



CITY OF  
CHULA VISTA

California

# PROPOSED BUDGET

FISCAL YEAR **2017-18**





# PROPOSED BUDGET FISCAL YEAR 2017-2018

MARY CASILLAS SALAS  
MAYOR

PATRICIA AGUILAR  
COUNCILMEMBER

MIKE DIAZ  
COUNCILMEMBER

JOHN MCCANN  
COUNCILMEMBER

STEPHEN PADILLA  
COUNCILMEMBER

GARY HALBERT  
City Manager

DONNA NORRIS  
City Clerk

GLEN R. GOOGINS  
City Attorney





**ADMINISTRATION**

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Gary Halbert	City Manager
Kelley Bacon	Deputy City Manager
Maria Kachadoorian	Deputy City Manager

**DIRECTORS**

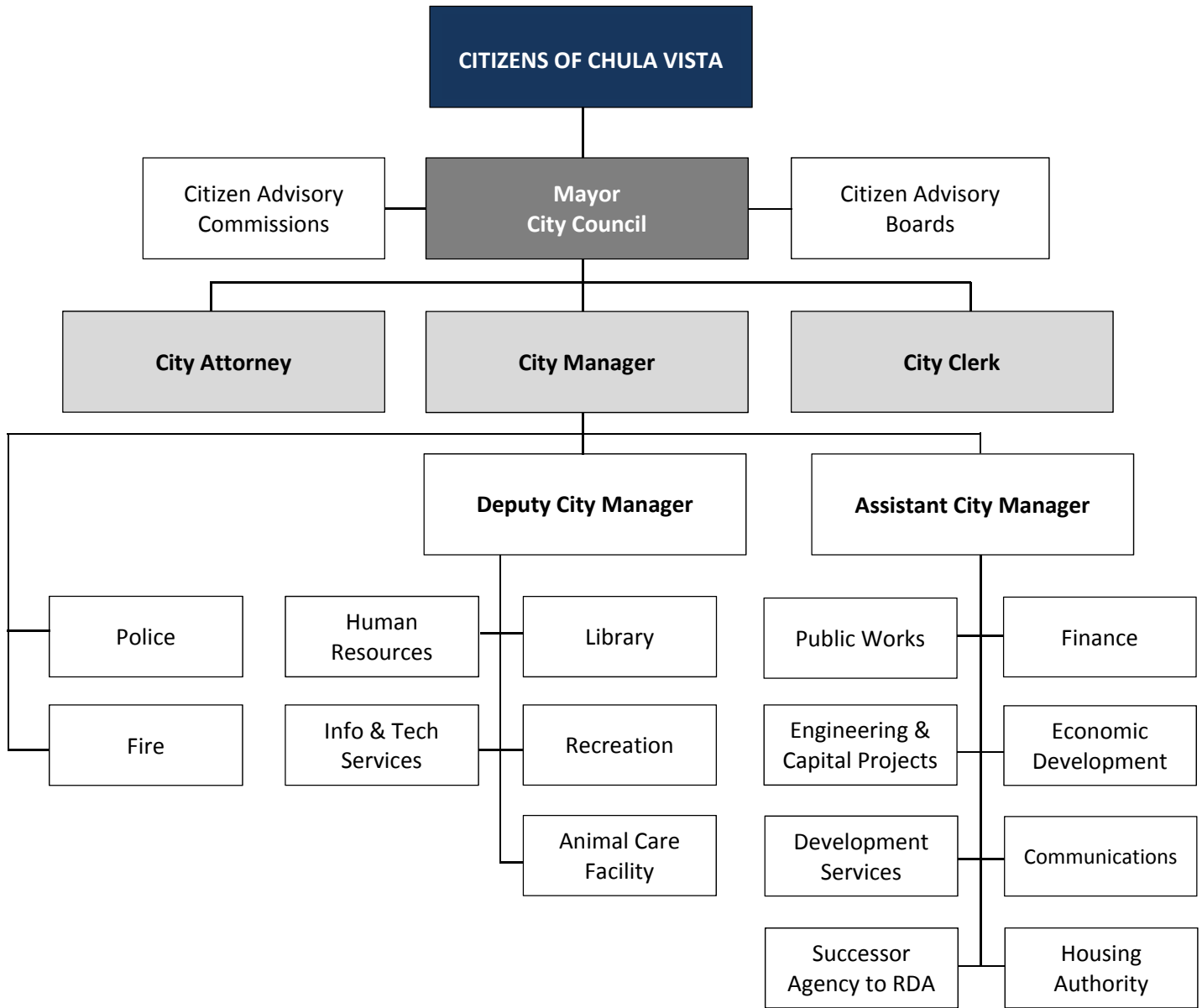
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Kelly Broughton	Director of Development Services
Eric Crockett	Director of Economic Development
William Valle	Director of Engineering and Capital Projects
Jim Geering	Fire Chief
David Bilby	Director of Finance
Courtney Chase	Director of Human Resources
Edward Chew	Director of Information Technology Services
Betty Waznis	Director of Library
Roxana Kennedy	Chief of Police
Richard Hopkins	Director of Public Works
Kristi McClure Huckaby	Director of Recreation





# Organizational Chart







## Chula Vista at a Glance



### About Chula Vista

The history of the area known as Chula Vista, can be traced back millions of years through prehistoric fossils of both land and sea types. Around 3000 B.C., Yuman-speaking people began moving into the area. Many of the Native American Indians in San Diego today are descendants of the Kumeyaay tribe that roamed here for hundreds of years.

Today's City of Chula Vista is located at the center of one of the richest cultural, economic and environmentally diverse zones in the United States. It is the second-largest City in San Diego County with a population of approximately 267,000. Chula Vista boasts more than 50 square miles of coastal landscape, canyons, rolling hills, mountains, quality parks, and miles of trails. Chula Vista is a leader in conservation and renewable energy, has outstanding public schools, and has been named one of the top safest cities in the country.

Chula Vista means "beautiful view" and there is more to see and do here than you can imagine! Great year-round weather, miles of trails, coastline, mountains and open space beckon runners, hikers, cyclists, birders, and outdoors enthusiasts from the bay to lakes. The bayfront with the Sweetwater Marsh National Wildlife Refuge and the Living Coast Discovery Center showcase the unique animals and plants of Southern California. The Chula Vista Marina & Yacht Club awaits kayakers and boaters. The Bayshore Bikeway provides a two-wheeled tour of more wonders on San Diego Bay.

Shopping, dining, and entertainment abound with two major malls and a historic downtown district. Otay Ranch Town Center is an exciting outdoor shopping, dining and entertainment destination.

Chula Vista Center in the downtown area boasts major retailers, dining, movie theaters, and more than 100 fine specialty shops. And, Third Avenue Village, billed as the cultural center of the city, features historic buildings, unique shops, a weekly farmers market, landmark restaurants, and seasonal outdoor music concerts. It's also home to a brewery and tasting rooms.

Established neighborhoods, contemporary communities, start-up firms, corporations, nationally recognized entertainment venues, the nation's only warm weather Olympic Training Center, 60 parks, an award winning nature center and a historic downtown all contribute to Chula Vista's attraction for both families and businesses.

For more information regarding the City of Chula Vista, please visit our website at [www.chulavistaca.gov](http://www.chulavistaca.gov).

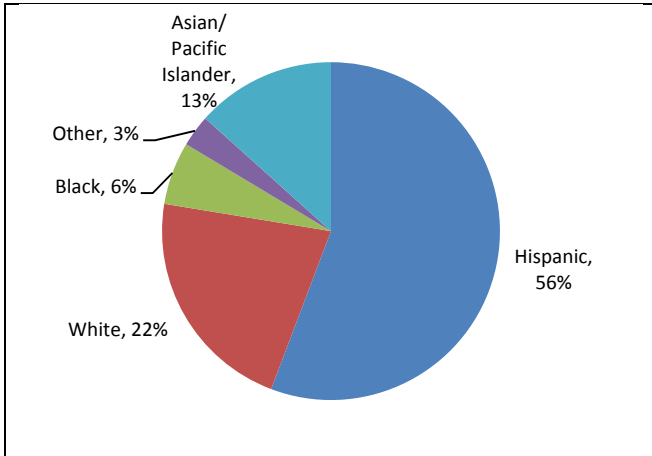
**General Information**

Incorporated.....1911  
 Government.....Council/Manager  
 Bond Rating.....AA-

**Population**

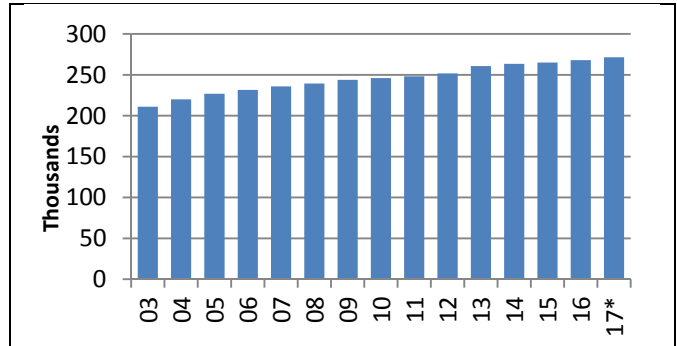
Population.....267,917  
 Median Age..... 34.2  
 Source: Population data, California Department of Finance.  
 Median Age, San Diego Association of Governments estimates.

**Population by Ethnic Group**



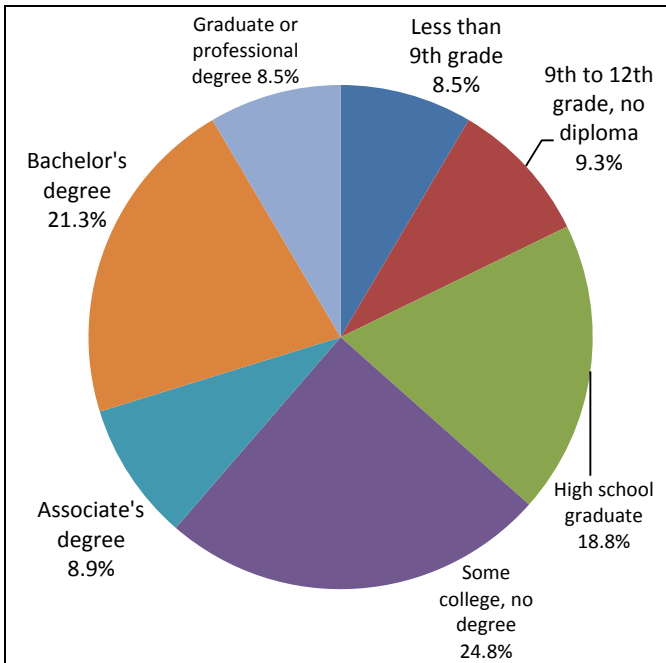
Source: San Diego Association of Governments, Current Estimates

**Chula Vista Population Growth**



Note: This data represents calendar year population numbers.  
 \*2017 population numbers are projections.  
 Source: California Department of Finance and City of Chula Vista staff

**Educational Attainment <sup>1</sup>**



<sup>1</sup>Based on population 25 years and over.  
 Source: U.S. Census Bureau, 2015 American Community Survey

**Elementary Schools**

Chula Vista Elementary School District  
 FY2016-17 Data  
[www.cvesd.org](http://www.cvesd.org)  
 (619) 425-9600  
 Number of Schools <sup>1</sup>.....45  
 Projected Enrollment.....29,200  
<sup>1</sup>Includes 5 dependent and 2 independent charter schools.

**Secondary Schools**

Sweetwater Union High School District  
 FY2016-17 Data  
[www.sweetwaterschools.org](http://www.sweetwaterschools.org)  
 (619) 691-5500  
 Number of Schools <sup>1</sup>.....32  
 Projected Enrollment.....42,000  
<sup>1</sup>Includes middle schools, high schools, adult schools, and alternative education sites.

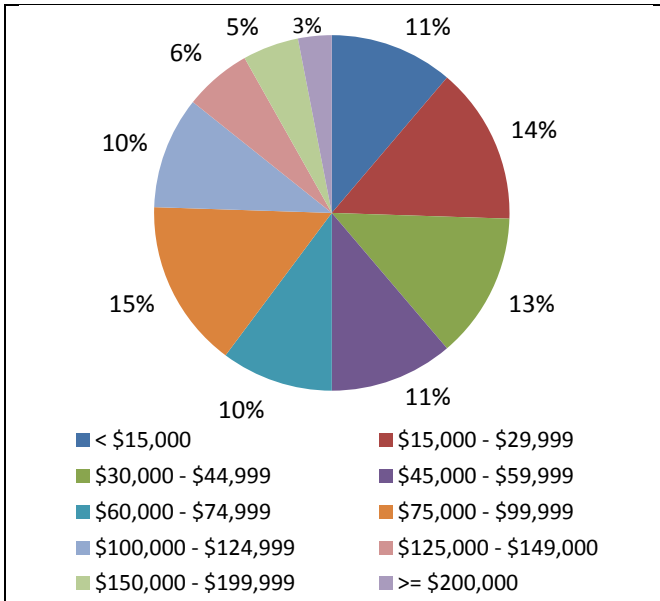
**Housing**

Housing Units.....	83,406
Persons per Household.....	3.30
Vacancy Rate.....	3.2%
Source: California Department of Finance	

**Housing Type**

Single Family.....	53,535
Multiple Family.....	25,806
Mobile Homes.....	4,065
Source: California Department of Finance	

**Household Income**



Source: San Diego Association of Governments, Current Estimates

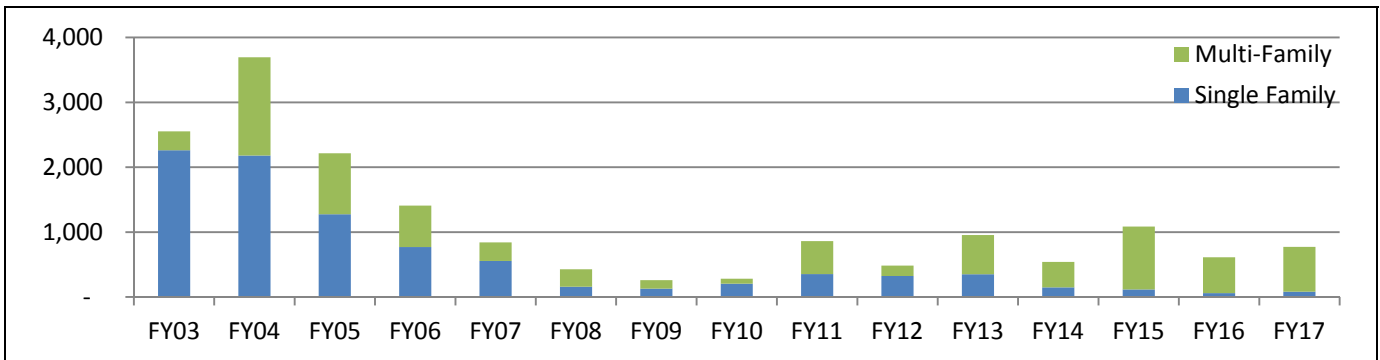
**Public Safety**

Fire Uniform Strength.....	108
Fire Stations.....	9
Emergency Calls to Fire Department <sup>1</sup> .....	19,892
Police Uniform Strength <sup>2</sup> .....	232
Citizen Initiated Calls for Service .....	67,048
<sup>1</sup> Calls for service data is for calendar year 2016.	
<sup>2</sup> Police uniform strength does not include 12 frozen positions.	
Source: City of Chula Vista Staff	

**Community Facilities**

Acres of Developed Parks <sup>1</sup> .....	534.66
Total Number of Parks.....	61
Libraries.....	3
Recreation Facilities.....	11
<sup>1</sup> Actual City Ownership Park Acreage	
Source: City of Chula Vista staff	

**Construction Permits**



Source: City of Chula Vista staff  
Note: FY17 data is as of 04/26/17



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## Document Guide

The budget document is organized in a manner to facilitate a general understanding of the City's fiscal status, to present management's assessment of major issues and, finally, to present the plan for allocating resources to address those issues during the coming fiscal year. The budget document is organized as follows: Budget Message, General Fund Summary, Other Funds, Program Summary, Capital Improvement Program, Summary Tables, and Appendix.

### **BUDGET MESSAGE**

This section provides an executive summary of the City's all funds budget, summarizes the region's economic outlook, and highlights significant budgetary changes for fiscal year 2017-18. It also highlights the sources and uses of funds and provides information on the General Fund reserves. A summary of staffing changes is provided at the end of this section.

### **GENERAL FUND**

The General Fund budget funds the day-to-day operations of most city services. This section of the document provides an overview of General Fund revenues and expenditures, staffing changes, and budgetary trends. This section is followed by Department Summary reports that include departmental mission statements and operating budgets for each General Fund department.

### **OTHER FUNDS**

In order to facilitate understanding of the different funding sources, this portion of the document has been organized into the following categories: Development Services Fund, Redevelopment, Successor Agency to the Redevelopment Agency, and Housing funds, Sewer Funds, Fleet Fund, Capital Project Funds, Debt Service Funds, and Other Funds. Detailed descriptions, funding and staffing levels are provided for each fund. Due to various legal restrictions these funds are limited in their uses and generally cannot be applied to fund day-to-day operations such as Police and Fire services.

### **CAPITAL IMPROVEMENT PROGRAM**

This section provides an overview of the City's Capital Improvement Program for the coming fiscal year. The Capital Improvement Program accounts for the acquisition, rehabilitation, or construction of major capital facilities, infrastructure, or equipment. More detailed information about each capital project, including project area maps, project status, expenditures to date, current year appropriations, and future funding, can be found in the Capital Improvement Program budget document.

### **MEASURE P SUMMARY**

The City established a separate fund to track and account for income and expenses related to the voter approved one-half cent Sales Tax. The Measure P Fund Summary provides a summary of the allocation for the coming fiscal year.

### **SUMMARY TABLES AND APPENDIX**

The summary tables provide a quick way to view budget allocations by department (or fund) and expenditure category, revenues by fund and type, projected fund balances by fund, and Council authorized positions by department. The appendix contains supplementary information on a variety of topics including an overview of the budget development process along with relevant timelines and milestones, fiscal and investment policies, debt administration, and a glossary of finance and budget terms.







GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Chula Vista  
California**

For the Fiscal Year Beginning

**July 1, 2016**

Executive Director



## **BUDGET MESSAGE**

Letter from the City Manager

Budget Process

Economic Overview

All Funds Summary

Summary of Staffing Changes





## OFFICE OF THE CITY MANAGER

May 23, 2017

**HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

I am pleased to submit for your consideration the operating budget and capital improvement program for fiscal year 2017-18. The combined budget for all City funds totals \$373.0 million. This amount includes a General Fund operating budget of \$166.6 million and a Capital Improvement Program (CIP) budget of \$73.9 million. The General Fund presented in this document is balanced and includes funding for programs supported by the City Council in prior fiscal years.

Despite a financial outlook that is more strained than it has been in recent years, the City continues to see revenue growth, infrastructure improvements, and growth in commercial and residential development. Positive revenue growth is being outpaced by pension and health care cost increases and will continue to be a challenge in the coming years. The City will continue to implement efficiency measures to help mitigate the impacts of the cost increases.

The City continues to implement new ways to maximize limited resources to deliver high quality services to our community. In preparing the General Fund budget for fiscal year 2017-18, staff focused on the following budget development goals:

- Develop a balanced budget using fiscally responsible financial practices
- Maintain service levels and operating hours as reflected in the City Council's 2016-17 adopted budget
- Fund the highest level of municipal services possible based on available resources
- Make significant progress on key programs and projects in support of the City's Strategic Plan
- Continue growing Chula Vista's financial base
- Continue to improve efficiency and effectiveness of government services through the implementation

of Continuous Improvement principles

The City's General Fund reflects modest growth in most major revenue sources. In preparing the operating budget, significant increases in pension and health care expenditures outweighed anticipated revenue growth which resulted in a projected budget deficit. As a result, departments were asked to identify cost saving measures or program revenue increases to balance the budget. Those measures have resulted in the balanced budget being presented to you for your consideration.

**Budget Highlights**

The following highlights some of the fiscal year 2018 City services and programs:

- Increase in public safety personnel and equipment
  - The proposed budget includes the addition of 5 Peace Officers to the Police Department
  - Design and construction of two fire stations
  - Replacement of obsolete and aging fire and police vehicles
- Significant increase in infrastructure funding
  - First full-year of Measure P funding with \$60.6 million allocated for infrastructure improvements.
  - Proposed Measure P budget includes funding for residential street repair, sport court repairs, renovation of Loma Verde Recreation Center, Woman's Club, Civic Center and South Libraries, Norman Park Senior Center, parks enhancements, traffic signal system improvements and other much needed infrastructure improvement projects.
  - Citizens' Oversight Committee affirmed that the proposed fiscal year budget is in

compliance with the *Infrastructure, Facilities and Equipment Expenditure Plan*.

- Funding of several City initiatives:
  - Update of Climate Action Plan
  - Bayfront Development
  - University Planning
  - Smart City Strategic Action Plan
  - Update of Multi-modal Bikeway & Pedestrian Master Plan
- Supports residential and commercial development
  - Increased hotel tax revenue with opening of a new hotel on the east side of Chula Vista
  - Development underway for more than 1,000 residential units
  - New 300,000-square-foot Class A Office complex in Millenia in process
- The City Manager's Proposed Budget for Fiscal year 2017-18 is balanced with no impact to the General Fund reserves

I would like to thank the City Council and Executive Team for their leadership and support. Finally, I would like to recognize the Finance Department for their exceptional work in once again preparing a balanced budget using good financial management practices.

Respectfully,



Gary Halbert  
City Manager

## ACKNOWLEDGEMENT

Staff developed a budget for fiscal year 2017-18 that is both responsive to community needs and continues to fund core services most important to our community. City staff is the key component in delivering high quality municipal services to our residents. I am proud of the men and women who work for the City of Chula. They work tirelessly to deliver the best services we can to our community with the resources we have.

## Budget Process

The City of Chula Vista's budget is created in conjunction with City Council, City staff, and City residents. The budget process begins each year with development of the preliminary base budget and is completed with the City Council adoption of the budget in June.

The fiscal year 2017-18 budget cycle began in January 2017 with the development of a preliminary base budget by the Finance Department's Budget and Analysis staff. The base budget accounts for the normal operating costs of the City. Through April, Finance worked with departments to refine the base budgets and incorporate departmental changes to align the budgets with current department operations.

The budget process provided Departments the opportunity to recommend budget adjustments based on department operational requests and/or one-time funding requests. Requests are reviewed by City Administration and are included in the City Manager's Proposed Budget.

While Finance staff was developing the operating budget, Public Works staff worked to develop and finalize the Capital Improvement Program (CIP) budget during this same time frame. On March 7th, a public hearing was held for City Council to consider and adopt an amendment to the TransNet Local Street Improvement Program of projects for fiscal years 2016-17 through 2020-21. And on May 4th, staff held a Council Workshop on Infrastructure.

Finance will present the City Council with a balanced General Fund budget on May 23, 2017. The City Council will then set a public hearing date prior to Council taking action on the adoption of the budget.

Copies of the proposed budget will be made available for public review in the Office of the City Clerk, City libraries, and the City's website at least 10 days prior to the public hearing.

As set forth in the City Charter, at any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by affirmative votes of at least four members. Throughout

the year, the Finance Department provides the City Council with quarterly financial status reports comparing expenditure and revenue projections to budgeted amounts, highlighting any variances and recommending corrective actions as necessary.

### BUDGET DEVELOPMENT MILESTONES

- March 7, 2017  
Public hearing to adopt an amendment to the TransNet Local Street Improvement Program
- May 4, 2017  
Infrastructure Workshop
- May 10 and May 11, 2017  
Public workshops to provide overview of the City Manager's Proposed Budget
- May 18, 2017  
Budget Document submitted to City Council

As required by City Charter, the City Manager's proposed budget was submitted to the City Council at least thirty-five days prior to the beginning of the fiscal year. Copies of the proposed budget are available for public review in the Office of the City Clerk, City libraries, as well as on the City's website.

- May 23, 2017  
Presentation to City Council of the Fiscal Year 2017-2018 City Manager's Proposed Budget and Council consideration and acceptance of the Budget as the City Council's Proposed Budget.

Concurrently, a public hearing on the Budget will be scheduled for a Council meeting in June. Leading up to this hearing, the City Council's Proposed Budget will be made available for public review for at least 10 days.

- June 2017  
After at least one public hearing, the City Council will consider public testimony, make any required or appropriate changes, and adopt the Budget. Adoption of the budget requires the affirmative votes of at least three members of the Council.





## Economic Overview

This section of the budget document identifies and outlines economic indicators that impact revenue forecasts at the local level. Several sources are used to forecast City revenues using national, state, and local area economic trends. Sources include: the UCLA Anderson Forecast (National and State), U.S. Department of Commerce (National), California Employment Development Department (National, State, and Local), California Department of Finance (State and Local), Bureau of Economic Analysis, and the University of San Diego Index of Leading Economic Indicators (San Diego region).

### NATIONAL

In his March 2017 outlook for the national economy, UCLA Anderson Forecast Senior Economist David Shulman wrote that some of his current expectations are similar to those of last quarter, including the approximately \$500 billion a year in personal and business tax reductions, a repatriation holiday for accumulated foreign earnings, increased defense and infrastructure spending, Medicaid cuts, relaxed regulations, modest changes to trade and immigration policies, and reductions in food and aircraft exports, as several trading partners react to the policy changes. The impact of a large tax cut on an economy that is at or very close to full employment will likely result in a short-term growth spike, but will quickly fade. The forecast calls for real GDP growth of 2.4 percent, 3 percent and 2.2 percent in 2017, 2018 and 2019, respectively, noting that real growth will subside on a quarterly basis in 2019, as higher interest rates weigh on the economy.

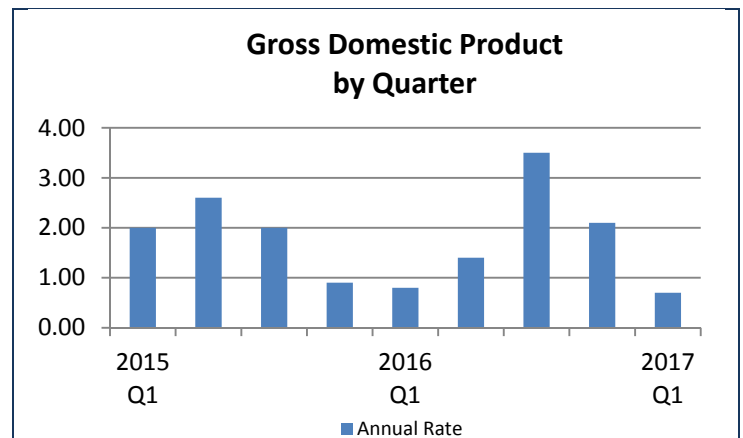
Though job growth appears robust with 170,000 jobs a month expected in 2017 and 2018, the figures are forecast to decrease to approximately 110,000 a month in 2019 and will further decrease if the administration embarks on a large-scale deportation program of unauthorized immigrants. Concurrently, the unemployment rate could bottom out at 4.1 percent in late 2018, before gradually rising.

Amid strong growth in consumer spending since 2014, Shulman indicates that a proposed tax cut could increase spending from a forecasted 2.8 percent increase this year to 3.6 percent in 2018. However,

housing starts may plateau at the 1.2 million to 1.3 million range and 30-year fixed mortgage rates could exceed 6 percent in 2019, up from the current 4.25 percent and the recent low of 3.5 percent.

After six years of declines, the forecast expects defense purchases to become a priority and increase by 1.2 percent in 2017. Defense purchases are then projected to increase by 4.1 percent and 2.5 percent in 2018 and 2019, respectively.

In conclusion, Shulman wrote that the forecast has become “more concerned about the administration’s tone with respect to trade and immigration policies. The changes could be far more drastic than what we are now anticipating, thereby increasing the risk level to our forecast.”



### CALIFORNIA



UCLA Anderson Senior Economist Jerry Nickelsburg’s March 2017 forecast for California is updated to reflect the delay in congressional approval of the Trump infrastructure and defense spending. Total employment was 2.8 percent higher than 12 months earlier and payroll employment 2 percent higher. The state’s rate of increase was higher than the nation’s, but slowed during the last three months of 2016. California’s unemployment rate is expected to have its normal differential to the U.S. rate at 4.6 percent by the end of the forecast period (2019).

“The weakness relative to the U.S. reflects the fact that California, having already reached near full employment, will benefit less from further stimulus than Rust Belt states and the fact that deportations of unskilled workers would impact food harvesting and food processing,” as well as garment manufacturing and residential construction, Nickelsburg wrote. What remains unknown are the effects that changes in Immigration and Naturalization Service rules of engagement, exchange rates, international travel visa protocols and the abortive travel ban may have on the state’s economy. Nickelsburg does factor in the potential impact of the sanctuary city movement that has taken root within the state and which may thwart the federal government’s efforts to move quickly on deportations.

The forecast anticipates employment growth to be 2.1 percent, 1.2 percent and 0.9 percent for 2017, 2018 and 2019, respectively, with payrolls expected to grow at about the same rate. Real personal income growth is forecast to be 3.4 percent in 2017, 3.7 percent in 2018, and 3.2 percent in 2019. Home building will continue in California at about 118,000 units per year through the forecast period.

