

The original project was broken down and divided into smaller projects for ease of administration. Schedule 1 was awarded to CNB Contractors on May 3, 2006 and is currently under construction. Schedule 2 was advertised for construction in May 2006, and a contract is anticipated to be awarded at the July 5, 2006 Council/Water Board meeting. Work will commence in July 2006.

Project Schedule for 2007-08 Budget:

Project should be complete in 2006-07. The retention payment is expected to be released in Fiscal Year 2007-08.

Project Costs and Funding:

Expenditure Phase	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8070 Contractual	0	$1,610,231	$6,038,997	$5,800,000	$239,000
Total Expenditures	0	$1,610,231	$6,038,997	$5,800,000	$239,000
Source of Funds					
701 Water Capital	0	$1,610,231	$6,038,997	$5,800,000	$239,000
Total Source of Funds	0	$1,610,231	$6,038,997	$5,800,000	$239,000

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 result in a decrease in operation expenses.

Project Title: Design and Equip Wells 29, 31 and 32

Project Number: 8071

Department/Program: Development Services – Water CIP

Project Description and Location:

This project involves the design and construction to equip three previously drilled wells with a new pump, motor, piping, electrical and building enclosure. Well 29 is located on Capella Avenue near the Mojave River and was drilled in the early 1990's. Well 31 is located on Maple Avenue near El Centro Road, and Well 32 is located at the corner of Ryeland Road and Farmdale Avenue. These two wells were drilled in Fiscal Year 2004-05 under Project 3389.

The Master Plan recommended that the District install new wells and associated pipelines to serve the needs of new customers. These new wells will supplement the District's 14 existing well sites. New supply sources are needed to ensure adequate sources during peak demand periods, and when our existing wells are out of service for planned or unplanned maintenance. These three wells will help to meet the demands of growth that has occurred since 2001.

Existing Situation:

Design of the well equipment commenced September 2005 and will be completed in August 2006. A construction contract was awarded in November 2006 (Bowe Contractors). Construction commenced in December 2006 with work on Wells 31 and 32, and is to be completed by the end of July 2007. Well 29 will be completed by the end of August 2007.

Project Schedule for 2007-08 Budget:

Construction should be complete and all wells operational by August 2007.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8071 Contractual	0	$140,872	$1,750,000	$2,700,000	$400,000
Total Expenditures	0	$140,872	$1,750,000	$2,700,000	$400,000
Source of Funds					
701 Water Capital	0	$140,872	$1,750,000	$2,700,000	$400,000
Total Source of Funds	0	$140,872	$1,750,000	$2,700,000	$400,000

Project Funding Narrative:

This project is funded from Water Capital fund revenue and fund reserves. The entire project cost is $3,077,250. It is expected that $400,000 will be remaining by the end of Fiscal year 2007-08.

Project Impact on Operating Budget:

The project will result in an increase in operational expenses due to the addition of new pumping facilities.

Project Title: Plant 19 Reservoir Improvements

Project Number: 8073

Department/Program: Development Services – Water CIP

Project Description and Location:

The Master Plan recommended installation of a new five million gallon (5.0 MG) tank in the upper zones by year 2005 based on a three percent growth projection. This proposed water tank, to be located at Plant 19A and identified as Tank 19C, is needed to serve both existing and new water customers. The proposed tank will also enable the District to conserve energy by pumping and storing water at night to be used during daytime demand periods when energy costs are higher. There are two existing 5.0 million gallon tanks at this site, and it is expected that the facility will accommodate one additional 5.0 MG Tank. In addition, this project will include removal and re-application of the interior coatings and repair of the exterior coatings on the two existing 5.0 MG tanks at Plant Site 19A.

The interior coatings of water storage tanks have a normal useful life of between 10 to 20 years depending on various factors. The two existing 5.0 MG tanks at Plant 19A were installed in 1988. Based on recently completed inspections of the tanks, the interior coatings should be removed (by sandblasting) and new interior coatings be applied to protect the integrity of the steel structures. In addition to replacing the interior coatings, the project will also involve the repainting of the exteriors of each tank. Both water tanks have experienced extensive exterior coating failure; however, the primary primer application appears to be in acceptable condition.

Existing Situation:

The recoating and repainting of the two existing tanks was to occur in Fiscal Year 2005-06; however, in order to reduce costs, this work will be performed in conjunction with the construction of an additional water tank at the site. The two existing reservoirs will be recoated after construction of the new 5.0 MG tank and will be coordinated so that only one reservoir will be out of service at a time.

An engineering consultant (Stantec) was awarded a contract in February 2006 to design the improvements. Preliminary design work began in April 2006 and a final Technical Memorandum (TM) was completed in March 2007. This TM outlined the benefit of acquiring property to the north of the site, allowing the development of up to two 5.0 MG reservoirs on the expanded site. Property acquisition occurred (under Project 8078). The consultant was subsequently given a Notice to Proceed with design of two tanks.

Project Schedule for 2007-08 Budget:

Design should be complete in October 2007, after which, construction should commence January 2008 and be completed July 2008.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8073 Contractual	0	0	$3,000,000	$45,550	$3,273,000
Total Expenditures	0	0	$3,000,000	$45,550	$3,273,000
Source of Funds					
701 Water Capital	0	0	$3,000,000	$45,550	$3,273,000
Total Source of Funds	0	0	$3,000,000	$45,550	$3,273,000

Project Funding Narrative:

This project is funded from Water Capital fund revenue and fund reserves as needed. The total project cost is $10,273,000. $3,273,000 is budgeted in FY 2007-08 for the design of both tanks and start of construction on one tank. The project will be completed in FY 2008-09.

Project Impact on Operating Budget:

The project will result in a decrease in operational expense.

Project Title: Zone J Separation Project Phase 2

Project Number: 8061

Department/Program: Development Services – Water CIP

The Hesperia Water District and County Service Area (CSA) 70J staff completed a study to identify the remaining facilities needed to separate the portion of the City located west of Interstate 15 from the CSA 70J water system. The District and County prepared an agreement that was approved by both the Water District Board of Directors and County Board of Supervisors that identifies the costs associated with the required separation work and timing for installation of the facilities.

The Separation Agreement was approved by the City and County in September 2005. The City has coordinated with the County on the separation of various portions of the system. The County constructed a new transmission pipeline to facilitate the separation and the City has constructed the three pipelines required under the agreement.

Existing Situation:

As of January 2007, CSA 70J was still scheduling the installation of a pressure reducing valve (PRV). In addition, a system regulator on the District's system is to be relocated during the construction of a commercial development at the southwest corner of Main Street and I-15.

Project Schedule for 2007-08 Budget:

It is anticipated that the separation will be completed by the end of 2007.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8061 Contractual	$24,075	$429,856	$150,000	0	$100,000
Total Expenditures	$24,075	$429,856	$150,000	0	$100,000
Source of Funds					
701 Water Capital	$24,075	$429,856	$150,000	0	$100,000
Total Source of Funds	$24,075	$429,856	$150,000	0	$100,000

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 result in a minor decrease in operational expenses.

Project Title: Mojave Corporation Yard Expansion

Project Number: 6506 – Phase I

Department/Program: Development Services – Water CIP

Project Description and Location:

This project involves the expansion of the facilities at the Mojave Yard to accommodate all Public Works activities (Water/Sewer/Streets) and to provide the necessary buildings, parking, and work areas to allow for a projected 3% growth over the next 20 years.

One of the goals identified, during the reorganization and restructuring of the Public Works Division, was the construction of new facilities at the Mojave Yard/Warehouse. This included: (1) a 60' x 160' extension of the existing warehouse that will be utilized by the field operations to house staff and equipment, (2) a 40' x 50' building to house the sewer equipment, and (3) the construction of a new Public Works facility to provide access for the general public and bring all of the Public Works Division supervisors and clerical staff together into one location, instead of two locations, allowing for better communication and interaction between the staff and the citizens. Since the Mojave site is located on 10 acres at the corner of Mojave Street and "G" Avenue, this would be the ideal location for new construction and for future growth of the Public Works Division.

Existing Situation:

The consultant architect (Robert A. Martinez Architect and Associates) completed the preliminary design and space planning. Final plans were reviewed internally by staff and submitted and approved by the City's Building and Safety Department in winter 2006. The project was bid for construction in spring 2007 and awarded in June 2007 (Bowe Contractors). In addition, a consultant engineer was engaged for geotechnical, materials testing and inspections during construction (C.H.J., Inc). The architect will provide construction consulting and provide as-built drawings.

Project Schedule for 2007-08 Budget:

Construction is estimated to start in August 2007 and take approximately 14 to 16 months to complete, with an estimated completion date of December 2008, with the total estimated project cost of $6,653,000. Expenditures this fiscal year are estimated at $6 million, with the balance to be spent in 2008-09.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-650-6506 Contractual	$21,213	$105,086	$2,000,000	$100,000	$4,000,000
Total Expenditures	$21,213	$105,086	$2,000,000	$100,000	$4,000,000
Source of Funds					
701 Water Capital	$21,213	$105,086	$2,000,000	$100,000	$4,000,000
Total Source of Funds	$21,213	$105,086	$2,000,000	$100,000	$4,000,000

Project Funding Narrative:

This project is funded from Water Capital fund reserves. Total project cost is $6,416,623 with an estimated $4,000,000 in FY 2007-08 and $2,416,623 in FY 2008-09.

Project Impact on Operating Budget:

This project will result in a small decrease in operational expenditures due to the combining of Public Works in one location.

Project Title: Two New 5.0 Million Gallon (MG) Reservoir

Project Number: 8063 – Completed in FY 2005-06

Department/Program: Development Services – Water CIP

Project Description and Location:

The Master Plan recommended installation of new water tanks in the upper zones to serve new developments. The new tanks are needed to serve new water customers and will also enable the District to conserve energy by pumping and storing more water at night to be used later during the high demand periods when energy costs are higher. The two new five million gallon (5.0 MG) tanks are recommended in the Master Plan to serve both existing and new customers utilizing water from Plant 30. There is one existing 5.0 MG tank at this site. The facility is large enough to accommodate up to three additional 5.0 MG water tanks.

Project Status or Work Completed through Fiscal Year 2005-06

Design was completed and the environmental documents were approved and adopted. Construction of the two water tanks commenced in September 2005 and was completed in June 2006. Both new tanks are now in service.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8063 Contractual	$5,298	$3,609,030	0	0	0
Total Expenditures	$5,298	$3,609,030	0	0	0
Source of Funds					
701 Water Capital	$5,298	$3,609,030	0	0	0
Environmental Protection Agency Grant	0	0	0	0	0
Total Source of Funds	$5,298	$3,609,030	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:

The addition of two new water tanks will result in a minor increase in operational and maintenance expenses.

Project Title: Construction of Wells

Project Number: 8065

Department/Program: Development Services – Water CIP

Project Description and Location:

The Master Plan recommended that the District install new wells and associated pipelines in the upper zones to serve the needs of new customers. Most of the District wells are located in Pressure Zones 1 and 2, since past experience has shown that the water quality and quantity is superior in this area. Exploration of wells located to the west (in Pressure Zones 3 and 4) has not been performed by the District. The location of wells in the upper zones would eliminate the need to pump the water from the lower zones to the upper zones through the District booster stations, reducing power costs. This project involves the drilling of three wells in the upper zones and conducting water quality analysis to determine the zones of superior water quality.

Project Status or Work Completed Through Fiscal Year 2004-05:

Development of the wells was completed in Fiscal Year 2005-06 and equipping the wells will be completed in Equip Well No.'s 29, 31 and 32 (C.O. 8072).

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8065 Contractual	$954,420	$434,282	0	0	0
Total Expenditures	$954,420	$434,282	0	0	0
Source of Funds					
701 Water Capital	$954,420	$434,282	0	0	0
Total Source of Funds	$954,420	$434,282	0	0	0

Project Funding Narrative:

This project was funded from Water Capital fund revenue and fund reserves as needed.

Project Impact on Operating Budget:

None.

Project Title: FY 2004-05 Pipeline Replacement Program

Project Number: 8066 - Completed FY 2005-06

Department/Program: Development Services – Water CIP

Project Description and Location:

This project will involve the installation of approximately 58,000 feet of new 8-inch and 12-inch PVC pipeline to replace existing street pipelines in 26 streets located in the south portion of the City. The replacement of these pipelines will also substantially increase fire flow availability and improve the quality of water to our customers.

Existing Situation:

These improvements will replace pipes that are approximately 50 years old that have a history of leak repairs and taste and odor complaints.

Project Status or Work Completed through Fiscal Year 2005-06

Project completed in May 2006.

Project Costs and Funding:

Expenditure Phase	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8066 Contractual	$860,937	$2,464,465	0	0	0
Total Expenditures	$860,937	$2,464,465	0	0	0
Source of Funds					
701 Water Capital	$860,937	$2,464,465	0	0	0
Total Source of Funds	$860,937	$2,464,465	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 result in a decrease in operation expenses.

Project Title: Equip Well 19A

Project Number: 8067 – Completed FY 2005-06

Department/Program: Development Services – Water CIP

Project Description and Location:

This project involves equipping Well 19A constructed in C.O. 3886 with a new pump, motor, piping, electrical and building enclosure. The Master Plan recommended that the District install new wells and associated pipelines by year 2005 to serve the needs of the new customers. These new wells will supplement the District's 11 existing well sites and the two additional wells currently under construction. New supply sources are needed to ensure adequate sources during peak demand periods and when existing wells are out of service for planned or unplanned maintenance.

Project Status or Work Completed through Fiscal Year 2005-06

During FY 2004-05, Well 19A was equipped with mechanical and electrical equipment. The Well 19A building enclosure was completed during FY 2005-06.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-800-8067 Contractual	$12,171	$275,199	0	0	0
Total Expenditures	$12,171	$275,199	0	0	0
Source of Funds					
701 Water Capital	$12,171	$275,199	0	0	0
Total Source of Funds	$12,171	$275,199	0	0	0

Project Funding Narrative:

This project was funded from Water Capital fund revenue and fund reserves as needed.

Project Impact on Operating Budget:

The project will result in an increase in operational expenses due to the addition of a new pumping facility.

Project Title: Subregional Wastewater Reclamation Plant

Project Number: 9007 – Phase I

Department/Program: Development Services – Water CIP

Project Description and Location:

All wastewater generated within the City of Hesperia is conveyed through sewer collection and trunk pipelines, approximately nine miles to the regional treatment plant, where the wastewater is treated by the Victor Valley Wastewater Reclamation Authority (VVWRA). The City's Sewer Master Plan and VVWRA's Capital Improvement Plan identify a subregional treatment plant to be constructed within the northwest quadrant of the City to handle the large scale developments along the west end of the City. Two main factors that are analyzed in the selection of the treatment plant location is the potential to receive wastewater and an evaluation of potential recycled water uses that would benefit from the construction of the subregional plant. The City is proceeding with the acquisition of property near Cataba Road north of Main Street for a subregional treatment plant. This plant will be designed, constructed and operated by VVWRA on behalf of the City, but the City desires to own the property on which the facility is located. Funding by the City for this project is for the purchase of the property only.

Existing Situation

In 2005, staff had an agreement for the acquisition of the property upon approval and permitting for the subregional treatment plant. The property purchase was never consummated. Staff continued to work with VVWRA to approve a financing plan, and environmental work and move forward with the design and permitting for the construction of the plant. In early 2007, correspondence with the property owner resulted in interest by the property owner in again selling up to 20 acres for the subregional facility.

Project Schedule for 2007-08 Budget:

The City/Water District will complete the purchase of the property, including creation of the necessary Parcel Map by the end of FY 2007-08. The financing plan and sale of bonds for the financing of VVWRA's Capital Improvement Program should be in place this summer. Preliminary environmental work is completed for the subregional treatment plants, and site-specific design and environmental work is expected to begin summer or Fall of 2007.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
701-900-9007 Contractual	0	0	0	0	0
711-900-9007 Land Capital	0	0	$200,000	0	$450,000
Total Expenditures	0	0	$200,000	0	$450,000
Source of Funds					
701 Water Capital	0	0	0	0	0
711 Sewer Capital	0	0	$200,000	0	$450,000
Total Source of Funds	0	0	$200,000	0	$450,000

Project Funding Narrative:

This project is funded from Sewer Capital fund revenue and fund reserves as needed for the property acquisition. VVWRA would be responsible for environmental review, design and construction.

Project Impact on Operating Budget:

Construction of a subregional treatment plant would decrease the flows in the City's main sewer trunk lines and reduce the possibility of sanitary sewer overflows (SSO), thus reducing clean-ups and possible fines levied against the City.

Project Title: Santa Fe Improvements – Sewer Upgrade
Phase 1 - Design

Project Number: 9009

Department/Program: Development Services – Wastewater CIP

Project Description and Location:

The City's current Public Works and Code Compliance is one building of many located on Santa Fe Avenue that is not being served by the City's sewer collection system. Buildings constructed in the area north of Lemon Avenue were constructed with a septic system and are in operation on septic. With the high use of the City's building and the future expansion of Animal Control and Kennel services projected for the building, it will be necessary to connect this building to sewer. The nearest connection point for sewer is over a mile away, to the north.

Existing Situation:

A 10-inch sewer trunk line will have to be extended within Santa Fe Avenue from Osbrink Drive, which is just west of I Avenue, south to Lemon Street. There is some question as to the viability of this alignment due to the drainage crossing of Santa Fe Avenue just west of I Avenue. The project was budgeted in the 2006-07 CIP, but no work has been done.

Project Schedule for 2007-08 Budget:

The City will hire an engineering consultant to select and design an alignment for the sewer main extension. The alignment study and design of the improvement plans will be completed by the end of FY 2007-08.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
711-900-9009 Contractual	0	0	$100,000	0	$100,000
Total Expenditures	0	0	$100,000	0	$100,000
Source of Funds					
711 Sewer Capital	0	0	$100,000	0	$100,000
Total Source of Funds	0	0	$100,000	0	$100,000

Project Funding Narrative:

This project is funded from the Sewer Capital fund revenue and fund reserves as needed.

Project Impact on Operating Budget:

Not applicable.

Project Title: NEW Escondido Bypass Line

Project Number: 9010

Department/Program: Development Services – Wastewater CIP

Project Description and Location:

The City recently updated its Wastewater Master Plan. As part of that plan, one deficiency in the existing system needing to be addressed in the near term, was identified in the western side of the City where new development is occurring. Identified as "FP-11," this project would install a "bypass" sewer line to intercept the flows that are currently collected from the corner of Sultana Street and Escondido Avenue and flows east on Main Street to Maple Avenue. These flows would be directed north in a new 10-inch line to connect to the system north of Main Street.

Existing Situation:

No work has been done at this time.

Project Schedule for 2007-08 Budget:

Design of the system should begin by winter 2008, and construction can begin in spring 2008. Completion of the project would occur in Fiscal Year 2008-09.

Project Costs and Funding:

Expenditure Phases	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
711-29-900-9010 Contractual	0	0	0	0	$350,000
Total Expenditures	0	0	0	0	$350,000
Source of Funds					
711 Sewer Capital	0	0	0	0	$350,000
Total Source of Funds	0	0	0	0	$350,000

Project Funding Narrative:

This project is funded by Sewer Capital fund revenue reserves as needed. Design is estimated at $100,000 and construction is estimated at $690,000. The balance of the project funding would be allocated in Fiscal Year 2008-09.

Project Impact on Operating Budget:

This project will reduce the potential for sanitary sewer overflows, thus reducing the potential for administrative fines by the regulatory agencies.

DEBT

SERVICE

- *Overall Debt Obligations Summary*
- *Debt Obligations Principal Summary*
- *2007-08 Budget Total Principal and Interest Debt Service Payments*
- *Annual Debt Service Payments by Obligation and Fund*
- *Individual Debt Obligation Summaries*

DEBT SERVICE

OVERALL DEBT OBLIGATIONS SUMMARY

Included in this Debt Obligation Summary is information on external and internal debt obligations from Fiscal Year 2004-05 through the 2007-08 Budget.

Focus for Fiscal Year 2006-07 and Fiscal Year 2007-08:

- The primary debt management focus for Fiscal Year 2006-07 was preparing to issue additional Redevelopment Agency debt of approximately $200 million. This additional Redevelopment Agency debt is expected to be actually issued in July 2007.
- All of the debt obligations that would benefit from refinancing were refinanced in Fiscal Year 2004-05 or earlier. As was discussed during each presentation to the City Council for the refinanced debt issues, the lower interest rate environment associated with variable debt issues has resulted in the opportunity to prepay principal, through interest savings, thus lowering the overall outstanding debt more quickly. Status of Prepayments:

  - Measure I 2004 Variable Rate Revenue Bonds – The lower variable rate interest environment has enabled the City to prepay a total of $1.6 million through budgetary savings during the last three years.
  - Water 1998 Series A Revenue Bonds – The lower variable rate interest environment has enabled the Water District to prepay a total of $500,000, through budgetary savings.