## COUNTY



The County’s economic performance continued steady if not strong as reported by the University of San Diego’s Index of Leading Economic Indicators for San Diego County rose 0.4 percent in rose 0.4 percent in February. The gain was led by strong gains in consumer confidence and the outlook for the national economy. There were also moderate gains in initial claims for unemployment insurance and local stock prices and a small gain in help wanted advertising. For the second month in a row, the only negative component was building permits, which was down sharply again. Overall the increase in the index was robust, as five of the six components were up for the month. This suggests that the local economy is picking up steam and is expected to do better than what had previously been expected. The forecast for employment growth for San Diego County is now at 30,000 for 2017, compared to the previous forecast of 25,000. As usual, there are caveats. This is barring any sort of trade war or any other international conflict. The domestic economy looks sound. So much so that

the Federal Reserve increased interest rates by 0.25 percent at its last meeting and is expected to increase them a further 50 basis points by the end of the year. While this will put more money into the hands of savers, a big question is how this will affect borrowers, particularly in the housing market. Local building permit activity is already down considerably this year (see below), and an increase in interest rates is expected to slow the single family market. Overall the performance of the main components of the index can be summarized as follows:

- Residential units authorized by building permits had a second straight bad month to open 2017. For the first two months of the year, total residential units authorized were down 69 percent compared to the same period last year. Single family units are actually up this year; all of the damage has come in multi-family units authorized. Only 193 multi-family units have been authorized this year compared to the 1,545 that were authorized last January and February.
- Initial claims for unemployment insurance and help wanted advertising hit their lowest level in almost 10 years (since March 2007), which is a positive for both the local economy and for the USD Index. On the hiring side of the labor market, help wanted advertising was only slightly positive. The net result was that the seasonally adjusted unemployment rate fell to 4.2 percent in February 2017.
- Consumer confidence continued its upward trend increasing for the eighth consecutive month.
- Local stock prices continued to match the rally in the broader market averages, signaling that investors are optimistic about the prospects for San Diego based companies.
- The national Index of Leading Economic Indicators increased for the sixth consecutive month, with the last three months particularly strong. So the outlook for the national economy remains positive. The third estimate for GDP growth for the fourth quarter showed 2.1 percent growth, which is up from the 1.9 percent reading given in advance of the second quarter estimates.

San Diego Index of Leading Economic Indicators  
San Diego County, 2013 – 2017



**CITY**



The City’s General Fund reflects positive growth in its major revenue sources. The City’s property taxes continued to recover as they are projected to increase by \$2.4 million or 7.9% over the previous fiscal year budget. It should be noted however that \$0.7 million of this increase represents an estimated loan repayment from the redevelopment agency. The increase in property taxes however, is offset by a lower growth rate in the other local taxes revenue category. Other local taxes (excluding new Measure P sales tax) total \$58.5 million in the 2017-18 proposed budget and includes the following major City revenue sources: sales taxes, franchise fees, utility taxes, transient occupancy taxes and business licenses. Overall, the other local taxes revenue category (excluding Measure P sales tax) accounts for 35.1% of General Fund revenues. Based on the trends observed in fiscal year 2016-17, the projection for various revenue sources within this revenue category were reduced or remained flat in the fiscal year 2017-18 budget. As a result, the other local taxes revenue category reflects a modest 1.9% increase in the proposed fiscal year 2017-18 budget. Overall, General Fund revenues are projected to increase by 2.6% in the fiscal year 2017-18 proposed budget. This increase however was not sufficient to close a \$4.3 million budget gap that was identified in the initial stages of the budget development process. This gap required various departmental budget reductions and identification of additional non-discretionary revenue

sources in order to balance the fiscal year 2017-18 proposed budget.

One positive note was the approval of Measure P – a temporary, ten-year, half-cent sales tax to fund high priority infrastructure needs. Collection of the sales tax began on April 1, 2017. The sales tax is projected to raise \$178 million over the duration of the measure. The Chula Vista City Council has approved an initial expenditure of \$3.2 million of Measure P sales tax funds for infrastructure in fiscal year 2016-17. The fiscal year 2017-18 budget includes an estimated \$16.3 million in Measure P sales tax revenues.

The City’s housing market continued its recovery in as the median home value within the City increased by 3.0% from April of 2016 to April of 2017. However, the recovery may be slowing as the median home price is projected to rise by only 1.0% in 2018 (based on Zillow estimate).

The performance in the housing market is reflected in the assumptions used to formulate property tax revenues in the fiscal year 2017-18 proposed budget. Property Tax revenues for fiscal year 2017-18 are based on 3.0% increase in assessed valuations for existing property within the City and an additional 1.5% increase due to projected growth from new development.

In general, a 2% growth rate in assessed valuation of taxable property is legally permitted under Proposition 13 law assuming that there is a commensurate increase in the State’s consumer price index (CPI) of 2% or greater. The City is projecting to receive the full 2% increase for fiscal year 2017-18 as the state CPI increased by 2.6%. This valuation increase in the City’s assessment role provides an important yearly boost to property tax revenues as the increase is applied to the entire assessment roll. It is important to note that during the economic downturn the City did not benefit from the increase as the CPI had also failed to reach the 2% threshold due to the recession. In those years, where the City did not receive the 2% base increase in assessment roll valuation, the City relied on re-assessments of properties that were re-sold at increased price levels or re-assessments of properties that increased values under Proposition 8 law for property revenue growth. Under Proposition 8, property owners may apply for an assessment appeal and be granted a lower assessed valuation for property

tax purposes when their property values decrease. The lower assessed valuations are granted under the stipulation that their property assessments will be re-assessed in the future when property values recover.

The table below provides a year over year summary of median home value changes that have taken place within the City’s zip codes. The improvement in home values will also help to improve the City’s property tax base.

Examination of other key demographic factors indicates that the City’s unemployment situation improved to

5.4% in February of 2017 down from 6.1% for the same month of the prior year. Although the unemployment rate improved, the City’s unemployment rate was still higher than the state (5.2%) and the national unemployment rate of 4.7%. Additionally, Chula Vista’s population remains stable as it continues to maintain its place as the 14th largest incorporated city in the state according to the California Department of Finance.

**Chula Vista Home Prices**

April 2016 Compared to April 2017

Zip Code	Locale	Zillow Index Price		Percent Change
		2016	2017	
91910	North	456,000	475,000	4.2%
91911	South	417,000	438,000	5.0%
91913	Eastlake	512,000	522,000	2.0%
91914	NE	624,000	655,000	5.6%
91915	SE	506,000	525,000	6.6%

Source Zillow.com/research

## All Funds Summary

The following section provides an overview of the combined all funds budget. Detailed descriptions, funding, and staffing levels are provided for each fund under the corresponding fund section in this document. This section is intended to provide a citywide overview of the proposed budget for fiscal year 2017-18.

### ALL FUNDS REVENUE SUMMARY

The combined revenue budget for all City funds totals \$363.8 million; \$46.7 million represents inter-fund transfers. Projected revenues for all funds are anticipated to increase by \$81.3 million when compared to the fiscal year 2016-17 adopted budget of \$282.5 million.

Other Revenue is the category with the largest revenue change when compared to fiscal year 2016-17 adopted budget with a net increase of \$47.2 million. The changes in this category are due to the following:

- The largest change in this category is reflected in the 2016 Measure P Sales Tax Fund, which reflects a \$44.2 million increase when compared to the prior year. This change includes the estimated bond proceeds to be received as a result of debt financing for Measure P projects. The ½ cent sales tax was approved by voters in November 2016.
- The next largest increase is reflected in the Workers Compensation Fund of \$1.5 million in comparison to the fiscal year 2016-17 adopted budget. This is a result of funding the reserves and a rise in workers compensation claims expenses.
- Three special maintenance districts total a change of \$1.6 million from prior year. This is due to an anticipated \$0.9 million in assessment revenues for maintenance districts CFD 08M (Village 6 McMillin/Otay Ranch) and CFD 97-1 (Otay Ranch), and the anticipated initial levy of \$0.7 million in assessments within CFD 18M (Village 3 Otay Ranch).

The next largest change is reflected in the Other Local Taxes category, which reflects a net increase of \$15.2 million when compared to the prior fiscal year. The most significant of the changes occurs in the General Fund of \$17.4 million. This increase is mainly due to the \$16.3 million in Measure P Sales Tax revenues anticipated to be collected as part of the voter

approved ½ cent sales tax. The General Fund is a pass-through for these revenues, which will ultimately be recognized as a Transfer Out to the 2016 Measure P Sales Tax Fund. The General Fund also includes increases in Transient Occupancy Tax (\$0.7 million), Sales Tax (\$0.6 million), Franchise Fees (\$0.2 million), Real Property Transfer Tax (\$0.1 million), and a \$0.5 million reduction in Utility Users Tax. The net increase in the General Fund is partially offset by a \$2.2 million decrease in anticipated Transportation Sales Tax (TransNet) revenues due to the prior year use of carry over funds from completed or closed out projects.

The Transfers In revenue category reflects a net increase of \$11.1 million when compared to the prior fiscal year. This increase is largely reflected in the 2016 Measure P Sales Tax fund which reflects the transfer in of \$16.3 million in voter approved ½ cent sales tax revenues from the General Fund. This increase was partially offset by the following reductions: a \$1.9 million net decrease in the Successor Agency Debt Services funds due to refinancing of the debt; a net reduction of \$1.6 million in transfers in to City Debt Services Funds for activities related to inter-fund loans, notes, and capital leases; a \$0.8 million reduction of the one-time transfer to the General Fund from the Public Facilities Development Impact Fee (PFDIF) fund for a loan repayment, a net reduction of \$0.5 million in the Chula Vista Public Financing Authority Debt Service Funds as a result of scheduled debt service payments and bond refinancing; and a decrease of \$0.4 million in the transfer into the Park Acquisition and Development Fund for a loan repayment based on funding availability.

The Development Impact Fees revenue category reflects an increase of \$2.7 million when compared to the prior fiscal year. The changes are reflected in the Salt Creek Sewer DIF (\$0.2 million), Public Facilities DIF funds (\$2.5 million), and the EUC Millenia Pedestrian Bridge DIF Fund (\$0.04 million). These changes are intended to bring budgeted revenues in line with projected revenues.

A net increase of \$2.4 million is anticipated within the Property Tax revenue category. This increase is within the General Fund and can be attributed to the

following: \$1.5 million increase due to an anticipated 3.0% growth in Assessed Valuation (AV); a projected \$0.7 million Redevelopment Property Tax Trust Fund (RPPTF) payment to the General Fund for the Supplemental Educational Revenue Augmentation Fund (SERAF) loan; and \$0.4 million increase, or 1.5% additional anticipated AV growth, due to new development.

The Charges for Services revenue category reflects a net increase of \$1.2 million. The increase occurs in the General Fund and is a result of the following: an increase of \$0.4 million in Police Reimbursements as a result of increased special events; an anticipated growth in emergency cost recovery claims of \$0.2 million (\$135,000 in continuous revenue and \$60,000 in one-time); a reclassification of \$0.2 million in revenues from the Other Revenue category to Zoning-Fees Deposit Based for Engineering staff time reimbursements; an increase of \$0.1 million each in Passport Fees, Fire Construction Fees, jail reimbursements, and Recreation Program Fees.

A net increase of \$1.0 million is estimated in the Revenues from Other Agencies category in fiscal year 2017-18 when compared to prior year adopted budget. This increase is many due to a projected \$1.4 million net increase in the Other Transportation Program Fund for Federal Grant funding of fiscal year 2017-18 capital improvement projects. The General Fund also anticipates a \$1.2 million increase in Motor Vehicle License Fees (MVLFF) in accordance with the projected AV growth and a decrease of \$0.2 million in the COPS Hiring Grant for a net increase of \$1.0 million. The Chula Vista Elite Athlete Training Center Fund is anticipating \$0.3 million in revenues for contractual reimbursement of utility expenses. The above increases were partially offset by the following decreases: a \$1.1 million decrease in the Community Development Block Grant (CDBG) Fund for Federal Grants, as the City has excluded the budgeting of these funds pending final award notification, at which time staff will return to

City Council with appropriation recommendations; and a \$0.6 million decrease in grant revenue in the Federal Grants Fund based on anticipated reimbursements.

The Licenses and Permits category is estimated to increase by \$0.4 million in fiscal year 2017-18 when compared to prior year. \$0.2 million of this increase is in the General Fund and is a result of higher anticipated animal licenses, security alarm permits, and parking permit revenue. The remaining \$0.2 million increase is in the Development Services Fund for a projected increase in building permit activity.

A net increase to Fines, Forfeitures, Penalties revenue of \$0.05 is estimated in fiscal year 2017-18 in comparison to prior year. This change is within the General Fund and can be attributed to higher projected negligent vehicle impound fees and booking fees.

Use of Money and Property is anticipating a net increase of \$0.04 million. Increases of \$0.2 million in the Housing – Successor Agency for investment earnings, \$0.1 million in the Chula Vista Municipal Golf Course Fund for rentals/leases, and \$0.02 in the Parking Meter Fund for parking meters are proposed to bring budgeted revenues in line with projected revenues of these funds. This increase is partially offset with a \$0.3 million net reduction in the General Fund. The General Fund reduction is due to a \$0.5 million reduction in rentals/leases of City owned buildings, which is offset by anticipated increases in rental/leases parks and recreation centers (\$0.1 million) and rental telecom site license fees (\$0.03 million).

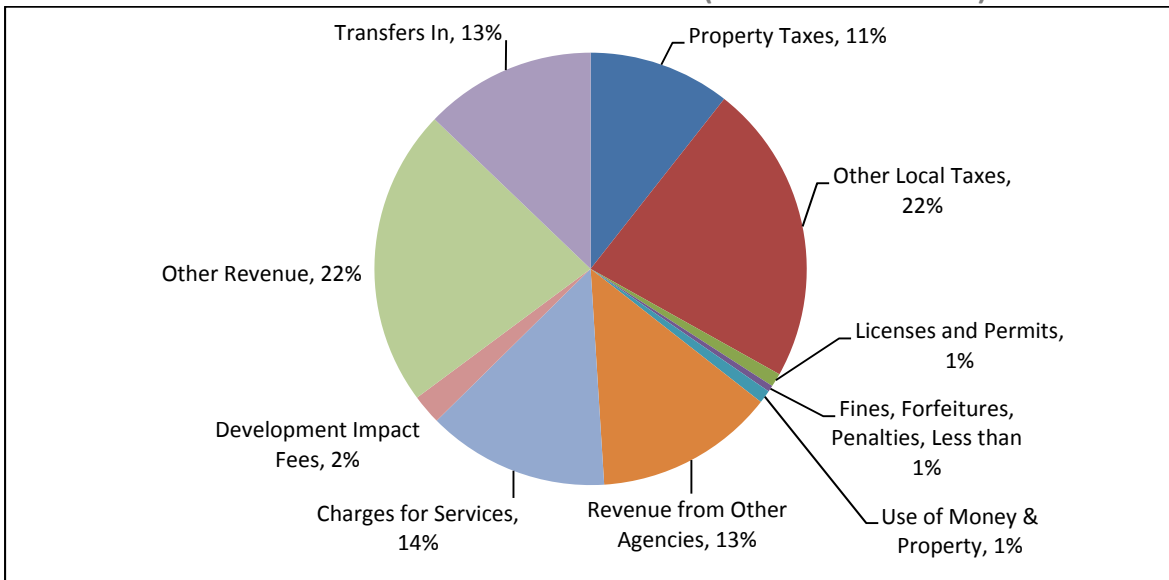
The Schedule of Revenues report, included in the Summary Tables section, reflects the projected revenues for fiscal year 2017-18 at the fund and revenue type level. The following table reflects a summary of all City revenues by category.



**Sources of Funds (All Funds Combined)**  
 Fiscal Year 2015 to Fiscal Year 2018 Revenues  
 In Thousands (000)

Revenue Category	FY14-15 Actual	FY15-16 Actual	FY 16-17 Adopted	FY17-18 Proposed	Change (FY17-FY18)
Other Revenue	\$ 37,170	\$ 73,014	\$ 33,986	\$ 81,213	\$ 47,227
Other Local Taxes	\$ 66,554	\$ 61,747	\$ 66,633	\$ 81,850	\$ 15,217
Transfers In	\$ 30,033	\$ 84,256	\$ 35,522	\$ 46,670	\$ 11,148
Development Impact Fees	\$ 7,651	\$ 11,900	\$ 5,472	\$ 8,137	\$ 2,665
Property Taxes	\$ 34,796	\$ 35,535	\$ 36,142	\$ 38,588	\$ 2,446
Charges for Services	\$ 59,456	\$ 56,193	\$ 48,355	\$ 49,542	\$ 1,187
Revenue from Other Agencies	\$ 48,585	\$ 44,502	\$ 47,927	\$ 48,898	\$ 971
Licenses and Permits	\$ 3,300	\$ 3,439	\$ 3,325	\$ 3,676	\$ 351
Fines, Forfeitures, Penalties	\$ 2,278	\$ 1,943	\$ 1,663	\$ 1,718	\$ 55
Use of Money & Property	\$ 5,842	\$ 8,210	\$ 3,497	\$ 3,534	\$ 37
<b>Total Revenues</b>	<b>\$ 295,665</b>	<b>\$ 380,740</b>	<b>\$ 282,522</b>	<b>\$ 363,826</b>	<b>\$ 81,304</b>

**Total Revenues Fiscal Year 2017-2018 (All Funds Combined)**



### ALL FUNDS EXPENDITURE SUMMARY

The combined expenditure budget for all City funds for fiscal year 2017-18 totals \$373.0 million, of which \$46.7 million represents inter-fund transfers. This amount includes a General Fund operating budget of \$166.6 million and a Capital Improvement Program (CIP) budget of \$73.9 million. The fiscal year 2017-18 budget includes \$85.8 million in operating budgets for the non-General Fund funds including Sewer, Successor Agency to the Redevelopment Agency, Development Services, CV Housing, and Fleet. When compared to the prior year budget, the fiscal year 2017-18 proposed budget reflects an increase of \$80.8 million.

The CIP Project Expenditure category reflects the largest change when compared to fiscal year 2016-17 adopted budget. This category is projected to grow by a net \$53.1 million. This increase is mainly attributed to \$52.1 million in budgeted capital improvement projects within the 2016 Measure P Sales Tax Fund. Other major increases within this category occur in the following funds: Other Transportation Programs (\$1.4 million), Transportation DIF (\$1.3 million), and Sewer Facility Replacement (\$1.3 million). These increases were partially offset by a decrease in Capital Projects funding in the "Trunk Sewer Capital Reserve Fund (\$1.7 million) and Transportation Sales Tax Fund (\$1.3 million).

The next largest change in expenditures is reflected in the Transfers Out expense category. This category is estimated to increase by \$11.1 million when compared to prior fiscal year. The increase is the net impact of increases and decreases in multiple funds. The most significant changes are reflected in the following:

- The General Fund has a net increase in Transfers Out expenditures of \$16.9 million. The largest contributor to this increase is the transfer out of the voter approved ½ cent sales tax to the 2016 Measure P Sales Tax Fund of \$16.3 million. Other changes in the General Fund include transfer out increases of \$0.8 million to the Public Liability Fund and \$0.6 million to the 2016 COP LRRB Fund for debt service, and partially offset by a decrease of \$0.7 million to 2010 COP Fund as this debt was refinanced.
- The increase in the General Fund was partially offset by decreases to Transfers Out in the following funds: Redevelopment Obligation Retirement Fund (\$1.9 million), Long Term Advances DSF – City (\$1.6 million), Public Facilities

Civic Center DIF (\$1.0 million), Long Term Advances DSF – RDA (\$1.0 million), and the Park Acquisition and Development (West) Fund (\$0.4 million).

A net increase of \$6.2 million is reflected in the Supplies and Services category. The most considerable of these changes are reflected in the following funds:

- Sewer Service Revenue Fund reflects an increase of \$5.6 million in contractual costs for Pure Water San Diego project.
- The 2016 Measure P Sales Tax Fund includes the budget for software and equipment in the amount of \$1.6 million. These expenditures are in compliance with the Infrastructure, Facilities and Equipment Expenditure Plan.
- The above increases were partially offset by reductions in the following funds: TUT Common Fund (\$0.5 million), Federal Grants Fund (\$0.4 million), and Technology Replacement Fund (\$0.1 million).

The Personnel Services expense category is projected to grow by \$5.7 million when compared to the fiscal year 2016-17 adopted budget. This increase reflects the following changes:

- The fiscal year 2017-18 budget reflects a net increase of approximately 9.50 positions when compared to the fiscal year 2016-17 adopted budget, this includes positions that were approved during fiscal year 2016-17 (9.00 FTE) or are recommended as part of the development of the fiscal year 2017-18 budget (0.50 FTE). These position changes are reflected in the General Fund, Police Grants, and Fleet Management funds.
- The annualized cost of the salary increases approved for all employee groups during fiscal year 2016-17.
- An estimated wage inflation of 2% was included for all employee groups in the fiscal year 2017-18 proposed budget. At the time of the development of the proposed budget the City was in negotiations with the Police Officers' Association and the International Association of Firefighters. Agreements were reached with these groups during the final development of the budget. Any additional impact as a result of the agreements will be brought forward for Council approval.
- Increased costs related to retirement and medical (flex) benefits.



- An increase in workers comp charges based on higher expenditure trends in the Workers Comp fund.

The Capital expenditure category is anticipated to grow a net \$4.5 million when compared to the previous fiscal year. The most significant of these changes are within the subsequent funds:

- Increases of \$6.3 million in the 2016 Measure P Sales Tax and \$0.1 million in the Sewer Service Revenue funds for the purchase of capital equipment.
- A reduction of \$1.4 million in the General Fund as the prior fiscal year included funding for the acquisition of fire apparatus that is eliminated from the proposed budget.
- Reductions for equipment purchases in the public safety funds totaling \$0.4 million (Asset Seizure and Supplemental Law Enforcement Services funds).

A net increase of \$1.3 million is anticipated in the Other Expenses category. Debt service payments are included within this category and can vary based on any bond refunding/refinancing that are completed in the prior year. Significant changes occurred in the following funds:

- A net reduction of \$2.4 million in the Successor Agency – Debt Service funds and a net reduction of \$0.5 million in the Chula Vista Public Financing Authority – Debt Service funds as a result of anticipated debt service payments.
- An increase in the Housing – SA fund of \$1.1 million due to a projected increase in staff time reimbursements and loans to outside entities for

housing projects.

- An increase of \$1.0 million in the Workers Compensation Fund as result of higher workers compensation claims expenditures.
- An increase of \$1.0 million in the Chula Vista Housing Authority Fund for the first-time Homebuyer Program.

The above category increases were offset by a decrease in the Non-CIP Project Expenditures category of \$1.0 million compared to fiscal year 2016-17 adopted budget. This decrease is mainly within the Community Development Block Grant (CDBG) Fund, as the City has excluded the budgeting of these projects pending final award notification.

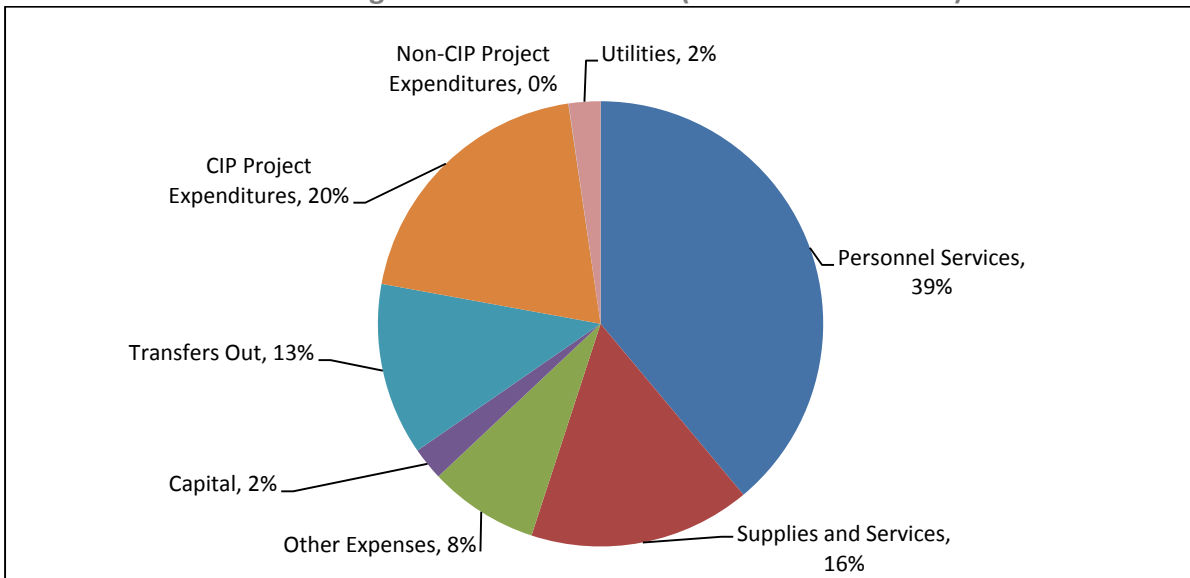
The total number of recommended permanent positions for fiscal year 2017-18 is 993.75, of which 831.75 are included in the General Fund and 162.00 are included in various other funds. The adopted staffing represents a net increase of 9.50 positions when compared to the fiscal year 2016-17 adopted budget. The Authorized Positions by Department report is included in the Summary Tables section of this document; it provides the new staffing by classification and department. A summary of staffing changes is also included in the budget summary section of this document.

The following table reflects the expenditures for all funds by expense category.

**Uses of Funds (All Funds Combined)**  
 Fiscal Year 2015 to Fiscal Year 2018 Expenditures  
 In Thousands (000)

Expenditure Category	FY14-15 Actual	FY15-16 Actual	FY 16-17 Adopted	FY 17-18 Proposed	Change (FY17-FY18)
Personnel Services	\$ 125,606	\$ 133,097	\$ 139,441	\$ 145,123	\$ 5,682
Supplies and Services	\$ 54,628	\$ 50,458	\$ 53,913	\$ 60,067	\$ 6,154
Other Expenses	\$ 39,666	\$ 77,359	\$ 28,457	\$ 29,729	\$ 1,272
Capital	\$ 3,038	\$ 2,089	\$ 4,379	\$ 8,884	\$ 4,505
Transfers Out	\$ 30,033	\$ 84,256	\$ 35,522	\$ 46,670	\$ 11,148
CIP Project Expenditures	\$ 21,073	\$ 14,906	\$ 20,789	\$ 73,872	\$ 53,083
Non-CIP Project Expenditures	\$ 1,026	\$ 2,987	\$ 1,071	\$ 69	\$ (1,002)
Utilities	\$ 7,709	\$ 7,145	\$ 8,619	\$ 8,556	\$ (63)
<b>Total Expenditures</b>	<b>\$ 282,779</b>	<b>\$ 372,296</b>	<b>\$ 292,191</b>	<b>\$ 372,970</b>	<b>\$ 80,779</b>

**Total Budget Fiscal Year 2017-18 (All Funds Combined)**



**GENERAL FUND RESERVES**

In November 2009, the City Council approved a resolution updating the City’s General Fund Reserve Policy. The updated reserve policy:

- Provides guidelines for the use of reserves
- Sets a new long-term goal for higher General Fund Reserve level, from 8% to 15%
- Includes the establishment of two new reserve funds - Economic Contingency Reserve and Catastrophic Event Reserve

Achieving these reserve levels is a long-term goal; once fully implemented, the new General Fund Reserve policy will require higher reserve levels. This will help mitigate the negative impact on revenues from economic fluctuations, position the City to withstand potential State revenue takeaways, provide debt service coverage, and provide a resource to fund unforeseen expenditure requirements.

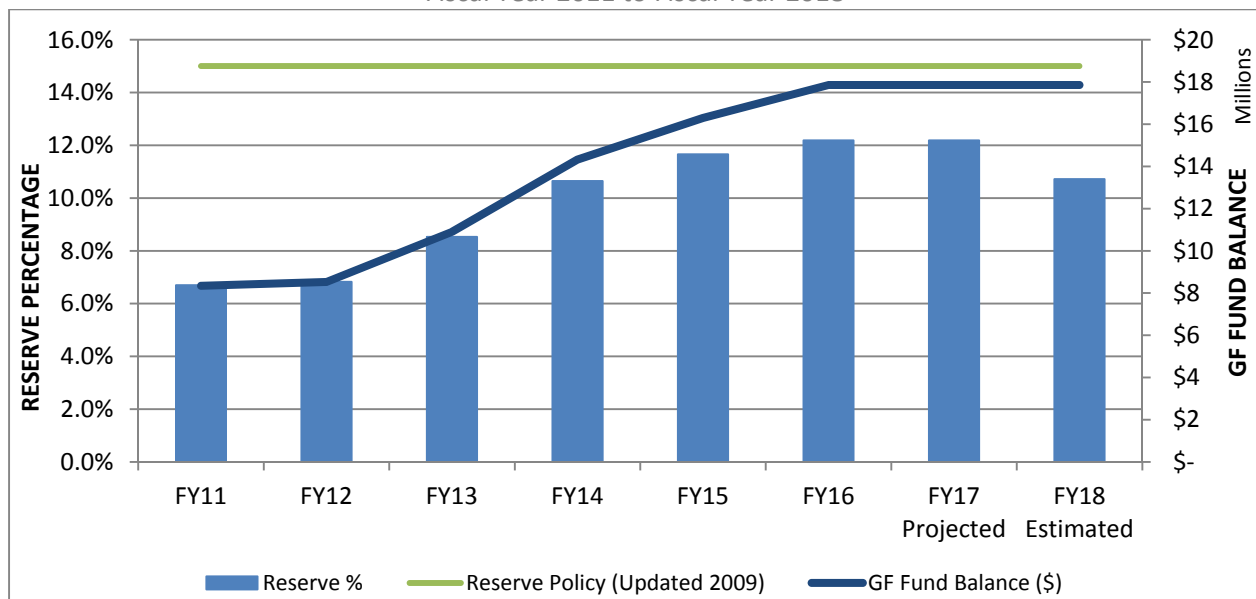
The Third Quarter Financial Report for fiscal year 2016-17 is projecting that the General Fund would end the fiscal year balanced. As reflected on the following table, General Fund reserve levels have not only stabilized but have increased slightly since fiscal year

2009. It is important that the City maintain reserves in order to address the following potential issues:

- Dramatic economic fluctuations
- Debt service coverage
- Development impacts – there may be gaps in timing when services will need to be provided to new developments but the development area has not yet generated the revenues needed to fully offset the cost of those services
- Unfunded liabilities – deferred building and equipment repairs, equipment replacement, deteriorating infrastructure, and pension obligations.