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

- The following seven debt obligations were paid in full or refinanced/refunded during Fiscal Year 2004-05, retiring over $43,871,940 of debt:

Debt Obligations Refinanced/Refunded in Fiscal Year 2004-05	Original Principal Amount
City – Revenue Bonds Payable – Series 1993A	$14,950,000
City – Revenue Bonds Payable – Series 1993B	15,100,000
RDA – Senior Revenue Bonds – 1994 Series A	7,435,000
RDA – Senior Revenue Bonds – 1994 Series B	1,458,837
RDA – Senior Revenue Bonds – 1994 Series C	2,005,657
RDA – Liability Insurance Fund Advance to Hesperia RDA	635,000
RDA – City Advance to Hesperia RDA	2,287,446
Total Fiscal Year 2004-05	$43,871,940

DEBT SERVICE

OVERALL DEBT OBLIGATIONS SUMMARY (Continued)

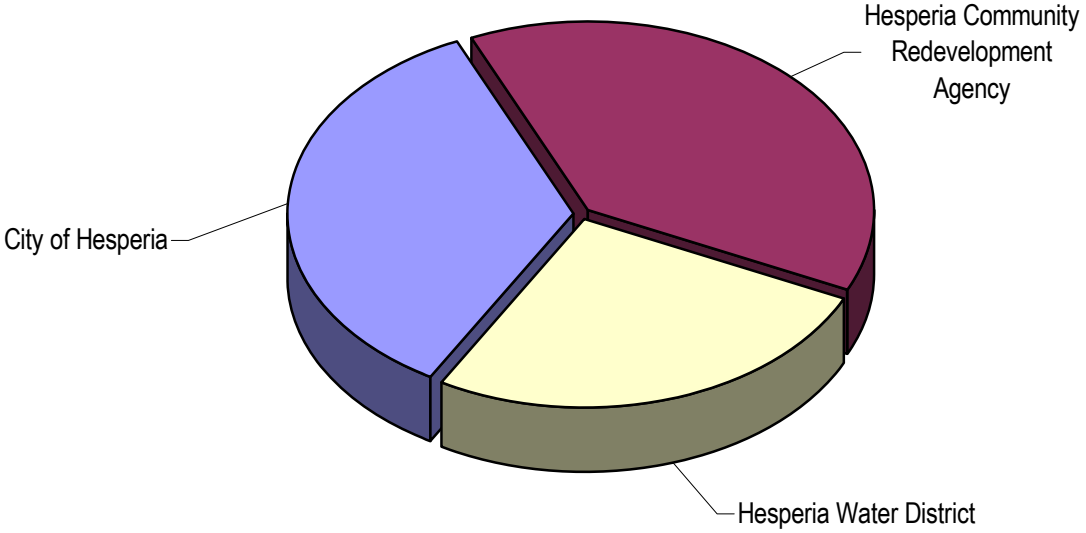
Debt Obligation Principal Summary

The following schedule summarizes all current City debt obligations, with the original principal amount and the principal outstanding as of July 1, 2007:

Debt Service Principal Obligations	Original Principal Amount	Estimated Principal Outstanding July 1, 2007	Maturity Date
City of Hesperia			
1996 HUD Section 108 Loan	$3,000,000	$1,500,000	August 1, 2016
Variable Rate Demand Revenue Bonds – Series 2004	12,525,000	9,955,000	October 1, 2023
2005 Variable Rate Demand Certificates of Participation (COPs)	18,300,000	18,300,000	October 1, 2034
Total City of Hesperia Principal Debt	$33,825,000	$29,755,000	
Hesperia Community Redevelopment Agency			
2005 Tax Allocation Bonds – Series A	$40,500,000	$38,690,000	September 1, 2035
2005 Tax Allocation Bonds – Series B	8,785,000	7,255,000	September 1, 2015
Total Hesperia Community Redevelopment Agency Principal Debt	$49,285,000	$45,945,000	
Hesperia Water District			
1987 Proposition 28 Loan from State of California	$5,000,000	$905,826	October 1, 2009
1992B Certificates of Participation	1,405,000	1,110,000	June 1, 2022
1998A Variable Rate Lease Revenue Refunding Bonds	18,040,000	14,650,000	June 1, 2026
1998B Variable Rate Lease Revenue Refunding Bonds	2,070,000	1,505,000	June 1, 2022
Total Hesperia Water District Principal Debt	$26,515,000	$18,170,826	
Total Principal Debt Service	$109,625,000	$93,870,826	

DEBT SERVICE

2007-08 BUDGET TOTAL PRINCIPAL AND INTEREST DEBT SERVICE PAYMENTS



	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
City of Hesperia					
Principal	$ 560,000	$ 1,235,000	$ 635,000	$ 1,635,000	$ 1,050,000
Interest	647,172	974,667	2,116,255	1,548,794	2,111,880
Total City	$ 1,207,172	$ 2,209,667	$ 2,751,255	$ 3,183,794	$ 3,161,880
Hesperia Community Redevelopment Agency					
Principal	$ 195,000	$ 1,925,000	$ 1,415,000	$ 1,415,000	$ 1,460,000
Interest	1,120,020	1,541,721	2,140,299	2,093,699	2,047,036
Total Redevelopment	$ 1,315,020	$ 3,466,721	$ 3,555,299	$ 3,508,699	$ 3,507,036
Hesperia Water District					
Principal	$ 1,395,447	$933,287	$ 976,823	$ 977,121	$ 1,011,173
Interest	668,497	1,187,914	1,316,914	1,240,211	1,374,058
Total Water	$ 2,063,944	$ 2,121,201	$ 2,293,737	$ 2,217,332	$ 2,385,231
Total All Funds					
Principal	$ 2,150,447	$ 4,093,287	$ 3,026,823	$ 4,027,121	$ 3,521,173
Interest	2,435,689	3,704,302	5,573,468	4,882,704	5,532,974
Total Debt Service Payments	$ 4,586,136	$ 7,797,589	$ 8,600,291	$ 8,909,825	$ 9,054,147

Note: Interest also includes Administrative/Other Costs

DEBT SERVICE

ANNUAL DEBT SERVICE PAYMENTS BY OBLIGATION AND FUND
In Chronological Order

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
City of Hesperia					
Revenue Bonds Payable - Series 1993A					
Principal	$410,000	0	0	0	0
Interest	105,378	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$515,378	0	0	0	0
Revenue Bonds Payable - Series 1993B					
Principal	0	0	0	0	0
Interest	$401,937	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$401,937	0	0	0	0
1996 HUD Section 108 Loan					
Principal	$150,000	$150,000	$150,000	$150,000	$150,000
Interest	42,884	73,414	100,000	86,700	124,600
Admin/Other costs	400	400	400	400	400
Total	$193,284	$223,814	$250,400	$237,100	$275,000
Variable Rate Demand Revenue Bonds-Series 2004					
Principal	0	$1,085,000	$485,000	$1,485,000	$500,000
Interest	82,303	346,067	949,055	528,694	920,080
Admin/Other Costs	13,117	19,367	75,000	133,000	75,000
Total	$95,420	$1,450,434	$1,509,055	$2,146,694	$1,495,080
2005 Variable Rate Demand Certificates of Participation					
Principal	0	0	0	0	$400,000
Interest	0	$509,923	$841,800	$650,000	841,800
Admin/Other Costs	$1,153	25,496	150,000	150,000	150,000
Total	$1,153	$535,419	$991,800	$800,000	$1,391,800
Total City of Hesperia Funds					
Principal	$560,000	$1,235,000	$635,000	$1,635,000	$1,050,000
Interest	632,502	929,404	1,890,855	1,265,394	1,886,480
Admin/Other Costs	14,670	45,263	225,400	283,400	225,400
Total	$1,207,172	$2,209,667	$2,751,255	$3,183,794	$3,161,880

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

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Hesperia Community Redevelopment Agency					
Senior Revenue Bonds 1994 Series A					
Principal	$155,000	0	0	0	0
Interest	534,013	0	0	0	0
Admin/Other Costs	4,969	0	0	0	0
Total	$693,982	0	0	0	0
Senior Revenue Bonds 1994 Series B					
Principal	$40,000	0	0	0	0
Interest	181,913	0	0	0	0
Admin/Other Costs	3,693	0	0	0	0
Total	$225,606	0	0	0	0
Senior Revenue Bonds 1994 Series C					
Principal	0	0	0	0	0
Interest	0	0	0	0	0
Admin/Other Costs	$2,940	0	0	0	0
Total	$2,940	0	0	0	0
2005 Tax Allocation Bonds-Series A					
Principal	0	$1,135,000	$675,000	$675,000	$695,000
Interest	0	1,339,584	1,802,254	1,802,254	1,780,016
Admin/Other Costs	0	2,987	60,000	30,000	30,000
Total	0	$2,477,571	$2,537,254	$2,507,254	$2,505,016
2005 Tax Allocation Bonds-Series B					
Principal	0	$790,000	$740,000	$740,000	$765,000
Interest	0	196,675	246,445	246,445	222,020
Admin/Other Costs	0	2,475	31,600	15,000	15,000
Total	0	$989,150	$1,018,045	$1,001,445	$1,002,020
Liability Fund Advance to Hesperia RDA					
Principal	0	0	0	0	0
Interest	$11,524	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$11,524	0	0	0	0
City Advance to Hesperia RDA					
Principal	0	0	0	0	0
Interest	$380,968	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$380,968	0	0	0	0
Total Hesperia Community Redevelopment Agency					
Principal	$195,000	$1,925,000	$1,415,000	$1,415,000	$1,460,000
Interest	1,108,418	1,536,259	2,048,699	2,048,699	2,002,036
Admin/Other Costs	11,602	5,462	91,600	45,000	45,000
Total	$1,315,020	$3,466,721	$3,555,299	$3,508,699	$3,507,036

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

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Hesperia Water District					
1987 Prop 28 Loan form State of California					
Principal	$310,447	$323,287	$336,823	$337,121	$351,173
Interest	74,439	61,599	48,064	48,061	34,008
Admin/Other Costs	0	0	0	0	0
Total	$384,886	$384,886	$384,887	$385,182	$385,181
1992 B Certificates of Participation					
Principal	$30,000	$30,000	$35,000	$35,000	$35,000
Interest	108,450	105,750	103,050	103,050	99,900
Admin/Other Costs	7,950	3,975	5,000	5,000	5,000
Total	$146,400	$139,725	$143,050	$143,050	$139,900
1998 A Variable Rate Lease Revenue Refunding Bonds					
Principal	$990,000	$510,000	$530,000	$530,000	$550,000
Interest	358,486	823,709	932,700	875,000	991,250
Admin/Other Costs	80,210	130,698	135,000	135,000	135,000
Total	$1,428,696	$1,464,407	$1,597,700	$1,540,000	$1,676,250
1998 B Variable Rate Lease Revenue Refunding Bonds					
Principal	$65,000	$70,000	$75,000	$75,000	$75,000
Interest	30,716	48,558	79,000	60,000	94,800
Admin/Other Costs	8,246	13,625	14,100	14,100	14,100
Total	$103,962	$132,183	$168,100	$149,100	$183,900
Total Hesperia Water District					
Principal	$1,395,447	$933,287	$976,823	$977,121	$1,011,173
Interest	572,091	1,039,616	1,162,814	1,086,111	1,219,958
Admin/Other Costs	96,406	148,298	154,100	154,100	154,100
Total	$2,063,944	$2,121,201	$2,293,737	$2,217,332	$2,385,231
Total All Funds					
Principal	$2,150,447	$4,093,287	$3,026,823	$4,027,121	$3,521,173
Interest	$2,313,011	$3,505,279	$5,102,368	$4,400,204	$5,108,474
Admin/Other Costs	$122,678	$199,023	$471,100	$482,500	$424,500
Total	$4,586,136	$7,797,589	$8,600,291	$8,909,825	$9,054,147

DEBT SERVICE

INDIVIDUAL DEBT OBLIGATION SUMMARIES

This section summarizes the individual debt service obligations of the City included in the 2008-09 Budget. These obligations represent the City's annual installment payments of principal, interest and administrative/other costs for debt financing. Each debt obligation is summarized with a description, relevant financial information, and a brief analysis and recommendation. Please note internal debt obligations, i.e. obligations between various City funds, may also be included if it is relevant to understanding the City's debt obligations. Debt obligations paid in full or refinanced/refunded through Fiscal Year 2005-06 are included for information.

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DEBT SERVICE

City-1996 HUD Section 108 Loan

Purpose/History: On June 6, 1996, the City entered into a note for $3,000,000 with Chase Manhattan Bank, the proceeds of which were to be used to make loans to assist for-profit businesses. The note is guaranteed by the Department of Housing and Urban Development (HUD) under Section 108 of the Housing and Community Development Act.

Original Principal Amount: $3,000,000

Principal Outstanding Balance as of:

July 1, 2004:	$1,950,000
July 1, 2005:	$1,800,000
July 1, 2006:	$1,650,000
Estimated July 1, 2007:	$1,500,000

Interest Rate: Variable at 0.2% above LIBOR (London Interbank Offered Rates) Note: 2006-07 Budget assumed a 6% variable rate.

Maturity Date: August 1, 2016

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	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amount	$150,000	$150,000	$150,000	$150,000	$150,000
Interest Amount	42,884	73,414	100,000	86,700	124,600
Admin/Other Costs	400	400	400	400	400
Total	$193,284	$223,814	$250,400	$237,100	$275,000

Analysis and Recommendation

- This obligation will be paid as planned or refinanced in conjunction with other HUD guaranteed debt obligations.

City-Variable Rate Demand Revenue Bonds – Series 2004

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 & 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, 2004	0
July 1, 2005	$12,525,000
July 1, 2006	$11,440,000
Estimated July 1, 2007	$ 9,955,000

Interest Rate: Variable

Maturity Date: October 1, 2023

Funding Sources: Gas Tax Revenue, Local Transportation (LTF) Revenue, and Measure I Local and Arterial Revenues.

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amount	0	$1,085,000	$ 485,000	$1,485,000	$ 500,000
Interest Amount	$82,303	346,067	949,055	528,694	920,080
Admin/Other Costs	13,117	19,367	75,000	133,000	75,000
Total	$95,420	$1,450,434	$1,509,055	$2,146,694	$1,495,080

Note: Budgetary Basis Adjustment: The Fiscal Year 2004-05 actual does not reflect the costs associated with the refinancing of the 1993 Series A and B Bonds.

Analysis and Recommendation

- This debt obligation has a variable interest rate and no penalties for early repayment of principal. The Budget for interest is being calculated at the level that would have been needed to pay the previous 1993 A and B obligations that were refinanced. Payments on this debt obligation are monitored monthly to determine interest savings and recommendations made at appropriate times, whether prepayment of principal can be accomplished. Two prepayments have been made, $200,000 in September 2005 based on Fiscal Year 2004-05 interest savings and a prepayment of principal for $400,000 was made in Fiscal Year 2005-06. An additional $1,000,000 prepayment will be accomplished before the end of Fiscal Year 2006-07.

City – 2005 Variable Rate Demand Certificates of Participation

Purpose/History: At the April 20, 2005 City Council meeting, the City Council authorized the issuance of Certificates of Participation (COPs) to finance $15,000,000 in costs associated with the new Civic Plaza (City Hall).

Original Principal Amount: $18,300,000

Principal Outstanding Balance as of:

July 1, 2004	0
July 1, 2005	$18,300,000
July 1, 2006	$18,300,000
Estimated July 1, 2007	$18,300,000

Interest Rate: Variable

Maturity Date: October 1, 2034

Funding Sources: General Fund and Public Services Development Impact Fees

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amount	0	0	0	0	$ 400,000
Interest Amount	0	$509,923	$841,800	$650,000	841,800
Admin/Other Costs	$1,153	25,496	150,000	150,000	150,000
Total	$1,153	$535,419	$991,800	$800,000	$1,391,800

Note: Budgetary Basis Adjustment: The Fiscal Year 2004-05 actual does not include costs related to the issuance of the 2005 Variable Rate Demand COP's.

Analysis and Recommendation

- This COP debt obligation was issued in June 2005 as a variable rate debt. 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. Payment of annual debt service principal and interest will commence in Fiscal Year 2007-08.

Redevelopment Agency – 2005 Tax Allocation Bonds – Series A

Purpose/History: The 2005 Series A Bonds are payable from "Tax Revenues," i.e., tax increment generated in the Agency's Redevelopment Project Area ("Project Area No. 1") and its Redevelopment Project Area No. 2 ("Project Area No. 2," and together with Project Area No. 1, the "Project Areas") available to the Agency after (i) payment of unsubordinated pass-through obligations to taxing entities affected by formation of the Project Areas and (ii) 20% of the tax increment is deposited into the Agency's Low and Moderate Income Housing Fund.

The 2005 Series A Bonds were issued to fund the following five uses or purposes:

(1) Series A Bond proceeds in the approximate amount of $13.2 million were used to refund all of the Agency's outstanding 1994 Bonds – Series A, B, and C, with an average interest cost of approximately 7.94% versus an all-in-true interest rate of 4.928% for the 2005 Series A Bonds.

(2) Series A Bond proceeds in the approximate amount of $5 million were used to provide funds to the Agency to repay advances from the City's General Fund.

(3) Series A Bond proceeds in the approximate amount of up to $19.9 million will be used to finance redevelopment projects in the project areas.

(4) Bond Reserves, amounting to $2,479,316.

(5) Costs of issuance and insurance premiums amounting to $1,372,188.

Original Principal Amount: $40,500,000

Principal Outstanding Balance as of:

July 1, 2004	0
July 1, 2005	$40,500,000
July 1, 2006	$39,365,000
Estimated July 1, 2007	$38,690,000

Interest Rate: 3.5% to 5.0% (All-in true interest cost of 4.928%).

Maturity Date: September 1, 2035

Funding Sources: Redevelopment Agency Tax Increment Revenue

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amount	0	$1,135,000	$675,000	$ 675,000	$ 695,000
Interest Amount	0	1,339,584	1,802,254	1,802,254	1,780,016
Admin/Other Costs	0	2,987	60,000	30,000	30,000
Total	0	$2,477,571	$2,537,254	$2,507,254	$2,505,016

Note: Budgetary Basis Adjustment: The Fiscal Year 2004-05 actual does not include costs related to the refinancing of the 1994 Series A, B, or C Bonds.

Analysis and Recommendation

- The 2005 Tax Allocation Bonds – Series A were issued in June 2005. An additional Redevelopment bond issue will be issued in Fiscal Year 2006-07, around June 2007, as a parity issue to the 2005 Tax Allocation Bonds – Series A.

Redevelopment Agency – 2005 Tax Allocation Bonds – Series B

Purpose/History: The 2005 Series B Bonds are payable from "Housing Tax Revenues," i.e., the 20% portion of the tax increment from the two project areas deposited into the Agency's Low and Moderate Income Housing Fund.

The 2005 Series B Bonds were issued to fund the following four uses or purposes:

- Series B Bond proceeds in the approximate amount of $7.0 million will be used to finance low and moderate income housing activities in or of benefit to the project areas.
- Series B Bond proceeds in the amount of $676,600 was used to provide funds to the Agency to repay advances from the City's Liability Insurance Fund.
- Bond Reserves in the amount of $878,500.
- Costs of issuance and insurance premiums amounting to $208,662.

Original Principal Amount: $8,785,000

Principal Outstanding Balance as of:

July 1, 2004	0
July 1, 2005	$8,785,000
July 1, 2006	$7,995,000
Estimated July 1, 2007	$7,255,000

Interest Rate: 3.877% All-in-true interest cost

Maturity Date: September 1, 2015

Funding Sources: Redevelopment Agency "Housing Tax Revenue" (20% portion of tax increment revenue)

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amount	0	$790,000	$740,000	$ 740,000	$ 765,000
Interest Amount	0	196,675	246,445	246,445	222,020
Admin/Other Costs	0	2,475	31,600	15,000	15,000
Total	0	$989,150	$1,018,045	$1,001,445	$1,002,020

Note: Budgetary Basis Adjustment: The Fiscal Year 2004-05 and 2005-06 actuals do not include any costs related to the refinancing of the 1994 Series A, B, or C Bonds.

Analysis and Recommendation

- The 2005 Tax Allocation Bonds – Series B were issued in June 2005. Based on actual Fiscal Year 2004-05 and actual Fiscal Year 2005-06 tax increment revenue growth, an additional Redevelopment bond issue was issued in Fiscal Year 2007-08.

DEBT SERVICE

Water District-1987 Prop. 28 Loan from State of California

Purpose/History: On May 30, 1987, City of Hesperia entered into contract #E53203 with the State of California, Department of Water Resources, to borrow $5,000,000 under the California Safe Drinking Water Bond Law of 1984 (City Council Resolution 87-9). The loan was made to assist in financing construction of a project that would enable the City to meet safe drinking water standards established pursuant to Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code.

Original Principal Amount: $5,000,000

Principal Outstanding Balance as of:

July 1, 2004:	$1,876,681
July 1, 2005:	$1,566,234
July 1, 2006:	$1,242,947
Estimated July 1, 2007	$ 905,826

Interest Rate: 4.1439%

Maturity Date: October 1, 2009

Funding Source: Hesperia Water District User Taxes – The supplier agrees that it will levy and collect assessments and user charges as may be necessary to operate and to maintain the project and to meet the payments of the loan when the same becomes due, and if, for any reason, gross revenues prove insufficient to service the loan contract, supplier agrees to raise sufficient funds through increased user charges or assessments or any other legal means available to it to meet loan payments and to operate and to maintain the project.

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amount	$310,447	$323,287	$336,823	$337,121	$351,173
Interest Amount	74,439	61,599	48,064	48,061	34,008
Admin/Other Costs	0	0	0	0	0
Total	$384,886	$384,886	$384,887	$385,182	$385,181

Note: Budgetary Basis Adjustment: The principal payments are reflected in the actual columns.

Analysis and Recommendation

- The 1987 Proposition 28 Loan is a relatively low cost debt obligation with a 4.1439% interest rate, which should simply be paid as scheduled until October 1, 2009 when it is paid in full.

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, 2004:	$1,205,000
July 1, 2005:	$1,175,000
July 1, 2005:	$1,145,000
Estimated July 1, 2007:	$1,110,000

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	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amount	$30,000	$ 30,000	$35,000	$ 35,000	$ 35,000
Interest Amount	108,450	105,750	103,050	103,050	99,900
Admin/Other Costs	7,950	3,975	5,000	5,000	5,000
Total	$146,400	$139,725	$143,050	$143,050	$139,900

Note: Budgetary Basis Adjustment: The principal payments are reflected in the actual columns. The CAFR reflects the amortization of discount and fees.

Analysis and Recommendation

- This 1992 B Certificate of Participation debt obligation has a high interest rate at 9% and a step-up provision, which provides that substantial principal reductions only occur in the later years of this 30-year obligation. Evaluation of this debt obligation indicates that there are not principal reduction or call provisions that allow for early repayment or refinancing of this obligation. Further research and legal analysis is being undertaken in an effort to evaluate the option of buying these bonds on the open market.

DEBT SERVICE

Water District-1998A Variable Rate Lease Revenue Refunding Bonds

Purpose/History: On July 2, 1998, the Water District issued 1998A revenue refunding bonds to refund the 1991, $17,675,000 Certificates of Participation that were issued June 1, 1991. The 1991 Certificates of Participation were issued to refund earlier 1990 Certificates of Participation. The 1990 Certificates of Participation were being used to fund improvements to the District's Water Facilities; to replace approximately 65 miles of deteriorating 4, 6 and 8 inch steel water pipeline, as well as refund prior indebtedness of the District.

Original Principal Amount: $18,040,000

Principal Outstanding Balance as of:

July 1, 2004:	$16,680,000
July 1, 2005:	$15,690,000
July 1, 2006:	$15,180,000
Estimated July 1, 2007:	$14,650,000

Note: City records show a balance of $18,040,000 as of July 1, 2001. This is correct for the bonds themselves. For Financial Statement purposes, a bond discount of $180,400 and the difference between the reacquisition price and net carrying value of the 1991 COPs, $1,906,482, has been deferred and is amortized over the remaining life of the bonds.

Interest Rate: Variable Initial Rate. As of June 1, 2005, $10,000,000, was swapped to a fixed rate of 5.96%. The balance of approximately $5.0 million is budgeted at a 6.5% interest rate due to the rising interest rate trend, for Fiscal Year 2006-07.

Maturity Date: June 1, 2026

Funding Source: Hesperia Water District – Taxes and User Fees

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amount	$ 990,000	$ 510,000	$530,000	$ 530,000	$ 550,000
Interest Amount	358,486	823,709	932,700	875,000	991,250
Admin/Other Costs	80,210	130,698	135,000	135,000	135,000
Total	$1,428,696	$1,464,407	$1,597,700	$1,540,000	$1,676,250

Note: Budgetary Basis Adjustment: The principal payments are reflected in the actual columns.

Analysis and Recommendation

- During Fiscal Year 2004-05, an interest rate swap to convert this variable rate debt into a fixed rate was evaluated and $10,000,000 of this taxable issue was swapped to a fixed rate of 5.96% effective June 1, 2005. The remaining $6.0 million will be continued as variable rate debt with the goal of prepaying principal from interest rate savings. In Fiscal Year 2004-05, $500,000 of principal was prepaid on the bonds.
- Fiscal Year 2006-07 – With the $10,000,000 swap in effect, significant interest savings were not achieved. Staff will evaluate requesting a budget amendment in order to prepay a significant amount.

Water District-1998B Variable Rate Lease Revenue Refunding Bonds

Purpose/History: On July 2, 1998, the Water District issued 1998B revenue refunding bonds to refund the 1992A, $1,855,000 Certificates of Participation that were issued June 1, 1992. The 1992A Certificates of Participation were issued to fund the acquisition and improvement of an administration building and the parcel of land on which it is located.

Original Principal Amount: $2,070,000

Principal Outstanding Balance as of:

July 1, 2004:	$1,715,000
July 1, 2005:	$1,650,000
July 1, 2006:	$1,580,000
Estimated July 1, 2008:	$1,505,000

Note: City records show balance of $1,900,000 as of July 1, 2001. This is correct for the bonds themselves. For Financial Statement purposes, a bond discount of $20,700 and the difference between the reacquisition price and net carrying value of the 1992A COPs, $212,358, has been deferred and is amortized over the remaining life of the bonds.

Interest Rate: Initial rate 3.95%/variable, with a range of 2.48% to 3.18% for the first ten months of Fiscal Year 2005-06.

Maturity Date: June 1, 2022

Funding Source: Hesperia Water District – Taxes and User Fees

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amounts	$ 65,000	$ 70,000	$ 75,000	$ 75,000	$ 75,000
Interest Amount	30,716	48,558	79,000	60,000	94,800
Admin/Other Costs	8,246	13,625	14,100	14,100	14,100
Total	$103,962	$132,183	$168,100	$149,100	$183,900

Note: Budgetary Basis Adjustment: The principal payments are reflected in the actual columns.

Analysis and Recommendation

- During Fiscal Year 2004-05, an interest rate swap to convert this variable rate debt into a fixed rate was evaluated. Based on that evaluation, this issue was continued as variable. In Fiscal Year 2004-05, $57,715 was used to prepay principal on the 1998A Variable Rate Lease Revenue Refunding Bonds.
- For the 2007-08 Budget year, the same strategy used in Fiscal Year 2004-05 will be pursued, whereby interest rate savings will be used to prepay principal to the extent possible.

DEBT SERVICE

City-Revenue Bonds Payable – Series 1993A

Purpose/History: On September 1, 1993 the Hesperia Public Financing Authority issued Revenue Bonds Series 1993A and 1993B. The 1993 Series A bonds were issued for $14,950,000, of which $1,400,000 was put in reserve, and the balance was to be used to finance the construction, replacement or improvement of local streets and highways within the City.

Original Principal Amount: $14,950,000

Principal Outstanding Balance as of:

July 1, 2004:	$3,455,000
July 1, 2005:	0

Interest Rate: 3.59% to 6.10%

Maturity Date: October 1, 2010 (Refunded September 22, 2004)

Funding Source: General Fund Revenue and certain voter-approved local sales tax revenue (Funds 4, 5, 10, 11)

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amounts	$410,000	0	0	0	0
Interest Amount	105,378	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$515,378	0	0	0	0

Note: Budgetary Basis Adjustment: The Fiscal Year 2004-05 actual does not reflect the costs associated with the refinancing of the 1993 Series A and B Bonds.

Analysis and Recommendation

- This obligation was refinanced/refunded September 22, 2004, with the City Variable Rate Demand Revenue Bonds – Series 2004, with $3,045,000 refunded to pay this debt obligation in full.

City-Revenue Bonds Payable – Series 1993B

Purpose/History: On September 1, 1993 the Hesperia Public Financing Authority issued Revenue Bonds Series 1993A and 1993B. The 1993 Series B bonds were for $15,100,100, of which $1,400,000 was put in reserve, $4,200,000 was held with a trustee for future construction projects, and the balance was to be used to finance the construction, replacement or improvement of local streets and highways within the City.

Original Principal Amount: $15,100,000

Principal Outstanding Balance as of:

July 1, 2004:	$10,900,000
July 1, 2005:	0

Interest Rate: 7.375%

Maturity Date: October 1, 2023 (Refunded September 22, 2004)

Funding Source: General Fund Revenue and certain voter-approved local sales tax revenue (Funds 4, 5, 10, 11)

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amounts	0	0	0	0	0
Interest Amount	$401,937	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$401,937	0	0	0	0

Note: Budgetary Basis Adjustment: The Fiscal Year 2004-05 actual does not reflect the costs associated with the refinancing of the 1993 Series A and B Bonds.

Analysis and Recommendation

- This obligation was refinanced/refunded September 22, 2004, with the City Variable Rate Demand Revenue Bonds – Series 2004, with $10,900,000 refunded to pay this debt obligation in full.

Redevelopment Agency–Senior Revenue Bonds 1994 Series A

Purpose/History: Redevelopment Agency Senior Revenue Bonds Series A were issued October 1, 1994.

Original Principal Amount: $7,435,000

Principal Outstanding Balance as of:

July 1, 2004:	$7,085,000
July 1, 2005:	0

Interest Rate: 7.5% to 7.75%

Maturity Date: September 1, 2024 (Refunded June 2005)

Funding Source: Hesperia Community Redevelopment Agency Tax Increment Revenue.

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amounts	$155,000	0	0	0	0
Interest Amount	534,013	0	0	0	0
Admin/Other Costs	4,969	0	0	0	0
Total	$693,982	0	0	0	0

Note: Budgetary Basis Adjustment: The Fiscal Year 2004-05 actual does not include any costs related to the refinancing of the 1994 Series A, B, or C Bonds.

Analysis and Recommendation

- The Senior Revenue Bonds 1994 Series A were refinanced/refunded in June 2005 into the Redevelopment Agency 2005 Tax Allocation Bonds Series A, with approximately $6,930,000 refunded to pay this debt obligation in full. .

Redevelopment Agency–Senior Revenue Bonds 1994 Series B

Purpose/History: Redevelopment Agency Senior Revenue Bonds Series B were issued November 16, 1994.

Original Principal Amount: $1,458,837

Principal Outstanding Balance as of:

July 1, 2004:	$2,225,000
July 1, 2005:	0

Interest Rate: 8.5%

Maturity Date: September 1, 2024 (Refunded June 2005)

Funding Source: Hesperia Community Redevelopment Agency Tax Increment Revenue.

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amounts	$ 40,000	0	0	0	0
Interest Amount	181,913	0	0	0	0
Admin/Other Costs	3,693	0	0	0	0
Total	$225,606	0	0	0	0

Note: Budgetary Basis Adjustment: The Fiscal Year 2004-05 actual does not include any costs related to the refinancing of the 1994 Series A, B, or C Bonds.

Analysis and Recommendation

- The Senior Revenue Bonds 1994 Series B were refinanced/refunded in June 2005 into the Redevelopment Agency 2005 Tax Allocation Bonds Series A, with approximately $2,185,000 refunded to pay this debt obligation in full.

Redevelopment Agency–Senior Revenue Bonds 1994 Series C

Purpose/History: Redevelopment Agency Senior Revenue Bonds Series C were issued November 16, 1994.

Original Principal Amount: $2,005,657

Principal Outstanding Balance as of:

July 1, 2004:	$4,775,665
July 1, 2005:	0

Interest Rate: 8.5%

Maturity Date: September 1, 2024 (Refunded June 2005)

Funding Source: Hesperia Community Redevelopment Agency Tax Increment Revenue.

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amounts	0	0	0	0	0
Interest Amount	0	0	0	0	0
Admin/Other Costs	$2,940	0	0	0	0
Total	$2,940	0	0	0	0

Note: Budgetary Basis Adjustment: The Fiscal Year 2004-05 actual does not include any costs related to the refinancing of the 1994 Series A, B, or C Bonds.

Analysis and Recommendation

- The Senior Revenue Bonds 1994 Series C were refinanced/refunded in June 2005 into the Redevelopment Agency 2005 Tax Allocation Bonds Series A, with approximately $4,925,000 refunded, which included a 5% call premium, to pay this debt obligation in full.

Redevelopment Agency–Liability Insurance Fund Advance to Hesperia Redevelopment Agency (RDA)

Purpose/History: On February 20, 2002, the City Council approved a loan of $635,000 from the Liability Insurance Fund (0003) to the Redevelopment Agency to make the March 1, 2002 Tax Allocation note debt service payment of $1,500,000.

Original Principal Amount: $635,000

Principal Outstanding Balance as of:

July 1, 2004:	$665,184
July 1, 2005:	0

Interest Rate: L.A.I.F.

Maturity Date: Unspecified (Paid in Full June 2005)

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amounts	0	0	0	0	0
Interest Amount	$11,524	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$11,524	0	0	0	0

Note: Budgetary Basis Adjustment: The Fiscal Year 2004-05 actual does not include any costs related to the refinancing of this debt.

Analysis and Recommendation

- The Liability Insurance Fund advance was refinanced/refunded in June 2005 into the Redevelopment Agency 2005 Ta Allocation Bonds Series B, with $665,184 in principal and interest accumulated through June 30, 2004, plus $11,524 Fiscal Year 2004-05 interest, for a total of $676,600 repaid to the City's Liability Insurance Fraud.

Redevelopment Agency–City Advance to Hesperia Redevelopment Agency

Purpose/History: To formalize debt owed to the City of Hesperia by the Community Redevelopment Agency for capital projects, administration and accrued interest accumulated since the formation of the Agency; a one-year promissory note was issued in June 1997. The promissory note covered $2,287,446 of debt and contemplated a 10% annual interest rate. The note was redrawn in June 1998 with a balance of $2,516,190 with interest to be accrued using a LAIF rate per annum calculation. The note was redrawn in June 1999 with a balance of $2,659,607 with interest to accrue at the rate of ten percent per annum. The correct balance at June 30, 1999 was $2,838,611.

Original Principal Amount: $2,287,446

Principal Outstanding Balance as of:

July 1, 2004:	$4,517,612
July 1, 2005:	0

Interest Rate: 10%

Maturity Date: None (Paid in Full June 2005)

Funding Sources: Redevelopment Agency Tax Increment Revenue

Payment Amount	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Principal Amounts	0	0	0	0	0
Interest Amount	$380,968	0	0	0	0
Admin/Other Costs	0	0	0	0	0
Total	$380,968	0	0	0	0

Note: Budgetary Basis Adjustment: The Fiscal Year 2004-05 actual does not include any costs related to the refinancing of this debt.

Analysis and Recommendation

- The City advance was refinanced/refunded in June 2005 into the Redevelopment Agency 2005 Tax Allocation Bonds Series A, with $4,571,612 in principal and interest accumulated through June 30, 2004, plus $380,968 Fiscal Year 2004-05 interest, for a total of $4,952,580 repaid to the City's General Fund.

FUND BALANCE SUMMARIES

- *Overview and Summary*
- *List of Funds*
- *Fund Descriptions*
- *2007-08 Budget - Balancing and Fund Balance Summary - By Major Grouping*
- *2007-08 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 2007-08 Budget. Each page presents the budgeted revenues and other resources that are anticipated to be available to fund the budgeted expenditures and other uses of a particular fund. Budgeted Reserves are occasionally required to finance some of a fund's planned expenditures and, where appropriate, comments are noted. The fund balance portion of each fund's actual columns correspond to the City's Comprehensive Annual Financial Report (CAFR).

SUMMARY

The Fund Balance section on each page displays the fiscal period's beginning balance, a deduction for the use of any reserves, an increase for the surplus of resources over uses, and finally the period's ending balance. Occasionally, a fund will expend resources in advance of a subsequent reimbursement, thus producing a temporary negative ending fund balance condition.

Occasionally a fund will draw on reserves, which were budgeted for a specific purpose, even though total resources will exceed total uses. This is done to acknowledge that the budgeted expenditure is not being funded by the current year operating revenue but, instead, by a prior year(s) savings.

For the 2007-08 Budget June 30th Ending Balance, some funds are reporting an anticipated negative fund balance. A brief explanation for each negative fund balance is provided on the individual fund page.

FUND BALANCE SUMMARY

List of Funds

- General Fund 100
- Measure I - Arterial Fund 201
- Measure I - Local Fund 202
- Measure I - Transit Fund 203
- Gas Tax Fund 205
- Local Transportation Fund 207
- Supplemental Franchise Cable Fund 208
- Traffic Congestion Relief Fund 250
- Community Development Block Grant (CDBG) Administration Fund 251
- Community Development Block Grant (CDBG) HOME Grants Fund 252
- Community Development Block Grant (CDBG) Revolving Loan Fund 253
- Air Quality Management (AQMD) Fund 254
- AB3229 Supplemental Law Fund 255
- Beverage Recycling Grant Fund 256
- Disaster Preparedness Grant Fund 260
- Public Works Street Maintenance Fund 263
- Traffic Signalization Fund 264
- Solid Waste Debt Fund 265
- Development Impact Fees-Streets Fund 300
- Development Impact Fees-Storm Drains Fund 301
- Development Impact Fees-Fire Fund 302
- Development Impact Fees-Police Fund 303
- Development Impact Fees-Public Services Fund 304
- Emergency Communication Relief Fund 305
- Development Impact Fees Fund 396
- Development Impact CIP Fund 397
- Measure I Debt Service Fund 400
- City Debt Service Fund 401
- Assessment District 91-1 Fund 500
- Community Facilities District 91-3 Fund 501
- Fire Station Building Fund 502
- City Streets CIP Fund 504
- Civic Plaza CIP Fund 505
- Measure I CIP Fund 596
- Congestion Mitigation CIP Fund 597
- Ranchero Road Undercrossing Fund 600
- Hesperia Branch Library Fund 601
- Mortgage Assistance Trust Fund 885

FUND BALANCE SUMMARY

List of Funds

- Liability Insurance Fund 900
- Redevelopment Agency (RDA) Low/Moderate Housing Fund 385
- Redevelopment Agency (RDA) Administration Fund 389
- Redevelopment Agency (RDA) Debt Service Fund 485
- Redevelopment Agency (RDA) Debt Service Project Area #1 Fund 486
- Redevelopment Agency (RDA) Debt Service Project Area #2 Fund 487
- Redevelopment Agency (RDA) Capital Improvements Fund 585
- Redevelopment Agency (RDA) Capital Improvements Area #1 Fund 586
- Redevelopment Agency (RDA) Capital Improvements Area #2 Fund 587
- Redevelopment Agency (RDA) Capital Improvements VVEDA Fund 588
- Fire District Fund 200
- Fire Capital Fund 506
- Water District - Water Operations Fund 700
- Water District - Water Capital Fund 701
- Water District - Sewer Operations Fund 710
- Water District - Sewer Capital Fund 711

FUND BALANCE SUMMARY

FUND DESCRIPTIONS

For budgeting purposes the City's funds are grouped by functional classifications. These classifications are General City Operations and Maintenance; Redevelopment Agency; Community Development Block Grant (CDBG); Street Related; Other Transportation Related; City Facilities; Other City Related; Water District; and Fire District.

The City of Hesperia budgets for revenues and expenditures in the following Governmental and Proprietary fund types:

The General Fund accounts for all financial resources traditionally associated with government, which are not required legally or by sound financial management to be accounted for in another fund.

The Special Revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

The Debt Service funds are used to account for the accumulation of resources and the payment of general obligation bond principal and interest from governmental resources, and special assessment bond principal and interest from special assessment levies, when the government is obligated in some manner for the payment.

The Capital Project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Proprietary funds are represented by two fund types: Enterprise funds and Internal Service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that the costs of providing goods or services to the general public, on a continuing basis, be financed or recovered primarily through user charges. Internal Service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City and to other government units, on a cost reimbursement basis.

GENERAL FUNDS

General Fund (100) – This fund accounts for the majority of financial resources and uses of the City such as Legislative, Administrative, Community Development, Police, and capital expenditures.

REDEVELOPMENT AGENCY FUNDS

Redevelopment Agency Low/Moderate Housing (385) – This Special Revenue fund accounts for the Agency's combined 20% tax increment set-aside monies to be used to increase and improve the community's supply of low and moderate income housing in the Redevelopment project areas.

Redevelopment Agency Administration (389) - To account for expenditures that are general or overhead in nature to the Redevelopment Agency for its general operations. These expenditures are to be allocated to the Low/Mod and capital project funds at the end of the fiscal year.

Redevelopment Agency Debt Service (485) – This Debt Service fund is the former fund that combined the debt service function into one fund. It accounted for the tax increment receipts and payment of the Redevelopment Agency bonded indebtedness.

FUND DESCRIPTIONS

REDEVELOPMENT AGENCY FUNDS (Continued)

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 (585) – This Capital Project fund accounts for the revenues and expenditures of Project Area #1 and Project Area #2. Bond proceeds provide the principal financing.

Redevelopment Agency Capital Improvements Project Area #1 (586) – This Capital Project fund accounts for the revenues and expenditures of Project Area #1. Bond proceeds provide the principal financing.

Redevelopment Agency Capital Improvements Project Area #2 (587) – This Capital Project fund accounts for the revenues and expenditures of Project Area #2. Bond proceeds provide the principal financing.

Redevelopment Agency Capital Improvements (Victor Valley Economic Development Authority (VVEDA) 588) – This Capital Project fund accounts for the revenues and expenditures of the VVEDA project area. VVEDA pass-through funds provide the principal financing.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS

CDBG Administration (251) - This Special Revenue fund accounts for the receipts and expenditures of the City's entitlements under Federal Community Development Block Grant (CDBG) programs of the US Department of Housing and Urban Development (HUD).

CDBG Home Grants (252) - This Special Revenue fund accounts for miscellaneous Federal and State grants requiring segregated fund accounting for CDBG grants of the HOME program.

CDBG Revolving Loan (253) - This Special Revenue fund accounts for the Section 108 loan proceeds from the Federal government (HUD) used to assist with business expansion within the City.

STREETS MAINTENANCE

Public Works Street Maintenance (263) - This Special Revenue fund accounts for funds expended to repair and maintain the City's streets.

STREET CAPITAL IMPROVEMENT PROJECTS (CIP) FUNDS

Measure I Arterial (201) - This Special Revenue fund accounts for 65% of the receipt of voter-approved (Measure I) tax revenue relating to the relief of arterial and regional traffic congestion through maintenance and upkeep of streets and highways.