The following chart depicts the General Fund operating reserves since fiscal year 2010-11 as a percentage of the adopted budget. The reserve percentage appears to decrease in fiscal year 2017-18, this is due to the pass-through of 2016 Measure P Sales Tax revenues through the General Fund. Actual reserve balances are not anticipated to be reduced. The fiscal year 2017-18 General Fund Proposed Budget is balanced and there is no budgeted impact to the General Fund reserves.

**General Fund Operating Reserves**  
Fiscal Year 2011 to Fiscal Year 2018



Note: The preceding chart reflects only the General Fund Operating Reserves. It does not include the Economic Contingency Reserve, which has a balance of approximately \$3.6 million. Combined with the operating reserve, these two reserve funds total approximately 12.9% of the fiscal year 2017-18 General Fund budget.



## Summary of Staffing Changes

The fiscal year 2017-18 proposed budget includes 993.75 positions for all funds. This is a net increase of 9.50 positions when compared to the fiscal year 2016-17 adopted budget that included 984.25 authorized positions. The summary of staffing changes is divided into two sections – the staffing changes that were approved by Council during fiscal year 2016-17 and changes made as part of the development of the fiscal year 2017-18 budget.

### POSITION CHANGES AUTHORIZED DURING FISCAL YEAR 2016-17

During fiscal year 2016-17, Council approved the addition of 9.00 FTE citywide as well as several reclassifications to reflect changes in duties. Changes in the General Fund resulted in a net 2.00 FTE increase and changes to other funds resulted in a net increase of 7.00 FTE. These changes included the following:

- Finance – As a result of a classification study, a Principal Management Analyst was reclassified to a Fiscal Debt Management Analyst position to better represent the assignment of responsibilities of the position.
- Economic Development – In an effort to address the needs of the Economic Department and Housing/Neighborhood Services offices, the City Council approved the addition of 1.00 Senior Fiscal Office Specialist to the fiscal year 2016-17 amended budget.
- Development Services – General Fund – The department received approval to eliminate 1.00 Principal Planner and to add 1.00 Principal Landscape Architect.

- Police – The Police Department mid-year fiscal 2016-17 changes include the following eliminations/additions: 2.00 Police Agents to 2.00 Police Sergeants and 1.00 Police Dispatch Supervisor to a Police Dispatcher; and the following reclassifications: 1.00 Senior Management Analyst to a Supervising Public Safety Analyst and 1.00 Senior Police Technology Specialist to a Police Technology Manager.

The Police Department also received approval for the addition of 1.00 Latent Print Examiner to the Forensic Services division.

- Public Works – The department received approval for the elimination of 1.0 Building Project Manager and the addition of 1.0 Senior Civil Engineer and the reclassification of 1.00 Senior Management Analyst to a Principal Management Analyst. This reclassification was approved to better reflect the assignment and responsibilities of the position.
- Police Grants Fund – The City serves as the fiscal agent for CBAG and SD LECC. Changes approved for these programs include the reclassification of 1.00 FA Program Assistant to a FA Senior Program Assistant. The following additions were also approved: (a) 1.00 FA Supervising Intelligence Analyst; (b) 2.00 FA Senior Intelligence Analysts; (c) 1.00 FA Intelligence Analyst; (d) 1.00 FA Program Assistant Supervisor; (e) 1.00 FA Deputy Director SD LECC; and (f) 1.00 FA Analyst.

The following table summarizes the position changes Council authorized during fiscal year 2016-17.

Summary of Fiscal Year 2016-17 Staffing Changes  
 Approved by City Council

Department/Fund	Program	Position	FTE
Finance (0.00)	Reclassification	Principal Management Analyst	(1.00)
		Fiscal Debt Management Analyst	1.00
Economic Development (1.00)	Economic Development Administration	Senior Fiscal Office Specialist	1.00
Development Services - General Fund (0.00)	Reclassification	Principal Planner	(1.00)
		Principal Landscape Architect	1.00
Police (1.00)	Reclassifications	Police Agent	(2.00)
		Police Sergeant	2.00
		Senior Management Analyst	(1.00)
		Supervising Public Safety Analyst	1.00
		Police Dispatch Supervisor	(1.00)
		Police Dispatcher	1.00
		Senior Police Technology Specialist	(1.00)
	Police Technology Manager	1.00	
	Forensic Services	Latent Print Examiner	1.00
Public Works (0.00)	Reclassifications	Building Project Manager	(1.00)
		Senior Civil Engineer	1.00
		Senior Management Analyst	(1.00)
		Principal Management Analyst	1.00
Police Grants Fund (7.00)	Reclassification	FA Program Assistant	(1.00)
		FA Senior Program Assistant	1.00
	Fiscal Agent (FA) positions - HIDTA and SD LECC	FA Supervising Intelligence Analyst	1.00
		FA Senior Intelligence Analyst	2.00
		FA Intelligence Analyst	1.00
		FA Program Assistant Supervisor	1.00
		FA Deputy Director SDLECC	1.00
		FA Analyst	1.00
<b>TOTAL CITYWIDE</b>			<b>9.00</b>

**FISCAL YEAR 2017-18 CHANGES**

The fiscal year 2017-18 budget reflects specific program expansions based on the resources available. In total, the changes result in a net increase of 0.50 FTE when compared to the fiscal year 2016-17 amended budget. These include the following changes summarized by department:

- City Council – The proposed budget includes the elimination of 1.00 Office Specialist (Mayor/At-Will) position and the addition of 1.00 Constituent Services Representative. This change will reflect the duties of the position.
- Information Technology Services – To better reflect the job assignments, the Information Technology Services Department eliminated 2.00 Information Technology Support Specialist positions and added 2.00 Information Technology Technicians. This resulted in no net position changes to the department.

- Finance – The proposed budget includes the following eliminations/additions within the Finance Department: (a) 1.0 Fiscal & Management Analyst to 1.0 Senior Management Analyst; (b) 1.0 Senior Procurement Specialist to Procurement Services Analyst. The changes result in no net position changes to the authorized position count.

- Animal Care Facility – The Animal Care Facility reorganized its workload as a result of the loss of contract Animal Care services provided to the City of Imperial Beach. Due to this reason, the Animal Care Facility eliminated 1.00 Animal Care Officer and added an Animal Care Specialist.

In addition to the above, a reclassification of a Fiscal Office Specialist to a Senior Fiscal Office Specialist was approved to better reflect the job duties of the position.

- Economic Development – The following changes in the Economic Development Department are included in the fiscal year 2017-18 proposed budget: (a) the reclassification of 1.0 Senior Secretary to an Administrative Secretary; (b) the elimination of 1.00 Project Coordinator, (c) the addition of a Conservation Specialist II position which is fully offset by Conservation related revenues; and (d) the elimination of 4.00 Conservation Specialists I positions and the addition of 4.00 Conservation Specialist II positions for future career advancement
- Engineering and Capital Projects - In an effort to streamline processes and better reflect department responsibilities, the Engineering divisions of the Public Works Department are being restructured into a standalone department. This resulted in the transfer of the following positions: 1.00 Administrative Services Manager, 10.00 Associate Engineers, 1.00 Assistant Engineer, 1.00 Associate Land Surveyor, 1.00 Assistant Director of Engineering, 2.00 Engineering Technician IIs, 2.00 Environmental Health Specialists, 1.00 Management Analyst, 4.00 Principal Civil Engineers, 6.00 Public Works Inspector IIs, 1.00 Secretary, 1.00 Senior Administrative Secretary, 6.00 Senior Civil Engineers, 2.00 Senior Engineering Technicians, 2.00 Senior Public Works Inspectors, 1.00 Survey Technician II, 3.00 Traffic Devices Technicians, and

1.00 Traffic Devices Technician Supervisor. These changes result in a net reduction of 46.00 FTEs to the Public Works Department. Due to the reorganization, the Assistant Director of Engineering is being reclassified to a Director of Engineering.

In addition to the above changes, 1.00 Assistant Engineer was eliminated and 1.00 Associate Engineer was added.

- Police – The fiscal year 2017-18 proposed budget includes the addition of 5.00 Peace Officers to Community Patrol.
- Public Works – In addition to the transfer of 46.00 FTEs to the Engineering and Capital Projects department, a vacant 0.50 FTE Custodian was eliminated as part of the fiscal year 2017-18 proposed budget. Together, these changes result in a net decrease of 46.50 FTE to the Public Works Department.
- Recreation – The proposed budget includes a reclassification of 1.00 Senior Fiscal Office Specialist to a Management Analyst.
- Police Grants Fund – Changes in the HIDTA and SD LECC programs include the elimination of 1.00 FA Administrative Analyst II, 1.00 FA Executive Director, and 1.00 FA Program Manager.
- Fleet – The elimination of 1.00 vacant Equipment Mechanic is included in the fiscal year 2017-18 proposed budget due to efficiencies gained within the central garage operations.

Reclassifications - During the development of the fiscal year 2017-18 budget, departments worked with the Human Resources Department to review positions that are working out of class due to changing job duties. Human Resources reviewed and determined the appropriate classification and compensation for these reclassification requests. The recommended staffing changes are based on changes to scope of responsibility.

The following table summarizes the changes reflected in the fiscal year 2017-18 budget.

Summary of Proposed Fiscal Year 2017-18 Staffing Changes

Department/Fund	Program	Position	FTE
City Council (0.00)	Council Administration	Office Specialist (MYR/@Will)	(1.00)
		Constituent Services Representative	1.00
Information Technology Services (0.00)	Reclassifications	Information Tech Support Specialist	(2.00)
		Info Tech Technician	2.00
Finance (0.00)	Budget & Analysis	Fiscal & Management Analyst	(1.00)
		Senior Management Analyst	1.00
	Purchasing	Senior Procurement Specialist	(1.00)
		Procurement Services Analyst	1.00
Animal Care Facility (0.00)	Reclassification	Fiscal Office Specialist	(1.00)
		Senior Fiscal Office Specialist	1.00
	Animal Care	Animal Care Officer	(1.00)
		Animal Care Specialist	1.00
Economic Development (0.00)	Reclassifications	Senior Secretary	(1.00)
		Administrative Secretary	1.00
		Project Coordinator I	(1.00)
		Economic Development Specialist I	1.00
		Conservation Specialist I	(4.00)
	Conservation Specialist II	4.00	
	Conservation	Conservation Specialist II	1.00
Economic Development	Project Coordinator I	(1.00)	
Engineering (46.00)	Transfer from Public Works	Administrative Services Manager	1.00
		Associate Engineer	10.00
		Assistant Engineer	1.00
		Associate Land Surveyor	1.00
		Assistant Director of Engineering	1.00
		Engineering Technician II	2.00
		Environmental Health Specialist	2.00
		Management Analyst	1.00
		Principal Civil Engineer	4.00
		Public Works Inspector II	6.00
		Secretary	1.00
		Senior Administrative Secretary	1.00
		Senior Civil Engineer	6.00
Senior Engineering Technician	2.00		



Department/Fund	Program	Position	FTE
Engineering (continued)	Transfer from Public Works	Senior Public Works Inspector	2.00
		Survey Technician II	1.00
		Traffic Devices Technician	3.00
		Traffic Devices Technician Supervisor	1.00
	Engineering Administration	Assistant Director of Engineering	(1.00)
		Director of Engineering	1.00
	Reclassification	Assistant Engineer	(1.00)
		Associate Engineer	1.00
Police (5.00)	Community Patrol	Peace Officer	5.00
Public Works (-46.50)	Transfer to Engineering	Administrative Services Manager	(1.00)
		Associate Engineer	(10.00)
		Assistant Engineer	(1.00)
		Associate Land Surveyor	(1.00)
		Assistant Director of Engineering	(1.00)
		Engineering Technician II	(2.00)
		Environmental Health Specialist	(2.00)
		Management Analyst	(1.00)
		Principal Civil Engineer	(4.00)
		Public Works Inspector II	(6.00)
		Secretary	(1.00)
		Senior Administrative Secretary	(1.00)
		Senior Civil Engineer	(6.00)
		Senior Engineering Technician	(2.00)
		Senior Public Works Inspector	(2.00)
		Survey Technician II	(1.00)
		Traffic Devices Technician	(3.00)
	Traffic Devices Technician Supervisor	(1.00)	
	Custodial Services	Custodian	(0.50)
Recreation (0.00)	Reclassification	Senior Fiscal Office Specialist	(1.00)
		Management Analyst	1.00
Police Grants Fund (-3.00)	Fiscal Agent (FA) positions - HIDTA and SD LECC	FA Admin Analyst II	(1.00)
		FA Executive Director	(1.00)
		FA Program Manager	(1.00)
Fleet Management (-1.00)	Central Garage Operations	Equipment Mechanic	(1.00)
<b>TOTAL CITYWIDE</b>			<b>0.50</b>

**SUMMARY OF FROZEN POSITIONS**

Due to continued fiscal constraints, the majority of prior fiscal year frozen (not funded) positions remain frozen. As part of the fiscal year 2017-18 proposed budget the following departments had changes to their frozen positions.

- Administration – The Administration Department has funded 1.00 Assistant City Manager and froze 1.00 Deputy City Manager as part of the fiscal year 2017-18 proposed budget.
- Finance – As the requirements of the department changed, there was a need to fund the frozen Budget and Analysis Manager. The proposed budget includes funding for the previously frozen 1.00 Budget and Analysis Manager and in its place has frozen 1.00 Fiscal and Management Analyst.

The above changes have no net impact to the frozen positions within these departments from previous fiscal years.

The fiscal year 2017-18 proposed budget also includes the addition of 2.00 additional frozen positions as follows:

- Information Technology Services – The department has requested 1.00 Telecommunications Specialist and 1.00 Information Technology Technician be frozen as part of the department’s balancing measures.

As funding becomes available the status of these positions will be reevaluated; recommended funding changes will be brought to Council for consideration mid-year or through the budget development process.

The fiscal year 2017-18 proposed budget reflects 18.00 frozen positions; this is a net increase of 2.00 frozen positions when compared to the prior fiscal year. The frozen positions are summarized by department and fund on the following table.

Summary of Fiscal Year 2017-18 Frozen Positions

Department/Fund	Program	Position	FTE
Administration	Administration	Deputy City Manager	1.00
Information Technology Services	Computer Operations	Telecommunications Specialist	1.00
	Micro-Computers	Information Technology Technician	1.00
Finance	Budget and Analysis	Fiscal & Management Analyst	1.00
Police	Community Patrol	Peace Officer	11.00
	Street Crime/Gang Suppression	Peace Officer	1.00
	City Jail	Detention Facility Manager	1.00
	Police Dispatch	Police Communications Systems Manager	1.00
<b>TOTAL CITYWIDE</b>			<b>18.00</b>

**SUMMARY OF STAFFING CHANGES BY DEPARTMENT AND BARGAINING UNIT**

The following tables summarize the staffing changes occurring between the fiscal year 2016-17 adopted budget and the fiscal year 2017-18 proposed budget, by bargaining unit and by department.

**Summary of Staffing Changes by Bargaining Unit**

Bargaining Unit	FY 16-17 Adopted Staffing	FY 16-17 Mid Year Changes	FY 17-18 Changes	FY 17-18 Proposed Staffing	% Change
Unrepresented Professionals and Mid Managers	45.00	5.00	(1.00)	49.00	8.9%
Executives	18.00	-	-	18.00	0.0%
Chula Vista Mid Managers and Professionals Association	73.75	(2.00)	(1.00)	70.75	-4.1%
Association of Chula Vista Employees	395.50	2.00	(0.50)	397.00	0.4%
City Council	5.00	-	-	5.00	0.0%
International Association of Firefighters	126.00	-	-	126.00	0.0%
Peace Officer's Association	235.00	-	5.00	240.00	2.1%
Western Council of Engineers	29.00	1.00	-	30.00	3.4%
Senior Managers	31.00	1.00	(2.00)	30.00	-3.2%
Confidential	26.00	2.00	-	28.00	7.7%
<b>TOTAL</b>	<b>984.25</b>	<b>9.00</b>	<b>0.50</b>	<b>993.75</b>	<b>1.0%</b>

Summary of Staffing Changes by Department

Department/Fund	FY 16-17 Adopted Staffing	FY 16-17 Mid Year Changes	FY 17-18 Changes	FY 17-18 Proposed Staffing	% Change
Administration	10.00	-	-	10.00	0.0%
Animal Care Facility	21.75	-	-	21.75	0.0%
City Attorney	14.00	-	-	14.00	0.0%
City Clerk	6.00	-	-	6.00	0.0%
City Council	14.00	-	-	14.00	0.0%
Development Services - GF	20.00	-	-	20.00	0.0%
Economic Development	14.00	1.00	-	15.00	7.1%
Engineering and Capital Projects	-	-	46.00	46.00	100.0%
Finance	28.00	-	-	28.00	0.0%
Fire	136.00	-	-	136.00	0.0%
Human Resources	16.00	-	-	16.00	0.0%
Information Technology Services	17.00	-	-	17.00	0.0%
Library	22.50	-	-	22.50	0.0%
Police	326.50	1.00	5.00	332.50	1.8%
Public Works	162.50	-	(46.50)	116.00	-28.6%
Recreation	17.00	-	-	17.00	0.0%
<b>General Fund Total</b>	<b>825.25</b>	<b>2.00</b>	<b>4.50</b>	<b>831.75</b>	<b>0.8%</b>
<b>Other Funds</b>					
Federal Grants Fund	2.00	-	-	2.00	0.0%
Fleet Management	10.00	-	(1.00)	9.00	-10.0%
Police Grants Fund	39.00	7.00	(3.00)	43.00	10.3%
Development Services Fund	50.00	-	-	50.00	0.0%
Advanced Life Support	1.00	-	-	1.00	0.0%
CV Housing	4.00	-	-	4.00	0.0%
Environmental Services Fund	7.00	-	-	7.00	0.0%
Sewer Fund	46.00	-	-	46.00	0.0%
<b>Other Funds Total</b>	<b>159.00</b>	<b>7.00</b>	<b>(4.00)</b>	<b>162.00</b>	<b>1.9%</b>
<b>CITYWIDE TOTAL</b>	<b>984.25</b>	<b>9.00</b>	<b>0.50</b>	<b>993.75</b>	<b>1.0%</b>

# CITY STAFF EMPLOYEES

## 5-Year Position Summary

DEPARTMENT	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
<b>LEGISLATIVE/ADMINISTRATIVE</b>					
City Council	14.00	14.00	14.00	14.00	14.00
City Clerk/Elections	5.00	5.00	6.00	6.00	6.00
City Attorney	13.00	13.00	14.00	14.00	14.00
Administration	13.00	14.00	17.00	10.00	10.00
Information Technology Services	17.00	17.00	17.00	17.00	17.00
Human Resources	15.00	15.00	16.00	16.00	16.00
Finance	28.00	28.00	27.00	28.00	28.00
<b>TOTAL</b>	<b>105.00</b>	<b>106.00</b>	<b>111.00</b>	<b>105.00</b>	<b>105.00</b>
<b>DEVELOPMENT/MAINTENANCE</b>					
Animal Care Facility	20.50	21.00	21.00	21.75	21.75
Economic Development	0.00	0.00	0.00	14.00	15.00
Development Services	19.50	20.25	20.25	20.00	20.00
Engineering and Capital Projects	0.00	0.00	0.00	0.00	46.00
Public Works Operations	163.00	163.00	164.50	162.50	116.00
<b>TOTAL</b>	<b>203.00</b>	<b>204.25</b>	<b>205.75</b>	<b>218.25</b>	<b>218.75</b>
<b>PUBLIC SAFETY</b>					
Police	319.00	321.50	322.50	326.50	332.50
Fire	136.00	136.00	136.00	136.00	136.00
<b>TOTAL</b>	<b>455.00</b>	<b>457.50</b>	<b>458.50</b>	<b>462.50</b>	<b>468.50</b>
<b>COMMUNITY SERVICES</b>					
Recreation	17.00	17.00	17.00	17.00	17.00
Library	21.50	21.50	22.50	22.50	22.50
<b>TOTAL</b>	<b>38.50</b>	<b>38.50</b>	<b>39.50</b>	<b>39.50</b>	<b>39.50</b>
<b>GENERAL FUND SUBTOTAL</b>	<b>801.50</b>	<b>806.25</b>	<b>814.75</b>	<b>825.25</b>	<b>831.75</b>

# CITY STAFF EMPLOYEES

## 5-Year Position Summary

DEPARTMENT	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
<b>OTHER FUNDS</b>					
Advanced Life Support	1.00	1.00	1.00	1.00	1.00
Development Services	44.50	45.50	44.50	50.00	50.00
Police Grant Funds/California Border Alliance Group (CBAG)	37.00	40.00	36.00	39.00	43.00
Federal Grants Fund	1.00	2.00	3.00	2.00	2.00
American Renewal & Reinvestment Act	0.00	0.00	0.00	0.00	0.00
Environmental Services	5.00	5.00	6.00	7.00	7.00
Housing Authority	4.00	4.00	4.00	4.00	4.00
Successor Agency	1.00	0.00	0.00	0.00	0.00
Fleet Management	8.00	10.00	10.00	10.00	9.00
Transit	1.00	1.00	0.00	0.00	0.00
Sewer	46.00	46.00	46.00	46.00	46.00
Redevelopment Agency	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>148.50</b>	<b>154.50</b>	<b>150.50</b>	<b>159.00</b>	<b>162.00</b>
<b>GRAND TOTAL (does not include hourly staffing)</b>	<b>950.00</b>	<b>960.75</b>	<b>965.25</b>	<b>984.25</b>	<b>993.75</b>

## **GENERAL FUND**

General Fund Expenditure Summary

General Fund Revenue Summary

General Fund Net Cost

Department Summary Reports





## General Fund Expenditure Summary

### Chula Vista General Operating Budget in thousands(000)

FY 15-16 Actual Expenditures	\$143,769
FY 16-17 Adopted Budget	\$146,421
<b>FY 17-18 Proposed Budget</b>	<b>\$166,587</b>
<b>% Change FY 16-17 to FY17-18</b>	<b>13.7%</b>

The General Fund Proposed Operating Budget for fiscal year 2017-18 totals \$166.6 million, which reflects an increase of \$20.1 million (13.7%) when compared to the fiscal year 2016-17 adopted budget. Capital improvement projects will be funded by the Measure P commitment.

The General Fund Proposed Budget is balanced. The City defines a budget as balanced when the amount of budgeted expenditures is equal to or less than the amount of budgeted revenues plus other available sources. The General Fund includes funding for programs and services supported by the City Council in previous fiscal years. The fiscal year 2017-18 Proposed Budget sustains previous service levels and provides funding for 5.0 new Peace Officers within the Police Department’s Community Patrol division.

The City’s General Fund reflects positive growth in its major revenue sources. However, during the development of the baseline budget, the assumed revenue growth was not sufficient to close a \$4.3 million budget gap that was identified in the initial stages of the budget development process. This gap required various departmental budget reductions and identification of additional revenue sources in order to balance the fiscal year 2017-18 Proposed Budget.

Despite the challenges of having to balance a \$4.3 million budget gap, fiscal year 2017-18 will mark the first full fiscal year that City residents will benefit from the infrastructure projects funded as a result of the passage of Measure P. Measure P – a temporary, ten-year, half-cent sales tax funding is dedicated to funding high priority infrastructure, fleet replacement, technology and other capital equipment resources.

The fiscal year 2017-18 Proposed Budget contains \$16.3 million of additional Measure P funding which comprises the majority of the increase in the General Fund budget for fiscal year 2017-18.

A comparison of the fiscal year 2017-18 proposed budget, the fiscal year 2016-17 adopted expenditures, and the fiscal year 2015-16 actual expenditures are summarized in the following table.

### General Fund Expenditure Summary In Thousands (000)

Description	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2017-18 Proposed	Change
Personnel Services	\$ 112,647	\$ 118,623	\$ 123,556	\$ 4,933
Supplies and Services	\$ 16,322	\$ 14,114	\$ 14,214	\$ 100
Other Expenses	\$ 703	\$ 559	\$ 642	\$ 83
Capital	\$ 505	\$ 1,595	\$ 150	\$ (1,445)
Transfers Out	\$ 6,775	\$ 5,999	\$ 22,943	\$ 16,944
Non-CIP Project Expenditures	\$ 359	\$ 19	\$ 19	\$ -
Utilities	\$ 4,850	\$ 5,512	\$ 5,063	\$ (449)
<b>Total Operating Budget</b>	<b>\$ 142,161</b>	<b>\$ 146,421</b>	<b>\$ 166,587</b>	<b>\$ 20,166</b>
CIP Project Expenditures	\$ 1,607	\$ 40	\$ -	\$ (40)
<b>Total General Fund Budget</b>	<b>\$ 143,768</b>	<b>\$ 146,461</b>	<b>\$ 166,587</b>	<b>\$ 20,126</b>

**MAJOR EXPENDITURE CHANGES BY CATEGORY**

- The Transfers Out category accounts for the largest increase in the General Fund at \$16.9 million. This increase is largely due to the \$16.3 million transfer for the voter approved Measure P Sales Tax revenues. The General Fund serves as a pass-through for these revenues and this expenditure represents the transfer of funds to the Measure P Sales Tax Fund. These revenues will be used to fund specific infrastructure projects and equipment purchases throughout the City. The Transfers Out category also includes a \$0.8 million increase to the Public Liability fund as a result of increased claims activity. These increases are partially offset with a decrease in a transfer out for the capital lease of fire apparatus, which will be paid from Measure P funding.
- The Personnel Services category reflects an increase of \$4.9 million and assumes a 2% increase for estimated inflation. A breakdown of the personnel services category changes include:
  - \$2.8 million increase in budgeted Salaries - this increase reflects the annualized cost of wage increases approved by the City Council during fiscal year 2016-17, an estimated 2% wage inflation for all employee groups in fiscal year 2017-18, step increases, and the addition of 4.5 FTE.
  - \$1.3 million in Worker's Comp charges, based on increased costs in the Workers Compensation Fund.
  - A \$0.7 million increase for retirement costs which reflects the increased contribution rates based on the June 30, 2015 valuation report from CalPERS.
  - The proposed budget reflects a \$0.5 million increase in budgeted overtime when compared to prior year adopted budget. This increase is due to the annualized cost of approved wage increases, estimated wage inflation, and an increase in the Police Departments reimbursed overtime to bring it in line with anticipated actuals.
  - The above increases were offset with a net increase of \$0.4 million in budgeted salary savings. The fiscal year 2017-18 budget reflects \$2.2 million in budgeted ongoing (\$0.8) million and (\$1.4) million of one-time salary savings. One-time salary savings was submitted by various departments as part of their department budget reductions.
- The Supplies and Services expense category increased by \$0.1 million when compared to the fiscal year 2016-17 budget. Overall, the Supplies and Services budget remained relatively unchanged from the fiscal year 2016-17 adopted budget as the changes to this category were offsetting, reflecting efforts to fund mandatory cost increases for fiscal year 2017-18. Among the changes made was a \$0.6 million increase for various contractual obligations that included the following:
  - NPDES storm drain maintenance costs
  - Additional park maintenance costs for Stylus Park and Orange Park
  - Increased street sweeping costs
  - Increased information technology security services
  - Increased regional radio communication charges
  - Additional capture services from the City's sales tax consultant for monitoring Measure P sales tax collections

This increase was offset by reductions in other Supplies and Services expenditures that were necessary in order to balance in the budget. These reductions are as follows:

  - A \$0.15 million decrease in fleet maintenance charges
  - A \$0.1 million decrease in attorney services
  - A \$0.1 million decrease in software maintenance fees
  - \$0.1 million decrease in construction materials, building and automotive maintenance services
- The Other Expenses category is increasing by \$0.1 million for the City's share of the cost related to the Otay Valley Regional Park and credit card service charges.
- The Utilities expense category has been decreased by a net \$0.4 million when compared to the fiscal year 2016-17 adopted budget. Departmental Utility budgets have been adjusted to reflect projected expenditures for fiscal year 2017-18 based on

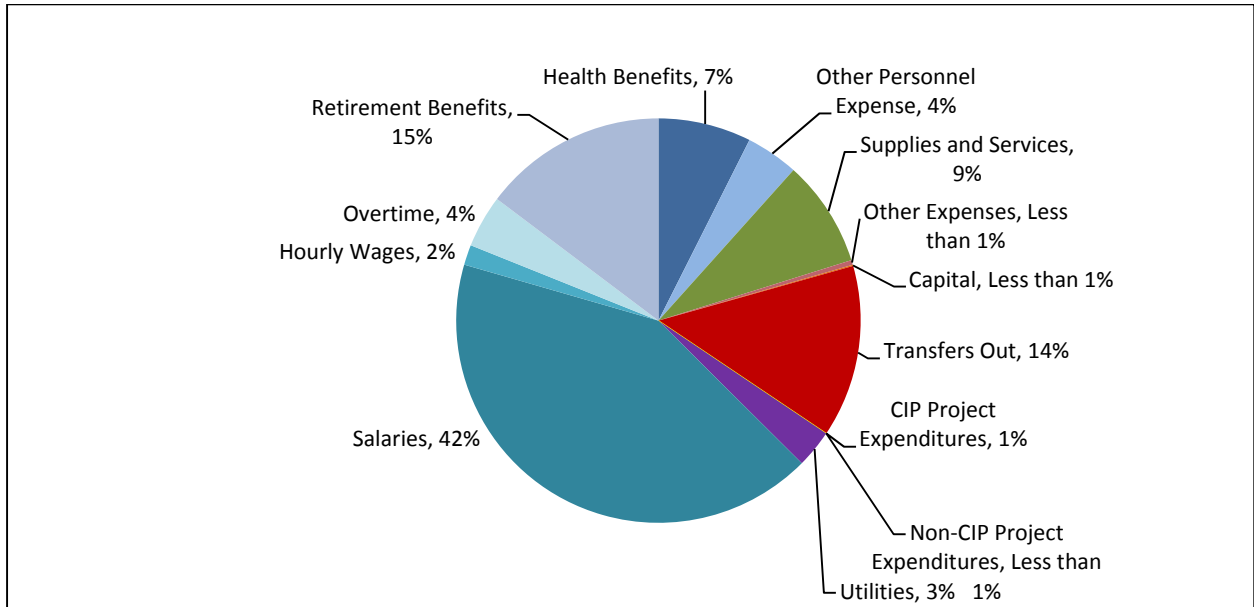
expected rate increases and projected savings as a result of energy efficiency projects.

decrease of \$1.4 million due to the one-time acquisition and outfitting costs for two fire engines budgeted in the previous fiscal year but not carried forward into the fiscal year 2017-18 budget.