Measure I Local (202) - This Special Revenue fund accounts for 30% of the receipt of voter-approved (Measure I) tax revenue relating to the relief of local traffic congestion through maintenance and upkeep of streets and highways.

FUND DESCRIPTIONS

STREET CAPITAL IMPROVEMENT PROJECTS (CIP) FUNDS (Continued)

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.

Local Transportation Fund (LTF) Article 8 (207) - This Special Revenue fund accounts for the ¼ cent of the 7¾ cent sales tax which, in turn, are expended for the City's participation in the Victor Valley Transit Authority and maintenance of streets and roads in accordance with AB 325.

Traffic Congestion Relief (250) - This Special Revenue fund accounts for a State (Proposition 42) comprehensive funding measure of almost $5 billion to enhance traffic flow.

Development Impact - Streets (300) - This Special Revenue fund accounts for the fees paid during the building permit process for the expansion and improvement of the capacity of the City's streets.

Development Impact – Storm Drainage (301) - This Special Revenue fund accounts for the fees paid during the building permit process for the expansion and improvement of the capacity of the City's storm drains.

Development Impact CIP (397) - This Capital Project fund is the former fund that accounted for the expensing of the fees paid during the building permit process for the improvement of the City's streets, storm drains, fire, police, and public works services.

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.

Measure I CIP (596) - This Capital Project fund accounts for bond proceeds used to finance street improvements throughout the City of Hesperia.

Congestion Mitigation (597) - This Capital Project fund accounts for monies expended on miscellaneous capital improvements.

Ranchero Road Undercrossing (600) - This Capital Project fund accounts for the costs associated with building a railroad crossing under the Burlington Northern Santa Fe tracks at Ranchero Road.

OTHER TRANSPORTATION RELATED FUNDS

Measure I Transit (203) - This Special Revenue fund accounts for 5% of the receipt of voter-approved (Measure I) tax revenue relating to aid the elderly and disabled with transportation services and fare reductions.

Traffic Signalization (264) - This Special Revenue fund accounts for funds designated to improve traffic flow by enhancing the coordination of traffic signals throughout the City.

Air Quality Management (0025) - 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.

Development Impact Fees (396) - This Special Revenue fund is the former fund that accounted for the fees paid during the building permit process for the improvement of the City's streets, storm drains, fire, police, and public works services.

Measure-I Debt Service (3001) - This Debt Service fund accounts for debt service payments on the Marks-Roos Measure I Revenue bonds.

FUND DESCRIPTIONS

FACILITIES

Hesperia Branch Library (601) - This Capital Project fund accounts for the costs associated with building the Hesperia Branch Library operated by the County of San Bernardino Library System.

Fire Building (502) - This Capital Project fund accounts for development impact fees to fund capital improvements of fire facilities.

Hesperia Civic Plaza CIP (505) - This Capital Project fund accounts for monies expended on building the Civic Plaza (City Hall) City of Hesperia.

OTHER CITY RELATED FUNDS

Supplemental Franchise Cable (208) - This Special Revenue fund accounts for funds received from the cable franchise as a supplemental fee.

AB 3229 Supplemental Law (255) - This Special Revenue fund accounts for State grant funds used to enhance policing services.

Beverage Recycling Grant (256) - This Special Revenue fund accounts for State grant funds used to enhance recycling efforts of beverage containers in the community.

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.

Solid Waste Debt (265) - This Special Revenue fund has served its purpose, as in the past it accounted for a debt of the City to the County.

Development Impact – Fire (302) - This Special Revenue fund accounts for the fees paid during the building permit process for the expansion and improvement of the capacity of the City's Fire Department with expanded facilities and equipment.

Development Impact – Police (303) - This Special Revenue fund accounts for the fees paid during the building permit process for the expansion and improvement of the capacity of the City's Police Department with expanded facilities and equipment.

Development Impact – Public Services (304) - This Special Revenue fund accounts for the fees paid during the building permit process for the expansion and improvement of the capacity of the City's facilities to better serve the growing populace.

Emergency Communications (305) - This Special Revenue fund accounts for funds designated for enhancing radio communications through improved technology and equipment.

City Debt Service (401) - This Debt Service fund accounts for debt service payments on the City's general debt.

Assessment District 91-1 (500) –This Capital Project fund accounts for bond proceeds used to finance infrastructure improvements in the Joshua/West Main Street Assessment District area.

FUND DESCRIPTIONS

OTHER CITY RELATED FUNDS (Continued)

Community Facilities District 91-3 – Belgate (501) –This Capital Project fund accounts for bond proceeds used to finance infrastructure improvements in the Belgate Community Facilities District area.

Mortgage Assistance Trust Fund (885) – This fund is to account for miscellaneous Federal, State and County grants requiring segregated fund accounting.

Liability Insurance (900) – This Internal Service fund accounts for the self-insurance services provided to City departments.

WATER DISTRICT FUNDS

Water Operations (700) – This Enterprise fund accounts for the operation and maintenance of the City's water 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 City's water system and the revenues required to fund those expenditures.

Sewer Operations (710) - This Enterprise fund accounts for the operation and maintenance of the City's sewer 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 City's sewer system and the revenues requires to fund those expenditures.

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 City's fire prevention and protection.

Fire Capital Fund (506) - This Capital Project fund accounts for monies expended on building or rebuilding fire stations within the City.

2007-08 BUDGET - BALANCING AND FUND BALANCE SUMMARY - BY MAJOR GROUPING

	General Fund	Redevelopment Agency	C.D.B.G.	Street Maintenance
RESOURCES				
Revenue	$ 26,373,104	$ 39,823,107	$ 5,461,054	$ 44,448
Transfers In	1,279,000	0	0	3,285,000
Transfers Out	(517,454)	(1,640,000)	0	0
Budgeted Reserves	1,893,750	19,009,510	1,554,146	168,093
Total Resources	$ 29,028,400	$ 57,192,617	$ 7,015,200	$ 3,497,541
EXPENDITURES				
City Council	$ 844,800	0	0	0
City Manager	1,612,281	0	0	0
Management Services	4,836,081	0	0	0
Economic Development	0	$ 98,517,148	$ 6,318,362	0
Development Services				
Community Development	4,319,019	0	0	0
Code Compliance	2,785,014	0	0	0
Public Works	1,988,122	0	0	$ 3,497,541
Water Operations	0	0	0	0
Sewer Operations	0	0	0	0
Total Development Services	$ 9,092,155	0	0	$ 3,497,541
Capital Improvement Projects				
Capital Improvements - Streets & Storm Drain	$ 628,078	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	$ 628,078	0	0	0
Police	$ 11,316,421	0	0	0
Fire District	0	0	0	0
Other Transportation & City Related Funds	0	0	0	0
Total Expenditures	$ 28,329,816	$ 98,517,148	$ 6,318,362	$ 3,497,541
Difference Total Resources	$ 698,584	$ (41,324,531)	$ 696,838	0
FUND BALANCE				
July 1, 2007 Estimated Beginning Balance	$ 21,567,816	$ 39,231,117	$ 2,215,815	$ 274,389
Reserves Used	(1,893,750)	(19,009,510)	(1,554,146)	(168,093)
Difference Total Resources	698,584	(41,324,531)	696,838	0
June 30, 2008 Estimating Ending Balance	$ 20,372,650	$ (21,102,924)	$ 1,358,507	$ 106,296

General Fund: Does not include fund 208 interest earnings and revenue as reported elsewhere in the document.

Fund Groupings:

Redevelopment Agency: 385, 389, 485, 486, 487, 585, 586, 587, 588

CDBG: 251, 252, 253

Streets CIP Funds: 201, 202, 205, 207, 250, 300, 301, 397, 504, 600

Other Transportation Related Funds: 203, 254, 264, 396, 400

FUND BALANCE SUMMARY

2007-08 BUDGET - BALANCING AND FUND BALANCE SUMMARY - BY MAJOR GROUPING

Streets CIP Funds	Other Transportation	Facilities	Other City Related	Water District	Fire District	Total
$ 21,498,336	$ 337,352	$ 39,625	$ 2,638,112	$ 22,622,081	$ 8,905,192	$ 127,742,411
0	1,495,080	0	1,391,800	0	1,390,000	8,840,880
(4,440,080)	0	0	(1,393,346)	0	0	(7,990,880)
13,554,622	0	0	378,434	28,853,786	0	65,412,341
$ 30,612,878	$ 1,832,432	$ 39,625	$ 3,015,000	$ 51,475,867	$ 10,295,192	$ 194,004,752
0	0	0	0	0	0	$ 844,800
0	0	0	$ 21,333	0	0	1,633,614
0	0	0	1,418,000	0	0	6,254,081
0	0	0	0	0	0	104,835,510
0	0	0	0	0	0	4,319,019
0	0	0	0	0	0	2,785,014
0	0	0	0	0	0	5,485,663
0	0	0	0	$ 19,195,579	0	19,195,579
0	0	0	0	1,160,077	0	1,160,077
0	0	0	0	20,355,656	0	$ 32,945,352
$ 30,612,877	0	0	0	$ 4,305,563	0	35,546,518
0	0	$ 528,500	0	0	0	528,500
0	0	0	0	18,754,170	0	18,754,170
0	0	0	0	1,000,000	0	1,000,000
$ 31,683,776	0	$ 528,500	0	$ 24,059,733	0	$ 55,829,188
0	0	0	0	0	0	$ 11,316,421
0	0	0	$ 3,680,333	0	$ 9,953,569	13,633,902
0	$ 1,691,729	0	$ 4,000	0	0	1,695,729
$ 30,612,877	$ 1,691,729	$ 528,500	$ 5,123,666	$ 44,415,389	$ 9,953,569	$ 228,988,597
$ 1	$ 140,703	$ (488,875)	$ (2,108,666)	$ 7,060,478	$ 341,623	$ (34,983,845)
$ 25,735,263	$ 1,707,990	$ 905,440	$ 8,946,522	$ 74,985,992	$ 2,490,393	$ 178,060,736
(13,554,622)	0	0	(378,434)	(28,853,786)	0	(65,412,341)
1	140,703	(488,875)	(2,108,666)	7,060,478	341,623	(34,983,845)
$ 12,180,642	$ 1,848,693	$ 416,565	$ 6,459,422	$ 53,192,684	$ 2,832,016	$ 77,664,550

The Transfers In and Out are out of balance by $850,000 which is the General and Administrative (G&A) allocation from the Water District. For the Budget, this is treated as a transfer in to the General Fund but as an expenditure in the Water fund.

Facilities: 502, 505, 601

Other City Related Funds: 208, 255, 256, 260, 265, 302, 303, 304, 305, 401, 500, 501, 885, 900

Water District: 700, 701, 710, 711

2007-08 BUDGET - BALANCING AND FUND BALANCE SUMMARY - BY INDIVIDUAL FUNDS

		Redevelopment Agency (RDA) Funds		
Fund Number	100	385	389	486
	General Fund	RDA Low/Mod	RDA Admin	RDA D/S Project Area #1
RESOURCES				
Revenue	$ 26,373,104	$ 7,885,774	$ 0	$ 27,587,711
Transfers In	1,279,000	0	0	0
Transfers Out	(517,454)	0	(250,000)	0
Budgeted Reserves	1,893,750	11,706,798	0	0
Total Resources	$ 29,028,400	$ 19,592,572	$ (250,000)	$ 27,587,711
EXPENDITURES				
City Council	$ 844,800	0	0	0
City Manager	1,612,281	0	0	0
Management Services	4,836,081	0	0	0
Economic Development	0	$ 19,592,572	$ 2,371,505	$ 17,465,185
Development Services				
Community Development	4,319,019	0	0	0
Code Compliance	2,785,014	0	0	0
Public Works	1,988,122	0	0	0
Water Operations	0	0	0	0
Sewer Operations	0	0	0	0
Total Development Services	$ 9,092,155	$ 19,592,572	$ 2,371,505	$ 17,465,185
Capital Improvement Projects				
Capital Improvements - Streets & Storm Drainage	$ 628,078	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	$ 628,078	0	0	0
Police	$ 11,316,421	0	0	0
Fire District	0	0	0	0
Other Transportation & City Related Funds	0	0	0	0
Total Expenditures	$ 28,329,816	$ 19,592,572	$ 2,371,505	$ 17,465,185
Difference Total Resources	$ 698,584	0	$ (2,621,505)	$ 10,122,526
FUND BALANCE				
July 1, 2007 Estimated Beginning Balance	$ 21,567,816	$ 18,227,671	$ (1,611,005)	$ 13,719,836
Reserves Used	(1,893,750)	(11,706,798)	0	0
Difference Total Resources	698,584	0	(2,621,505)	10,122,526
June 30, 2008 Estimating Ending Balance	$ 20,372,650	$ 6,520,873	$ (4,232,510)	$ 23,842,362

General Fund: Does not include fund 208 interest earnings and revenue as reported elsewhere in the document.

2007-08 BUDGET - BALANCING AND FUND BALANCE SUMMARY - BY INDIVIDUAL FUNDS

RDA Funds				CDBG Funds		
487 RDA D/S Project Area #2	586 RDA C/P Project Area #1	587 RDA C/P Project Area #2	588 RDA C/P VVEDA	251 Admin.	252 HOME	253 Revolving Loan
$ 2,276,635	$ 1,773,409	$ 69,695	$ 229,883	$ 1,480,749	$ 3,916,636	$ 63,669
0	0	0	0	0	0	0
0	(1,251,417)	(138,583)	0	0	0	0
0	6,359,168	673,427	270,117	0	0	1,554,146
$ 2,276,635	$ 6,881,160	$ 604,539	$ 500,000	$ 1,480,749	$ 3,916,636	$ 1,617,815
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
$ 1,665,598	$ 56,317,749	$ 604,539	$ 500,000	$ 1,399,619	$ 3,300,928	$ 1,617,815
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
$ 1,665,598	$ 56,317,749	$ 604,539	$ 500,000	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	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
$ 1,665,598	$ 56,317,749	$ 604,539	$ 500,000	$ 1,399,619	$ 3,300,928	$ 1,617,815
$ 611,037	$ (49,436,589)	0	0	$ 81,130	$ 615,708	0
$ 422,248	$ 6,359,168	$ 1,495,458	$ 617,741	$ 290,126	$ 217,472	$ 1,708,217
0	(6,359,168)	(673,427)	(270,117)	0	0	(1,554,146)
611,037	(49,436,589)	0	0	81,130	$ 615,708	0
$ 1,033,285	$ (49,436,589)	$ 822,031	$ 347,624	$ 371,256	$ 833,180	$ 154,071

2007-08 BUDGET - BALANCING AND FUND BALANCE SUMMARY - BY INDIVIDUAL FUNDS

		Streets Capital Improvement Projects (CIP) Funds			
Fund Number	263	201	202	205	207
	P.W. Street Maintenance	Measure I Arterial	Measure I Local	Gas Tax	LTF Article 8
RESOURCES					
Revenue	$ 44,448	$ 2,673,765	$ 1,208,714	$ 1,426,161	$ 2,054,146
Transfers In	3,285,000	0	0	0	0
Transfers Out	0	(474,314)	(228,374)	(917,376)	(2,320,016)
Budgeted Reserves	168,093	3,094,985	671,472	59,870	325,870
Total Resources	$ 3,497,541	$ 5,294,436	$ 1,651,812	$ 568,655	$ 60,000
EXPENDITURES					
City Council	0	0	0	0	0
City Manager	0	0	0	0	0
Management Services	0	0	0	0	0
Economic Development	0	0	0	0	0
Development Services					
Community Development	0	0	0	0	0
Code Compliance	0	0	0	0	0
Public Works	3,497,541	0	0	0	0
Water Operations	0	0	0	0	0
Sewer Operations	0	0	0	0	0
Total Development Services	3,497,541	0	0	0	0
Capital Improvement Projects					
Capital Improvements - Streets & Storm Drainage	0	$ 5,294,436	$ 1,651,812	$ 568,655	$ 60,000
Capital Improvements - City Facilities	0	0	0	0	0
Capital Improvements - Water	0	0	0	0	0
Capital Improvements - Sewer	0	0	0	0	0
Total Capital Improvement Projects	0	$ 5,294,436	$ 1,651,812	$ 568,655	$ 60,000
Police	0	0	0	0	0
Fire District	0	0	0	0	0
Other Transportation & City Related Funds	0	0	0	0	0
Total Expenditures	$ 3,497,541	$ 5,294,436	$ 1,651,812	$ 568,655	$ 60,000
Difference Total Resources	0	0	0	0	0
FUND BALANCE					
July 1, 2007 Estimated Beginning Balance	$ 274,389	$ 3,446,716	$ 737,068	$ 292,743	$ 376,609
Reserves Used	(168,093)	(3,094,985)	(671,472)	(59,870)	(325,870)
Difference Total Resources	0	0	0	0	0
June 30, 2008 Estimating Ending Balance	$ 106,296	$ 351,731	$ 65,596	$ 232,873	$ 50,739

2007-08 BUDGET - BALANCING AND FUND BALANCE SUMMARY - BY INDIVIDUAL FUNDS

Streets Capital Improvement Projects (CIP) Funds					Other Transportation	
250 Traffic Congestion Relief	300 Development Impact - Streets	301 Development Impact - Storm Drain	504 City Streets CIP	600 Ranchero Road Undercrossing	203 Measure I Transit	254 AQMD
$ 19,496	$ 7,219,176	$ 1,021,528	$ 0	$ 5,875,350	$ 206,627	$ 90,130
0	0	0	0	0	0	0
(500,000)	0	0	0	0	0	0
500,504	7,345,449	1,556,472	0	0	0	0
$ 20,000	$ 14,564,625	$ 2,578,000	0	$ 5,875,350	$ 206,627	$ 90,130
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
$ 20,000	$ 14,564,625	$ 2,578,000	0	$ 5,875,349	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	$ -	0	0
$ 20,000	$ 14,564,625	$ 2,578,000	0	$ 5,875,349	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	$ 161,649	$ 35,000
$ 20,000	$ 14,564,625	$ 2,578,000	0	$ 5,875,349	$ 161,649	$ 35,000
0	0	0	0	$ 1	$ 44,978	$ 55,130
$ 559,857	$ 17,963,571	$ 2,293,558	$ 141	$ 65,000	$ 268,453	$ 164,863
(500,504)	(7,345,449)	(1,556,472)	0	0	0	0
0	0	0	0	1	44,978	55,130
$ 59,353	$ 10,618,122	$ 737,086	$ 141	$ 65,001	$ 313,431	$ 219,993

2007-08 BUDGET - BALANCING AND FUND BALANCE SUMMARY - BY INDIVIDUAL FUNDS

	Other Transportation		Facilities	
Fund Number	264	400	505	502
	Traffic Signalization	Measure I Debt Service	Civic Plaza CIP	Fire Building
RESOURCES				
Revenue	$ 623	$ 39,972	$ 0	$ 39,625
Transfers In	0	1,495,080	0	0
Transfers Out	0	0	0	0
Budgeted Reserves	0	0	0	0
Total Resources	623	1,535,052	0	39,625
EXPENDITURES				
City Council	0	0	0	0
City Manager	0	0	0	0
Management Services	0	0	0	0
Economic Development	0	0	0	0
Development Services				
Community Development	0	0	0	0
Code Compliance	0	0	0	0
Public Works	0	0	0	0
Water Operations	0	0	0	0
Sewer Operations	0	0	0	0
Total Development Services	0	0	0	0
Capital Improvement Projects				
Capital Improvements - Streets & Storm Drainage	0	0	0	0
Capital Improvements - City Facilities	0	0	0	$ 528,500
Capital Improvements - Water	0	0	0	0
Capital Improvements - Sewer	0	0	0	0
Total Capital Improvement Projects	0	0	0	$ 528,500
Police	0	0	0	0
Fire District	0	0	0	0
Other Transportation & City Related Funds	0	1,495,080	0	0
Total Expenditures	0	$ 1,495,080	0	$ 528,500
Difference Total Resources	$ 623	$ 39,972	$ 0	$ (488,875)
FUND BALANCE				
July 1, 2007 Estimated Beginning Balance	$ 15,386	$ 1,259,288	$ 0	$ 905,440
Reserves Used	0	0	0	0
Difference Total Resources	623	39,972	0	(488,875)
June 30, 2008 Estimating Ending Balance	$ 16,009	$ 1,299,260	$ 0	$ 416,565

2007-08 BUDGET - BALANCING AND FUND BALANCE SUMMARY - BY INDIVIDUAL FUNDS

	Other City Related					
601 Hesperia Branch Library	208 Supplemental Franchise Cable	255 AB3229	256 Beverage Recycling Grant	260 Disaster Preparedness Grant	265 Solid Waste Debt	302 Development Impact - Fire
0	$ 1,618	$ 120,222	$ 21,878	$ 9,625	$ 6,613	$ 1,102,557
0	0	0	0	0	0	0
0	0	(179,000)	0	0	0	0
0	0	58,778	0	16,575	0	0
0	$ 1,618	0	$ 21,878	$ 26,200	$ 6,613	$ 1,102,557
0	0	0	0	0	0	0
0	0	0	$ 21,333	0	0	0
0	0	0	0	$ 26,200	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
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	$ 3,680,333
0	0	0	0	0	0	0
0	0	0	$ 21,333	$ 26,200	0	$ 3,680,333
$ 0	$ 1,618	$ 0	$ 545	$ 0	$ 6,613	$ (2,577,776)
$ 0	$ 39,671	$ 61,418	$ 1,228	$ 18,536	$ 163,297	$ 1,405,279
0	0	(58,778)	0	(16,575)	0	0
0	1,618	0	545	0	6,613	(2,577,776)
$ 0	$ 41,289	$ 2,640	$ 1,773	$ 1,961	$ 169,910	$ (1,172,497)