- The Capital expenditures category reflects a

**General Fund Expenditures by Category**

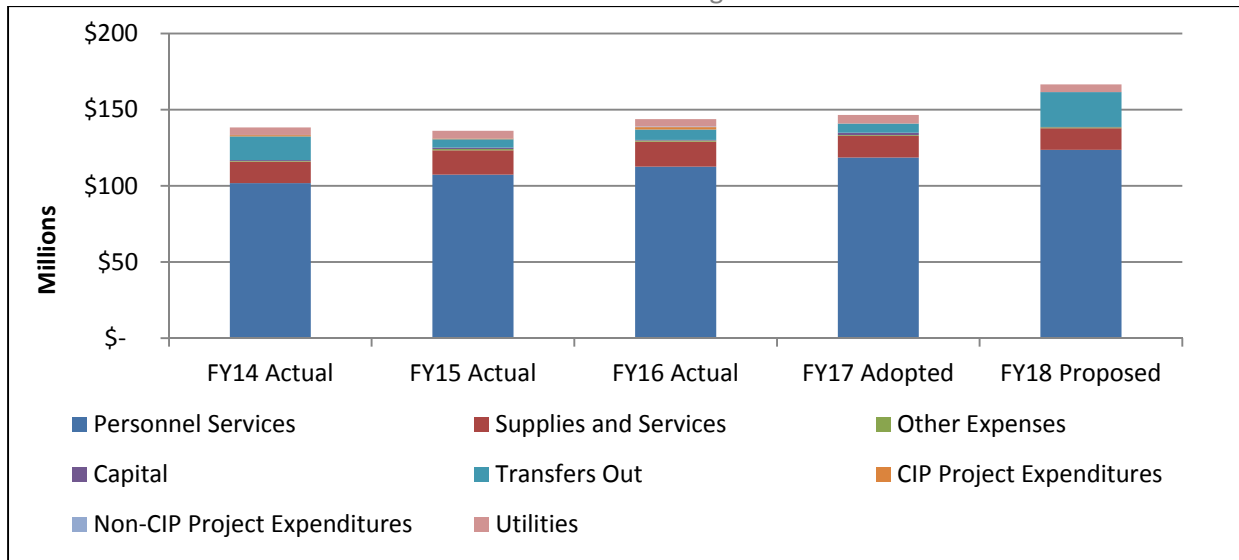
Fiscal Year 2017-2018



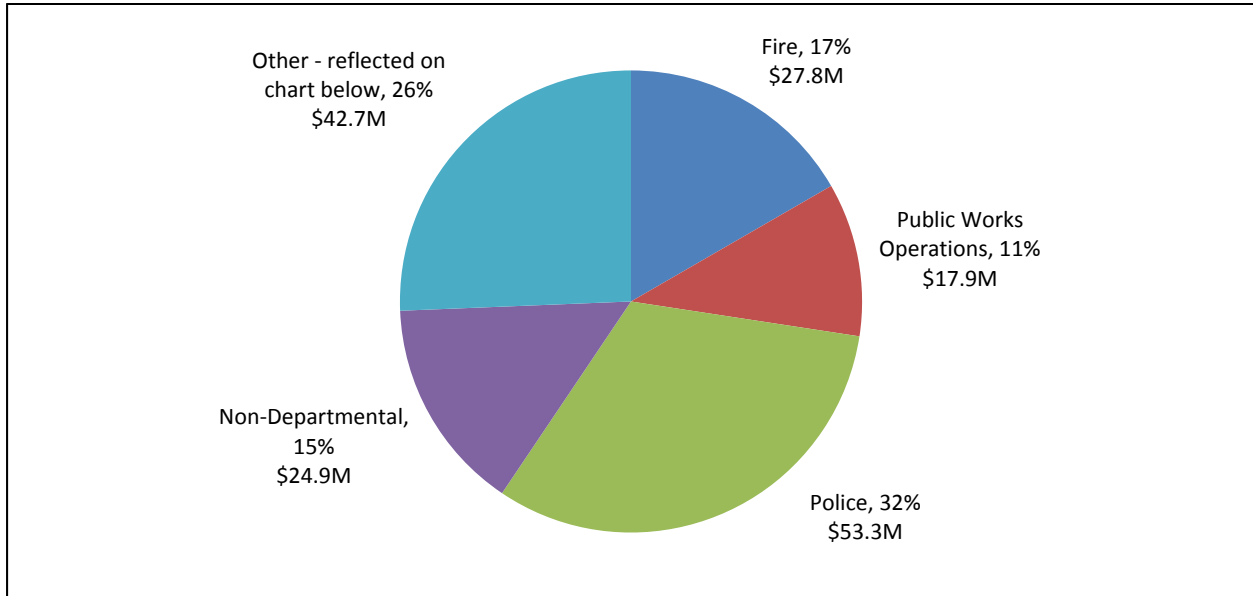
Note: Personnel Services accounts for 74.2% of General Fund expenditures in the fiscal year 2017-18 proposed budget.

**General Fund Expenditures History by Category**

Fiscal Year 2013 through 2017



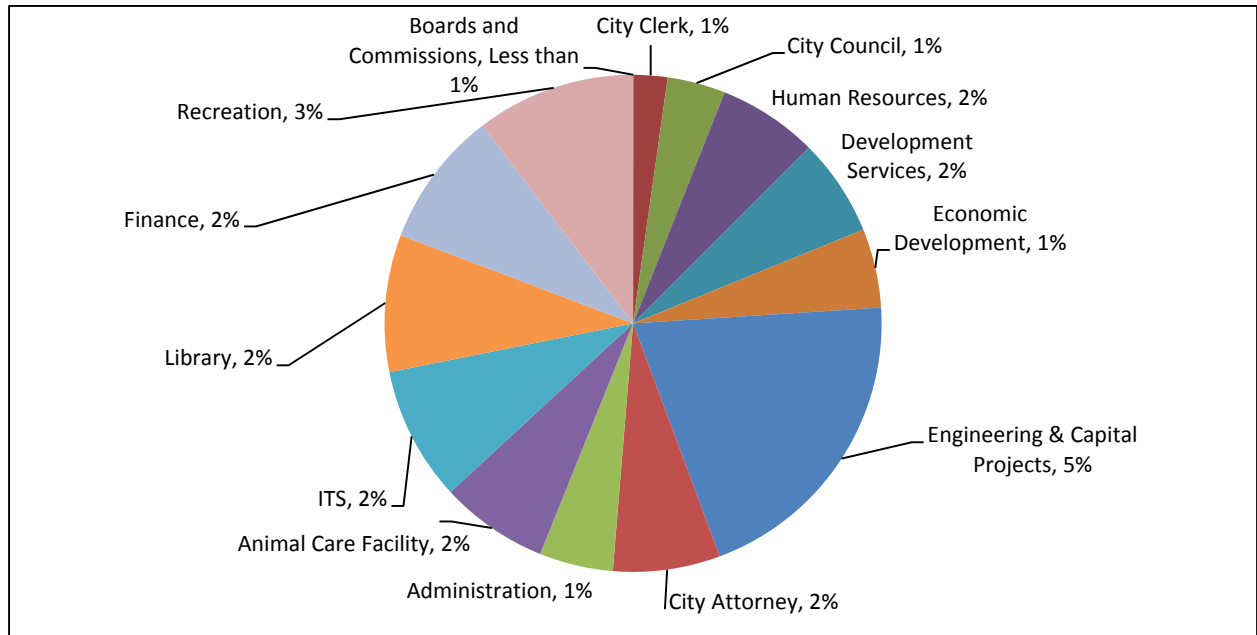
**General Fund Expenditure by Department**  
Fiscal Year 2017-2018



Note: The chart above does not reflect net cost of each department, only their expenditure allocations.

The following chart reflects the “Other” department costs included in the previous chart that includes the \$42.7 million of the General Fund department budget expenditures.

**General Fund Expenditure by Department (Other Department Detail – totals \$42.7 million)**  
Fiscal Year 2017-2018



Note: The chart above does not reflect net cost of each department, only their expenditure allocations.

**STAFFING LEVELS**

As revenue levels have improved, the City has continued the trend of slowly recovering its staffing levels previously reduced as a result of the Great Recession. Since fiscal year 2013-14, the City has been able to achieve a 4.6% increase in staffing. This increase in staffing is over all funds, and manages to slightly exceed a 3.7% population increase over the same period of time.

Staffing for Community Services and the Development and Maintenance Services categories have grown by 2.6% and 7.1% respectively from 2013-14. Staffing for the Legislative and Administrative service category has

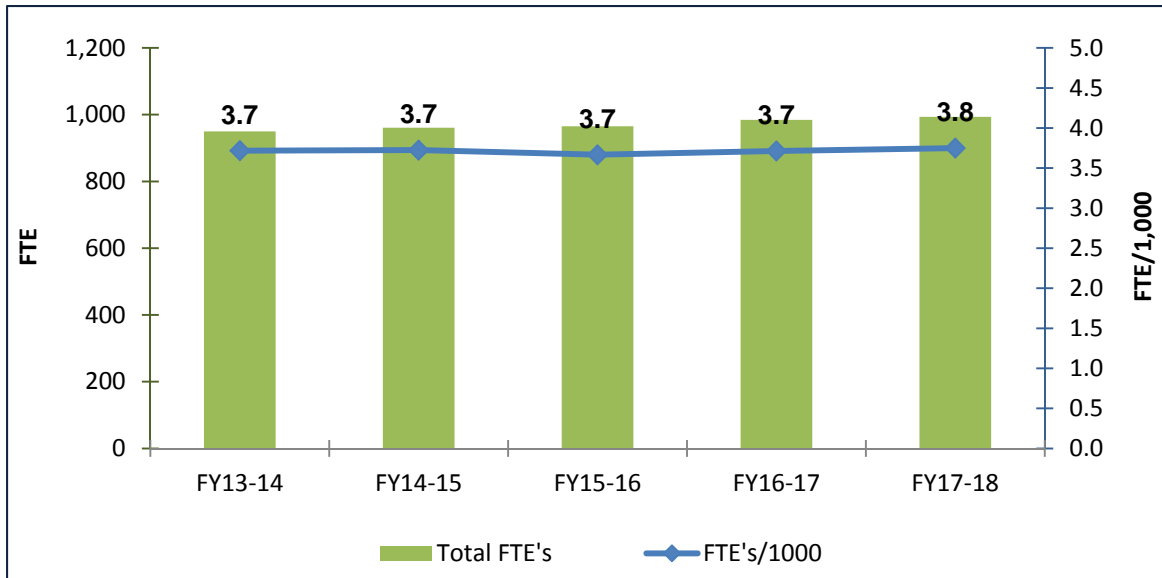
remained flat with no change over the same period of time. Public Safety staffing levels have increased by 4.1% – this increase includes the addition of various grant funded positions.

Budget constraints necessitated the net elimination of 331.4 full time equivalent (FTE) positions from the City’s peak employment of 1,263.75 FTEs during fiscal year 2006-07. The last major reduction occurred in 2011 and was carried forward into the fiscal year 2012-13 budget. As shown in the following graph, the number of FTEs per thousand per capita has remained relatively unchanged since fiscal year 2013-14.

**Staffing Level Fiscal Year 2013-2014 to Fiscal Year 2017-2018**

Council Adopted Budget	FY 13-14	FY 14-15	FY 15-16	FY16-17	FY17-18	% Chg.
Legislative and Administrative	105.00	106.00	111.00	105.00	105.00	0.0%
Development and Maintenance	312.50	315.75	316.25	335.25	334.75	7.1%
Public Safety	494.00	500.50	498.50	504.50	514.50	4.1%
Community Services	38.50	38.50	39.50	39.50	39.50	2.6%
Total City Staff	950.00	960.75	965.25	984.25	993.75	4.6%

**City of Chula Vista Staffing (FTEs)**  
Compared to FTEs per Thousand Residents



## SALARY ADJUSTMENTS

During the economic recession the City's bargaining groups worked with City management to reach new agreements that reduced personnel costs in an effort to balance the budget. The adjustments to employee compensation included wage concessions and pension reform. The City granted salary increases to its employee bargaining groups as the City began to see revenue improvements. However, ongoing increases in retirement and health premium costs (discussed in the following sections), have strained the City's ability to provide wage increases to its employees.

The proposed budget includes funding for the annualized costs of negotiated salary increases approved for employee groups during the 2016-17 fiscal year. The proposed budget also reflects an estimated wage inflation of 2% for all employee groups for fiscal year 2017-18. At the time of the development of the proposed budget, the City was in negotiations with the Police Officers' Association and the International Association of Firefighters. Agreements were reached with these groups during the final development of the budget. Any additional impact as a result of the agreements reached with these two labor groups and any agreements attained with the other City's labor groups after adoption of the budget will be brought forward for Council approval.

## RISING RETIREMENT COSTS

The increase in retirement costs driven by rising CalPERS contributions is a significant budgetary challenge facing the City. The payments estimated to be made to the retirement system equal 16.2% of the City's General Fund in the fiscal year 2017-18 proposed budget.

Increases in CalPERS contributions can be attributed to several factors. In the early 2000's the City approved enhanced formula benefits for all City employees. During the economic downturn, the City approved an early retirement incentive to encourage employees to retire thereby reducing the number of layoffs, but this came at the expense of increasing the City's payment to CalPERS. The impact of retirement cost increases were partially offset through negotiations with City's bargaining groups that resulted in the implementation of pension reform. Under the negotiated pension reform, employees agreed to pay their share of pension costs and thereby provided a one-time base level of

employee retirement payments. However, this action did not reduce future cost increases. During this same time period, CalPERS experienced significant investment losses.

Over the last several years, CalPERS has made a series of changes that have resulted in higher contribution rates. Prior to fiscal year 2005-06, the CalPERS investment pool assumed a rate of return of 8.25% and any market gains (or losses) less than that amount would significantly affect the City's overall contribution rate. In fiscal year 2005-06, CalPERS adjusted their investment return assumption to 7.75%. In 2012, the CalPERS Board of Administration approved a recommendation to lower the rate of investment return assumption from 7.75% to 7.50%. On December 21, 2016, the CalPERS Board of Directors decided to lower the rate of return assumption from 7.5% to 7.0% beginning in fiscal year 2018-19. CalPERS is implementing this change for the following reasons:

- Strengthening long-term sustainability of the pension fund
- Reducing negative cash flows; additional contributions will help to offset the cost to pay pensions
- Reducing the long-term probability of funded ratios falling below undesirable levels
- Improving the likelihood of CalPERS investments earning the assumed rate of return
- Reducing the risk of contribution increases in the future from volatile investment markets
- Allows for reduced portfolio risk consistent with the new risk mitigation policy

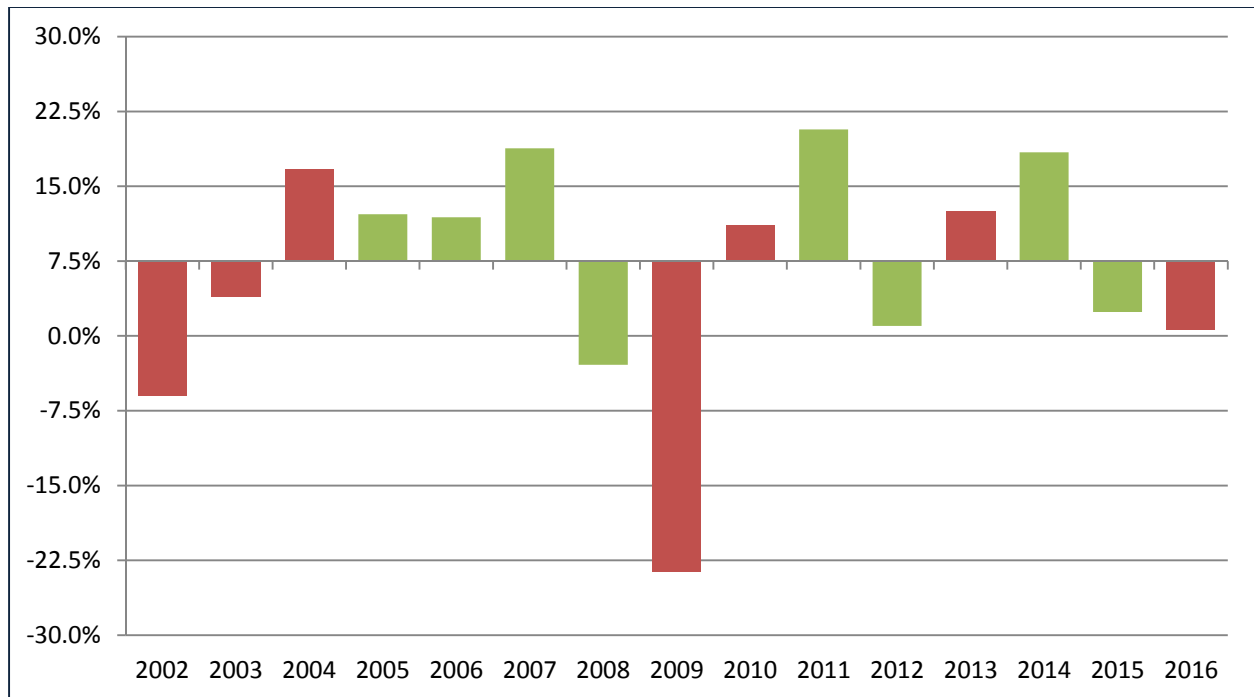
In addition, as outlined in their June 15, 2015 valuation report to the City, beginning in fiscal year 2017-18, CalPERS will collect employer contributions toward the plan's unfunded liability as dollar amounts instead of the prior method of a contribution rate. This change will address potential funding issues that could arise from a declining payroll or reduction in the number of active members in the plan. Funding the unfunded liability as a percentage of payroll could lead to the underfunding of the plans. Although employers will be invoiced at the beginning of the fiscal year for their unfunded liability payment, the plan's normal cost contribution will continue to be collected as a percentage of payroll.

The CalPERS Board of Administration also adopted a Risk Mitigation Policy which is designed to reduce funding risk over time. The policy establishes a mechanism whereby CalPERS investment performance that significantly outperforms the discount rate triggers adjustments to the discount rate, expected investment return and strategic asset allocation targets. A minimum excess investment return of 4% above the existing discount rate is necessary to cause a risk mitigation event. The policy has no impact on the current year valuation results but is expected to have an impact in future years.

The budgetary impacts caused by the increased employer contribution rates for retirement costs due to lower CalPERS investment returns and corrective policy changes, have been significant and will continue to

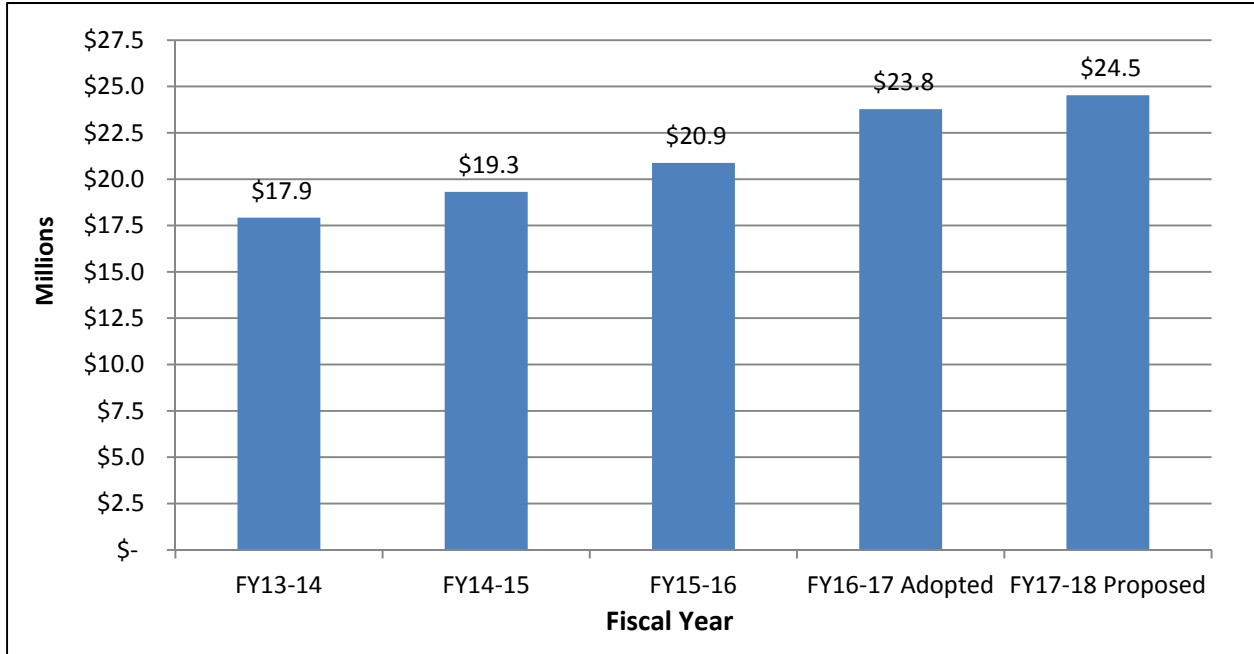
challenge the City in future years. To follow is a series of charts related to pension costs. The first chart depicts the actual market rates of return for the CalPERS investment portfolio relative to the assumed 7.5% rate of return. This chart will be restructured in future fiscal years to display actual rates of return for the CalPERS assumed rates as they are updated. The second chart reflects actual CalPERS costs in the General Fund for fiscal years 2014 to the 2016-17 Adopted budget and the 2017-18 Proposed Budget cost. The final chart reflects historical CalPERS contributions illustrating the employer (City) contribution rates from fiscal years 2003-04 to 2016-17 and projected rates for fiscal years 2017-18 through 2021-22.

**CalPERS Historical Market Value Rates of Return**  
Relative to Assumed Investment Return of 7.5%



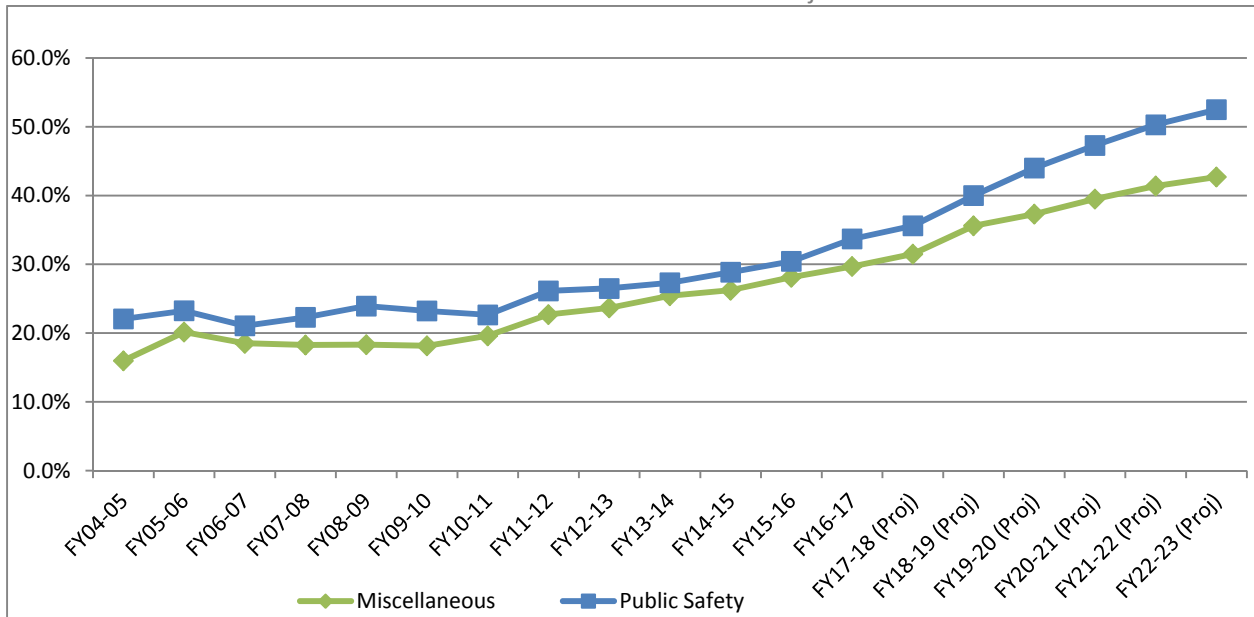
**Retirement Costs  
(General Fund)**

Fiscal Years 2013-14 to 2017-18



**CalPERS Employer Contribution Rates**

Fiscal Years 2004-05 to 2022-23 Projected



Notes:

1. Reflects Employer Contribution. The actual employer contribution is higher due to Employer Paid Member Contributions (EPMC) ranging from 1.3% to 4.2%, and for applicable years an additional 8% and 9% for the Employer Paid Member Contribution (Employee Contribution).
2. Projected rates (FY 2018 through FY 2022), based on Bartel Associates, LLC report dated 02/02/2017.



**HEALTH CARE COSTS**

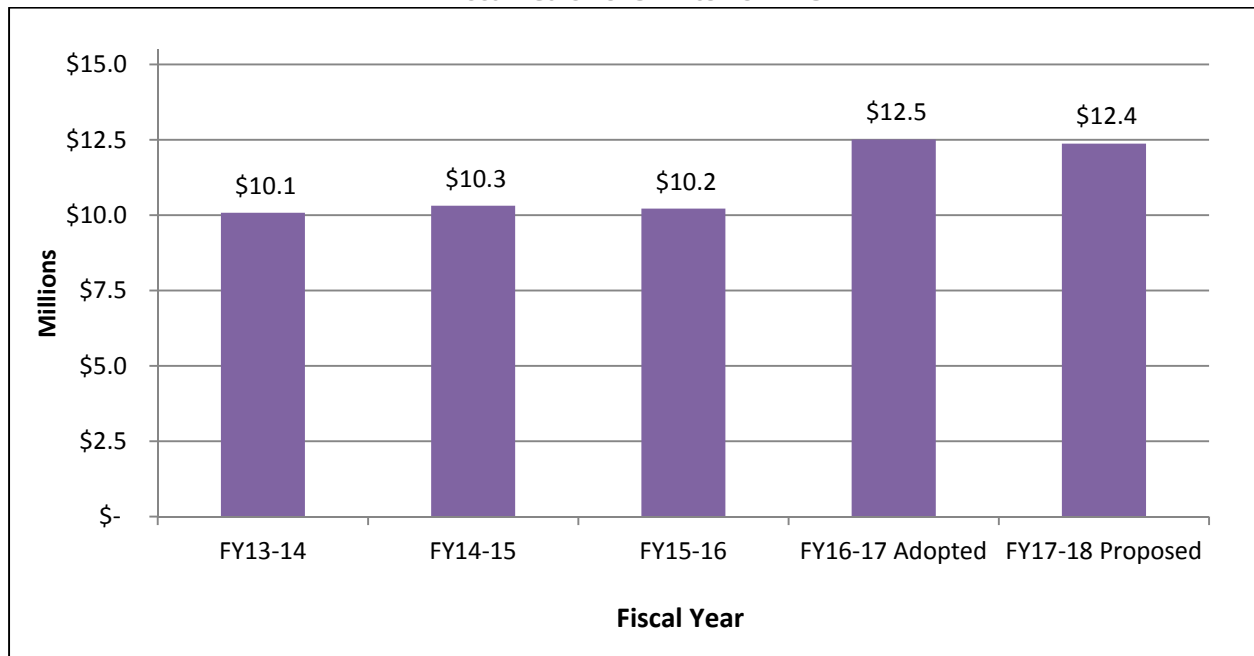
Flex/Health insurance represents 7.4% of the total fiscal year 2017-18 General Fund expenditure budget and accounts for the health care costs for permanent employees. Fiscal year 2017-18 shows a slight decrease compared to the prior fiscal year adopted budget. In fiscal year 2016-17 the anticipated increase in healthcare premiums was estimated at 15%. The actual increase was lower than this estimation as a result of the City’s switch in health insurance providers from AETNA to United Healthcare UHC) in 2017. This is carried forward into the first half of fiscal year 2017-18, which results in the \$0.1 million decrease in comparison to the prior year adopted budget. The fiscal year 2017-18 proposed budget estimates a 10% increase in healthcare premiums in calendar year 2018.

in the General Fund for fiscal years 2014 to 2016, the adopted budget for fiscal year 2016-17 and the proposed budget for fiscal year 2017-18. Actual Flex/Health insurance costs have increased annually and represent an ongoing challenge that the City will continue to address in future budgets.

The subsequent table displays Flex Allotments by bargaining group from calendar year 2013 to calendar year 2017. Flex Allotments are the amounts provided by the City for employees to use towards the purchase of their health benefits. This allotment is negotiated between the City and each bargaining group. As illustrated by the table, costs to the City in the area of flex/health insurance have increased significantly since calendar year 2013. Flex allotment costs for 2018 were not available at the time the proposed budget was written.

To follow are charts and tables reflecting the increased expenditures related to flex/health insurance. The first chart illustrates the actual Flex/Health insurance costs

**Flex/Health Insurance Costs  
(General Fund)**  
Fiscal Years 2013-14 to 2017-18



**Flex Allotment Increases by Bargaining Group**  
Calendar Year 2013 to Calendar Year 2017

<b>FLEX Allotment Increases by Bargaining Unit</b>						
<b>Bargaining Group</b>	<b>2013</b>	<b>2014<sup>(1)</sup></b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2013-2017 % Change</b>
Confidential	\$ 12,386	\$ 13,074	\$ 13,524	\$ 13,682	\$ 13,760	11.1%
Chula Vista Employees Association	\$ 11,886	\$ 12,574	\$ 13,024	\$ 13,182	\$ 13,260	11.6%
Executive	\$ 15,162	\$ 15,850	\$ 16,300	\$ 16,458	\$ 16,536	9.1%
Mid Managers and Professionals	\$ 12,762	\$ 13,450	\$ 13,900	\$ 14,058	\$ 14,136	10.8%
Senior Managers	\$ 13,762	\$ 14,450	\$ 14,900	\$ 15,058	\$ 15,136	10.0%
Western Council of Engineers	\$ 12,762	\$ 13,450	\$ 13,900	\$ 14,058	\$ 14,136	10.8%
Mayor & Council	\$ 15,162	\$ 15,850	\$ 16,300	\$ 16,458	\$ 16,536	9.1%

<sup>(1)</sup> Flex allotments remain at the 2013 amounts for all Employee Only members within the following employee groups: Confidential, Executive, Mid Managers and Professionals, Senior Managers, Western Council of Engineers, and Mayor & Council.

The public safety bargaining group is not included in the preceding table as their negotiated benefits differ from the other bargaining groups.

The City pays the full premium for Kaiser HMO Health Plan and Cigna DHMO pre-paid dental plan for the employee and any eligible dependents of the public safety bargaining group members. Previously public safety employees who chose a non-Kaiser HMO coverage paid a flat annual amount regardless of the number of dependents covered. However, the new labor agreements reached with public safety employees stipulate that public safety employees who choose a non-Kaiser HMO coverage will be assuming a share of the cost difference between the Kaiser premium and the non-Kaiser HMO coverage. For example, effective January 1, 2018, for any Police Officer's Association (POA) members enrolling in a non-Kaiser HMO, the City will pay 2/3 of the premium difference, less \$50 per month. International Association of Firefighters (IAFF)

members hired on or after April 25, 2017 enrolling in any non-Kaiser plan are responsible to pay any amount greater than the cost of the Kaiser Plan. Employees choosing the Cigna DPPO preferred provider plan are responsible for any additional costs over and above the Cigna DHMO pre-paid plan. Due to the annual increase of flex/health insurance costs the amount the City has paid in insurance premiums have risen. As illustrated in the table below, medical premiums the City pays on behalf of public safety employees have increased by between 4% and 30% (depending on medical group elections) since calendar year 2013. Due to a switch in dental care providers, the City has seen a decrease of 14% to 15% in dental premiums over the same period of time.

The following table presents the range of benefits the City provides in medical and dental insurance to public safety employees and their dependents.

**City Provided Public Safety Flex Benefit Ranges**  
Calendar Year 2013 to Calendar Year 2017

<b>Public Safety FLEX Benefit Ranges</b>						
<b>Benefit</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2013-2017 % Change</b>
Medical	\$5,436 - \$16,752	\$5,988 - \$18,180	\$5,784 - \$19,848	\$5,568 - \$20,628	\$6,408 - \$19,776	4% - 30%
Dental <sup>(1)</sup>	\$168 - \$396	\$168 - \$396	\$180 - \$432	\$180 - \$432	\$192 - \$456	(14%) - (15%)

<sup>(1)</sup>Dental insurance for public safety employees is fully compensated for at the DHMO level. Employees may choose PPO and pay the variance between DHMO and PPO.

**Insurance Premiums**

Kaiser and AETNA/UHC insurance premiums have increased an average of 3.9% and 4.6% per year respectively since the beginning of calendar year 2013. As noted in the table below, Kaiser premiums have increased a total of 19.7% during this time while AETNA/UHC premiums have increased 24.5% over the same period. Premiums decreased by 3.8% in 2017 as the City switched its insurance provider from AETNA to UHC. The annual budget for Flex/Health Insurance has increased from \$10.1 million in fiscal year 2013-14 to \$12.4 million in the fiscal year 2017-18 Proposed Budget. Recent discussions with health care

professionals indicate these high trends in health care costs are likely to continue for the foreseeable future. For fiscal year 2017-18, the proposed budget reflects an anticipated premium increase of 10% based on the preliminary information provided by the health care providers.

The following table reflects the changes in health care rate premiums the City has experienced from January 2013 to January 2017. The final rate premium that will be in effect for January 2018 will not be known until late summer or early fall.

**Premium Increases by Health Care Provider**  
Calendar Year 2013 to 2017

Date of Increase	Kaiser	AETNA/UHC
January 2013	1.6%	5.5%
January 2014	10.2%	8.5%
January 2015	-3.4%	8.9%
January 2016	-3.8%	3.8%
January 2017	15.1%	-3.8%
<b>Annual Average Premium Increase</b>	<b>3.9%</b>	<b>4.6%</b>
<b>Total Premium Increase (January 2013 – January 2017)</b>	<b>19.7%</b>	<b>24.5%</b>

Total increase reflects average changes in premium costs from 2013-2017 for Kaiser and AETNA/UHC



## General Fund Revenue Summary

### Chula Vista General Operating Budget in thousands(000)

FY 15-16 Actual Revenues	\$145,685
FY 16-17 Adopted Budget	\$146,421
<b>FY 17-18 Proposed Budget</b>	<b>\$166,587</b>
<b>% Change FY 16-17 to FY17-18</b>	<b>13.7%</b>

\*Excludes CIP Revenues

the FY 2016-17 adopted budget revenues. This increase is mainly due to the \$16.3 million in Measure P Sales Tax revenues anticipated to be collected as part of the voter approved ½ cent sales tax increase. The General Fund is a pass-through for these revenues, which will ultimately be recognized as a Transfer Out to the 2016 Measure P Sales Tax Fund.

The following table compares the fiscal year 2017-18 revenues to the fiscal year 2016-17 adopted budget revenues. CIP related revenues can vary significantly from year and are reported separately on the table below.

The estimated General Fund revenues for fiscal year 2017-18 General Fund total \$166.6 million. This reflects an increase of \$20.1 million (13.7%) when compared to

### General Fund Revenues

In Thousands (000)

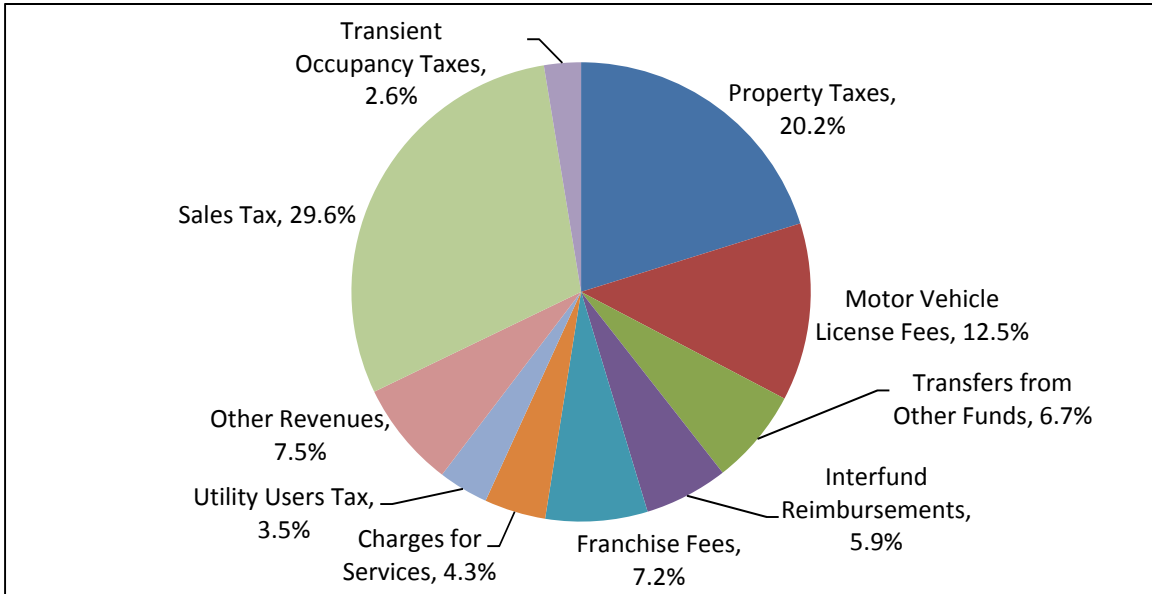
Category	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2017-18 Estimated	Change
Sales Tax	\$ 33,317	\$ 32,350	\$ 49,255	\$ 16,905
Property Taxes	\$ 30,220	\$ 31,175	\$ 33,621	\$ 2,446
Motor Vehicle License Fees	\$ 18,935	\$ 19,692	\$ 20,844	\$ 1,152
Charges for Services	\$ 6,714	\$ 6,204	\$ 7,211	\$ 1,007
Transient Occupancy Taxes	\$ 3,827	\$ 3,655	\$ 4,316	\$ 661
Licenses and Permits	\$ 1,165	\$ 1,161	\$ 1,364	\$ 204
Franchise Fees	\$ 11,710	\$ 11,796	\$ 11,969	\$ 173
Development Revenue	\$ 1,210	\$ 1,036	\$ 1,205	\$ 169
Other Local Taxes	\$ 2,792	\$ 2,448	\$ 2,598	\$ 150
Interfund Reimbursements	\$ 10,411	\$ 9,752	\$ 9,823	\$ 72
Fines, Forfeitures & Penalties	\$ 1,249	\$ 1,021	\$ 1,075	\$ 55
Other Agency Revenue	\$ 2,765	\$ 2,035	\$ 2,026	\$ (9)
Police Grants	\$ 851	\$ 854	\$ 758	\$ (97)
Use of Money and Property	\$ 2,880	\$ 2,732	\$ 2,421	\$ (310)
Utility Users Taxes	\$ 5,844	\$ 6,380	\$ 5,860	\$ (520)
Transfers From Other Funds	\$ 9,838	\$ 11,937	\$ 11,207	\$ (731)
Other Revenues	\$ 1,925	\$ 2,194	\$ 1,034	\$ (1,160)
<b>Total Operating Budget</b>	<b>\$ 145,654</b>	<b>\$ 146,421</b>	<b>\$ 166,587</b>	<b>\$ 20,166</b>
Capital Projects	\$ 31	\$ 40	\$ -	\$ (40)
<b>Total General Fund</b>	<b>\$ 145,685</b>	<b>\$ 146,461</b>	<b>\$ 166,587</b>	<b>\$ 20,126</b>

**MAJOR REVENUE CHANGES BY CATEGORY**

- Sales Tax – When compared to the prior fiscal year, Sales Tax revenues for fiscal year 2017-18 are projected to increase by \$16.9 million. This increase mainly reflects the \$16.3 million in projected Measure P Sales Tax revenues anticipated to be collected as part of the voter approved ½ cent sales tax increase. The General Fund is a pass-through for these revenues; these funds will ultimately be recognized as a Transfer Out to the 2016 Measure P Sales Tax Fund resulting in no net fiscal impact to the General Fund. Aside from Measure P revenues, Sales Tax is projected to increase by approximately 2% or \$0.6 million in fiscal year 2017-18.
    - projects
      - \$120,000 increase in Passport Fees
      - \$112,000 increase in Fire Construction Fees
  
  - Transient Occupancy Taxes (TOT) – Transient occupancy tax revenues are projected to increase by \$0.7 million from the fiscal year 2016-17 adopted budget. This increase reflects a base increase of 1% and the addition of 1 new hotel in Eastern Chula Vista, which is anticipated to open in fiscal year 2017-18.
- These revenue increases are partially offset by the decreases in the following revenue categories:
- Other Revenues – This category reflects a decrease of \$1.2 million. This decrease is attributed to the elimination of revenues associated with the financing of two fire engines approved by City Council on November 17, 2015; the fiscal year 2017-18 budget reflects the elimination of these one-time revenues.
  - Transfers from Other Funds – This category reflects a net decrease of \$0.7 million when compared to the fiscal year 2016-17 adopted budget. This change reflects a decrease of \$0.8 million for a one-time budgeted transfer to the General Fund from the Public Facilities Development Impact Fee (PFDIF) for a loan repayment. This category also reflects an increase of \$0.1 million in a transfer in from the Chula Vista Municipal Golf Course fund for revenues associated with the City’s golf course that was previously budgeted as rental revenues.
  - Utility Users Tax (UUT) – UUT revenues are estimated at \$0.5 million lower than the prior year adopted budget. The most recent fiscal year 2016-17 quarterly projections estimate that the City will receive approximately \$5.9 million in UUT in fiscal year 2016-17; this revenue category is projected to fall short of budget by approximately \$0.5 million. The projection for fiscal year 2017-18 is consistent with the projected revenues for fiscal year 2016-17.
- Property Taxes – This category reflects an increase of \$2.4 million (7.8%) in comparison to prior year adopted budget. When compared to the most recent fiscal year 2016-17 quarterly projections, property taxes are trending higher than budgeted due to better than estimated assessed valuation for fiscal year 2016-17 and greater Redevelopment Property Tax Trust Fund (RPTTF) allocations. The trend is anticipated to continue and a total 4.5% increase in assessed valuation is projected in fiscal year 2017-18. In addition to this increase in assessed valuation, the fiscal year 2017-18 proposed budget also includes an estimated \$0.7 million increase for an anticipated loan repayment from the redevelopment agency.
  - Motor Vehicle License Fees – This category reflects an increase of \$1.2 million in the Motor Vehicle License In-Lieu revenue. These revenues also reflect a 4.5% increase in assessed valuation.
  - Charges for Services – Revenues within this category are anticipated to increase by \$1.0 million when compared to fiscal year 2016-17 adopted budget. Major changes in this category include the following:
    - \$376,000 increase in Police Reimbursements
    - \$194,000 increase in City Staff Time and Cost Recovery reflected in various departments
    - \$169,000 increase in staff time reimbursements for development related

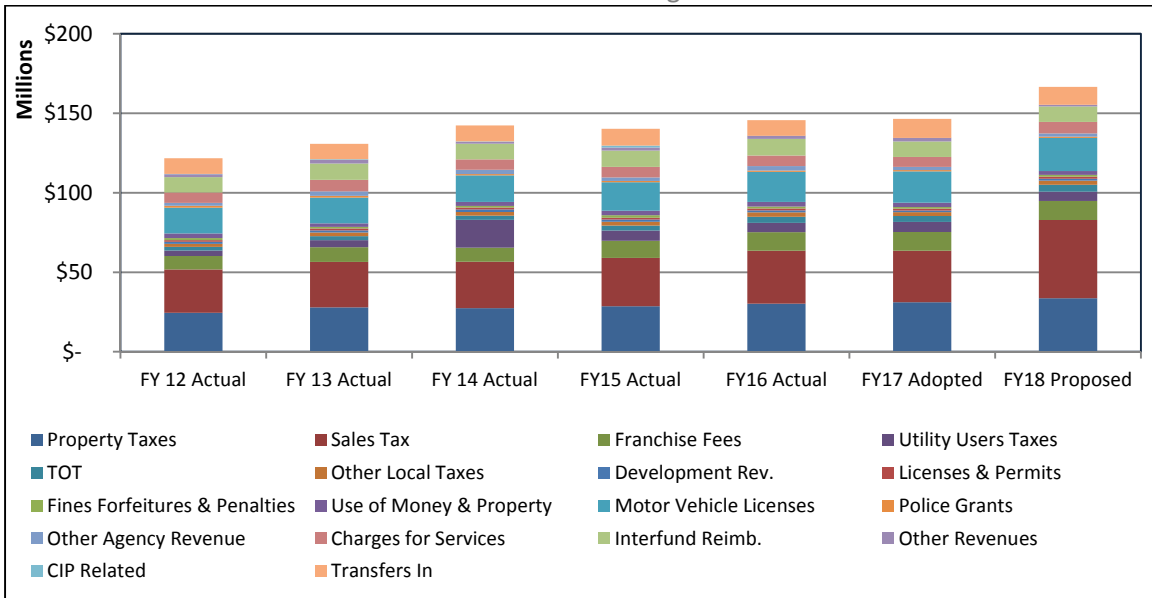
The following charts provide a summary view of the major General Fund revenue sources

**General Fund Revenues by Category**  
Fiscal Year 2017-2018



Note: Other Revenues include the following categories: Development Revenue, Other Agency Revenue, Other Local Taxes, Other Revenues, Use of Money & Property, Licenses and Permits, Police Grants, and Fines, Forfeitures & Penalties, CIP, and Other Revenue.

**Historical and Estimated General Fund Revenue Sources**  
Fiscal Year 2010-2011 through 2017-2018



**MAJOR REVENUE SOURCES**

The following is a description of the City’s major revenue sources along with a brief discussion of the trends impacting these revenues for the fiscal year 2017-18.

**Sales Tax**

With the approval of Measure P, the City receives 1.5% of sales tax revenue applied to all taxable retail sales occurring within the City limits. In addition, Measure P will produce additional sales taxes on vehicles purchased outside of City limits by Chula Vista residents. Chula Vista voters approved Measure P – a temporary, ten-year, half-cent sales tax to fund high priority infrastructure needs. Collection of the sales tax began on April 1, 2017. The sales tax is projected to raise \$178 million over the ten year period. The General Fund will serve as a pass-through for these revenues; these funds will ultimately be recognized as a Transfer Out to the 2016 Measure P Sales Tax Fund. There is no net fiscal impact to the General Fund as a result of these new sales tax revenues.

Sales tax revenues are collected at the point of sale and remitted to the State Board of Equalization. It is collected at a rate of 8.25% for the City of Chula Vista. The sales tax revenues are then allocated based on the following rates:

State General Fund (includes K-12/Community Colleges)	3.9375%
Local Jurisdiction (City or County of place sale/use) (City Share)	1.0000%
City Transaction Tax (Measure P)	0.5000%
Public Safety (Prop 172)	0.5000%
County Realignment (Mental Health/Welfare/Public Safety)	1.5625%
Countywide Transportation Fund	0.2500%
San Diego County Regional Transportation Commission (TransNet)	0.5000%
<b>Total Sales Tax Rate – Chula Vista <sup>1</sup></b>	<b>8.2500%</b>

<sup>1</sup> Total sales tax rates will vary by City due to local sales tax initiatives. For example, National City’s sales tax rate is 8.75% due to voter approved increase of 1% funding public services.

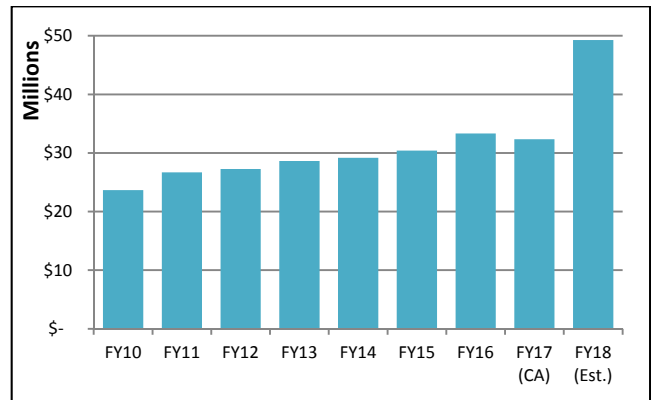
Sales tax revenue is highly sensitive to economic conditions, and reflects the factors that drive taxable sales, including the levels of unemployment, consumer confidence, per-capita income, and business investment.

Sales tax revenue is the City’s largest discretionary revenue source, accounting for 29.6% of total revenue for the General Fund in the fiscal year 2017-18 proposed budget – this includes Measure P revenues.

Consumer spending has slowly increased since the economic recession. The positive trend is expected to continue in fiscal year 2017-18 and Sale Tax revenue is estimated at \$32.9 million (net of Measure P revenues) in the proposed budget. This is a change of approximately 2% or \$0.6 million when compared to the fiscal year 2016-17 Council Adopted Budget. With the addition of Measure P revenues, Sales Tax revenues for fiscal year 2017-18 total \$49.3 million.

The graph below illustrates the decrease in Sales tax revenue, due to the economic recession, and the slow ascent to pre-recession levels.

**City of Chula Vista Sales Tax Revenues**  
Fiscal Year 2009 – Fiscal Year 2018



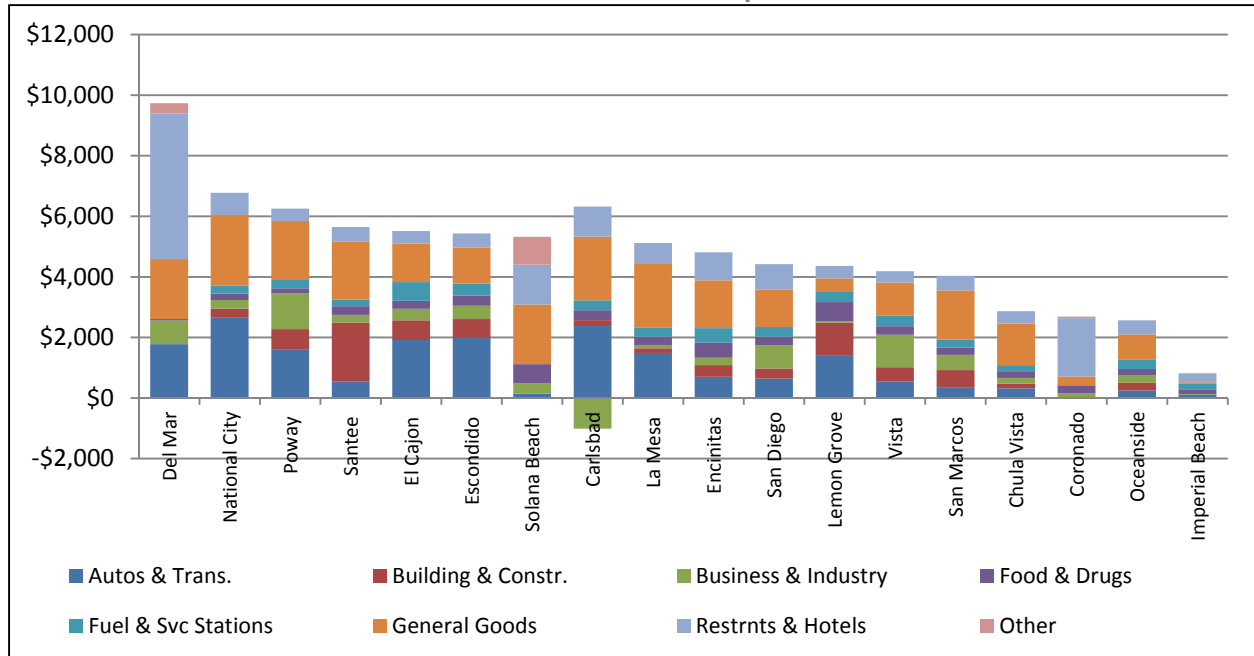
Note: Fiscal year 2017-18 anticipated Sales Tax revenues include estimated Measure P Sales Tax revenues not included in prior years.

A matter that is greatly influencing Sales Tax revenues is Online Retail sales versus traditional Brick & Mortar Store sales. With the rise in social networking and growth in the use of mobile devices, the general public has become more comfortable with online purchasing. E-Commerce has substantially altered the Sales Tax base, repositioning revenues from point of sale (dedicated City revenues) to County and State Pools, which is allocated amongst jurisdictions.

The escalation of online retail shopping has been apparent since 2015; this shift has continued to occur since this time.



Taxable Sales Per Capita



Notes:

1. Based on 4<sup>th</sup> Quarter 2016 Taxable Sales
2. Chula Vista Ranks 15<sup>th</sup> out of 18 cities in San Diego County.
3. Prior budget documents reflected Sales Tax Per Capita information, which changes the scale of the presentation presented above but does not change the City's standing when compared to other cities.

Chula Vista also continues to be challenged in the generation of taxable sales per capita when compared to other County cities. As noted on the above chart, taxable sales per capita for the City is only 2,868 while Del Mar has the highest taxable sales per capita at a rate of \$9,734. This comparison indicates that the City's residents spend a high percentage of their retail dollars elsewhere.

The City of Chula Vista continues to pursue development opportunities that have the potential to positively impact revenue for the City. The City has adopted a program that would increase the viability of obtaining financing for commercial, industrial and high density residential development projects located in the Western area of the City.

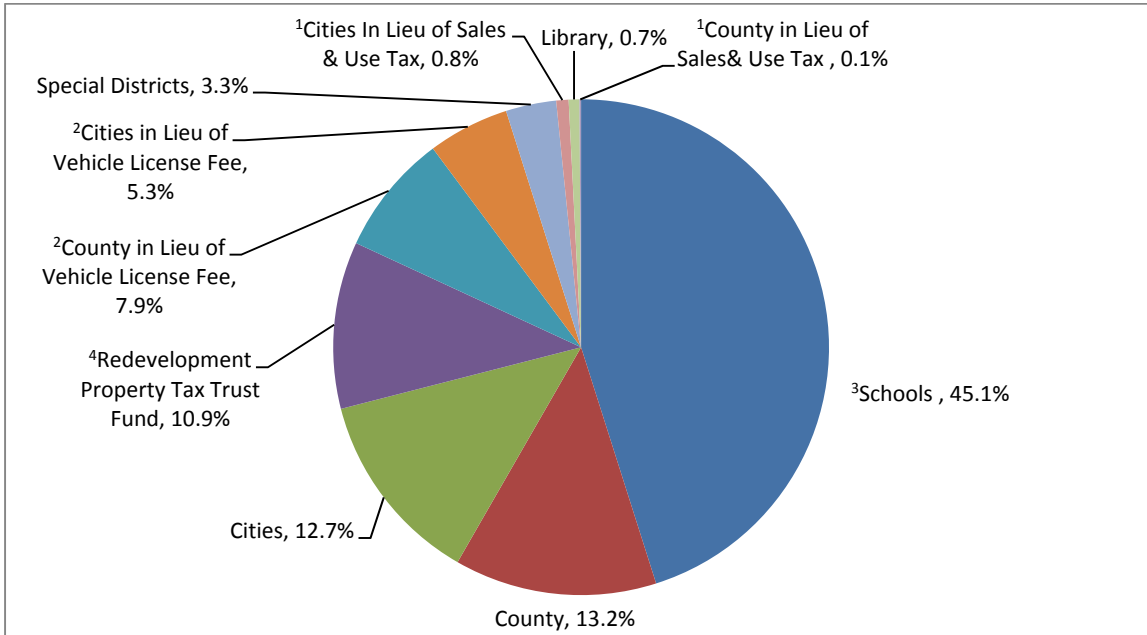
The City approved an agreement for the development of a new BMW dealership within the Chula Vista AutoPark and recently a new Nissan dealership opened. In Eastern Chula Vista the development of the Eastern Urban Center (Millenia) is moving forward and a developer purchased and is processing the construction documents through the City for the development of 350,000 square feet of new office space which would increase employment

opportunities in the City. While all of these opportunities could provide more employees and residents to the City that would shop and dine in these areas, the projects are several years away from actually being built and occupied. In the short term, the City continues to focus on providing a single point of contact and process their applications on-time for new businesses looking to open in Chula Vista as well as assist existing businesses with whatever needs they might have to sustain and grow their establishments.

**Property Tax**

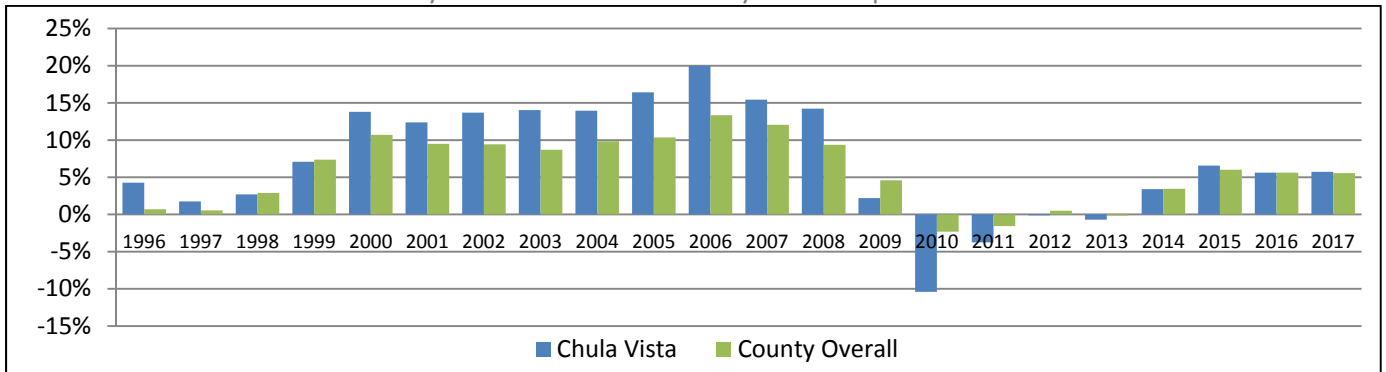
Property tax revenues represent a major funding source for the City of Chula Vista as well as other local jurisdictions. The distribution of property tax funding has changed over time as the State legislature and voter approved initiatives have altered property tax allocations among local jurisdictions. As a result, the City currently receives property tax in-lieu revenues and property tax in-lieu of vehicle license fee revenues. These revenues were meant to replace the state-wide reallocation of sales tax and vehicle license fee revenues but do not increase the City's revenue base.