2007-08 BUDGET - BALANCING AND FUND BALANCE SUMMARY - BY INDIVIDUAL FUNDS

	Other City Related Funds			
Fund Number	303 Development Impact - Police	304 Development Impact - Public Services	305 Emergency Communications	401 City Debt Service
RESOURCES				
Revenue	$ 359,323	$ 911,265	$ 7,886	$ 6,671
Transfers In	0	0	0	1,391,800
Transfers Out	0	(1,214,346)	0	0
Budgeted Reserves	0	303,081	0	0
Total Resources	$ 359,323	0	$ 7,886	$ 1,398,471
EXPENDITURES				
City Council	0	0	0	0
City Manager	0	0	0	0
Management Services	0	0	0	$ 1,391,800
Economic Development	0	0	0	0
Development Services				
Community Development	0	0	0	0
Code Compliance	0	0	0	0
Public Works	0	0	0	0
Water Operations	0	0	0	0
Sewer Operations	0	0	0	0
Total Development Services	0	0	0	0
Capital Improvement Projects				
Capital Improvements - Streets & Storm Drainage	0	0	0	0
Capital Improvements - City Facilities	0	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	0	0	0	$ 1,391,800
Difference Total Resources	$ 359,323	$ 0	$ 7,886	$ 6,671
FUND BALANCE				
July 1, 2007 Estimated Beginning Balance	$ 1,310,613	$ 2,764,096	$ 194,722	$ 2,006,793
Reserves Used	0	(303,081)	0	0
Difference Total Resources	359,323	0	7,886	6,671
June 30, 2008 Estimating Ending Balance	$ 1,669,936	$ 2,461,015	$ 202,608	$ 2,013,464

2007-08 BUDGET - BALANCING AND FUND BALANCE SUMMARY - BY INDIVIDUAL FUNDS

	Other City Related Funds		**Water District**			
500	501	885	700	701	710	711
AD 91-1	CFD 91-3	Mortgage Assistance Trust	Water Operations	Water Capital	Sewer Operations	Sewer Capital
$ 18,955	$ 70,947	$ 552	$ 14,850,954	$ 5,319,140	$ 1,839,863	$ 612,124
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	4,344,625	17,740,593	0	387,876
$ 18,955	$ 70,947	$ 552	$ 19,195,579	$ 23,059,733	$ 1,839,863	$ 1,000,000
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	$ 19,195,579	0	0	0
0	0	0	0	0	$ 1,160,077	0
0	0	0	$ 19,195,579	0	$ 1,160,077	0
0	0	0	0	$ 4,305,563	0	0
0	0	0	0	0	0	0
0	0	0	0	18,754,170	0	0
0	0	0	0	0	0	$ 1,000,000
0	0	0	0	23,059,733	0	1,000,000
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	$ 4,000	0	0	0	0	0
0	$ 4,000	0	$ 19,195,579	$ 23,059,733	$ 1,160,077	$ 1,000,000
$ 18,955	$ 66,947	$ 552	$ 0	$ 0	$ 679,786	$ 0
$ 468,045	$ 510,280	$ 2,544	$ 52,215,340	$ 11,359,901	$ 8,413,037	$ 2,997,714
0	0	0	(4,344,625)	(17,740,593)	0	(387,876)
18,955	66,947	552	0	0	679,786	0
$ 487,000	$ 577,227	$ 3,096	$ 47,870,715	$ (6,380,692)	$ 9,092,823	$ 2,609,838

2007-08 BUDGET - BALANCING AND FUND BALANCE SUMMARY - BY INDIVIDUAL FUNDS

	Fire District		
Fund Number	200		
	Fire District		Totals
RESOURCES			
Revenue	$ 8,905,192	$	127,742,411
Transfers In	1,390,000		8,840,880
Transfers Out	0		(7,990,880)
Budgeted Reserves	0		59,031,649
Total Resources	$ 10,295,192	$	187,624,060
EXPENDITURES			
City Council	0	$	844,800
City Manager	0		1,633,614
Management Services	0		6,254,081
Economic Development	0		104,835,510
Development Services			
Community Development	0		4,319,019
Code Compliance	0		2,785,014
Public Works	0		5,485,663
Water Operations	0		19,195,579
Sewer Operations	0		1,160,077
Total Development Services	0	$	32,945,352
Capital Improvement Projects			
Capital Improvements - Streets & Storm Drainage	0	$	35,546,518
Capital Improvements - City Facilities	0		528,500
Capital Improvements - Water	0		18,754,170
Capital Improvements - Sewer	0		1,000,000
Total Capital Improvement Projects	0	$	55,829,188
Police	0		11,316,421
Fire District	$ 9,953,569		13,633,902
Other Transportation & City Related Funds	0		1,695,729
Total Expenditures	$ 9,953,569	$	228,988,597
Difference Total Resources	$ 341,623	$	(41,364,537)
FUND BALANCE			
July 1, 2007 Estimated Beginning Balance	$ 2,490,393	$	178,060,736
Reserves Used	0		(59,031,649)
Difference Total Resources	341,623		(41,364,537)
June 30, 2008 Estimating Ending Balance	$ 2,832,016	$	77,664,550

The Transfers In and Out are out of balance by $850,000 which is the General and Administrative (G&A) allocation from the Water District. For the Budget, this is treated as a transfer into the General Fund but as an expenditure in the Water fund.

FUND BALANCE SUMMARY

General Fund 100

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$21,894,397	$26,877,103	$23,154,325	$26,453,428	$26,373,104
Budgeted Reserves	0	0	$850,000	0	$1,893,750
Transfers In					
Fund 389 Redevelopment Agency - Advance Repayment	0	0	0	0	0
Fund 255 - AB 3229 Supplemental Law	$85,000	$100,000	$128,000	$128,000	$179,000
Fund 251 - CDBG - Library Parcel	245,586	0	0	0	0
Fund 601 - Branch Library	0	10,800	0	0	0
G & A Allocation:					
Fund 389 - Redevelopment Agency (RDA) Administration	0	250,000	250,000	250,000	250,000
Fund 700 - Water Operations	850,000	850,000	850,000	850,000	850,000
Sub Total G & A Allocation	850,000	1,100,000	1,100,000	1,100,000	1,100,000
Total Transfers In	$1,180,586	$1,210,800	$1,228,000	$1,228,000	$1,279,000
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	$23,074,983	$28,087,903	$25,232,325	$27,681,428	$29,545,854
Total Expenditures	$15,999,722	$20,788,538	$24,724,533	$23,828,193	$28,329,816
Transfers Out					
Fund 263 - Public Works Street Maintenance	0	$450,000	0	0	$340,000
Fund 401 - City Debt Service	0	19,723	$18,375	$18,375	177,454
Fund 505 - Hesperia Civic Plaza	1,040,234	4,952,580	0	0	0
Fund 597 - Circulation Mitigation	0	74,657	0	0	0
Fund 601 - Hesperia Branch Library	392,954	0	0	0	0
Total Transfers Out	$1,433,188	$5,496,960	$18,375	$18,375	$517,454
Total Expenditures and Transfers Out	$17,432,910	$26,285,498	$24,742,908	$23,846,568	$28,847,270
Difference Total Resources and Expenditures and Transfers Out	$5,642,073	$1,802,405	$489,417	$3,834,860	$698,584
FUND BALANCE					
July 1st Beginning Balance	$9,857,499	$15,499,572	$14,893,351	$17,732,956	$21,567,816
Residual Equity Transfer	0	430,979	0	0	0
Budgeted Reserves	0	0	-850,000	0	-1,893,750
Prior period adjustment	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	5,642,073	1,802,405	489,417	3,834,860	698,584
June 30th Ending Balance	$15,499,572	$17,732,956	$14,532,768	$21,567,816	$20,372,650

Note - Fund Balance includes the Supplemental Franchise Cable Fund 208 as shown in the annual CAFR. However, all revenue amounts are excluded, including all interest earnings. These are shown on the separate Fund Balance Summary page for the Supplemental Franchise Cable Fund 208.

FUND BALANCE SUMMARY

Measure I - Arterial Fund 201

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$1,962,009	$2,451,223	$2,206,205	$2,549,139	$2,673,765
Budgeted Reserves	0	0	2,655,303	45,293	3,094,985
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	$1,962,009	$2,451,223	$4,861,508	$2,594,432	$5,768,750
Total Expenditures	$812,321	$230,218	$4,382,760	$1,567,603	$5,294,436
Transfers Out					
Fund 263 - Public Works Street Maintenance	0	0	0	0	0
Fund 400 - Measure I Debt Service	450,662	479,476	478,748	478,748	474,314
Total Transfers Out	$450,662	$479,476	$478,748	$478,748	$474,314
Total Expenditures and Transfers Out	$1,262,983	$709,694	$4,861,508	$2,046,351	$5,768,750
Difference Total Resources and Expenditures and Transfers Out	$699,026	$1,741,529	0	$548,081	0
FUND BALANCE					
July 1st Beginning Balance	765,320	1,464,346	2,726,787	2,943,928	3,446,716
Budgeted Reserves	0	0	-2,655,303	-45,293	-3,094,985
Prior period adjustment	0	-261,947	0	0	0
Difference Total Resources and Expenditures and Transfers Out	699,026	1,741,529	0	548,081	0
June 30th Ending Balance	$1,464,346	$2,943,928	$71,484	$3,446,716	$351,731

FUND BALANCE SUMMARY

Measure I - Local Fund 202

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$901,164	$1,116,320	$1,009,490	$1,151,194	$1,208,714
Budgeted Reserves	0	224,206	140,987	0	671,472
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	$901,164	$1,340,526	$1,150,477	$1,151,194	$1,880,186
Total Expenditures	$400,000	$940,463	$919,969	$919,969	$1,651,812
Transfers Out					
Fund 400 - Measure I Debt Service	216,985	230,859	230,508	230,508	228,374
Total Transfers Out	$216,985	$230,859	$230,508	$230,508	$228,374
Total Expenditures and Transfers Out	$616,985	$1,171,322	$1,150,477	$1,150,477	$1,880,186
Difference Total Resources and Expenditures and Transfers Out	$284,179	$169,204	0	$717	0
FUND BALANCE					
July 1st Beginning Balance	$181,414	$465,593	$241,387	$736,351	$737,068
Budgeted Reserves	0	-224,206	-140,987	0	-671,472
Prior period adjustment	0	325,760	0	0	0
Difference Total Resources and Expenditures and Transfers Out	284,179	169,204	0	717	0
June 30th Ending Balance	$465,593	$736,351	$100,400	$737,068	$65,596

FUND BALANCE SUMMARY

Measure I - Transit Fund 203

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$151,036	$188,254	$170,695	$197,041	$206,627
Budgeted Reserves	0	0	4,305	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)	$151,036	$188,254	$175,000	$197,041	$206,627
Total Expenditures	$120,000	$175,000	$175,000	$175,000	$161,649
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$120,000	$175,000	$175,000	$175,000	$161,649
Difference Total Resources and Expenditures and Transfers Out	$31,036	$13,254	$0	$22,041	$44,978
FUND BALANCE					
July 1st Beginning Balance	99,194	130,230	130,230	246,412	268,453
Budgeted Reserves	0	0	-4,305	0	0
Prior period adjustment	0	102,928	0	0	0
Difference Total Resources and Expenditures and Transfers Out	31,036	13,254	0	22,041	44,978
June 30th Ending Balance	$130,230	$246,412	$125,925	$268,453	$313,431

FUND BALANCE SUMMARY

Gas Tax Fund 205

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$1,320,451	$1,400,981	$1,301,551	$1,426,998	$1,426,161
Budgeted Reserves	$98,322	0	$116,437	0	$59,870
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	$1,418,773	$1,400,981	$1,417,988	$1,426,998	$1,486,031
Total Expenditures	$150,000	0	$350,000	0	$568,655
Transfers Out					
Fund 263 - Public Works Street Maintenance	$800,000	0	$570,000	$570,000	$424,000
Fund 400 - Measure I Debt Service	468,773	498,746	497,988	497,988	493,376
Total Transfers Out	$1,268,773	$498,746	$1,067,988	$1,067,988	$917,376
Total Expenditures and Transfers Out	1,418,773	498,746	1,417,988	1,067,988	1,486,031
Difference Total Resources and Expenditures and Transfers Out	0	$902,235	0	$359,010	0
FUND BALANCE					
July 1st Beginning Balance	$350,143	$251,821	$197,511	-$66,267	$292,743
Budgeted Reserves	-98,322	0	-116,437	0	-59,870
Prior period adjustment	0	-1,220,323	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	902,235	0	359,010	0
June 30th Ending Balance	$251,821	-$66,267	$81,074	$292,743	$232,873

FUND BALANCE SUMMARY

Local Transportation Fund (LTF) Article 8 Fund 207

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$1,376,083	$1,823,451	$2,017,989	$2,190,986	$2,054,146
Budgeted Reserves	$408,022	$264,114	$308,822	$563,310	$325,870
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	1,784,105	2,087,565	2,326,811	2,754,296	2,380,016
Total Expenditures	0	$374,630	0	0	$60,000
Transfers Out					
Fund 263 - Public Works Street Maintenance	$1,500,000	$1,900,937	$2,025,000	$2,075,876	$2,021,000
Fund 400 - Measure I Debt Service	284,105	302,270	301,811	301,811	299,016
Total Transfers Out	$1,784,105	$2,203,207	$2,326,811	$2,377,687	$2,320,016
Total Expenditures and Transfers Out	$1,784,105	$2,577,837	$2,326,811	$2,377,687	$2,380,016
Difference Total Resources and Expenditures and Transfers Out	0	-$490,272	0	$376,609	0
FUND BALANCE					
July 1st Beginning Balance	$672,136	$264,114	$365,274	$563,310	$376,609
Budgeted Reserves	-408,022	-264,114	-308,822	-563,310	-325,870
Prior period adjustment	0	1,053,582	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	-490,272	0	376,609	0
June 30th Ending Balance	$264,114	$563,310	$56,452	$376,609	$50,739

FUND BALANCE SUMMARY

Supplemental Franchise Cable Fund 208

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$696	$1,210	$1,459	$1,618	$1,618
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	$696	$1,210	$1,459	$1,618	$1,618
Total Expenditures	0	0	0	0	0
Transfers Out					
Transfers In	0	0	0	0	0
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	$696	$1,210	$1,459	$1,618	$1,618
FUND BALANCE					
July 1st Beginning Balance	$36,431	$37,127	$38,212	$38,337	$39,671
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	696	1,210	1,459	1,618	1,618
June 30th Ending Balance	$37,127	$38,337	$39,671	$39,955	$41,289

Note: The Supplemental Franchise Cable Fund #208 is combined with the General Fund on the CAFR.

FUND BALANCE SUMMARY

Traffic Congestion Relief Fund 250

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$177	$345,786	$1,933	$531,500	$19,496
Budgeted Reserves	$46,453	0	0	0	$500,504
Transfers In					
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	$46,630	$345,786	$1,933	$531,500	$520,000
Total Expenditures	$46,630	$317,581	0	0	$20,000
Transfers Out					
Fund 263 - Public Works Street Maintenance	0	0	0	0	$500,000
Total Transfers Out	0	0	0	0	$500,000
Total Expenditures and Transfers Out	$46,630	$317,581	0	0	$520,000
Difference Total Resources and Expenditures and Transfers Out	0	$28,205	$1,933	$531,500	0
FUND BALANCE					
July 1st Beginning Balance	$46,605	$152	$2,093	$28,357	$559,857
Budgeted Reserves	-46,453	0	0	0	-500,504
Difference Total Resources and Expenditures and Transfers Out	0	28,205	1,933	531,500	0
June 30th Ending Balance	$152	$28,357	$4,026	$559,857	$59,353

FUND BALANCE SUMMARY

Community Development Block Grant (CDBG) Administration Fund 251

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	965,290	1,071,395	1,349,738	850,147	1,480,749
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)	$965,290	$1,071,395	$1,349,738	$850,147	$1,480,749
Total Expenditures	$719,704	$948,534	$1,293,185	$721,945	$1,399,619
Transfers Out					
Fund 100 - General Fund	245,586	0	0	0	0
Total Transfers Out	$245,586	0	0	0	0
Total Expenditures and Transfers Out	$965,290	$948,534	$1,293,185	$721,945	$1,399,619
Difference Total Resources and Expenditures and Transfers Out	0	$122,861	$56,553	$128,202	$81,130
FUND BALANCE					
July 1st Beginning Balance	$39,063	$39,063	-$56,553	$161,924	$290,126
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	122,861	56,553	128,202	81,130
June 30th Ending Balance	$39,063	$161,924	$0	$290,126	$371,256

FUND BALANCE SUMMARY

Community Development Block Grant (CDBG) HOME Grants Fund 252

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$378,304	$257,388	$12,450,837	$8,393,311	$3,916,636
Budgeted Reserves	0	0	0	$11,689	0
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	$378,304	$257,388	$12,450,837	$8,405,000	$3,916,636
Total Expenditures	$148,233	$213,294	$12,400,281	$8,405,000	$3,300,928
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$148,233	$213,294	$12,400,281	$8,405,000	$3,300,928
Difference Total Resources and Expenditures and Transfers Out	$230,071	$44,094	$50,556	0	$615,708
FUND BALANCE					
July 1st Beginning Balance	-$56,693	$173,378	$316,956	$217,472	$217,472
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	230,071	44,094	50,556	0	615,708
June 30th Ending Balance	$173,378	$217,472	$367,512	$217,472	$833,180

FUND BALANCE SUMMARY

Community Development Block Grant (CDBG) Revolving Loan Fund 253

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$32,910	$48,218	$59,030	$199,714	$63,669
Budgeted Reserves	$4,090	$151,782	$1,465,970	0	$1,554,146
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	$37,000	$200,000	$1,525,000	$199,714	$1,617,815
Total Expenditures	$37,000	$200,000	$1,525,000	0	$1,617,815
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$37,000	$200,000	$1,525,000	0	$1,617,815
Difference Total Resources and Expenditures and Transfers Out	0	0	0	$199,714	0
FUND BALANCE					
July 1st Beginning Balance	$1,664,375	$1,660,285	$1,500,203	$1,508,503	$1,708,217
Budgeted Reserves	-4,090	-151,782	-1,465,970	0	-1,554,146
Difference Total Resources and Expenditures and Transfers Out	0	0	0	199,714	0
June 30th Ending Balance	$1,660,285	$1,508,503	$34,233	$1,708,217	$154,071

FUND BALANCE SUMMARY

Air Quality Management Fund 254

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$52,042	$87,648	$59,683	$90,130	$90,130
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	$52,042	$87,648	$59,683	$90,130	$90,130
Total Expenditures	$35,000	$35,000	$35,000	$35,000	$35,000
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$35,000	$35,000	$35,000	$35,000	$35,000
Difference Total Resources and Expenditures and Transfers Out	$17,042	$52,648	$24,683	$55,130	$55,130
FUND BALANCE					
July 1st Beginning Balance	$40,043	$57,085	$79,258	$109,733	$164,863
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	17,042	52,648	24,683	55,130	55,130
June 30th Ending Balance	$57,085	$109,733	$103,941	$164,863	$219,993

FUND BALANCE SUMMARY

AB 3229 Supplemental Law Fund 255

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$103,960	$111,211	$102,063	$158,194	$120,222
Budgeted Reserves	0	0	$25,937	0	$58,778
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	$103,960	$111,211	$128,000	$158,194	$179,000
Total Expenditures	0	0	0	0	0
Transfers Out					
Operating Transfers Out	$85,000	$100,000	$128,000	$128,000	$179,000
Total Transfers Out	$85,000	$100,000	$128,000	$128,000	$179,000
Total Expenditures and Transfers Out	$85,000	$100,000	$128,000	$128,000	$179,000
Difference Total Resources and Expenditures and Transfers Out	$18,960	$11,211	0	$30,194	0
FUND BALANCE					
July 1st Beginning Balance	$1,053	$20,013	$30,695	$31,224	$61,418
Budgeted Reserves	0	0	-25,937	0	-58,778
Difference Total Resources and Expenditures and Transfers Out	18,960	11,211	0	30,194	0
June 30th Ending Balance	$20,013	$31,224	$4,758	$61,418	$2,640

FUND BALANCE SUMMARY

Beverage Recycling Grant Fund 256

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$5,000	$19,771	$21,200	$20,969	$21,878
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)	$5,000	$19,771	$21,200	$20,969	$21,878
Total Expenditures	0	$24,088	$20,424	$20,424	$21,333
Transfers Out					
Operating Transfers Out	0	0	0	0	0
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	0	$24,088	$20,424	$20,424	$21,333
Difference Total Resources and Expenditures and Transfers Out	$5,000	-$4,317	$776	$545	$545
FUND BALANCE					
July 1st Beginning Balance	0	5,000	577	683	1,228
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	$5,000	-$4,317	$776	$545	$545
June 30th Ending Balance	$5,000	$683	$1,353	$1,228	$1,773

FUND BALANCE SUMMARY

Disaster Preparedness Grant Fund 260

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$16,288	$471	$5,592	$9,807	$9,625
Budgeted Reserves	0	0	0	0	$16,575
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves and Transfers In)	$16,288	$471	$5,592	$9,807	$26,200
Total Expenditures	$879	$3,951	$5,000	$3,200	$26,200
Transfers Out					
Operating Transfers Out	0	0	0	0	0
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$879	$3,951	$5,000	$3,200	$26,200
Difference Total Resources and Expenditures and Transfers Out	$15,409	-$3,480	$592	$6,607	0
FUND BALANCE					
July 1st Beginning Balance	0	$15,409	$21,650	$11,929	$18,536
Budgeted Reserves	0	0	0	0	-16,575
Difference Total Resources and Expenditures and Transfers Out	15,409	-3,480	592	6,607	0
June 30th Ending Balance	$15,409	$11,929	$22,242	$18,536	$1,961

FUND BALANCE SUMMARY

Public Works Street Maintenance Fund 263

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$113,475	$114,443	$23,413	$32,861	$44,448
Budgeted Reserves	0	0	$216,338	$80,308	$168,093
Transfers In					
Fund 100 - General Fund	0	$450,000	0	0	$340,000
Fund 205 - Gas Tax	$800,000	855,707	$570,000	$570,000	424,000
Fund 207 - LTF	1,500,000	1,045,230	2,025,000	2,075,876	2,021,000
Fund 250 - Traffic Congestion Relief	0	0	0	0	500,000
Total Transfers In	$2,300,000	$2,350,937	$2,595,000	$2,645,876	$3,285,000
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	$2,413,475	$2,465,380	$2,834,751	$2,759,045	$3,497,541
Total Expenditures	$2,261,472	$2,367,713	$2,834,751	$2,708,169	$3,497,541
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$2,261,472	$2,367,713	$2,834,751	$2,708,169	$3,497,541
Difference Total Resources and Expenditures and Transfers Out	$152,003	$97,667	0	$50,876	0
FUND BALANCE					
July 1st Beginning Balance	$54,151	$206,154	$247,882	$303,821	$274,389
Budgeted Reserves	0	0	-216,338	-80,308	-168,093
Difference Total Resources and Expenditures and Transfers Out	$152,003	$97,667	0	$50,876	0
June 30th Ending Balance	$206,154	$303,821	$31,544	$274,389	$106,296

FUND BALANCE SUMMARY

Traffic Signalization Fund 264

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$268	$466	$562	$623	$623
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)	$268	$466	$562	$623	$623
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	$268	$466	$562	$623	$623
FUND BALANCE					
July 1st Beginning Balance	$14,029	$14,297	$14,715	$14,763	$15,386
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	268	466	562	623	623
June 30th Ending Balance	$14,297	$14,763	$15,277	$15,386	$16,009

FUND BALANCE SUMMARY

Solid Waste Debt Fund 265

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$1,970	$4,946	$5,963	$6,613	$6,613
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	$1,970	$4,946	$5,963	$6,613	$6,613
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	$1,970	$4,946	$5,963	$6,613	$6,613
FUND BALANCE					
July 1st Beginning Balance	$149,768	$151,738	$156,174	$156,684	$163,297
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	1,970	4,946	5,963	6,613	6,613
June 30th Ending Balance	$151,738	$156,684	$162,137	$163,297	$169,910

Note: Preliminary research shows that solid waste debt was run through this fund at one time. Also, part of Measure I Advance was recognized here. Further investigation needed to determine exact need for creation.