**Property Tax Dollar Distribution by Jurisdiction**  
Fiscal Year 2017-18



- <sup>1</sup> Represents the exchange of Property Tax for Cities and County Sales and Use Tax as authorized under Assembly Bill 1766, chaptered August 2, 2003.
- <sup>2</sup> Represents the exchange of Property Tax for Cities and County Vehicle License Fees as authorized under Senate Bill 1096, chaptered August 5, 2004.
- <sup>3</sup> Revenue for Schools has been reduced by the ERAF deficit as authorized under Senate Bill 1096, chaptered August 5, 2004.
- <sup>4</sup> Effective February 1, 2012 Redevelopment Agencies were dissolved and related revenue is allocated as provided by Health & Safety Code, Division 24, Part 1.85.

**Historical Change in Assessed Value**  
City of Chula Vista and Countywide Comparison



Source: County of San Diego Assessors Office.

Currently, the City of Chula Vista and other cities receive approximately 12.7% of each property tax dollar. The distribution of the property tax dollar among the other local jurisdictions is depicted above.

Property tax revenues fell throughout the economic recession with Chula Vista being one of the hardest hit

areas. During the economic recession the City's assessed valuation dropped significantly. This history is depicted in the preceding graph. Since fiscal year 2014, the City's assessed value has increased and this positive trend is anticipated to continue into fiscal year 2017-18 and is reflected in the estimated property tax revenues.

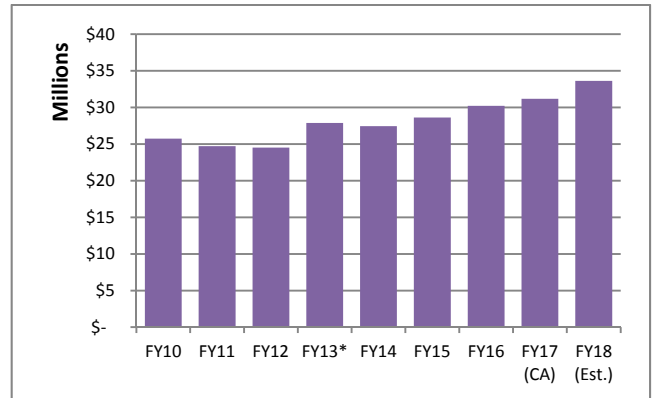
Property tax revenues comprise the City’s second largest discretionary revenue source and accounts for 20.2% of the total revenue for the General Fund. This revenue source is estimated at \$33.6 million in the fiscal year 2017-18 proposed budget and represents 7.8% or \$2.4 million increase from the fiscal year 2016-17 Council Adopted Budget.

While assessed valuation is estimated to grow at 4.5%, in fiscal year 2017-18, included in Property tax revenues are pass-through and residual payments from the Redevelopment Property Tax Trust Fund (RPTTF), pursuant to Health and Safety Code Sections 34183 and 34188. These pass-through and residual payments are estimated to remain flat when compared to fiscal year 2016-17. Also included in the anticipated growth in fiscal year 2017-18 is \$0.7 million in projected RPTTF Supplemental Educational Revenue Augmentation Fund (SERAF) loan to the General Fund.

Property Tax revenues are based on a 1.0% levy on the assessed value of all real property. Under the terms of Proposition 13, which was approved in California in 1978, annual increases in the assessed value are capped at a maximum of 2% per year unless there is a change in ownership or new construction. Annual increases in assessed value are limited by either the California Consumer Price Index (CPI) or the 2% cap, whichever is less.

The recent recession resulted in decreases in assessed valuations due to lower prices from home re-sales. Also, some years experienced little or negative inflation (deflation) that precluded the County Assessor from

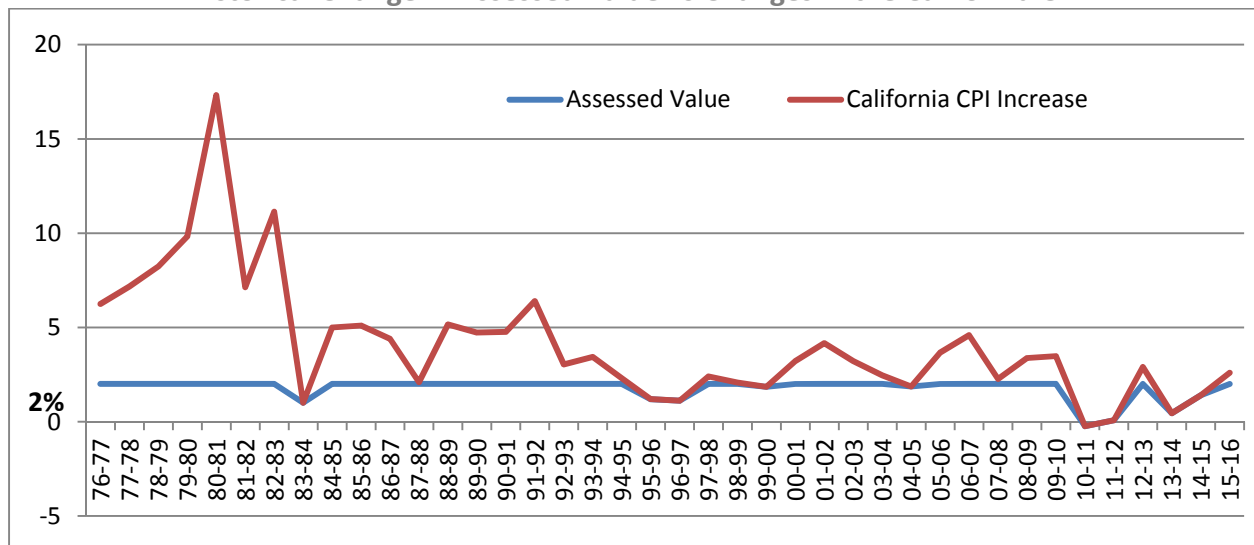
applying the normal increase of up to 2% to the assessment roll as permitted under the terms of Proposition 13. As recently as fiscal year 2012-13, assessed values decreased by 0.7% based on data from the County of San Diego Assessor’s Office. The reductions in assessed valuations and the less than full application of the 2% growth factor to the assessment roll resulted in several years of negative or no growth in property tax revenues for the City during the recession, as illustrated in the chart below.



\*FY13 Property Tax includes a one-time payment related to the elimination of the City’s Redevelopment Agency.

The most recent change in the October to October CPI was 2.6%, which will allow for the full 2% growth rate to be applied to the assessment roll. The fiscal year 2017-18 proposed budget has been increased to reflect this projected rate, as well as another estimated 2.5% growth in reassessed properties, for a total increase of 4.5% in assessed valuation.

Historical Change in Assessed Value vs Changes in the California CPI



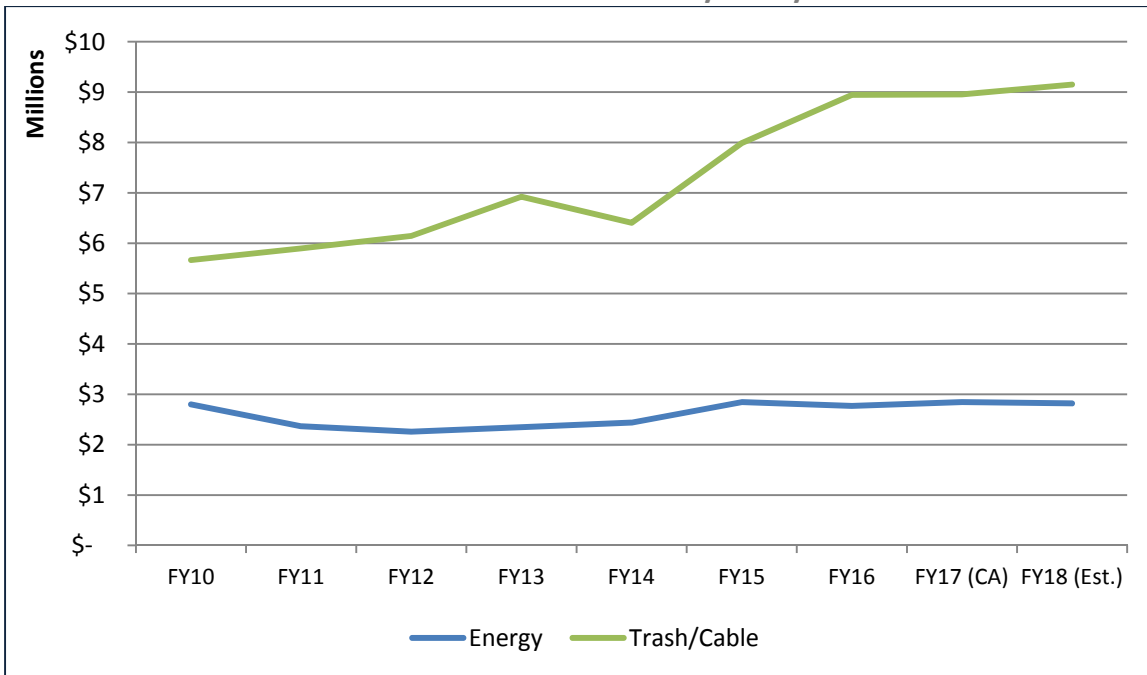
**Franchise Fees**

Franchise fee revenues are generated from public utility sources such as San Diego Gas & Electric (SDG&E) (2% on gas and 1.25% on electricity), trash collection franchises (20% fee), and cable franchises (5% fee) conducting business within City limits. SDG&E collects the franchise fee from Chula Vista customers which can vary due to usage trends. Trash franchise fees and cable fees are more predictable due to the fixed rates charged and the monthly and quarterly receipt of the revenues respectively. Revenue growth is projected based on population and inflation factors.

The following chart illustrates the historic and projected revenue trends for the City’s Franchise Fee revenue.

Overall, fiscal year 2017-18 proposed budget franchise fee revenues are projected to increase by \$0.2 million and represent 7.2% of the total fiscal year 2017-18 anticipated General Fund revenues.

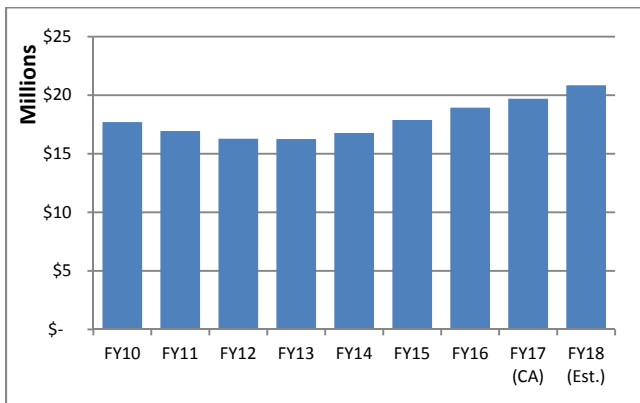
**Franchise Fee Revenues by Utility**



**Motor Vehicle License Fees**

With the State Budget Act of 2004, the allocation of VLF revenues to cities and counties was substantially changed. Since 2005-06 the majority of VLF revenues for each city grew essentially in proportion to the growth in the change in gross assessed valuation. Due to the new formula by the State, 96% of the City’s VLF revenues fluctuated with changes in assessed values within the City.

The other 4% of VLF revenues received by the City were based on a per capita formula but has since been shifted per SB89. Provisions in SB89 shifted hundreds of millions of Vehicle License Fee revenues to fund the state law enforcement grants. Statewide, SB89 took \$130 million of city general revenue and shifted it to save state law enforcement grant programs. This change applied to the 4% of VLF revenues that were based on a per capita formula.



The chart above represents actual VLF revenues since fiscal year 2009-10, the fiscal year 2016-17 adopted budget, and the fiscal year 2017-18 estimates. In total the proposed fiscal year 2017-18 VLF revenues are projected to increase by \$1.2 million or 5.8% when compared to the fiscal year 2016-17 Council Adopted Budget. However, when contrasted to the fiscal year 2016-17 third quarter projections, the growth is anticipated at \$0.9 million or 4.5%. This revenue is estimated to increase in accordance with projected increases in assessed values at 4.5%. VLF revenues are estimated to total \$20.8 million in fiscal year 2017-18.

**Utility Users Tax**

The City adopted its Utility Users Tax (UUT) in 1970. The City of Chula Vista imposes a UUT on the use of

telecom at a rate of 4.75% of gross receipts. For natural gas services UUT is applied at a rate of \$0.00919 per therm and \$0.00250 per kilowatt on electricity services, which equates to a tax of approximately 1% of utility charges. Fiscal year 2017-18 energy related UUT is budgeted at \$2.2 million.

On April 12, 2013 the City approved a settlement agreement that resolved a class action lawsuit challenging the City’s collection of the wireless telecom portion of the UUT from customers. The settlement received final approval of the court and became fully effective as of February 11, 2014. Pursuant to the terms of the Settlement Agreement, the City brought forward an action and approved Ordinance No. 3318, reducing the Telephone Users’ Tax rate from 5% to 4.75%. The decline in landline telephone users has continued to take a toll on UUT revenues.

Telephone users’ tax funds are budgeted at \$3.6 million in the fiscal year 2017-18 proposed budget, which includes wireless, landline, and prepaid card revenues. Prepaid card revenue collection began in January of 2016 and is estimated to be 11% of estimated Telephone users’ tax collections.

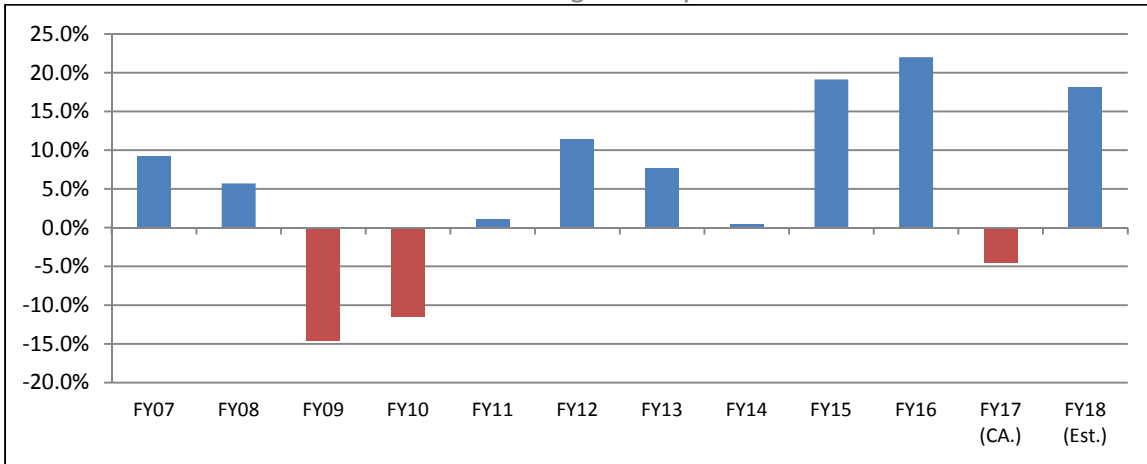
**Transient Occupancy Tax (TOT)**

The City of Chula Vista imposes a Transient Occupancy Tax (TOT) upon all hotel stays within the City boundaries. The TOT tax rate in the City is 10%. Major economic drivers for TOT revenue include room rates, average occupancy rates, and seasonal and non-seasonal tourism.

The potential for significant revenue growth is feasible provided additional hotels are built capturing the market created by the growth in the eastern section of the City. Several potential new hotel developments are being proposed in the City, primarily in the Millenia project and the Bayfront.

As illustrated in the following graph, during the economic recession, TOT revenue dropped due to the lack of discretionary spending by consumers. However, the trend for city TOT revenues has been improving since 2010 as actual TOT revenue has increased on a yearly basis.

TOT Revenues  
Percent Change Year by Year



The most recent estimate for fiscal year 2016-17 TOT revenues are projected at \$3.6 million. The projection for fiscal year 2016-17 is lower than actuals received in fiscal year 2015-16 actuals. It is important to note that fiscal year 2015-16 actual revenues included \$0.3 million in payments for prior year collections. When removing these prior year payments from the comparison, TOT revenues are estimated to increase in fiscal year 2016-17 by approximately 3.0%.

Estimated TOT revenues for fiscal year 2017-18 are \$4.3 million. This is a \$0.66 million, or 18.1%, increase from the prior year adopted budget. The proposed budget includes an anticipated base increase to TOT revenues of 1% (\$40,000 increase). The remaining \$0.6 million increase is based on projected TOT revenues from the additional hotel in Eastern Chula Vista projected to open in fiscal year 2017-18.

**Other Revenue**

Revenue projections are continually reviewed and updated by City staff. As described above, major general revenues, such as property taxes, sales taxes, franchise fees, utility users tax, transient occupancy tax and motor vehicle license fees, are projected by the Finance Department based on prior history, growth and inflation projections, and economic climate. Additional assistance in the projection of revenues is provided by subject-matter experts such as the City’s sales and property tax consultants, the County Assessor and by reviewing regional and local economic forecasts provided by the UCLA Anderson Forecast and the University of San Diego’s Index of Leading Economic Indicators for San Diego County, respectively.

## General Fund Net Cost

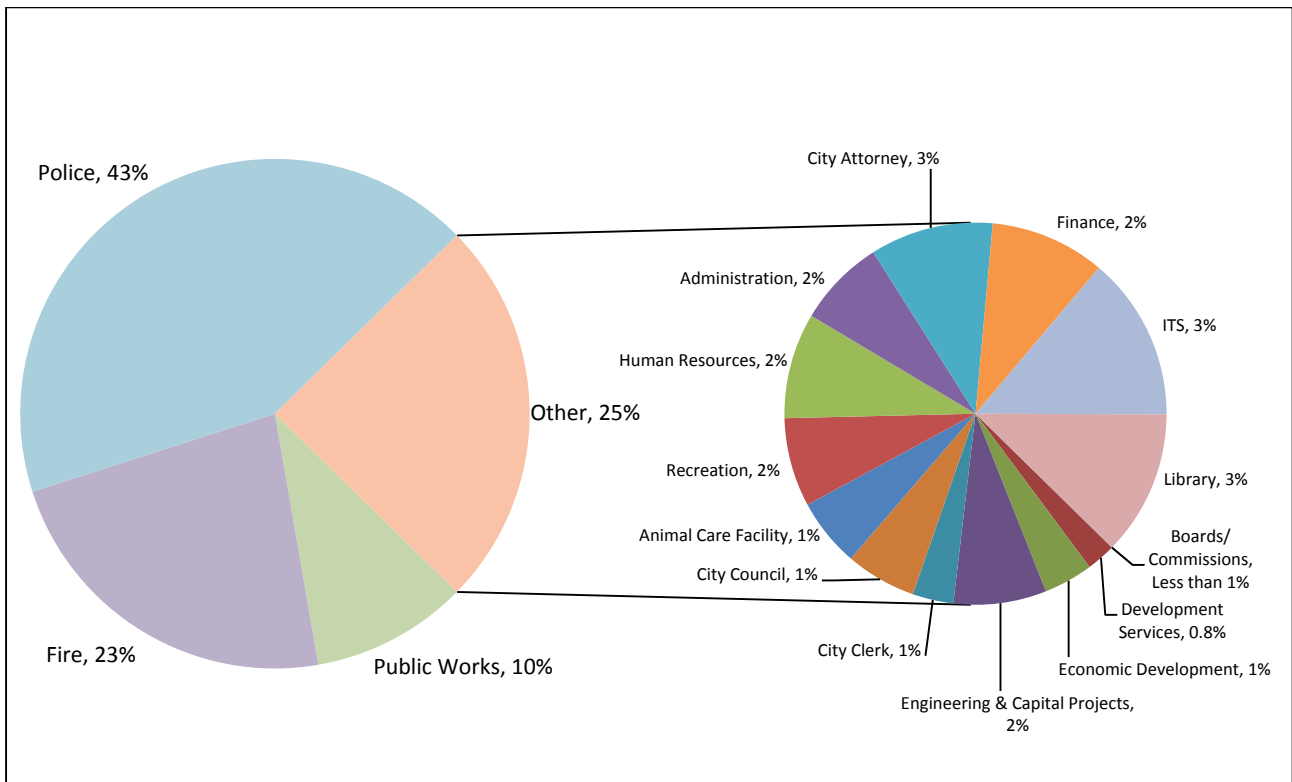
The fiscal year 2017-18 General Fund budget of \$166.6 million is based on funding from estimated program revenues totaling \$32.4 million and discretionary revenues totaling \$134.1 million. Program revenues are broadly defined as those revenues generated by a given activity (e.g. grant revenues, charges for services, licenses, permits). General revenues, or “discretionary revenues,” are broadly defined as those revenues that are generated not by any given activity, but by general or specific taxing authority such as property taxes and sales tax.

Departments that generate small amounts of revenue relative to their size generally have higher net costs. Departments that generate large amounts of revenue relative to their size generally have lower net costs. The majority of discretionary revenue is allocated to public safety services, with Police at 43% followed by Fire at 23%. The next highest portion was allocated to Public Works at 10%.

The following chart depicts the net cost of each department, excluding Non-Departmental, based on the Fiscal Year 2017-18 Proposed Budget.

### General Fund Net Cost by Department

Fiscal Year 2017-2018







## General Fund Department Summary



The General Fund budget funds the day-to-day operations of most City services. For fiscal year 2017-2018 the proposed General Fund operating budget totals \$166.6 million. This funds the following departments:

- Mayor and City Council
- Boards and Commissions
- City Clerk
- City Attorney
- Administration
- Information and Technology Services
- Human Resources
- Finance
- Non-Departmental
- Animal Care Facility
- Economic Development
- Development Services
- Engineering and Capital Projects
- Police
- Fire
- Public Works
- Recreation
- Library

To follow is a series of summary reports that reflect the anticipated revenues, expenditures, and staffing information for each of the General Fund departments.



# CITY COUNCIL

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	587,826	649,649	862,097	895,064
Hourly Wages	185,059	208,971	6,142	0
Overtime	0	1,347	0	0
Health Benefits	142,222	143,205	220,163	217,308
Retirement Benefits	200,477	225,614	284,388	290,970
Other Personnel Expense	55,014	73,807	80,204	98,452
<b>Personnel Expenses Subtotal</b>	<b>1,170,598</b>	<b>1,302,593</b>	<b>1,452,994</b>	<b>1,501,794</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	73,800	50,619	108,479	105,847
Capital	2,995	2,302	3,190	3,190
Utilities	969	817	1,245	1,307
<b>Non-Personnel Expenses Subtotal</b>	<b>77,764</b>	<b>53,738</b>	<b>112,914</b>	<b>110,344</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,248,362</b>	<b>\$1,356,331</b>	<b>\$1,565,908</b>	<b>\$1,612,138</b>
<b>REVENUES</b>				
Other Revenue	0	5,200	0	0
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$5,200</b>	<b>\$0</b>	<b>\$0</b>
<b>REVENUE RECOVERY %</b>	<b>N/A</b>	<b>0%</b>	<b>N/A</b>	<b>N/A</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>14.00</b>	<b>14.00</b>	<b>14.00</b>	<b>14.00</b>

# BOARDS & COMMISSIONS

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Overtime	1,813	98	102	0
Retirement Benefits	26	1	1	0
<b>Personnel Expenses Subtotal</b>	<b>1,839</b>	<b>99</b>	<b>103</b>	<b>0</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	70,154	50,639	10,076	9,187
<b>Non-Personnel Expenses Subtotal</b>	<b>70,154</b>	<b>50,639</b>	<b>10,076</b>	<b>9,187</b>
<b>TOTAL EXPENDITURES</b>	<b>\$71,993</b>	<b>\$50,738</b>	<b>\$10,179</b>	<b>\$9,187</b>
<b>REVENUE RECOVERY %</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

# CITY CLERK/ELECTIONS

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	429,403	489,038	514,605	523,623
Hourly Wages	14,234	0	19,380	19,380
Health Benefits	76,435	75,572	95,222	92,291
Retirement Benefits	137,405	151,438	177,259	179,089
Other Personnel Expense	17,674	24,952	31,333	(92,731)
<b>Personnel Expenses Subtotal</b>	<b>675,151</b>	<b>741,000</b>	<b>837,799</b>	<b>721,652</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	300,889	81,070	212,116	219,350
Capital	2,254	0	0	0
Utilities	560	653	655	688
<b>Non-Personnel Expenses Subtotal</b>	<b>303,703</b>	<b>81,723</b>	<b>212,771</b>	<b>220,038</b>
<b>TOTAL EXPENDITURES</b>	<b>\$978,854</b>	<b>\$822,723</b>	<b>\$1,050,570</b>	<b>\$941,690</b>
<b>REVENUES</b>				
Revenue from Other Agencies	0	2,465	0	0
Charges for Services	8,137	2,799	5,500	5,500
Other Revenue	88,359	3,622	0	0
<b>TOTAL REVENUES</b>	<b>\$96,496</b>	<b>\$8,886</b>	<b>\$5,500</b>	<b>\$5,500</b>
<b>REVENUE RECOVERY %</b>	<b>10%</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>5.00</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>

# CITY ATTORNEY

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	1,514,462	1,607,719	1,750,405	1,794,346
Hourly Wages	0	0	1,852	1,852
Overtime	0	100	0	0
Health Benefits	180,113	185,152	228,878	219,977
Retirement Benefits	459,502	480,369	577,303	583,831
Other Personnel Expense	62,398	60,812	14,999	70,249
<b>Personnel Expenses Subtotal</b>	<b>2,216,475</b>	<b>2,334,152</b>	<b>2,573,437</b>	<b>2,670,255</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	292,284	562,187	400,557	303,300
Capital	2,850	2,639	4,948	4,948
Utilities	1,579	1,656	1,768	1,856
<b>Non-Personnel Expenses Subtotal</b>	<b>296,713</b>	<b>566,482</b>	<b>407,273</b>	<b>310,104</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,513,188</b>	<b>\$2,900,634</b>	<b>\$2,980,710</b>	<b>\$2,980,359</b>
<b>REVENUES</b>				
Charges for Services	65,681	59,683	73,694	73,694
Other Revenue	83,274	73,512	95,126	95,126
<b>TOTAL REVENUES</b>	<b>\$148,955</b>	<b>\$133,195</b>	<b>\$168,820</b>	<b>\$168,820</b>
<b>REVENUE RECOVERY %</b>	<b>6%</b>	<b>5%</b>	<b>6%</b>	<b>6%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>13.00</b>	<b>14.00</b>	<b>14.00</b>	<b>14.00</b>

# ADMINISTRATION

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	1,731,321	1,871,868	1,216,773	1,267,393
Hourly Wages	16,305	27,599	0	0
Overtime	216	2,148	0	0
Health Benefits	205,706	208,751	150,852	144,549
Retirement Benefits	541,507	605,526	437,970	448,185
Other Personnel Expense	102,145	131,506	107,420	93,810
<b>Personnel Expenses Subtotal</b>	<b>2,597,200</b>	<b>2,847,398</b>	<b>1,913,015</b>	<b>1,953,937</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	233,552	372,558	109,688	88,812
Capital	2,142	85	3,416	3,416
Utilities	1,228	1,668	792	832
<b>Non-Personnel Expenses Subtotal</b>	<b>236,922</b>	<b>374,311</b>	<b>113,896</b>	<b>93,060</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,834,122</b>	<b>\$3,221,709</b>	<b>\$2,026,911</b>	<b>\$2,046,997</b>
<b>REVENUES</b>				
Charges for Services	6,492	10,379	5,000	5,000
Other Revenue	45,661	192,957	15,000	33,000
Transfers In	77,210	0	0	0
<b>TOTAL REVENUES</b>	<b>\$129,363</b>	<b>\$203,336</b>	<b>\$20,000</b>	<b>\$38,000</b>
<b>REVENUE RECOVERY %</b>	<b>5%</b>	<b>6%</b>	<b>1%</b>	<b>2%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>14.00</b>	<b>17.00</b>	<b>10.00</b>	<b>10.00</b>

# INFORMATION TECHNOLOGY SERVICES

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	1,501,098	1,547,743	1,658,147	1,507,468
Hourly Wages	9,973	28,998	0	0
Health Benefits	228,367	209,655	264,905	226,021
Retirement Benefits	457,724	491,752	533,693	490,855
Other Personnel Expense	81,323	93,585	42,885	97,988
<b>Personnel Expenses Subtotal</b>	<b>2,278,485</b>	<b>2,371,733</b>	<b>2,499,630</b>	<b>2,322,332</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	735,614	1,203,454	1,323,821	1,358,580
Capital	15,581	52,540	87,890	87,890
Utilities	34,577	34,329	40,902	11,907
<b>Non-Personnel Expenses Subtotal</b>	<b>785,772</b>	<b>1,290,323</b>	<b>1,452,613</b>	<b>1,458,377</b>
<b>TOTAL EXPENDITURES</b>	<b>\$3,064,257</b>	<b>\$3,662,056</b>	<b>\$3,952,243</b>	<b>\$3,780,709</b>
<b>REVENUES</b>				
Charges for Services	9,104	10,622	10,000	10,000
Other Revenue	8,286	176	20,000	20,000
Transfers In	7,096	0	8,900	8,900
<b>TOTAL REVENUES</b>	<b>\$24,486</b>	<b>\$10,798</b>	<b>\$38,900</b>	<b>\$38,900</b>
<b>REVENUE RECOVERY %</b>	<b>1%</b>	<b>0%</b>	<b>1%</b>	<b>1%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>17.00</b>	<b>17.00</b>	<b>17.00</b>	<b>17.00</b>