Development Impact Fees - Summary (300, 301, 302, 303, 304)

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$5,789,219	$8,593,729	$7,504,635	$7,383,940	$10,613,849
Budgeted Reserves	0	0	$2,480,669	0	$10,610,281
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves and Transfers In)	$5,789,219	$8,593,729	$9,985,304	$7,383,940	$21,224,130
Total Expenditures	$689,888	$783,253	$12,004,298	$1,592,364	$20,822,958
Transfers Out					
Fund 401 - City Debt Service	$0	$141,277	$131,625	$131,625	$1,214,346
Total Transfers Out	$0	$141,277	$131,625	$131,625	$1,214,346
Total Expenditures and Transfers Out	$689,888	$924,530	$12,135,923	$1,723,989	$22,037,304
Difference Total Resources and Expenditures and Transfers Out	$5,099,331	$7,669,199	-$2,150,619	$5,659,951	-$813,174
FUND BALANCE					
July 1st Beginning Balance	$7,308,636	$10,641,228	$18,850,277	$18,310,427	$23,970,378
Residual Equity Transfer	0	0	0	0	0
Budgeted Reserves	0	0	-2,480,669	0	-10,610,281
Difference Total Resources and Expenditures and Transfers Out	5,099,331	7,669,199	-2,150,619	5,659,951	-813,174
June 30th Ending Balance	$12,407,967	$18,310,427	$14,218,989	$23,970,378	$12,546,923

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

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$4,111,347	$5,646,561	$5,175,649	$5,042,183	$7,219,176
Budgeted Reserves	0	0	$834,831	0	$7,345,449
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves and Transfers In)	$4,111,347	$5,646,561	$6,010,480	$5,042,183	$14,564,625
Total Expenditures	$360,117	$222,306	$6,010,480	$1,042,548	$14,564,625
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$360,117	$222,306	$6,010,480	$1,042,548	$14,564,625
Difference Total Resources and Expenditures and Transfers Out	$3,751,230	$5,424,255	0	$3,999,635	0
FUND BALANCE					
July 1st Beginning Balance	$4,788,451	$8,539,681	$12,892,640	$13,963,936	$17,963,571
Budgeted Reserves	0	0	-834,831	0	-7,345,449
Difference Total Resources and Expenditures and Transfers Out	3,751,230	5,424,255	0	3,999,635	0
June 30th Ending Balance	$8,539,681	$13,963,936	$12,057,809	$17,963,571	$10,618,122

FUND BALANCE SUMMARY

Development Impact - Storm Drainage Fund 301

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$318,699	$918,434	$939,226	$955,271	$1,021,528
Budgeted Reserves	0	0	$1,645,838	0	$1,556,472
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	$318,699	$918,434	$2,585,064	$955,271	$2,578,000
Total Expenditures	$125,000	$77,977	$5,728,000	$340,331	$2,578,000
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$125,000	$77,977	$5,728,000	$340,331	$2,578,000
Difference Total Resources and Expenditures and Transfers Out	$193,699	$840,457	-$3,142,936	$614,940	0
FUND BALANCE					
July 1st Beginning Balance	$644,462	$838,161	$1,645,838	$1,678,618	$2,293,558
Budgeted Reserves	0	0	-1,645,838	0	-1,556,472
Difference Total Resources and Expenditures and Transfers Out	193,699	840,457	-3,142,936	614,940	0
June 30th Ending Balance	$838,161	$1,678,618	-$3,142,936	$2,293,558	$737,086

Note: Rates for Development Impact Fees were approved in total as a group (Streets, Storm Drainage, Fire, Police, and Public Services). Therefore, any temporary deficit in one Development Impact Fee fund will be offset by the overall surplus of the Development Impact Fee funds taken as a whole.

FUND BALANCE SUMMARY

Development Impact - Fire Fund 302

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$369,093	$347,634	$227,108	$252,806	$1,102,557
Budgeted Reserves	0	0	0	0	$1,405,279
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	$369,093	$347,634	$227,108	$252,806	$2,507,836
Total Expenditures	0	$110,240	$143,000	$86,667	$3,680,333
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	0	$110,240	$143,000	$86,667	$3,680,333
Difference Total Resources and Expenditures and Transfers Out	$369,093	$237,394	$84,108	$166,139	-$1,172,497
FUND BALANCE					
July 1st Beginning Balance	$632,653	$1,001,746	$1,217,942	$1,239,140	$1,405,279
Budgeted Reserves	0	0	0	0	-1,405,279
Difference Total Resources and Expenditures and Transfers Out	369,093	237,394	84,108	166,139	-1,172,497
June 30th Ending Balance	$1,001,746	$1,239,140	$1,302,050	$1,405,279	-$1,172,497

Note: Rates for Development Impact Fees were approved in total as a group (Streets, Storm Drainage, Fire, Police, and Public Services). Therefore, any temporary deficit in one Development Impact Fee fund will be offset by the overall surplus of the Development Impact Fee funds taken as a whole.

FUND BALANCE SUMMARY

Development Impact - Police Fund 303

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$309,420	$393,010	$182,065	$179,075	$359,323
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	$309,420	$393,010	$182,065	$179,075	$359,323
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	$309,420	$393,010	$182,065	$179,075	$359,323
FUND BALANCE					
July 1st Beginning Balance	$429,108	$738,528	$1,116,617	$1,131,538	$1,310,613
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	309,420	393,010	182,065	179,075	359,323
June 30th Ending Balance	$738,528	$1,131,538	$1,298,682	$1,310,613	$1,669,936

FUND BALANCE SUMMARY

Development Impact - Public Services Fund 304

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$680,660	$1,288,090	$980,587	$954,605	$911,265
Budget Reserves	0	0	0	0	$303,081
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	$680,660	$1,288,090	$980,587	$954,605	$1,214,346
Total Expenditures	$204,771	$372,730	$122,818	$122,818	0
Transfers Out					
Fund 401 - City Debt Service	0	$141,277	$131,625	$131,625	$1,214,346
Total Transfers Out	0	$141,277	$131,625	$131,625	$1,214,346
Total Expenditures and Transfers Out	$204,771	$514,007	$254,443	$254,443	$1,214,346
Difference Total Resources and Expenditures and Transfers Out	$475,889	$774,083	$726,144	$700,162	0
FUND BALANCE					
July 1st Beginning Balance	$813,962	$1,289,851	$1,977,240	$2,063,934	$2,764,096
Budgeted Reserves	0	0	0	0	-303,081
Difference Total Resources and Expenditures and Transfers Out	475,889	774,083	726,144	700,162	0
June 30th Ending Balance	$1,289,851	$2,063,934	$2,703,384	$2,764,096	$2,461,015

FUND BALANCE SUMMARY

Emergency Communications Fund 305

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$3,393	$5,897	$7,110	$7,886	$7,886
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	$3,393	$5,897	$7,110	$7,886	$7,886
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	$3,393	$5,897	$7,110	$7,886	$7,886
FUND BALANCE					
July 1st Beginning Balance	$177,546	$180,939	$186,229	$186,836	$194,722
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	3,393	5,897	7,110	7,886	7,886
June 30th Ending Balance	$180,939	$186,836	$193,339	$194,722	$202,608

FUND BALANCE SUMMARY

Measure I Debt Service Fund 400

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$76,529	$57,106	$23,737	$79,435	$39,972
Bond proceeds	12,525,000	0	0	0	0
Budget Reserves	$1,445,179	0	0	0	0
Transfers In					
Fund 201 - Measure I Arterial	$450,662	$479,476	$478,748	$478,748	$474,314
Fund 202 - Measure I Local	216,985	230,859	230,508	230,508	228,374
Fund 205 - Gas Tax	468,773	498,746	497,988	497,988	493,376
Fund 207 - LTF	284,105	302,270	301,811	301,811	299,016
Total Transfers In	$1,420,525	$1,511,351	$1,509,055	$1,509,055	$1,495,080
Total Resources (Revenue and Transfers In)	$15,467,233	$1,568,457	$1,532,792	$1,588,490	$1,535,052
Total Expenditures	$1,019,339	$1,450,434	$1,509,055	$2,146,694	$1,495,080
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$1,019,339	$1,450,434	$1,509,055	$2,146,694	$1,495,080
Difference Total Resources and Expenditures and Transfers Out	$14,447,894	$118,023	$23,737	-$558,204	$39,972
FUND BALANCE					
July 1st Beginning Balance	$3,144,648	$1,699,469	$1,750,820	$1,817,492	$1,259,288
Budgeted Reserves	-1,445,179	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	14,447,894	118,023	23,737	-558,204	39,972
Adjustment For Budgetary Purposes	-14,447,894	0	0	0	0
June 30th Ending Balance	$1,699,469	$1,817,492	$1,774,557	$1,259,288	$1,299,260

FUND BALANCE SUMMARY

City Debt Service Fund 401

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	0	$94,821	$1,739	$115,206	$6,671
Bond Proceeds	18,300,000	0	0	0	0
Budget Reserves	0	$279,998	$840,061	$534,794	0
Transfers In					
Fund 100 - General Fund	0	$19,723	$18,375	$18,375	$177,454
Fund 304 - DIF Public Services	0	141,277	131,625	131,625	1,214,346
Total Transfers In	0	$161,000	$150,000	$150,000	$1,391,800
Total Resources (Revenue and Transfers In)	$18,300,000	$535,819	$991,800	$800,000	$1,398,471
Total Expenditures	$1,153	$535,819	$991,800	$800,000	$1,391,800
Transfers Out					
Fund 505 - Civic Plaza CIP	$15,086,164	0	0	0	0
Total Transfers Out	$15,086,164	0	0	0	0
Total Expenditures and Transfers Out	$15,087,317	$535,819	$991,800	$800,000	$1,391,800
Difference Total Resources and Expenditures and Transfers Out	$3,212,683	0	0	0	$6,671
FUND BALANCE					
July 1st Beginning Balance	0	$2,821,585	$2,382,585	$2,541,587	$2,006,793
Budgeted Reserves	0	-279,998	-840,061	-534,794	0
Difference Total Resources and Expenditures and Transfers Out	$3,212,683	0	0	0	6,671
Adjustment For Budgetary Purposes	-391,098	0	0	0	0
June 30th Ending Balance	$2,821,585	$2,541,587	$1,542,524	$2,006,793	$2,013,464

FUND BALANCE SUMMARY

Assessment District 91-1 Fund 500

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$11,109	$14,627	$17,888	$18,955	$18,955
Budgeted Reserves	$130,800	$17,634	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)	$141,909	$32,261	$17,888	$18,955	$18,955
Total Expenditures	$141,909	$32,261	0	0	0
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$141,909	$32,261	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	0	$17,888	$18,955	$18,955
FUND BALANCE					
July 1st Beginning Balance	$597,524	$466,724	$480,032	$449,090	$468,045
Budgeted Reserves	-130,800	-17,634	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	0	17,888	18,955	18,955
June 30th Ending Balance	$466,724	$449,090	$497,920	$468,045	$487,000

FUND BALANCE SUMMARY

Community Facilities District 91-3 Belgate Fund 501

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$103,428	$134,095	$68,314	$70,947	$70,947
Budgeted Reserves	$1,534,411	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)	$1,637,839	$134,095	$68,314	$70,947	$70,947
Total Expenditures	$1,637,839	0	0	$3,975	$4,000
Transfers Out					
Total Transfers Out	0	$13,375	0	0	0
Total Expenditures and Transfers Out	$1,637,839	$13,375	$0	$3,975	$4,000
Difference Total Resources and Expenditures and Transfers Out	0	$120,720	$68,314	$66,972	$66,947
FUND BALANCE					
July 1st Beginning Balance	$1,856,999	$322,588	$442,994	$443,308	$510,280
Budgeted Reserves	-1,534,411	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	120,720	68,314	66,972	66,947
June 30th Ending Balance	$322,588	$443,308	$511,308	$510,280	$577,227

FUND BALANCE SUMMARY

Fire Building Fund 502

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$43,795	$29,633	$35,728	$39,625	$39,625
Budgeted Reserves	0	0	0	0	$488,875
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Reserves and Transfers In)	$43,795	$29,633	$35,728	$39,625	$528,500
Total Expenditures	0	0	0	$73,000	$528,500
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	0	0	0	$73,000	$528,500
Difference Total Resources and Expenditures and Transfers Out	$43,795	$29,633	$35,728	-$33,375	0
FUND BALANCE					
July 1st Beginning Balance	$865,387	$909,182	$935,763	$938,815	$905,440
Budgeted Reserves	0	0	0	0	-488,875
Difference Total Resources and Expenditures and Transfers Out	43,795	29,633	35,728	-33,375	0
June 30th Ending Balance	$909,182	$938,815	$971,491	$905,440	$416,565

FUND BALANCE SUMMARY

City Streets Projects Fund 504

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	0	$54	0	$50	0
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	0	$54	0	$50	0
Total Expenditures	0	0	0	0	0
Transfers Out					
Fund 596 - Measure I CIP	0	0	0	0	0
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	$54	0	$50	0
FUND BALANCE					
July 1st Beginning Balance	$37	$37	$77	$91	$141
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	54	0	50	0
June 30th Ending Balance	$37	$91	$77	$141	$141

FUND BALANCE SUMMARY

Hesperia Civic Plaza Fund 505

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$7,325	$526,675	$2,935	$294,615	0
Bond Proceeds	0	0	0	0	0
Budgeted Reserves	$442,582	$7,585,991	$9,193,962	$5,222,485	0
Transfers In					
Fund 100 General Fund	$1,040,234	$4,952,580	0	0	0
Fund 401 General Debt Service	15,086,164	0	0	0	0
Total Transfers In	$16,126,398	$4,952,580	0	0	0
Total Resources (Revenue and Transfers In)	$16,576,305	$13,065,246	$9,196,897	$5,517,100	0
Total Expenditures	$1,242,014	$13,065,246	$9,196,897	$7,939,680	0
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$1,242,014	$13,065,246	$9,196,897	$7,939,680	0
Difference Total Resources and Expenditures and Transfers Out	$15,334,291	0	0	-$2,422,580	0
FUND BALANCE					
July 1st Beginning Balance	$339,347	$15,231,056	$9,681,739	$7,645,065	0
Budgeted Reserves	-442,582	-7,585,991	-9,193,962	-5,222,485	0
Difference Total Resources and Expenditures and Transfers Out	15,334,291	0	0	-2,422,580	0
June 30th Ending Balance	$15,231,056	$7,645,065	$487,777	0	0

FUND BALANCE SUMMARY

Measure I CIP Fund 596

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$8,926	0	0	0	0
Budgeted Reserves	$935,568	0	0	0	0
Transfers In					
Fund 504 - City-wide Streets CIP	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue, Budgeted Reserves, and Transfers In)	$944,494	0	0	0	0
Total Expenditures	$1,201,283	0	0	0	0
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$1,201,283	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	-$256,789	0	0	0	0
FUND BALANCE					
July 1st Beginning Balance	$1,192,357	0	0	0	0
Budgeted Reserves	-935,568	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	-256,789	0	0	0	0
June 30th Ending Balance	0	0	0	0	0

FUND BALANCE SUMMARY

Congestion Mitigation Fund 597

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	0	0	0	0	0
Transfers In					
Fund 100 - General Fund	0	$74,657	0	0	0
Total Transfers In	0	$74,657	0	0	0
Total Resources (Revenue and Transfers In)	0	$74,657	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	$74,657	0	0	0
FUND BALANCE					
July 1st Beginning Balance	-$74,657	-$74,657	0	0	0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	$74,657	0	0	0
June 30th Ending Balance	-$74,657	0	0	0	0

Note: Negative fund balance at June 30, 2005 is due to up front expenditures in FY 1999-00 and FY 2000-01.

FUND BALANCE SUMMARY

Ranchero Road Undercrossing Fund 600

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	0	$64,982	$5,938,585	$63,236	$5,875,350
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)	0	$64,982	$5,938,585	$63,236	$5,875,350
Total Expenditures	0	0	$5,938,585	$63,236	$5,875,349
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	0	0	$5,938,585	$63,236	$5,875,349
Difference Total Resources and Expenditures and Transfers Out	0	$64,982	0	0	1
FUND BALANCE					
July 1st Beginning Balance	0	0	$65,000	$64,982	$65,000
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	$64,982	0	0	1
June 30th Ending Balance	0	$64,982	$65,000	$64,982	$65,001

FUND BALANCE SUMMARY

Hesperia Branch Library Fund 601

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$4,330	$2,871,724	$3,071,172	$3,322,007	0
Budgeted Reserves	$220,780	$2,625,924	0	0	0
Transfers In					
Fund 100 - General Fund	$392,954	0	0	0	0
Fund 586 - RDA CIP Area #1	0	0	$168,552	$1,604,847	0
Fund 588 - VVEDA Project	0	0	200,000	200,000	0
Total Transfers In	$392,954	0	$368,552	$1,804,847	0
Total Resources (Revenue Reserves and Transfers In)	$618,064	$5,497,648	$3,439,724	$5,126,854	0
Total Expenditures	$618,064	$5,497,648	$3,439,709	$2,523,300	0
Transfers Out					
Total Transfers Out	0	$10,800	0	0	0
Total Expenditures and Transfers Out	$618,064	$5,508,448	$3,439,709	$2,523,300	0
Difference Total Resources and Expenditures and Transfers Out	0	-$10,800	15	$2,603,554	0
FUND BALANCE					
July 1st Beginning Balance	$253,950	$33,170	0	-$2,603,554	0
Budgeted Reserves	-220,780	-2,625,924	0	0	0
Difference Total Resources and Expenditures and Transfers Out	0	-10,800	$15	2,603,554	0
Adjustment For Budgetary Purposes	0	0	0	0	0
June 30th Ending Balance	$33,170	-$2,603,554	$15	0	0

Note: The projected negative ending 2005-06 fund balance represents reimbursements that will be received by the fund in the following fiscal year.
The FY 2005-06 Adjustment for Budgetary Purposes reflects an expenditure recognized in the CAFR but has not been recognized from budgetary purposes.