# HUMAN RESOURCES

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	1,263,777	1,383,486	1,478,780	1,508,849
Hourly Wages	29,472	33,831	28,560	28,560
Overtime	0	0	208	212
Health Benefits	210,923	192,952	249,291	241,316
Retirement Benefits	370,113	405,136	479,473	492,917
Other Personnel Expense	59,215	68,208	27,791	81,760
<b>Personnel Expenses Subtotal</b>	<b>1,933,500</b>	<b>2,083,613</b>	<b>2,264,103</b>	<b>2,353,614</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	297,800	338,752	417,570	413,686
Other Expenses	2,298	66	0	0
Capital	9,263	9,207	8,920	9,272
Utilities	1,243	2,020	1,388	1,457
<b>Non-Personnel Expenses Subtotal</b>	<b>310,604</b>	<b>350,045</b>	<b>427,878</b>	<b>424,415</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,244,104</b>	<b>\$2,433,658</b>	<b>\$2,691,981</b>	<b>\$2,778,029</b>
<b>REVENUES</b>				
Charges for Services	64,431	31,999	67,000	261,389
Other Revenue	159,847	126,679	70,000	70,000
Transfers In	32,771	32,771	35,000	35,000
<b>TOTAL REVENUES</b>	<b>\$257,049</b>	<b>\$191,449</b>	<b>\$172,000</b>	<b>\$366,389</b>
<b>REVENUE RECOVERY %</b>	<b>11%</b>	<b>8%</b>	<b>6%</b>	<b>13%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>15.00</b>	<b>16.00</b>	<b>16.00</b>	<b>16.00</b>

# FINANCE

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	1,995,425	2,029,067	2,220,862	2,273,222
Hourly Wages	38,395	46,576	64,380	64,380
Overtime	0	519	0	0
Health Benefits	348,967	304,983	407,564	396,860
Retirement Benefits	599,228	617,787	711,177	744,401
Other Personnel Expense	117,513	140,165	66,657	94,980
<b>Personnel Expenses Subtotal</b>	<b>3,099,528</b>	<b>3,139,097</b>	<b>3,470,640</b>	<b>3,573,843</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	170,358	241,094	172,001	201,736
Capital	10,713	8,703	15,499	15,499
Utilities	1,714	2,086	2,107	2,212
<b>Non-Personnel Expenses Subtotal</b>	<b>182,785</b>	<b>251,883</b>	<b>189,607</b>	<b>219,447</b>
<b>TOTAL EXPENDITURES</b>	<b>\$3,282,313</b>	<b>\$3,390,980</b>	<b>\$3,660,247</b>	<b>\$3,793,290</b>
<b>REVENUES</b>				
Other Local Taxes	47,033	46,569	55,000	55,000
Licenses and Permits	0	0	0	14,000
Fines, Forfeitures, Penalties	30,788	38,319	30,000	30,000
Use of Money & Property	106,275	5,440	0	0
Charges for Services	32,616	40,470	36,500	36,500
Other Revenue	412,061	399,991	551,484	683,634
Transfers In	312,645	348,618	348,500	348,500
<b>TOTAL REVENUES</b>	<b>\$941,418</b>	<b>\$879,407</b>	<b>\$1,021,484</b>	<b>\$1,167,634</b>
<b>REVENUE RECOVERY %</b>	<b>29%</b>	<b>26%</b>	<b>28%</b>	<b>31%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>28.00</b>	<b>27.00</b>	<b>28.00</b>	<b>28.00</b>

# NON-DEPARTMENTAL

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
	0	9,493	0	0
Salaries	307,542	0	0	0
Health Benefits	15,164	4,396	0	0
Retirement Benefits	109,960	93,208	0	100,000
Professional Enrichment	108,062	153,167	209,800	209,800
Other Personnel Expense	2,635	0	0	0
<b>Personnel Expenses Subtotal</b>	<b>543,363</b>	<b>260,264</b>	<b>209,800</b>	<b>309,800</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	2,539,843	2,574,458	1,678,828	1,839,061
Other Expenses	472,403	167,791	167,500	167,500
Capital	842,008	2,500	1,285,053	0
Utilities	20,264	35,354	9,167	8,255
Transfers Out	5,912,769	6,319,951	5,545,081	22,490,479
CIP Project Expenditures	502,881	1,607,197	39,951	0
Non-CIP Project Expenditures	0	260,278	0	0
<b>Non-Personnel Expenses Subtotal</b>	<b>10,290,168</b>	<b>10,967,529</b>	<b>8,725,580</b>	<b>24,505,295</b>
<b>TOTAL EXPENDITURES</b>	<b>\$10,833,531</b>	<b>\$11,227,793</b>	<b>\$8,935,380</b>	<b>\$24,815,095</b>
<b>REVENUES</b>				
Property Taxes	28,616,729	30,220,180	31,174,827	33,620,932
Other Local Taxes	53,964,362	58,307,230	57,406,550	74,775,900
Licenses and Permits	0	980	0	0
Use of Money & Property	1,600,192	1,741,767	1,708,715	1,284,137
Revenue from Other Agencies	18,253,018	19,727,080	19,920,682	21,072,285
Charges for Services	105	26,374	0	0
Other Revenue	3,036,653	1,862,845	2,373,274	1,088,221
Transfers In	2,519,130	1,904,240	3,044,929	2,302,297
<b>TOTAL REVENUES</b>	<b>\$107,990,189</b>	<b>\$113,790,696</b>	<b>\$115,628,977</b>	<b>\$134,143,772</b>
<b>REVENUE RECOVERY %</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

# ANIMAL CARE FACILITY

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	1,072,998	1,154,745	1,324,294	1,358,302
Hourly Wages	203,720	194,339	210,049	176,369
Overtime	63,530	66,602	54,232	50,317
Health Benefits	259,299	246,527	313,133	306,535
Retirement Benefits	336,263	366,017	441,925	454,160
Other Personnel Expense	94,116	107,578	70,631	126,750
<b>Personnel Expenses Subtotal</b>	<b>2,029,926</b>	<b>2,135,808</b>	<b>2,414,264</b>	<b>2,472,433</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	581,664	580,783	499,215	477,665
Other Expenses	4,147	4,028	4,500	4,500
Capital	6,489	143,531	6,282	6,282
Utilities	47,540	50,051	53,131	45,347
Transfers Out	82,000	0	0	0
<b>Non-Personnel Expenses Subtotal</b>	<b>721,840</b>	<b>778,393</b>	<b>563,128</b>	<b>533,794</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,751,766</b>	<b>\$2,914,201</b>	<b>\$2,977,392</b>	<b>\$3,006,227</b>
<b>REVENUES</b>				
Licenses and Permits	134,042	123,357	132,600	175,300
Fines, Forfeitures, Penalties	37,574	25,370	20,000	20,000
Use of Money & Property	80	97	0	0
Charges for Services	254,550	256,493	252,600	279,800
Other Revenue	1,214,786	1,052,145	1,146,511	971,070
<b>TOTAL REVENUES</b>	<b>\$1,641,032</b>	<b>\$1,457,462</b>	<b>\$1,551,711</b>	<b>\$1,446,170</b>
<b>REVENUE RECOVERY %</b>	<b>60%</b>	<b>50%</b>	<b>52%</b>	<b>48%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>21.00</b>	<b>21.00</b>	<b>21.75</b>	<b>21.75</b>

# ECONOMIC DEVELOPMENT

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	0	0	1,148,955	1,293,194
Hourly Wages	0	0	6,151	6,151
Overtime	0	0	416	424
Health Benefits	0	0	211,239	219,583
Retirement Benefits	0	0	368,728	421,705
Other Personnel Expense	0	0	59,121	83,809
<b>Personnel Expenses Subtotal</b>	<b>0</b>	<b>0</b>	<b>1,794,610</b>	<b>2,024,866</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	0	0	152,310	168,422
Capital	0	0	1,520	1,520
Utilities	0	0	2,378	2,497
<b>Non-Personnel Expenses Subtotal</b>	<b>0</b>	<b>0</b>	<b>156,208</b>	<b>172,439</b>
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,950,818</b>	<b>\$2,197,305</b>
<b>REVENUES</b>				
Charges for Services	0	0	45,000	0
Other Revenue	0	0	900,124	1,062,970
Transfers In	0	0	10,334	10,334
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$955,458</b>	<b>\$1,073,304</b>
<b>REVENUE RECOVERY %</b>	<b>N/A</b>	<b>N/A</b>	<b>49%</b>	<b>49%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>0.00</b>	<b>0.00</b>	<b>14.00</b>	<b>15.00</b>

# DEVELOPMENT SERVICES

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	1,499,400	1,377,443	1,583,950	1,640,795
Hourly Wages	27,087	28,198	28,517	28,517
Overtime	1,366	79	1,561	1,592
Health Benefits	268,252	215,204	293,956	286,718
Retirement Benefits	455,338	442,006	512,195	536,774
Other Personnel Expense	74,016	88,653	45,058	25,028
<b>Personnel Expenses Subtotal</b>	<b>2,325,459</b>	<b>2,151,583</b>	<b>2,465,237</b>	<b>2,519,424</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	125,714	110,936	191,959	174,363
Other Expenses	10,950	10,950	12,000	12,000
Capital	0	40	500	500
Utilities	2,182	2,629	2,263	2,375
<b>Non-Personnel Expenses Subtotal</b>	<b>138,846</b>	<b>124,555</b>	<b>206,722</b>	<b>189,238</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,464,305</b>	<b>\$2,276,138</b>	<b>\$2,671,959</b>	<b>\$2,708,662</b>
<b>REVENUES</b>				
Licenses and Permits	399,802	390,691	395,000	395,000
Fines, Forfeitures, Penalties	628,134	427,521	319,000	319,000
Charges for Services	255,123	111,067	195,170	195,170
Other Revenue	443,885	301,608	168,977	168,977
Transfers In	418,486	336,568	968,472	968,472
<b>TOTAL REVENUES</b>	<b>\$2,145,430</b>	<b>\$1,567,455</b>	<b>\$2,046,619</b>	<b>\$2,046,619</b>
<b>REVENUE RECOVERY %</b>	<b>87%</b>	<b>69%</b>	<b>77%</b>	<b>76%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>20.25</b>	<b>20.25</b>	<b>20.00</b>	<b>20.00</b>

# ENGINEERING AND CAPITAL PROJECTS

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	0	0	0	4,405,613
Hourly Wages	0	0	0	38,307
Overtime	0	0	0	120,394
Health Benefits	0	0	0	673,373
Retirement Benefits	0	0	0	1,435,313
Other Personnel Expense	0	0	0	179,212
<b>Personnel Expenses Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,852,212</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	0	0	0	459,750
Other Expenses	0	0	0	108,500
Capital	0	0	0	10,000
Utilities	0	0	0	867,081
Transfers Out	0	0	0	389,700
<b>Non-Personnel Expenses Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,835,031</b>
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,687,243</b>
<b>REVENUES</b>				
Licenses and Permits	0	0	0	105,966
Charges for Services	0	0	0	800,885
Other Revenue	0	0	0	4,575,984
Transfers In	0	0	0	1,084,728
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,567,563</b>
<b>REVENUE RECOVERY %</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>76%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>46.00</b>

# POLICE

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	23,371,320	24,592,962	26,720,177	28,404,434
Hourly Wages	439,537	448,068	323,799	218,110
Overtime	3,568,286	3,884,938	2,531,836	2,885,869
Health Benefits	4,131,526	3,985,148	4,775,213	4,807,105
Retirement Benefits	8,189,791	9,020,898	10,285,578	10,926,451
Other Personnel Expense	2,557,676	2,893,833	1,890,237	2,746,604
<b>Personnel Expenses Subtotal</b>	<b>42,258,136</b>	<b>44,825,847</b>	<b>46,526,840</b>	<b>49,988,573</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	3,615,654	3,605,123	2,818,864	2,767,798
Other Expenses	101,971	231,332	123,243	123,243
Capital	10,019	21,599	0	0
Utilities	499,140	488,911	535,042	451,602
Transfers Out	0	4,777	0	0
<b>Non-Personnel Expenses Subtotal</b>	<b>4,226,784</b>	<b>4,351,742</b>	<b>3,477,149</b>	<b>3,342,643</b>
<b>TOTAL EXPENDITURES</b>	<b>\$46,484,920</b>	<b>\$49,177,589</b>	<b>\$50,003,989</b>	<b>\$53,331,216</b>
<b>REVENUES</b>				
Licenses and Permits	183,580	195,857	250,000	396,847
Fines, Forfeitures, Penalties	815,055	641,856	533,700	588,423
Use of Money & Property	5,675	14,082	8,000	8,000
Revenue from Other Agencies	1,092,880	1,268,344	1,155,429	1,049,701
Charges for Services	4,253,423	3,984,468	3,774,016	4,197,057
Other Revenue	75,844	82,541	59,910	83,580
Transfers In	556,927	404,445	404,445	404,445
<b>TOTAL REVENUES</b>	<b>\$6,983,384</b>	<b>\$6,591,593</b>	<b>\$6,185,500</b>	<b>\$6,728,053</b>
<b>REVENUE RECOVERY %</b>	<b>15%</b>	<b>13%</b>	<b>12%</b>	<b>13%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>321.50</b>	<b>322.50</b>	<b>326.50</b>	<b>332.50</b>



# FIRE

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	10,888,273	11,417,004	12,124,788	12,513,487
Hourly Wages	106,910	62,654	4,940	4,940
Overtime	4,334,502	4,834,095	3,711,031	3,821,323
Health Benefits	2,014,714	2,017,304	2,356,303	2,346,228
Retirement Benefits	4,130,000	4,536,411	5,162,570	5,077,847
Other Personnel Expense	1,398,643	1,457,877	1,421,045	1,475,075
<b>Personnel Expenses Subtotal</b>	<b>22,873,042</b>	<b>24,325,345</b>	<b>24,780,677</b>	<b>25,238,900</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	1,988,270	2,049,885	2,257,550	2,271,285
Capital	0	155,311	150,000	0
Utilities	204,781	203,352	228,188	201,327
Transfers Out	47,330	61,620	62,326	62,326
<b>Non-Personnel Expenses Subtotal</b>	<b>2,240,381</b>	<b>2,470,168</b>	<b>2,698,064</b>	<b>2,534,938</b>
<b>TOTAL EXPENDITURES</b>	<b>\$25,113,423</b>	<b>\$26,795,513</b>	<b>\$27,478,741</b>	<b>\$27,773,838</b>
<b>REVENUES</b>				
Licenses and Permits	458,497	432,705	437,519	437,519
Use of Money & Property	15,600	15,600	15,600	15,600
Revenue from Other Agencies	666,907	669,000	664,000	664,000
Charges for Services	549,571	586,479	472,282	584,782
Other Revenue	597,907	1,370,672	30,702	198,085
Transfers In	649,923	828,194	972,453	972,453
<b>TOTAL REVENUES</b>	<b>\$2,938,405</b>	<b>\$3,902,650</b>	<b>\$2,592,556</b>	<b>\$2,872,439</b>
<b>REVENUE RECOVERY %</b>	<b>12%</b>	<b>15%</b>	<b>9%</b>	<b>10%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>136.00</b>	<b>136.00</b>	<b>136.00</b>	<b>136.00</b>

# PUBLIC WORKS OPERATIONS

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	10,817,201	10,876,510	11,645,537	7,530,020
Hourly Wages	358,860	396,395	369,135	330,829
Overtime	217,747	346,802	226,581	110,715
Health Benefits	2,124,331	1,935,753	2,361,189	1,628,106
Retirement Benefits	3,338,390	3,539,663	3,795,189	2,480,063
Other Personnel Expense	790,921	889,216	500,361	364,913
<b>Personnel Expenses Subtotal</b>	<b>17,647,450</b>	<b>17,984,339</b>	<b>18,897,992</b>	<b>12,444,646</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	3,707,479	3,666,610	2,948,488	2,568,865
Other Expenses	169,810	157,656	128,000	19,500
Capital	46,618	103,741	15,171	5,171
Utilities	3,518,628	3,389,240	3,885,161	2,838,832
Transfers Out	389,681	389,003	391,900	0
Non-CIP Project Expenditures	62,893	98,860	18,700	18,700
<b>Non-Personnel Expenses Subtotal</b>	<b>7,895,109</b>	<b>7,805,110</b>	<b>7,387,420</b>	<b>5,451,068</b>
<b>TOTAL EXPENDITURES</b>	<b>\$25,542,559</b>	<b>\$25,789,449</b>	<b>\$26,285,412</b>	<b>\$17,895,714</b>
<b>REVENUES</b>				
Licenses and Permits	105,735	157,653	105,966	0
Fines, Forfeitures, Penalties	200	100	0	0
Use of Money & Property	269,695	282,242	247,700	247,700
Revenue from Other Agencies	21,208	11,597	0	0
Charges for Services	961,469	960,064	548,440	17,655
Other Revenue	7,031,543	6,735,248	6,446,453	1,695,601
Transfers In	5,976,614	5,983,121	6,144,138	5,071,374
<b>TOTAL REVENUES</b>	<b>\$14,366,464</b>	<b>\$14,130,025</b>	<b>\$13,492,697</b>	<b>\$7,032,330</b>
<b>REVENUE RECOVERY %</b>	<b>56%</b>	<b>55%</b>	<b>51%</b>	<b>39%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>163.00</b>	<b>164.50</b>	<b>162.50</b>	<b>116.00</b>

# RECREATION

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	1,152,885	1,223,493	1,316,520	1,372,953
Hourly Wages	940,793	1,000,731	1,054,480	1,084,843
Overtime	2,698	3,308	5,201	5,302
Health Benefits	220,429	213,643	250,535	244,406
Retirement Benefits	415,956	457,403	509,273	498,571
Other Personnel Expense	68,974	82,996	37,045	92,472
<b>Personnel Expenses Subtotal</b>	<b>2,801,735</b>	<b>2,981,574</b>	<b>3,173,054</b>	<b>3,298,547</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	505,161	587,840	605,457	583,845
Other Expenses	78,299	131,027	123,657	206,796
Capital	11,432	2,438	12,692	2,523
Utilities	349,722	357,358	396,345	328,024
<b>Non-Personnel Expenses Subtotal</b>	<b>944,614</b>	<b>1,078,663</b>	<b>1,138,151</b>	<b>1,121,188</b>
<b>TOTAL EXPENDITURES</b>	<b>\$3,746,349</b>	<b>\$4,060,237</b>	<b>\$4,311,205</b>	<b>\$4,419,735</b>
<b>REVENUES</b>				
Use of Money & Property	796,190	777,749	694,036	808,128
Revenue from Other Agencies	6,408	7,558	7,233	7,233
Charges for Services	1,308,527	1,353,023	1,399,067	1,472,810
Other Revenue	103,010	106,973	99,359	102,182
<b>TOTAL REVENUES</b>	<b>\$2,214,135</b>	<b>\$2,245,303</b>	<b>\$2,199,695</b>	<b>\$2,390,353</b>
<b>REVENUE RECOVERY %</b>	<b>59%</b>	<b>55%</b>	<b>51%</b>	<b>54%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>17.00</b>	<b>17.00</b>	<b>17.00</b>	<b>17.00</b>

# LIBRARY

## SUMMARY OF DEPARTMENT RESOURCES

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
<b>Personnel Expenses</b>				
Salaries	1,432,958	1,542,135	1,625,205	1,683,131
Hourly Wages	605,812	649,051	679,021	679,021
Overtime	0	1,982	0	0
Health Benefits	270,920	276,365	330,704	322,742
Retirement Benefits	503,687	569,238	646,462	587,469
Other Personnel Expense	107,204	124,261	67,861	36,877
<b>Personnel Expenses Subtotal</b>	<b>2,920,581</b>	<b>3,163,032</b>	<b>3,349,253</b>	<b>3,309,240</b>
<b>Non-Personnel Expenses</b>				
Supplies and Services	289,384	245,941	206,983	202,879
Other Expenses	360	360	400	400
Utilities	316,713	280,142	351,050	297,306
<b>Non-Personnel Expenses Subtotal</b>	<b>606,457</b>	<b>526,443</b>	<b>558,433</b>	<b>500,585</b>
<b>TOTAL EXPENDITURES</b>	<b>\$3,527,038</b>	<b>\$3,689,475</b>	<b>\$3,907,686</b>	<b>\$3,809,825</b>
<b>REVENUES</b>				
Fines, Forfeitures, Penalties	126,500	116,291	118,000	118,000
Use of Money & Property	38,332	42,889	57,550	57,550
Revenue from Other Agencies	3,000	2,274	2,000	2,000
Charges for Services	126,438	353,890	195,013	315,013
Other Revenue	88,965	52,626	8,850	8,850
<b>TOTAL REVENUES</b>	<b>\$383,235</b>	<b>\$567,970</b>	<b>\$381,413</b>	<b>\$501,413</b>
<b>REVENUE RECOVERY %</b>	<b>11%</b>	<b>15%</b>	<b>10%</b>	<b>13%</b>
<b>AUTHORIZED FULL TIME POSITIONS</b>	<b>21.50</b>	<b>22.50</b>	<b>22.50</b>	<b>22.50</b>

**GENERAL FUND LONG-TERM FINANCIAL  
PLAN**



## General Fund Long-Term Financial Plan

Each year the City of Chula Vista has prepared a General Fund Five-Year Forecast which serves as a tool to identify financial trends, shortfalls, and issues so that the City can proactively address them. For fiscal year 2017-2018, the City's first Long Term Financial Plan is being presented in order to expand the duration of the forecast to ten years from the current five years, as well as to provide a more in depth analysis of the City's fiscal condition to aide in proactive financial decision making. The goal of the Long Term Financial Plan is to assess the City's ability over the next ten years to continue to provide current service levels based on projected growth, preserve the City's long term fiscal health by aligning operating revenues and costs, and to slowly rebuild the operating reserves. As a financial planning document, revenue and expenditure assumptions are included to forecast the impacts of development, legislative changes, pension costs, health care, economic cycles, and many other factors over the next ten years.

It is important to stress that this plan is not a budget. It does not make expenditure decisions but rather highlights the need to prioritize the allocation of City resources. The purpose of the plan is to provide an overview of the City's fiscal health based on various assumptions over the next ten years and provide the City Council, management, and the citizens of Chula Vista with a "heads up" on the financial outlook beyond the annual budget cycle. The Long Term Financial Plan is intended to serve as a planning tool to bring a long-term perspective to the budget process.

The following assumptions were used in the preparation of the ten year projections attached.

### **ECONOMIC & POPULATION GROWTH**

Inflation is a measure of the increase for the cost of goods and services. Inflation impacts many revenues, such as rents and leases, and most expenditure categories throughout the plan. Normally inflation averages around 2% per year. With the recent approval of Senate Bill 3 by California Governor Jerry Brown the state minimum wage will be increasing to \$15 per hour by the year 2022. As a result expenditure inflation may be significantly higher than normal over this period of time. While it is impossible

to calculate the exact impacts year by year, it is reasonable to assume that employers will be passing along the increased labor costs into their costs of goods and services. The state minimum wage proposal calls for an increase in minimum wage to \$10.50 in 2017, \$11 in 2018 and one dollar each year through 2022. The ten year forecast includes expenditure inflation on the supplies and services category ranging from 5%-9% per year until 2022. While the City does not currently pay minimum wage for any of its authorized positions, the increases in minimum wage will exceed current wages for some hourly, part-time, and seasonal staff. Those positions are adjusted by a higher than normal inflation factor through 2022 in the ten year forecast.

The regional, state, and national economies continue to recover at a modest pace from the recession of 2007-2009. The two major factors that have supported the recovery are the growth in the housing market related to new development and housing price appreciation, as well as job creation reflected in the strong unemployment figures. While most current U. S. economic forecasts show continued growth over the next 12-18 months, global recessionary pressures continue to build. China's explosive economic expansion is beginning to slow to a more sustainable level. Oil producing nations have suffered greatly as a result of the oil price collapse over the last 36 months. The majority of the European economies continue to struggle to achieve any measurable growth which has required the European Central Bank to maintain extremely low interest rates to avoid a pronounced recession. This lack of inflation in Europe has put pressure on U.S. interest rates as the "risk-off" trade of Federal Securities continues to be the investment vehicle of choice for many conservative investors. The U.S. national debt continues to build while entitlement liabilities within the Social Security, Medicare, and the Health Care system provides cause for concern as it relates to future economic growth assumptions.

### **MAJOR REVENUES**

Sales tax revenue will increase moderately in FY 2018 with projected slow growth anticipated at 2%. In Fiscal Years 2019-22 the projected growth is expected to be at 2.5%. A reasonable assumption of sales tax growth

in forecast years 5-10 is based upon normal inflation increases along with population growth.

Property tax revenue is the City's most stable revenue source. The severe housing recession late last decade decimated property values and therefore severely reduced property tax revenues from 2008-2012. A steady recovery has ensued since that time. Another housing recession is not predicted during the forecast period. Stable property tax revenue growth is assumed throughout the forecast period.

Franchise Fees, Utility User Taxes, and Motor Vehicle License Fees are all projected to grow at a steady rate throughout the forecast period.

Transient occupancy tax will see significant increases as a result of three new major hotels planned for development in the eastern part of the City over the next five years. Most of the City's current hotels/motels are of the discount or budget variety. The three new hotels will be in the mid-range service level and will attract more business travelers and tourists to the City. The City recently took over the ownership and operation of the Olympic Training Center in the City. It is anticipated that future events at the training center will further support robust growth in transient occupancy tax. The City currently anticipates the first hotel opening sometime in calendar year 2017 with the second and third hotels opening in 2019.

### EXPENDITURES

Personnel Services for fiscal year 2017-18 reflect assumed wage inflation of 2% per year. At the time of the writing of this document the City was entering negotiations with four of the five bargaining groups. For purposes of the ten year forecast, wage inflation is assumed at 2% per year. It is important to note that this figure is simply an assumption and does not represent a commitment or obligation, but rather provides a baseline for wage related inflation in the future.

Beginning in 2017-18, salary savings are calculated at 1% of projected Salary/PERS/Medicare expenditures. This is based upon normal position vacancy rates and savings as a result of voluntary furlough elections by employees.

The Workers Compensation Fund is close to depleting its fund balance. This fund was established to account for revenues and expenditures related to workers compensation claims and litigation. The Workers Compensation charges allocated to the General Fund will need to increase in order to fund anticipated Workers Compensation expenditures and begin to build reserves.

The Public Liabilities Trust Fund is also close to depleting its fund balance. This fund was established to account for revenues and expenditures related to litigation activities citywide. Additional General Fund allocations will be required in order to maintain sufficient reserves within this fund.

### PENSION COSTS

The City contracts with CalPERS for retirement benefits for all full time benefitted employees. The City currently has three tiers of employees based upon their start date within the CalPERS system and with the City of Chula Vista. For each of the benefit rates referenced below, CalPERS uses the percentage of service credit earned in one year (3%, 2%, etc.) and the full retirement age (60, 50, etc.) to describe their tiers. Tier 1 employees include employees who became members of CalPERS and started with the City of Chula Vista prior to 4/22/2011. Miscellaneous tier 1 employees receive benefits at the rate of 3% at 60. Public Safety tier 1 employees receive benefits at the rate of 3% at 50. Tier 2 employees include employees that became members of CalPERS or a reciprocal agency prior to 1/1/2013 but started with the City after 4/22/2011. Miscellaneous tier 2 employees receive benefits at the rate of 2% @ 60. Public Safety tier 2 employees receive benefits at the rate of 3.0% @ 55. PEPR, or Tier 3 employees include all employees that are new members to CalPERS on or after 1/1/2013. Miscellaneous tier 3 employees receive benefits at the rate of 2% @ 62. Public safety tier 3 employees receive benefits at the rate of 2.7% at 57.

All City employees are separated into two retirement employment categories, miscellaneous and public safety, in the annual CalPERS actuarial valuation reports. These reports provide the City with two very important figures. The first is the City's unfunded liability which is the amount the City would have to pay to CalPERS today to completely pay off all pension



liability. The unfunded liability is the amount of money it would take to bring the City's pension plan to 100% funded status. As of June 30, 2015, the most recent CalPERS valuation report available, the City's unfunded liability for the miscellaneous category was \$153.8 million and for the public safety category it was \$107.4 million. The second important figure is the City's required employer contribution. This is amount of money the City will need to contribute for the fiscal year towards pension costs. For fiscal year 2017-18 the required employer contribution for the miscellaneous category is \$15.3 million, an increase of approximately \$1.1 million from fiscal year 2016-17. For the public safety category the fiscal year 2017-18 required employer contribution is \$13.4 million, an increase of approximately \$1.2 million from fiscal year 2016-17. These two numbers are used to calculate the City's minimum employer contribution rate. This is the rate of base pay the City must contribute to cover an employee's pension costs.

CalPERS valuation reports also provide the City with a five-year projection of future employer contribution rates that the City can utilize in making long term projections. Since the projection will always be almost a year and half old by the time it is complete, the City hired an actuarial consultant to prepare a more up to date analysis of our projected employer contribution rates. The results of this analysis are included in the ten year projections attached. For miscellaneous employees, the projected future employer contribution rate will rise from 31.5% in fiscal year 2017-18 to 44.4% in 2026-27. For public safety employees, the projected employer contribution rate will rise from 35.6% in fiscal year 2017-18 to 57% in 2026-27. This means that in the year 2027 for every \$1 the City pays to Miscellaneous employees the City will have to contribute an additional \$0.44 to CalPERS to cover pension obligations. This number increases to \$0.57 for public safety employees.

In December, 2016 the CalPERS board approved a reduction in their stated discount rate from 7.5% to 7.0%. This change will result in a 30-40% increase in the City's unfunded pension liability as well as increasing normal pension costs. The 10 year forecast includes the anticipated impacts of this change.

Part time employees receive retirement benefits through PARS. PARS is an alternative to Social Security

for Part-Time, Seasonal, and Temporary employees. The City and employees both currently contribute 3.75% of salary towards the PARS contribution amount of 7.5%.

### HEALTH CARE

The City currently offers employees four medical plan options: UHC (value and full); UHC PPO; and Kaiser HMO. The City does allow retirees to stay enrolled in the City's health plans at the same rate as our active employees. The City recently went out to bid to ensure the best overall value for the plans offered to our employees. As a result of the bid process, Aetna was replaced by UHC for the value, HMO, and PPO plans. At the time of the production of this document 2018 rates were unknown. The medical plan cost history over the last five years shows that Kaiser has increased by an average of 3.9% per year. Cost history for UHC is not available since they are a new provider to the City. The City's health insurance broker anticipates that average annual health insurance costs will increase by 10% per year over the ten year forecast period, in line with the industry average.