FUND BALANCE SUMMARY

Mortgage Assistance Trust Fund 885

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$238	$413	$480	$552	$552
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In	$238	$413	$480	$552	$552
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	$238	$413	$480	$552	$552
FUND BALANCE					
July 1st Beginning Balance	$1,341	$1,579	$1,949	$1,992	$2,544
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	238	413	480	552	552
June 30th Ending Balance	$1,579	$1,992	$2,429	$2,544	$3,096

FUND BALANCE SUMMARY

Liability Insurance Fund 900

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$41,798	0	$414	0	0
Transfers In					
Transfers In	0	0	0	0	0
Transfers In					
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Transfers In)	$41,798	0	$414	0	0
Total Expenditures	$10,997	0	0	0	0
Transfers Out					
Total Transfers Out	0	$877,235	0	0	0
Total Expenditures and Transfers Out	$10,997	$877,235	0	0	0
Difference Total Resources and Expenditures and Transfers Out	$30,801	-$877,235	$414	0	0
FUND BALANCE					
July 1st Beginning Balance	$846,434	$877,235	$899,235	0	0
Budgeted Reserves	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	30,801	-877,235	414	0	0
June 30th Ending Balance	$877,235	0	$899,649	0	0

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Funds combined (385, 389, 485, 486, 487, 585, 586, 587, 588)

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$10,003,867	$20,864,286	$30,990,870	$29,425,092	$39,823,107
Bond Proceeds	$50,720,863	0	0	0	0
Reserves	0	$4,067,794	$23,960,519	$8,046,636	$19,009,510
Transfers In					
Fund 385 - RDA Low/Mod	0	0	0	0	0
Fund 587 - RDA CIP Area #2	$6,608,391	0	0	0	0
Total Transfers In	$6,608,391	0	0	0	0
Total Resources (Revenue, Transfers In and Advances)	$67,333,121	$24,932,080	$54,951,389	$37,471,728	$58,832,617
Total Expenditures	$6,625,513	$17,186,029	$45,537,932	$27,406,607	$98,517,148
Transfers Out					
Fund 100 - General Fund	0	$250,000	$250,000	$250,000	$250,000
Fund 200 - Fire District	0	0	510,000	510,000	1,390,000
Fund 486 - RDA Debt Service Area #1	18,589,746	0	0	0	0
Fund 487 - RDA Debt Service Area #2	2,058,645	15,327	0	0	0
Fund 601 - Branch Library	0	0	368,552	368,552	0
Total Transfers Out	$20,648,391	$265,327	$1,128,552	$1,128,552	$1,640,000
Total Expenditures and Transfers Out	$27,273,904	$17,451,356	$46,666,484	$28,535,159	$100,157,148
Difference Total Resources and Expenditures and Transfers Out	$40,059,217	$7,480,724	$8,284,905	$8,936,569	-$41,324,531
FUND BALANCE					
July 1st Beginning Balance	-$1,038,726	$34,954,861	$36,468,267	$38,341,184	$39,231,117
Budgeted Reserves	0	-4,067,794	-23,960,519	-8,046,636	-19,009,510
GASB 34 Adjustment	0	0	0	0	0
Prior period adjustment	0	-26,607	0	0	0
Difference Total Resources and Expenditures and Transfers Out	40,059,217	7,480,724	8,284,905	8,936,569	-41,324,531
Adjustment For Budgetary Purposes	-4,065,630	0	0	0	0
June 30th Ending Balance	$34,954,861	$38,341,184	$20,792,653	$39,231,117	-$21,102,924

Note: The negative ending fund balance will be paid for from bond proceeds of the 2007 RDA bond issue. The bond proceeds in FY 2005-06 are the 2005 Tax Allocation Bonds Series A.

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Low/Moderate Housing Fund 385

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$2,013,028	$4,394,317	$6,304,900	$6,247,610	$7,885,774
Bond Proceeds	$8,763,762	0	0	0	0
Budgeted Reserves	0	0	$730,993	0	$11,706,798
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves, and Transfers In)	$10,776,790	$4,394,317	$7,035,893	$6,247,610	$19,592,572
Total Expenditures	$242,849	$1,262,282	$7,177,535	$3,103,208	$19,592,572
Transfers Out					
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	0	0	0	0	0
Total Expenditures and Transfers Out	$242,849	$1,262,282	$7,177,535	$3,103,208	$19,592,572
Difference Total Resources and Expenditures and Transfers Out	$10,533,941	$3,132,035	-$141,642	$3,144,402	0
FUND BALANCE					
July 1st Beginning Balance	$1,620,908	$11,951,234	$14,831,914	$15,083,269	$18,227,671
Budgeted Reserves	0	0	-730,993	0	-11,706,798
Prior period adjustment	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	10,533,941	3,132,035	-141,642	3,144,402	0
Adjustment For Budgetary Purposes	-203,615	0	0	0	0
June 30th Ending Balance	$11,951,234	$15,083,269	$13,959,279	$18,227,671	$6,520,873

Note: The bond proceeds in FY 2005-06 are the 2005 Tax Allocation Bonds Series B.

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Administration Fund 389

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$58,308	0	0	0	0
Transfers In					
Transfers In	0	$384,782	0	0	0
Total Transfers	0	$384,782	0	0	0
Total Resources (Revenue and Transfers In)	$58,308	$384,782	0	0	0
Total Expenditures	$471,974	0	$2,154,726	$1,202,763	$2,371,505
Transfers Out					
Fund 100 - General Fund (G & A)	0	$250,000	$250,000	$250,000	$250,000
Total Transfers Out	0	$250,000	$250,000	$250,000	$250,000
Total Expenditures and Transfers Out	$471,974	$250,000	$2,404,726	$1,452,763	$2,621,505
Difference Total Resources and Expenditures and Transfers Out	-$413,666	$134,782	-$2,404,726	-$1,452,763	-$2,621,505
FUND BALANCE					
July 1st Beginning Balance	-$4,195,020	-$4,608,686	-$5,714,209	0	-$1,611,005
Budgeted Reserves	0	0	0	0	0
Prior period adjustment	0	$4,473,904	0	-$158,242	-$158,242
Difference Total Resources and Expenditures and Transfers Out	-$413,666	$134,782	-$2,404,726	-$1,452,763	-$2,621,505
June 30th Ending Balance	-$4,608,686	0	-$8,118,935	-$1,611,005	-$4,390,752

Note: Negative fund balance at year end is due to administrative expenditures. Staff will transfer the accumulated expenditures to the capital project funds as part of the fiscal year end process.

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Debt Service Project Area #1 Fund 486

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$6,879,157	$13,126,271	$20,580,446	$20,422,431	$27,587,711
Transfers In					
Fund 385 - RDA Low/Mod	0	0	0	0	0
Fund 587 - RDA CIP Area #2	$5,949,534	0	0	0	0
Total Transfers In	$5,949,534	0	0	0	0
Total Resources (Revenue, Transfers In and Advances)	$12,828,691	$13,126,271	$20,580,446	$20,422,431	$27,587,711
Total Expenditures	$5,088,156	$9,817,263	$13,416,448	$13,627,881	$17,465,185
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$5,088,156	$9,817,263	$13,416,448	$13,627,881	$17,465,185
Difference Total Resources and Expenditures and Transfers Out	$7,740,535	$3,309,008	$7,163,998	$6,794,550	$10,122,526
FUND BALANCE					
July 1st Beginning Balance	-$1,815,623	$3,616,278	$7,708,901	$6,925,286	$13,719,836
Budgeted Reserves	0	0	0	0	0
Prior period adjustment	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	$7,740,535	$3,309,008	$7,163,998	$6,794,550	$10,122,526
Adjustment For Budgetary Purposes	-$2,308,634	0	0	0	0
June 30th Ending Balance	$3,616,278	$6,925,286	$14,872,899	$13,719,836	$23,842,362

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Debt Service Project Area #2 Fund 487

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$792,507	$1,270,742	$2,371,081	$1,812,648	$2,276,635
Transfers In					
Fund 385 - RDA Low/Mod	0	0	0	0	0
Fund 587 - RDA CIP Area #2	$658,857	0	0	0	0
Total Transfers In	$658,857	0	0	0	0
Total Resources (Revenue, Transfers In and Advances)	$1,451,364	$1,270,742	$2,371,081	$1,812,648	$2,276,635
Total Expenditures	$620,288	$1,054,326	$1,644,653	$1,367,957	$1,665,598
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$620,288	$1,054,326	$1,644,653	$1,367,957	$1,665,598
Difference Total Resources and Expenditures and Transfers Out	$831,076	$216,416	$726,428	$444,691	$611,037
FUND BALANCE					
July 1st Beginning Balance	-$814,274	-$238,859	$163,703	-$22,443	$422,248
Budgeted Reserves	0	0	0	0	0
Prior period adjustment	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	$831,076	$216,416	$726,428	$444,691	$611,037
Adjustment For Budgetary Purposes	-$255,661	0	0	0	0
June 30th Ending Balance	-$238,859	-$22,443	$890,131	$422,248	$1,033,285

The negative fund balance at June 30, 2005 and June 30, 2006 is the result of incorporating GASB 34 and the effect of debt owed to the City of Hesperia.

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Capital Improvements Fund 585

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$260,867	0	0	0	0
Bond Proceeds	0	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 Reserves, and Transfers In)	$260,867	0	0	0	0
Total Expenditures	$202,246	0	0	0	0
Transfers Out					
Fund 100 - General Fund	0	0	0	0	0
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$202,246	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	$58,621	0	0	0	0
FUND BALANCE					
July 1st Beginning Balance	$4,165,283	$4,265,838	$4,265,838	0	0
Budgeted Reserves	0	0	0	0	0
Prior period adjustment	0	-4,265,838	0	0	0
Difference Total Resources and Expenditures and Transfers Out	58,621	0	0	0	0
Adjustment For Budgetary Purposes	41,934	0	0	0	0
June 30th Ending Balance	$4,265,838	0	$4,265,838	0	0

Redevelopment Agency (RDA) Project Area #1 Capital Improvements Fund 586

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	0	$1,644,588	$1,467,000	$667,019	$1,773,409
Bond Proceeds	$37,773,978	0	0	0	0
Budgeted Reserves	0	$3,933,550	$22,839,713	$7,685,424	$6,359,168
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves, and Transfers In)	$37,773,978	$5,578,138	$24,306,713	$8,352,443	$8,132,577
Total Expenditures	0	$4,868,427	$20,738,161	$7,724,738	$56,317,749
Transfers Out					
Fund 200 - Fire District	0	0	$459,153	$459,153	$1,251,417
Fund 389 - RDA Administrative	0	$571,307	0	0	$0
Fund 486 - RDA Debt Service Area #1	$18,589,746	0	0	0	0
Fund 588 - VVEDA	0	$138,404	0	0	0
Fund 601 - Branch Library	0	0	$168,552	$168,552	0
Total Transfers Out	$18,589,746	$709,711	$627,705	$627,705	$1,251,417
Total Expenditures and Transfers Out	$18,589,746	$5,578,138	$21,365,866	$8,352,443	$57,569,166
Difference Total Resources and Expenditures and Transfers Out	$19,184,232	0	$2,940,847	0	-$49,436,589
FUND BALANCE					
July 1st Beginning Balance	0	$17,978,142	$12,905,616	$14,044,592	$6,359,168
Budgeted Reserves	0	-3,933,550	-22,839,713	-7,685,424	-6,359,168
Prior period adjustment	0	0	0	0	0
Difference Total Resources and Expenditures and Transfers Out	$19,184,232	0	2,940,847	0	-49,436,589
Adjustment For Budgetary Purposes	-1,206,090	0	0	0	0
June 30th Ending Balance	$17,978,142	$14,044,592	-$6,993,250	$6,359,168	-$49,436,589

Note: The negative ending fund balance will be paid for from bond proceeds of the 2007 RDA bond issue.
The bond proceeds in FY 2005-06 are the 2005 Tax Allocation Bonds Series A.
The FY 2004-05 Adjustment for Budgetary Purposes reflects costs associated with the refinancing of the 1994 Series A, B, & C which are not shown as expenditures for budgetary purposes.

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) Project Area #2 Capital Improvements Fund 587

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	0	$128,289	$40,000	$69,695	$69,695
Bond Proceeds	$4,183,123	0	0	0	0
Budgeted Reserves	0	$134,244	$317,256	$361,212	$673,427
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue Reserves, and Transfers In)	$4,183,123	$262,533	$357,256	$430,907	$743,122
Total Expenditures	0	$183,731	$306,409	$380,060	$604,539
Transfers Out					
Fund 200 - Fire District	0	0	$50,847	$50,847	$138,583
Fund 389 - RDA Administrative	0	$63,475	0	0	0
Fund 487 - RDA Debt Service Area #2	$2,058,645	0	0	0	0
Fund 588 - VVEDA	0	15,327	0	0	0
Total Transfers Out	$2,058,645	$78,802	$50,847	$50,847	$138,583
Total Expenditures and Transfers Out	$2,058,645	$262,533	$357,256	$430,907	$743,122
Difference Total Resources and Expenditures and Transfers Out	$2,124,478	0	0	0	0
FUND BALANCE					
July 1st Beginning Balance	0	$1,990,914	$2,050,914	$1,856,670	$1,495,458
Budgeted Reserves	0	-134,244	-317,256	-361,212	-673,427
Difference Total Resources and Expenditures and Transfers Out	$2,124,478	0	0	0	0
Adjustment For Budgetary Purposes	-133,564	0	0	0	0
June 30th Ending Balance	$1,990,914	$1,856,670	$1,733,658	$1,495,458	$822,031

Note: The bond proceeds in FY 2005-06 are the 2005 Tax Allocation Bonds Series A.
The FY 2004-05 Adjustment for Budgetary Purposes reflects costs associated with the refinancing of the 1994 Series A, B, & C which are not shown as expenditures for budgetary purposes.

FUND BALANCE SUMMARY

Redevelopment Agency (RDA) VVEDA Project Area Capital Improvements Fund 588

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	0	$300,079	$227,443	$205,689	$229,883
Bond Proceeds	0	0	0	0	0
Budgeted Reserves	0	0	$72,557	0	$270,117
Transfers In					
Transfers In	0	$153,731	0	0	0
Total Transfers In	0	$153,731	0	0	0
Total Resources (Revenue Reserves, and Transfers In)	0	$453,810	$300,000	$205,689	$500,000
Total Expenditures	0	0	$100,000	0	$500,000
Transfers Out					
Fund 601 - Branch Library	0	0	$200,000	$200,000	0
Total Transfers Out	0	0	$200,000	$200,000	0
Total Expenditures and Transfers Out	0	0	$300,000	$200,000	$500,000
Difference Total Resources and Expenditures and Transfers Out	0	$453,810	0	$5,689	0
FUND BALANCE					
July 1st Beginning Balance	0	0	$255,590	$453,810	$617,741
Budgeted Reserves	0	0	-72,557	0	-270,117
Prior period adjustment	0	0	0	158,242	158,242
Difference Total Resources and Expenditures and Transfers Out	0	$453,810	0	5,689	0
June 30th Ending Balance	0	$453,810	$183,033	$617,741	$505,866

FUND BALANCE SUMMARY

Fire District Fund 200

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$5,720,715	$6,915,179	$7,791,101	$8,091,404	$8,905,192
Budgeted Reserves	$7,285	$7,285	$200,585	0	0
Transfers In					
Fund 586 - RDA CIP Area #1	0	0	$459,153	$459,153	$1,251,417
Fund 587 - RDA CIP Area #2	0	0	50,847	50,847	138,583
Total Transfers In	0	0	$510,000	$510,000	$1,390,000
Total Resources (Revenue and Budgeted Reserves)	$5,728,000	$6,922,464	$8,501,686	$8,601,404	$10,295,192
Total Expenditures	$5,728,000	$5,818,875	$8,501,686	$8,195,595	$9,953,569
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$5,728,000	$5,818,875	$8,501,686	$8,195,595	$9,953,569
Difference Total Resources and Expenditures and Transfers Out	0	$1,103,589	0	$405,809	$341,623
FUND BALANCE					
July 1st Beginning Balance	$995,565	$988,280	$1,415,918	$2,084,584	$2,490,393
Budgeted Reserves	-7,285	-7,285	-200,585	0	0
Difference Total Resources and Expenditures and Transfers Out	0	1,103,589	0	405,809	341,623
June 30th Ending Balance	$988,280	$2,084,584	$1,215,333	$2,490,393	$2,832,016

FUND BALANCE SUMMARY

Water District - Water Operations Fund 700

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$11,724,151	$12,941,859	$14,118,559	$13,725,087	$14,850,954
Budgeted Reserves	0	0	$3,209,587	$1,342,113	$4,344,625
Transfers In					
Transfers In	0	$327,033	0	0	0
Total Transfers In	0	$327,033	0	0	0
Total Resources (Revenue and Budgeted Reserves)	$11,724,151	$13,268,892	$17,328,146	$15,067,200	$19,195,579
Total Expenditures	$9,594,540	$12,144,536	$17,328,146	$15,358,080	$19,195,579
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$9,594,540	$12,144,536	$17,328,146	$15,358,080	$19,195,579
Difference Total Resources and Expenditures and Transfers Out	$2,129,611	$1,124,356	0	-$290,880	0
FUND BALANCE					
July 1st Beginning Balance	$34,904,272	$36,331,795	$37,141,040	$53,848,333	$52,215,340
Budgeted Reserves	0	0	-3,209,587	-1,342,113	-4,344,625
Prior period adjustment	0	8,234,635	0	0	0
Difference Total Resources and Expenditures and Transfers Out	2,129,611	1,124,356	0	-290,880	0
Adjustment for Budgetary Purposes	-702,088	8,157,547	0		
June 30th Ending Balance	$36,331,795	$53,848,333	$33,931,453	$52,215,340	$47,870,715

Note: Because Water and Sewer are proprietary funds, the expenditures for FY 2004-05 and 2005-06 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

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$7,275,521	$11,278,151	$6,418,303	$6,167,790	$5,319,140
Budgeted Reserves	0	0	$19,461,976	$5,504,810	$11,359,901
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Budgeted Reserves)	$7,275,521	$11,278,151	$25,880,279	$11,672,600	$16,679,041
Total Expenditures	$5,093,180	$9,722,386	$25,880,279	$11,664,559	$23,059,733
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$5,093,180	$9,722,386	$25,880,279	$11,664,559	$23,059,733
Difference Total Resources and Expenditures and Transfers Out	$2,182,341	$1,555,765	0	$8,041	-$6,380,692
FUND BALANCE					
July 1st Beginning Balance	$16,782,219	$23,250,453	$23,527,169	$16,856,670	$11,359,901
Budgeted Reserves	0	0	-19,461,976	-5,504,810	-11,359,901
Prior period adjustment	0	-8,234,671	0	0	0
Difference Total Resources and Expenditures and Transfers Out	2,182,341	1,555,765	0	8,041	-6,380,692
Prior period adjustment	0	0	0	0	0
Adjustment for Budgetary Purposes	4,285,893	285,123	0	0	0
June 30th Ending Balance	$23,250,453	$16,856,670	$4,065,193	$11,359,901	-$6,380,692

Note: Because Water and Sewer are proprietary funds, the expenditures for FY 2004-05 and 2005-06 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 Operations Fund 710

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$1,242,340	$1,684,249	$1,473,069	$1,874,863	$1,839,863
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 Budgeted Reserves)	$1,242,340	$1,684,249	$1,473,069	$1,874,863	$1,839,863
Total Expenditures	$972,083	$884,703	$1,123,467	$1,050,500	$1,160,077
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	$972,083	$884,703	$1,123,467	$1,050,500	$1,160,077
Difference Total Resources and Expenditures and Transfers Out	$270,257	$799,546	$349,602	$824,363	$679,786
FUND BALANCE					
July 1st Beginning Balance	$3,085,798	$3,368,923	$3,987,447	$7,588,674	$8,413,037
Budgeted Reserves	0	0	0	0	0
Prior period adjustment	0	3,598,771	0	0	0
Difference Total Resources and Expenditures and Transfers Out	270,257	799,546	349,602	824,363	679,786
Adjustment for Budgetary Purposes	12,868	-178,566	0	0	0
June 30th Ending Balance	$3,368,923	$7,588,674	$4,337,049	$8,413,037	$9,092,823

Note: Because Water and Sewer are proprietary funds, the expenditures for FY 2004-05 and 2005-06 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

	2004-05 Actual	2005-06 Actual	2006-07 Budget	2006-07 Revised	2007-08 Budget
Total Revenue	$991,977	$1,502,266	$886,628	$861,252	$612,124
Budgeted Reserves	0	0	$842,292	0	$387,876
Transfers In					
Transfers In	0	0	0	0	0
Total Transfers In	0	0	0	0	0
Total Resources (Revenue and Budgeted Reserves)	$991,977	$1,502,266	$1,728,920	$861,252	$1,000,000
Total Expenditures	0	0	$1,728,920	$75,000	$1,000,000
Transfers Out					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	0	0	$1,728,920	$75,000	$1,000,000
Difference Total Resources and Expenditures and Transfers Out	$991,977	$1,502,266	0	$786,252	0
FUND BALANCE					
July 1st Beginning Balance	$3,266,039	$4,258,016	$5,647,247	$2,211,462	$2,997,714
Budgeted Reserves	0	0	-842,292	0	-387,876
Prior period adjustment	0	-3,548,820	0	0	0
Difference Total Resources and Expenditures and Transfers Out	991,977	1,502,266	0	786,252	0
Adjustment for Budgetary Purposes	0	0	0	0	0
June 30th Ending Balance	$4,258,016	$2,211,462	$4,804,955	$2,997,714	$2,609,838

Note: Because Water and Sewer are proprietary funds, the expenditures for FY 2004-05 and 2005-06 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 six resolutions were approved by the City Council to adopt the Fiscal Year 2007-08 Budget and Gann Appropriations Limits for the City and its subsidiary districts:*
  - *Resolution No. 2007-051 - Adopting the City General Fund and Other Related Funds Fiscal Year 2007-08 Budget.*
  - *Resolution No. 2007-052 - Adopting the City of Hesperia Gann Appropriations Limit for Fiscal Year 2007-08.*
  - *Resolution No. HCRA 2007-010 - Adopting the Hesperia Community Redevelopment Agency Fiscal Year 2007-08 Budget.*
  - *Resolution No. HFPD 2007-09 - Adopting the Hesperia Fire Protection District for Fiscal Year 2007-08 Budget.*
  - *Resolution No. HFPD 2007-10 - Adopting the Hesperia Fire Protection District Gann Appropriations Limit.*
  - *Resolution No. HWD 2007-03 - Adopting the Hesperia Water District Fiscal Year 2007-08 Budget.*
- *City of Hesperia - General and Administrative Allocation Plan Fiscal Year 2007-08*
- *Significant Accounting Policies*
- *List of Acronyms*
- *Glossary*
- *Index*

RESOLUTION NO. 2007-051

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2007-08 BUDGET

WHEREAS, the City Manager has prepared the proposed operating and capital budget for Fiscal Year 2007-08 for the City of Hesperia; and

WHEREAS, the City Council has received the Fiscal Year 2007-08 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 2007-08.

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 2007-08 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 2007-08, which includes:

Section 2a. City General Fund expenditures of $28,329,816 with total resources (revenue, budgeted reserves, and transfers) of $29,028,400.

Section 2b. Other City funds expenditures of $47,772,675 are from the following funds, exclusive of transfers:

Fund No.	Fund Name	Expenditure
201	Measure I-Arterial Fund	$5,294,436
202	Measure I-Local Fund	1,651,812
203	Measure I-Transit Fund	161,649
205	Gas Tax Fund	568,655
207	Local Transportation Fund	60,000
250	Traffic Congestion Relief Fund	20,000
251	CDBG Administration Fund	1,399,619
252	CDBG HOME Grants Fund	3,300,928
253	CDBG Revolving Loan Fund	1,617,815
254	Air Quality Management District (AQMD) Fund	35,000
256	Beverage Recycling Grant Fund	21,333
260	Disaster Preparedness Fund	26,200
263	Public Works Street Maintenance Fund	3,497,541
300	Streets Development Impact Fee Fund	14,564,625
301	Storm Drain Development Impact Fee Fund	2,578,000
302	Fire Development Impact Fee Fund	3,680,333
400	Measure I Debt Service Fund	1,495,080
401	City Debt Service Fund	1,391,800
501	Community Facilities District 91-3 Belgate Fund	4,000
502	Fire Station Building	528,500
600	Ranchero Road Undercrossing fund	5,875,349
	Total Other City Funds	$47,772,675

Section 3. That the City Council approves the following position classification changes included in the 2007-08 Budget as follows:

Section 3a. That the City Council approves the reclassification of the Public Information Officer to the new position classification title of Assistant to the City Manager – Community Relations, which is an Unclassified/At-Will, Senior Management, non-represented position classification with an Employment Agreement and Auto Allowance of $400 per month, with the salary range of 45.

Section 3b. That the City Council approves the reclassification of the Code Compliance Supervisor to the new position classification title of Code Enforcement Supervisor, which is a Professional/Supervisory, non-represented position classification, with the salary range of 36.

Section 3c. That the City Council approves the new position classification title of Animal Control Supervisor, which is a Professional/Supervisory, non-represented position classification, with the salary range of 35.

Section 3d. That the City Council approves the new position classification title of Geographical Information Systems Technician, which is a General, non-represented position classification, with the salary range of 31.

Section 3e. That the City Council approves the new position classification title of Senior Office Specialist, which is a General, non-represented position classification, with the salary range of 28.

Section 3f. That the City Council approves the new position classification title of Administrative Intern, which is a part-time, non-represented position classification used to provide temporary employment opportunities for students or other specially qualified short-term employees. Hourly pay with four steps of $12.00, $13.00, $14.00, $15.00 per hour, as approved by the City Manager.

Section 3g. That the City Council approves the new position classification title of Intern, which is a part-time, non-represented position classification used to provide temporary employment opportunities for students or other specially qualified short-term individuals to provide practical training opportunities, job skills, etc. Hourly pay with two steps of $8.50 or $9.50 per hour, as approved by the City Manager.

Section 3h. That the City Council approves the new position classification title of Senior Warehouse Technician, which is a represented position classification, with a salary range of 12.

Section 4. That the City Manager and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2007-08 Budget and consistent with the policy adopted by the City Council.

Section 5. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 20th day of June 2007.

Rita K. Vogler, Mayor

ATTEST:

Vicki C. Soderquist, CMC
City Clerk

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

CITY OF HESPERIA)

I, Vicki C. Soderquist, City Clerk of the City of Hesperia, California, do hereby certify that Resolution No. 2007-051 was duly adopted by the City Council of the City of Hesperia, California at a Regular Meeting thereof held on the 20th day of June 2007 by the following vote to wit:

AYES: Honeycutt, Leonard, Pack, Smith and Vogler

NOES: None

ABSTAIN: None

ABSENT: None

Vicki C. Soderquist, CMC
City Clerk

Seal

I, _____, City Clerk of the City of Hesperia, California, do hereby certify that the foregoing Resolution No. 2007-051 is a full, true and correct copy of that now in file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this _____ day of _____, 20__.

_____
City Clerk

Seal

RESOLUTION NO. 2007-052

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, APPROVING THE FISCAL YEAR 2007-08 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 state and local governments (debt service, redevelopment agencies, enterprise fund districts, e.g. Hesperia Water District exempt), 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 2007-08, 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 2006-07 Article XIIIB Limit (Gann Appropriations Limitation) of $60,050,694 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 20th day of June 2007.

Rita K. Vogler, Mayor

ATTEST:

Vicki C. Soderquist, CMC
City Clerk

CITY OF HESPERIA AND HESPERIA FIRE DISTRICT
SCHEDULE OF ANNUAL APPROPRIATIONS (GANN LIMITS)
FISCAL YEARS 1989/90 through 2007/08

Fiscal Year	Change In Factor 1 Population	Factor 2 Per Capita Income	Calculation of Factor	City Balance	City Gann Limit	Fire District Balance	Fire District Gann Limit	Total Gann
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

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

CITY OF HESPERIA)

I, Vicki C. Soderquist, City Clerk of the City of Hesperia, California, do hereby certify that Resolution No. 2007-052 was duly adopted by the City Council of the City of Hesperia, California at a Regular Meeting thereof held on the 20th day of June 2007 by the following vote to wit:

AYES: Honeycutt, Leonard, Pack, Smith and Vogler

NOES: None

ABSTAIN: None

ABSENT: None

Vicki C. Soderquist, CMC
City Clerk

City of Hesperia
Incorporated July 1 1988
Seal
CALIFORNIA

I, _____, City Clerk of the City of Hesperia, California, do hereby certify that the foregoing Resolution No. 2007-052 is a full, true and correct copy of that now in file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this _____ day of _____, 20__.

_____
City Clerk

Seal

RESOLUTION HCRA 2007-010

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA COMMUNITY REDEVELOPMENT AGENCY, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2007-08 BUDGET

WHEREAS, the Executive Director has prepared the proposed operating budget for Fiscal Year 2007-08 for the Hesperia Community Redevelopment Agency; and

WHEREAS, the Board of Directors has received the Fiscal Year 2007-08 proposed budget and held a public workshop concerning its adoption; and

WHEREAS, the final budget document will be the Agency's official Program of Services for the Hesperia Community Redevelopment Agency for Fiscal Year 2007-08.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HESPERIA COMMUNITY REDEVELOPMENT AGENCY AS FOLLOWS:

Section 1. In all respects, the facts as set forth in this resolution are true and correct.

Section 2. To accept, approve, and adopt the Fiscal Year 2007-08 budget as proposed and presented by staff and as adjusted by Board direction, as the official budget document and Program of Services for the Hesperia Community Redevelopment Agency for Fiscal Year 2007-08, which includes: budget expenditures totaling $98,517,148, with revenue of $39,823,107, budgeted reserves and transfers of $19,009,510, and $39,684,531 in bond proceeds from the 2007 Redevelopment Bond Issue, for total resources of $98,517,148.

Section 3. That the Executive Director and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2007-08 Budget and consistent with the policy adopted by the Agency's Board of Directors.

Section 4. That the Secretary of the Board of Directors shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ADOPTED AND APPROVED this 20th day of June 2007.

Rita K. Vogler, Chair

ATTEST:

Vicki C. Soderquist, CMC

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

CITY OF HESPERIA)

I, Vicki C. Soderquist, Secretary of the Hesperia Community Redevelopment Agency, Hesperia, California, do hereby certify that Resolution No. HCRA 2007-10 was duly adopted by the Agency members of the Hesperia Community Redevelopment Agency, City of Hesperia, California at a Regular Meeting thereof held on the 20th day of June 2007 by the following vote to wit:

AYES: Honeycutt, Leonard, Pack, Smith, and Vogler

NOES: None

ABSTAIN: None

ABSENT: None

Vicki C. Soderquist, CMC
Secretary

Hesperia Community Redevelopment Agency
Established November 17 1988
Seal

I, _____, Secretary of the Community Redevelopment Agency, City of Hesperia, California, do hereby certify that the foregoing Resolution No. HCRA 2007-10, a full, true and correct copy of that now on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this _____ day of _____, 200__.

_____
Secretary

Seal

RESOLUTION HFPD 2007-09

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2007-08 BUDGET

WHEREAS, the Executive Director has prepared the proposed operating budget for Fiscal Year 2007-08 for the Hesperia Fire Protection District; and

WHEREAS, the Board of Directors has received the Fiscal Year 2007-08 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 2007-08.

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 2007-08 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 2007-08 which includes: appropriated expenditures totaling $9,953,569 and estimated revenue of $8,905,192 and budgeted reserves and transfers of $1,390,000, for total resources of $10,295,192.

Section 3. That the Executive Director and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2007-08 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 20th day of June 2007.

Rita K. Vogler, Chair

ATTEST:

Vicki C. Soderquist, CMC
Secretary

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

CITY OF HESPERIA)

I, Vicki C. Soderquist, Secretary of the Hesperia Fire Protection District, City of Hesperia, California, do hereby certify that Resolution No. HFPD 2007-09 was duly adopted by the Board of Directors of the Hesperia Fire Protection District at an Adjourned Regular Meeting, thereof held on the 20th day of June 2007 by the following vote to wit:

AYES: Honeycutt, Leonard, Pack, Smith and Vogler

NOES: None

ABSTAIN: None

ABSENT: None

Vicki C. Soderquist, CMC
Board Secretary

Seal

I, _____, Secretary of the Hesperia Fire Protection District, City of Hesperia, California, do hereby certify that the foregoing Resolution No. HFPD 2007-09 is a full, true and correct copy of that now in file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this _____ day of _____, 200__.

_____
Board Secretary

Seal

RESOLUTION HFPD 2007-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA FIRE PROTECTION DISTRICT, HESPERIA, CALIFORNIA, APPROVING THE FISCAL YEAR 2007-08 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 state and local governments (debt service, redevelopment agencies, enterprise fund districts, e.g. Hesperia Water District exempt) 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 2007-08, 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 2007-08 Article XIIIB Limit (Gann Appropriations Limitation) of $14,002,782 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 20th day of June 2007.

Rita K. Vogler, Chair

ATTEST:

Vicki C. Soderquist, CMC
Secretary

CITY OF HESPERIA AND HESPERIA FIRE DISTRICT
SCHEDULE OF ANNUAL APPROPRIATIONS (GANN LIMITS)
FISCAL YEARS 1989/90 through 2007/08

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

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

CITY OF HESPERIA)

I, Vicki C. Soderquist, Secretary of the Hesperia Fire Protection District, City of Hesperia, California, do hereby certify that Resolution No. HFPD 2007-10 was duly adopted by the Board of Directors of the Hesperia Fire Protection District at an Adjourned Regular Meeting, thereof held on the 20th day of June 2007 by the following vote to wit:

AYES: Honeycutt, Leonard, Pack, Smith and Vogler

NOES: None

ABSTAIN: None

ABSENT: None

Vicki C. Soderquist, CMC
Board Secretary

Seal

I, _____, Secretary of the Hesperia Fire Protection District, City of Hesperia, California, do hereby certify that the foregoing Resolution No. HFPD 2007-10 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 _____, 200__.

_____
Board Secretary

Seal

RESOLUTION HWD 2007-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HESPERIA WATER DISTRICT, CITY OF HESPERIA, CALIFORNIA, ADOPTING THE ANNUAL FISCAL YEAR 2007-08 BUDGET

WHEREAS, the General Manager has prepared the proposed operating and capital budget for Fiscal Year 2007-08 for the Hesperia Water District; and

WHEREAS, the Board of Directors has received the Fiscal Year 2007-08 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 2007-08.

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 2007-08 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 2007-08 which includes: water operating expenditures of $19,195,579 and water capital expenditures totaling $23,059,733, for total water operating and capital expenditures of $42,255,312, and water revenues and budgeted reserves or total resources totaling $42,255,312, and also sewer operating expenditures of $1,160,077 and sewer capital expenditures of $1,000,000, totaling $2,160,077, and sewer revenue and budged reserves or total resources totaling $2,839,863, for combined estimated District resources of $45,095,175 and appropriated expenditures of $44,415,389.

Section 3. That the General Manager and department head staff shall have the authority to transfer funds as incorporated in the Fiscal Year 2007-08 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 20th day of June 2007.

Rita K. Vogler, Chair

ATTEST:

Vicki C. Soderquist, CMC
Secretary

SUPPLEMENTAL INFORMATION SECTION

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

CITY OF HESPERIA)

I, Vicki C. Soderquist, Secretary of the Hesperia Water District, City of Hesperia, California, do hereby certify that Resolution No. HWD 2007-03 was duly adopted by the Board of Directors of the Hesperia Water District at an Adjourned Regular Meeting, thereof held on the 20th day of June 2007 by the following vote to wit:

AYES: Honeycutt, Leonard, Smith, Pack and Vogler

NOES: None

ABSTAIN: None

ABSENT: None

Vicki C. Soderquist, CMC
Secretary of the Board

HESPERIA WATER DISTRICT INCORPORATED MAR 28 1975 CALIFORNIA Seal

I, _____, Secretary of the Hesperia Water District, City of Hesperia, California, do hereby certify that the foregoing Resolution No. HWD 2007-03 is a full, true and correct copy of that now in file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hesperia, California, this _____ day of _____, 200__.

_____
Secretary of the Board

Seal

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.

ADA	American Disabilities Act. The Federal Americans with Disability Act requires accessibility of public facilities for handicap persons and various accommodations for persons with disabilities.
ALS	Advanced Life Support.
AMR	Automated Meter Reading.
AQMD	Air Quality Maintenance District.
AS	Assessment District.
AWWA	American Water Works Association.
BLS	Basic Life Support.
CAFR	Comprehensive Annual Financial Report. The CAFR is prepared in conformity with Generally Accepted Account Principals (GAAP) as set forth by the Governmental Accounting Standards Boards (GASB).
CALTRANS	The State of California Transportation Department.
CCHOA	California Cities Home Ownership Authority.
CDBG	Community Development Block Grant. The Community Development Block Grant program is funded by the Federal Department of Housing and Urban Development.
CEQA	California Environmental Quality Act.
CFD	Community Facilities District. A CFD is established as a funding mechanism for infrastructure improvements for a specific geographic area of development.
CIP	Capital Improvements Program or Plan. The CIP identifies the infrastructure capital improvement projects of the City.
CSMFO	California Society of Municipal Finance Officers. The CSMFO is a non-profit organization to promote professional administration of municipal finance in California.
CUPA	Certified Unified Program Agency.
DAP	Down Payment Assistance Program – A City Community Development Block Grant Program.
DDA	Dispensation and Development Agreements.

LIST OF ACRONYMS (Continued)

DUI	Driving Under the Influence.
EDA	Economic Development Administration.
EDU	Equivalent Dwelling Unit.
EDRLF	Economic Development Revolving Loan Fund.
EIR	Environmental Impact Report.
EOC	Emergency Operations Center.
EMS	Emergency Medical Response.
EPA	Environmental Protection Agency.
ERAF	Educational Revenue Augmentation Fund. ERAF is the fund where State mandated property tax revenue is shifted to schools.
FEMA	Federal Emergency Management Agency. FEMA is the Federal agency for emergency services and disaster aid funding nationwide.
FETN	Fire and Emergency Television Network.
FTE	Full-Time Equivalent. The FTE is a term used to measure staffing and is 2,080 hours per year (1.0 FTE) or 1040 hours (0.5 FTE).
GAAP	Generally Accepted Accounting Principles.
GASB	Governmental Accounting Standards Board.
GFOA	Government Finance Officers Association is a non-profit professional association of government finance professionals throughout North America.
HAZMAT	Hazardous Materials.
HCD	Department of Housing and Community Development. HCD is a State of California Department.
HCRA	Hesperia Community Redevelopment Agency.
HFMA	Hesperia Fire Management Association.
HPF	Hesperia Professional Firefighters.
HRLP	Housing Rehabilitation Loan Program – A City Community Development Block Grant Program.

LIST OF ACRONYMS (Continued)

GIS	Geographic Information System.
HUD	Federal Department of Housing and Urban Development.
HVAC	Heating, Ventilation, and Air Conditioning System.
IDIS	Integrated Disbursement and Information System.
ISTEA	Intermodel Surface Transportation Efficiency Act. The ISTEA Federal funds provide the City funding for various street and traffic signal projects.
JPA	Joint Powers Authority.
LAIF	Local Agency Investment Fund. The LAIF is the State of California investment pool that the City of Hesperia invests City funds to receive interest income.
LMI	Low-Moderate Income – Affordable Housing Programs.
MAP	Mortgage Assistance Program.
MGD	Millions of gallons per day. MGD is the rating used in water infrastructure projects.
MOE	Maintenance of Effort. The MOE is the criteria that must be med in certain street improvements mandated by the State.
MOU	Memorandum of Understanding – Typically a contractual agreement between the City and an employee union or association.
NEPA	National Environmental Policy Act.
NFPA	National Environmental Policy Act.
OES	State Office of Emergency Services.
OHV	Off Highway Vehicles.
OPA	Owner Participation Agreements.
OSHA	Occupational Safety and Health Administration.
PAD	Public Access Defibrillator.
RDA	Redevelopment Agency. The Hesperia Community Redevelopment Agency.
RTIP	Regional Transportation Improvement Program. The RTIP is coordinated by the Southern California Association of Governments (SCAG) in cooperation with the State (Caltrans), County Transportation Commissions (CTC and public transit operators). The program consists of a listing and identification of proposed transportation projects and recommended funding sources.

LIST OF ACRONYMS (Continued)

SANBAG	San Bernardino Associated Governments. SANBAG is the clearinghouse for the intergovernmental agency review of capital facilities and other local government activities.
SBPEA	San Bernardino Public Employees Association.
SBSD	San Bernardino County Sheriff's Department.
SCBA	Self-Contained Breathing Apparatus.
SCADA	Supervised Control and Data Acquisition System – Automated radio system to monitor water wells, booster pumps, and reservoirs.
SCAG	Southern California Association of Governments.
SEMS	Standardized Emergency Management System.
VVCC	Victor Valley Community College.
VVEDA	Victor Valley Economic Development Authority.
VVWRA	Victor Valley Wastewater Reclamation Authority.

GLOSSARY OF TERMS

ACCRUAL BASIS – The recording of the financial effects on a government of transactions and other events and circumstances that have cash consequences for the government in the periods in which those transactions, events, and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

ACTUAL – Represents the actual costs from the results of operations.

ADOPTED – Represents the budget as approved by the City Council.

APPROPRIATION – A legal authorization granted by the City Council to make expenditures and incur obligations for specific purposes.

AUDIT – A systematic collection of the sufficient, competent evidential matter needed to attest to the fairness of management's assertions in the financial statements or to evaluate whether management has efficiently and effectively carried out its responsibilities.

BALANCE SHEET – The financial statement disclosing the assets, liabilities, and equity of an entity at a specified date.

BUDGET – A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year.

BUDGETARY CONTROL – The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and revenues.

CAPITAL EXPENDITURES – Expenditures resulting in the acquisition of or addition to the government's general fixed assets having a unit cost of greater than $5,000 and a useful life exceeding one year.

CAPITAL IMPROVEMENT PROGRAM (CIP) – A comprehensive plan which projects the capital needs of the community. Generally, it is a cyclical process that projects the needs for a set number of years. Capital improvement plans are essential to sound infrastructure and financial planning. The annual capital budget is derived from the long-term CIP.

CAPITAL OUTLAY – Expenditures which qualify as capital costs according to accounting standards. This includes furniture, fixtures, machinery, equipment, and other relatively minor fixed assets.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) – Funds allocated to local government from the federal government, based on a formula, but required to be applied for and required to be used within a broad functional area such as community development.

DEBT SERVICE FUND – A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Sometimes referred to as a Sinking Fund.

ENCUMBRANCE – Obligations in the form of purchase orders, contracts, or other commitments. They cease to be encumbrances when paid, cancelled, or when the actual liability is set up.

ESTIMATED (OR REVISED) – Represents the original adopted budget plus any approved changes and anticipated year-end adjustments.

GLOSSARY OF TERMS (Continued)

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.

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.

GLOSSARY OF TERMS (Continued)

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.

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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