### ASSET MANAGEMENT

The Asset Management Program was developed to identify, assess, and plan for the repair and replacement of all City assets. The first step of the program consists of documenting all assets owned and managed by the City. This documentation includes inventorying all assets, performing a condition assessment on each of them, valuing the assets, and creating a hierarchy. The second step of the program is to prioritize the need by critically ranking all assets by risk level and level of importance. The third step of the program is to perform a life cycle cost assessment in order to develop a plan for financing the entire program.

The program consists of nine separate systems which are outlined below. Using the steps described above, the assets in each system have been sorted by red (high risk zone), yellow (medium risk zone), and green (low risk zone). This allows for the City to make decisions on each asset (repair, replace, renovate, liquidate, shut down, relocate, etc.) and to budget available resources towards the repair and replacement of these assets. With seven of nine systems completed, the red category has approximately \$112 million in estimated funding

required to repair and replace these high risk assets. The yellow category currently has an estimated \$437.6 million in funding required for repair and replacement costs.

- Building Management System (BMS)
- Drainage Management System (DMS)
- Fleet Management System (FMS)
  - Police
  - Fire
  - General Government
- General Government Management System (GGMS)
- Open Space Management System (OSMS)
- Parks Management System (PMS)
- Roadways Management System (RMS)
- Urban Forestry Management System (UFMS)
- Wastewater Management System (WMS)

During the development of the Asset Management program, it became clear that additional funding would be needed to fund the additional infrastructure projects and equipment. After extensive research into viable funding options, City staff recommended moving forward with Measure P, a half-cent sales tax measure with a ten year sunset period. City Council approved the ballot measure in July 2016 and the measure ultimately passed with approximately 68% of the vote in favor. Staff projects Measure P revenue at approximately \$170 million dollars over the ten year period.

**DEVELOPMENT IMPACTS**

As new major developments are proposed in the City, each developer is required to submit a fiscal impact analysis to ensure that the City’s revenues generated from the project will meet or exceed the anticipated expenditures. Many of the developments within the City were initiated prior to the recession and housing market crash late last decade. The recession and reduction in property values has caused the revenues to be below what was originally anticipated. The timing of the revenues related to new development

can vary greatly depending on how fast the market can absorb the new inventory and the economic condition throughout the development process. Staff is currently working on developing an updated fiscal impact model that will more accurately project impacts of new developments. We anticipate this new model to be completed in summer 2017.

**ITEMS NOT INCLUDED IN THE PLAN**

Several projects are in conceptual planning or negotiation stages and therefore cannot be accurately forecast during the ten year forecast period. The Bayfront project has been discussed for many years. This project would bring a variety of residential and commercial developments to an area of the City that is currently underutilized. Discussions are ongoing with the various resource agencies, governments, and developers. This Long Term Financial Plan does not include potential revenue growth assumptions from Bayfront related indirect development. As mentioned previously, the City recently signed an agreement with the United States Olympic Committee to take over the ownership of the Olympic Training Center. Although it is likely that this change in use of this venue will attract new tourism to the City, an accurate forecast for actual revenue generated by the Center would be difficult to project at this time. This plan will include an update annually to these projects and any future projects that are being considered.

**10 YEAR PROJECTIONS**

The following table includes major revenue and expenditure categories for the City’s General Fund over a ten year forecast period assuming maintaining current baseline services. It is important to understand that this is only a forecast and not indicative of what the budgets will be in future years. Assumptions have been made about the state of the economy, the City’s future costs, as well as projected expenditures. In general, the farther you project into the future the less accurate the forecast will be. Every effort was made in the creation of the forecast to base assumptions on industry best practices.

Description	Proposed FY 2018	Forecast FY 2019	Forecast FY 2020	Forecast FY 2021	Forecast FY 2022	Forecast FY 2023	Forecast FY 2024	Forecast FY 2025	Forecast FY 2026	Forecast FY 2027
<b>Revenues:</b>										
Property Taxes	\$ 33.62	\$ 34.36	\$ 35.30	\$ 36.26	\$ 37.26	\$ 38.28	\$ 39.34	\$ 40.42	\$ 41.54	\$ 42.69
Sales Tax	\$ 49.26	\$ 50.25	\$ 51.42	\$ 52.63	\$ 53.85	\$ 55.11	\$ 56.40	\$ 57.72	\$ 59.07	\$ 55.57
Franchise Fees	\$ 11.97	\$ 11.57	\$ 11.76	\$ 11.96	\$ 12.16	\$ 12.36	\$ 12.56	\$ 12.77	\$ 12.98	\$ 13.20
Utility Users Taxes	\$ 5.86	\$ 5.92	\$ 5.98	\$ 6.04	\$ 6.10	\$ 6.16	\$ 6.22	\$ 6.28	\$ 6.35	\$ 6.41
Transient Occupancy Taxes	\$ 4.32	\$ 4.36	\$ 5.61	\$ 5.73	\$ 5.84	\$ 5.96	\$ 6.08	\$ 6.20	\$ 6.32	\$ 6.45
Motor Vehicle License Fees	\$ 20.84	\$ 21.16	\$ 21.79	\$ 22.44	\$ 23.11	\$ 23.80	\$ 24.51	\$ 25.25	\$ 26.00	\$ 26.78
<b>SUBTOTAL MAJOR DISCRETIONARY REVENUES</b>	<b>\$ 125.87</b>	<b>\$ 127.62</b>	<b>\$ 131.87</b>	<b>\$ 135.05</b>	<b>\$ 138.32</b>	<b>\$ 141.67</b>	<b>\$ 145.11</b>	<b>\$ 148.64</b>	<b>\$ 152.26</b>	<b>\$ 151.10</b>
Development Revenue	\$ 1.21	\$ 1.21	\$ 1.22	\$ 1.22	\$ 1.23	\$ 1.24	\$ 1.24	\$ 1.25	\$ 1.25	\$ 1.26
Licenses and Permits	\$ 1.36	\$ 1.39	\$ 1.42	\$ 1.45	\$ 1.48	\$ 1.51	\$ 1.54	\$ 1.57	\$ 1.60	\$ 1.63
Fines, Forfeitures & Penalties	\$ 1.08	\$ 1.10	\$ 1.12	\$ 1.14	\$ 1.16	\$ 1.19	\$ 1.21	\$ 1.24	\$ 1.26	\$ 1.29
Use of Money and Property	\$ 2.42	\$ 2.45	\$ 2.47	\$ 2.49	\$ 2.52	\$ 2.55	\$ 2.57	\$ 2.60	\$ 2.62	\$ 2.65
Other Local Taxes	\$ 2.60	\$ 2.62	\$ 2.65	\$ 2.68	\$ 2.70	\$ 2.73	\$ 2.76	\$ 2.79	\$ 2.81	\$ 2.84
Police Grants	\$ 0.76	\$ 0.76	\$ 0.76	\$ 0.76	\$ 0.76	\$ 0.76	\$ 0.76	\$ 0.76	\$ 0.76	\$ 0.76
Other Agency Revenue	\$ 2.03	\$ 2.05	\$ 2.07	\$ 2.09	\$ 2.11	\$ 2.13	\$ 2.15	\$ 2.17	\$ 2.19	\$ 2.22
Charges for Services	\$ 7.21	\$ 7.25	\$ 7.28	\$ 7.32	\$ 7.36	\$ 7.39	\$ 7.43	\$ 7.47	\$ 7.50	\$ 7.54
Interfund Reimbursements	\$ 9.82	\$ 9.92	\$ 10.01	\$ 10.11	\$ 9.76	\$ 9.86	\$ 9.96	\$ 10.06	\$ 10.16	\$ 10.26
Other Revenues - Miscellaneous	\$ 1.03	\$ 1.04	\$ 1.04	\$ 1.05	\$ 1.06	\$ 1.06	\$ 1.07	\$ 1.07	\$ 1.08	\$ 1.08
Transfers From Other Funds	\$ 11.21	\$ 10.91	\$ 10.91	\$ 10.91	\$ 10.91	\$ 10.91	\$ 10.91	\$ 10.91	\$ 10.91	\$ 10.91
<b>SUBTOTAL OTHER REVENUES</b>	<b>\$ 40.72</b>	<b>\$ 40.68</b>	<b>\$ 40.95</b>	<b>\$ 41.21</b>	<b>\$ 41.04</b>	<b>\$ 41.31</b>	<b>\$ 41.59</b>	<b>\$ 41.87</b>	<b>\$ 42.14</b>	<b>\$ 42.43</b>
<b>NEW DEVELOPMENT REVENUES</b>										
<i>Property Taxes</i>	\$ -	\$ 0.73	\$ 1.01	\$ 1.41	\$ 1.76	\$ 2.10	\$ 2.46	\$ 2.79	\$ 3.19	\$ 3.37
<i>Sales Tax</i>	\$ -	\$ 0.32	\$ 0.45	\$ 0.59	\$ 0.74	\$ 0.85	\$ 0.96	\$ 1.06	\$ 1.16	\$ 1.26
<i>Franchise Fees</i>	\$ -	\$ 0.20	\$ 0.28	\$ 0.36	\$ 0.45	\$ 0.54	\$ 0.63	\$ 0.72	\$ 0.80	\$ 0.88
<i>Utility Users Taxes</i>	\$ -	\$ 0.08	\$ 0.11	\$ 0.14	\$ 0.18	\$ 0.21	\$ 0.25	\$ 0.28	\$ 0.32	\$ 0.37
<i>Transient Occupancy Taxes</i>	\$ -	\$ 1.19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Motor Vehicle License Fees</i>	\$ -	\$ 0.48	\$ 0.67	\$ 0.94	\$ 1.17	\$ 1.40	\$ 1.64	\$ 1.86	\$ 2.12	\$ 2.24
<i>Other Revenues - Miscellaneous</i>	\$ -	\$ 0.27	\$ 0.38	\$ 0.50	\$ 0.62	\$ 0.74	\$ 0.86	\$ 0.98	\$ 1.06	\$ 1.69
<i>Other Local Taxes</i>	\$ -	\$ 0.15	\$ 0.19	\$ 0.26	\$ 0.26	\$ 0.28	\$ 0.31	\$ 0.33	\$ 0.35	\$ 0.30
<b>SUBTOTAL NEW DEVELOPMENT REVENUES</b>	<b>\$ -</b>	<b>\$ 3.41</b>	<b>\$ 3.09</b>	<b>\$ 4.20</b>	<b>\$ 5.18</b>	<b>\$ 6.12</b>	<b>\$ 7.09</b>	<b>\$ 8.02</b>	<b>\$ 8.99</b>	<b>\$ 10.50</b>
<b>TOTAL REVENUES</b>	<b>\$ 166.59</b>	<b>\$ 171.71</b>	<b>\$ 175.90</b>	<b>\$ 180.46</b>	<b>\$ 184.54</b>	<b>\$ 189.10</b>	<b>\$ 193.79</b>	<b>\$ 198.52</b>	<b>\$ 203.39</b>	<b>\$ 204.03</b>
<b>Expenditures:</b>										
Personnel Services	\$ 88.93	\$ 90.70	\$ 91.99	\$ 93.74	\$ 95.52	\$ 97.34	\$ 99.20	\$ 101.10	\$ 103.03	\$ 105.01
Flex/Insurance	\$ 12.37	\$ 12.82	\$ 13.76	\$ 14.78	\$ 15.88	\$ 17.07	\$ 18.36	\$ 19.75	\$ 21.27	\$ 22.91
PERS	\$ 24.43	\$ 27.79	\$ 30.53	\$ 33.49	\$ 36.41	\$ 39.07	\$ 41.28	\$ 43.89	\$ 45.17	\$ 47.17
Salary Savings (On Going)	\$ (0.84)	\$ (0.86)	\$ (0.89)	\$ (0.92)	\$ (0.95)	\$ (0.98)	\$ (1.01)	\$ (1.05)	\$ (1.07)	\$ (1.10)
Salary Savings (One-Time)	\$ (1.34)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>SUBTOTAL PERSONNEL SERVICES EXPENDITURES</b>	<b>\$ 123.56</b>	<b>\$ 130.45</b>	<b>\$ 135.39</b>	<b>\$ 141.09</b>	<b>\$ 146.85</b>	<b>\$ 152.49</b>	<b>\$ 157.82</b>	<b>\$ 163.70</b>	<b>\$ 168.40</b>	<b>\$ 173.99</b>
Supplies and Services	\$ 14.21	\$ 15.49	\$ 16.73	\$ 18.07	\$ 19.34	\$ 19.72	\$ 20.12	\$ 20.52	\$ 20.93	\$ 21.35
Utilities	\$ 5.06	\$ 5.32	\$ 5.58	\$ 5.86	\$ 6.15	\$ 6.46	\$ 6.79	\$ 7.12	\$ 7.48	\$ 7.85
Other Expenses	\$ 0.64	\$ 0.66	\$ 0.67	\$ 0.68	\$ 0.70	\$ 0.71	\$ 0.72	\$ 0.74	\$ 0.75	\$ 0.77
Equipment (Capital not CIP)	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16
Transfers/Debt Service	\$ 22.94	\$ 24.01	\$ 23.95	\$ 24.19	\$ 24.48	\$ 24.91	\$ 25.26	\$ 25.60	\$ 25.97	\$ 21.23
Capital Improvement Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-CIP Project Expenditures	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02
<b>SUBTOTAL OTHER EXPENDITURES</b>	<b>\$ 43.03</b>	<b>\$ 45.65</b>	<b>\$ 47.10</b>	<b>\$ 48.98</b>	<b>\$ 50.84</b>	<b>\$ 51.98</b>	<b>\$ 53.06</b>	<b>\$ 54.17</b>	<b>\$ 55.31</b>	<b>\$ 51.38</b>
<b>NEW DEVELOPMENT EXPENDITURES</b>										
<i>4.0 Truck Staffing for Millenia and Bayfront</i>	\$ -	\$ 1.86	\$ 1.97	\$ 2.08	\$ 4.38	\$ 4.60	\$ 4.82	\$ 5.05	\$ 5.27	\$ 5.51
<i>Peace Officer Funding</i>	\$ -	\$ 0.76	\$ 1.61	\$ 2.55	\$ 3.59	\$ 4.71	\$ 5.91	\$ 7.22	\$ 8.60	\$ 10.10
<i>Millenia Parks Maintenance</i>	\$ -	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08
<i>Fire Station Supplies and Services</i>	\$ -	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32
<b>SUBTOTAL NEW DEVELOPMENT EXPENDITURES</b>	<b>\$ -</b>	<b>\$ 2.86</b>	<b>\$ 3.82</b>	<b>\$ 4.87</b>	<b>\$ 8.36</b>	<b>\$ 9.71</b>	<b>\$ 11.12</b>	<b>\$ 12.67</b>	<b>\$ 14.26</b>	<b>\$ 16.01</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 166.59</b>	<b>\$ 178.96</b>	<b>\$ 186.31</b>	<b>\$ 194.93</b>	<b>\$ 206.06</b>	<b>\$ 214.18</b>	<b>\$ 222.01</b>	<b>\$ 230.53</b>	<b>\$ 237.97</b>	<b>\$ 241.38</b>
<b>TOTAL GENERAL FUND SURPLUS/(DEFICIT)</b>	<b>\$ -</b>	<b>\$ (7.24)</b>	<b>\$ (10.42)</b>	<b>\$ (14.47)</b>	<b>\$ (21.52)</b>	<b>\$ (25.08)</b>	<b>\$ (28.22)</b>	<b>\$ (32.01)</b>	<b>\$ (34.58)</b>	<b>\$ (37.35)</b>
<b>SURPLUS/(DEFICIT) AS % OF BUDGET</b>	<b>0%</b>	<b>-4%</b>	<b>-6%</b>	<b>-7%</b>	<b>-10%</b>	<b>-12%</b>	<b>-13%</b>	<b>-14%</b>	<b>-15%</b>	<b>-15%</b>
<b>ADMINISTRATIVE ACTIONS</b>										
Utility Savings through Measure P Projects	\$ -	\$ 0.83	\$ 1.65	\$ 1.65	\$ 1.65	\$ 1.65	\$ 1.65	\$ 1.65	\$ 1.65	\$ 1.65
Citywide Transition to Paperless Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL ADMINISTRATIVE ACTIONS</b>	<b>\$ -</b>	<b>\$ 0.83</b>	<b>\$ 1.65</b>	<b>\$ 1.65</b>	<b>\$ 1.65</b>	<b>\$ 1.65</b>	<b>\$ 1.65</b>	<b>\$ 1.65</b>	<b>\$ 1.65</b>	<b>\$ 1.65</b>
<b>SURPLUS/(DEFICIT) WITH ADMINISTRATIVE ACTIONS</b>	<b>\$ -</b>	<b>\$ (6.42)</b>	<b>\$ (8.77)</b>	<b>\$ (12.82)</b>	<b>\$ (19.87)</b>	<b>\$ (23.43)</b>	<b>\$ (26.57)</b>	<b>\$ (30.36)</b>	<b>\$ (32.93)</b>	<b>\$ (35.70)</b>

## DEBT CAPACITY

The City anticipates completing a comprehensive Benchmarking and Measuring Debt Capacity in the next year. This will identify the City's ability to manage its existing debt payments into the future and determine if new debt is feasible. The City currently has four outstanding Certificates of Participation that are funded with General Fund contributions, Public Facilities Development Improvement Funds (PFDIF), and/or the Residential Construction Tax Funds (RCT). The 2002 Certificates of Participation (COPS) were issued in the amount of \$60.145 million to fund the City's Police Facility. The 2004 COPS were issued in the amount of \$37.24 million to fund the Civic Center Phase I improvements as well as the Western Chula Vista Infrastructure projects. The 2006 COPS were issued in the amount of \$20.325 million to fund the Civic Center Phase II improvements as well as Nature Center Improvements. The 2010 COPS were issued in the amount of \$29.355 million to fund the Civic Center Phase III improvements as well as to refund \$16.5 million of the Corp Yard 2000 COPS. In 2014, the 2002 COPS were refunded by the 2014 COPS in the amount of \$45.92 million. In 2015, the 2004 COPS and part of the 2006 COPS were refunded by the 2015 COPS. Total annual debt service payments are approximately \$9.2 million consisting of approximately \$3.1 million in General Fund contributions, \$5.5 million in PFDIF, and approximately \$0.6 million in RCT funds. The City recently completed refundings of the remaining 2006 COPS and the 2010 COPS in July 2016 which will generate savings of approximately 9.3% and lower the annual debt service amounts. In addition, the City refunded all outstanding Tax Allocation Bonds in July 2016 which will generate savings of 12.3% for the taxing entities and increase property tax revenue for the City.

## POTENTIAL SOLUTIONS TO RESOLVE STRUCTURAL OPERATING DEFICIT

The ten year projections indicate a high likelihood of future structural deficits. Cost increases are outpacing revenue growth throughout the forecast period. Below are possible actions that could be undertaken in order to bridge the funding gap.

- Technology – One option for the City to overcome its structural deficit is to identify and purchase technology that provides a positive return on its public investment. Technology can increase

service levels to the constituents without raising costs to the City (ex. Third Party Mobile Applications), it can create new revenues to the City that exceed its costs, or it can reduce costs overall through the replacement of manual processes (ex. provide more services with the same amount of staff).

- Efficiency – Similar to technology, efficiencies can be achieved by changing “how we do things.” The City encourages its employees to take part in the Lean Academy which teaches employees how to take an existing activity, and through a series of steps, transform it into a more efficient time and money saving process. Combining a lean process with technology, utilized affectively, could dramatically improve the City's fiscal condition. The City is currently looking into converting many of its fleet to electric vehicles to create efficiencies in our mechanic shop since electric vehicles require less maintenance as well as creating fuel and insurance savings.
- Use of One-Time Funds – Many cities adopt use of one-time funds policies so that as grants, donations, and unexpected revenues are received, the funds are allocated to the highest priority in the City automatically. A typical one-time funds policy would first allocate additional revenues to a reserve fund until the minimum required reserve is met, then perhaps pension stabilization fund, a vehicle and equipment replacement fund, and finally a comprehensive asset management program. Other potential uses of one-time funds include projects and services that create ongoing revenue streams (ex. solar projects, business attraction incentives, etc.).
- Public Private Partnerships – Public private partnerships can take a variety of forms. One great example of this partnership currently taking place in the City of Chula Vista is within the City's library system. Several non-profit organizations partner with the City to provide services to the public at local libraries at low or no cost. Expanding these partnerships citywide could create new money saving opportunities for the City as employees of non-profit organizations could serve as an extension of City staff. Non-Profit organizations have strengths in fund raising,

tax status, and volunteers that make many services much cheaper to provide to the public than for a local government. Other creative public-private partnerships that have been used by other cities include adopt-a-park programs where citizens or local organizations volunteer to maintain or rehabilitate an existing park (ex. Living Coast Discovery Center, Olympic Training Center).

- Internship/Volunteer Programs – Many public and private organizations utilize volunteers and internships to support staff with one time projects, special events, research, and analysis. While these individuals do not perform day-to-day duties of our current employees, they are able to add value without significant cost. If managed properly, a robust internship/volunteer program can create significant financial benefits to the City. At the same time, the individuals receive valuable experience and skills that can make them more attractive when seeking full time employment.
- Contract Services – Cities commonly contract out for a variety of services including but not limited to: legal; engineering; financial; and specialty services typically in cases where the City does not possess the in-house expertise to perform the function most efficiently.
- Service levels – Service level can be defined simply as the quantity and quality of the services provided by a City. As economic cycles occur and City revenues rise and fall, the most difficult job for a City is to maintain service levels. The structural deficit detailed in the ten year forecast demonstrates the severity of the projected fiscal condition of the City and the importance of balancing service levels with financial resources. In conjunction with priority based budgeting detailed below, the City should first undertake a comprehensive review of all services provided. By defining these services and setting a minimum standard for the delivery of those services a model could be developed that prioritizes where potential reductions in service level could take place with the least overall impact to the citizens of Chula Vista.
- Changing our Service Delivery Model – In order to balance the City’s budget in future years, a change in the service delivery model may be required within some divisions or departments. This is different than simply contracting out or reducing service levels, but rather emphasizes trying a new way to deliver services currently provided to our constituents. A recent example would be the purchase of a mobile application that citizens can use to notify the City of items requiring maintenance throughout the City. Prior to the mobile application citizens would have to call or email the City, which is less efficient than the mobile application currently used. The City should review how other governmental agencies are providing services to determine if any new and innovative service delivery models exist that can be implemented to offset future cost increases.
- Fees/Cost Recovery – In general, local governments provide many services to the general population at no charge (ex. Police, Fire, Road Maintenance, Park Maintenance, etc.). These services are paid for with general revenues that the City receives including sales tax, property tax, and a variety of other smaller general revenues. Cities also provide many services that are a specific benefit to the party requesting the service. Reviewing development plans, inspecting buildings, renting a park space, etc. are all examples of services the City provides that are paid directly by a citizen or developer. The City’s current master fee schedule was adopted to set the fees for all services the City provides directly to a citizen or developer. In practice fees should be set to recover all costs. Some services are subsidized by the City in order to encourage participation in a program or event. It is important to review all subsidized fees periodically to assess the feasibility of continuing to subsidize these services in the future.
- Priority Based Budgeting – During the recession the City put together a Fiscal Recovery Plan. The plan detailed the steps necessary to navigate through the worst recession in over eighty years by prioritizing divisions and functions and making reductions where necessary in order to balance the budget. By taking a bottom up approach, as discussed in the service levels section, the City could review and classify all services by priority in order to identify functions and programs that can



be restructured either through attrition or reorganization. Some finance officers refer to this as “zero based budgeting” because it starts with a blank budget and funds are allocated in priority order until all funds are allocated.

- **Competitive Purchasing** – The City’s Municipal Code and Charter set competitive bidding requirements on materials, supplies, equipment, and services that the City procures. The minimum threshold of those competitive requirements starts at \$10,000 for a single purchase. The reason that cities have minimum bidding thresholds is because at some point it becomes an administrative burden to try and get quotes or bids on smaller dollar items. With more powerful online procurement tools, the City now has the ability to get bids extremely efficiently. Procurement cards also provide incentives and negotiated pricing when the City uses them for purchases. Consideration should be made to lower the bidding threshold for certain types of purchases in order to achieve the highest value added procurement program possible. Other procurement related money saving ideas include purchasing manufacturer refurbished items, floor models, certified pre-owned, and alternative product selection (higher value, lower cost).
- **Municipal Code/Charter Updates** – The City’s Municipal Code and Charter lay out the specific terms in which the City must operate. Some areas of the code and Charter are very specific, while other are more general, allowing for some flexibility to City staff when dealing with unique situations. Cities must follow all federal and state laws and codes, but Charter cities such as Chula

Vista may impose stricter rules and requirements upon which the City is governed. Some of these rules require greater resources to be spent in order to remain in compliance as compared to more lenient state laws. A thorough review of the existing Charter and Municipal Code may be reveal potential money saving opportunities that could be recommended to Council for consideration.

#### **POTENTIAL SOLUTIONS TO RESOLVE STRUCTURAL INFRASTRUCTURE DEFICIT**

**Revenue Measures (Sales Tax, Property Tax)** – The City’s assets continue to age and will require additional repair and rehabilitation in the coming decade and beyond. Measure P, passed in November 2016 will provide much needed funding for a significant portion of the City’s Asset Management Program over the next ten years.

Many of the solutions mentioned in the operating section overlap into the infrastructure section. These include Public/Private Partnerships, Competitive Purchasing, Use of One-Time Funds, and Service Levels.

#### **CONCLUSION**

In order to preserve and maintain the valuable resources and quality of life the citizens have enjoyed over the years, the City will need to make a concerted effort to adopt several of the solutions mentioned above. Proactive planning and a commitment to a fiscally sustainable service delivery model will be required.

**DEVELOPMENT SERVICES FUND**





## Development Services Fund

The Development Services fund accounts for revenues and expenditures related to the processing of development plans and permits. The fund provides Planning, Building, Engineering, Landscape Architecture, and permitting services to property owners, developers, and the City as required for the entitlement and/or improvement of property. The services provided encompass most development activities, including land use entitlements; public infrastructure, open space, and landscape planning; public infrastructure construction, grading and building permits.

Historically, the staff involved in the processing of development plans and permits were reflected in the City’s General Fund. Beginning in fiscal year 2008-09, all the staff involved in the processing of development plans and permits were budgeted directly in the Development Services Fund. Consolidating all development service cost centers in a single fund clearly delineates development related costs and revenues from General Fund supported services; thereby making the nexus between development related activities, costs, fees, and revenues more transparent. This also allows operating expenses to be adjusted to coincide with changes in demand for development services. This adjustment of operating expenses aids in avoiding impacts to the General Fund when revenue fluctuations occur as result of changes in development activity.

Beginning in fiscal year 2011-12, the Development Services fund was accounted for as an enterprise fund.

### REVENUES

The proposed fiscal year 2017-18 budget reflects the continued effort of balancing development related resources along with the demand for development related services. Fiscal year 2017-18 revenues are projected to be sufficient to support projected expenditures.

Development related revenues consist of two categories: development processing fee revenues and deposit based revenues. Development processing fee revenues include building permits, planning fees, other building department fees, and engineering fees. Deposit based revenues are generated through staff time reimbursements related to specific projects. The table below provides a comparison of the actual revenue for fiscal year 2015-16 compared to the estimated fiscal year 2017-18 revenues. The City is anticipating that the following major projects will continue to move forward in fiscal year 2017-18:

- Bayfront Redevelopment Project
- Millenia Project
- Freeway Commercial North
- Otay Ranch Villages
- University Land Entitlement Projects

The following table compares the fiscal year 2017-18 estimated revenues to the fiscal year 2016-17 adopted budget revenues.

### Development Services Fund Revenues

Fiscal Years 2016 to 2018

Category	FY 2015-16 Actual	FY 2016-17 Adopted	FY2017-18 Proposed	Change	%Change
Other Local Taxes	\$ 8,114	\$ 7,000	\$ 7,000	\$ -	0%
Licenses and Permits	\$ 2,070,899	\$ 1,905,312	\$ 2,062,629	\$ 157,317	8%
Charges for Services	\$ 4,012,746	\$ 5,691,872	\$ 5,697,122	\$ 5,250	0.1%
Other Revenue	\$ 472,010	\$ 1,209,147	\$ 1,209,147	\$ -	0%
Transfers In	\$ 626,616	\$ 841,959	\$ 863,791	\$ 21,832	3%
<b>Total Revenues</b>	<b>\$ 7,190,385</b>	<b>\$ 9,655,290</b>	<b>\$ 9,839,689</b>	<b>\$ 184,399</b>	<b>1.9%</b>

Projections for fiscal year 2017-18 revenues were based on a trend analysis of fiscal year 2015-16 actual revenues and current fiscal year 2016-17 projections. Staff has taken into account the revenue changes needed as part of resource realignment and cost recovery model. A summary of the notable changes by category are listed below:

- Licenses and Permits – The increase in this category of \$157,317 reflects the projected increase in development activity, mainly in building permit activity.
- Charges for Service – The \$5,250 increase in this category reflects increases in staff time reimbursements related to the workload anticipated for major projects.
- Transfers In – The transfers in category increase is due to a reimbursement from the general fund for software expenses.

**EXPENDITURES**

The fiscal year 2017-18 proposed budget includes funding for 50.0 positions in the Development Services Fund.

A summary of the notable changes between the fiscal year 2016-17 adopted budget to the fiscal year 2017-18 proposed budget by category are listed as follows:

- Personnel Services – This category reflects a net increase of \$306,886 when compared to the fiscal year 2016-17 adopted budget. The increase can be attributed to the annualized costs of salary increases to various personnel costs including any approved MOU negotiated salary increases, scheduled step increases, a 2% wage inflation estimate, overtime, PERS, flex/insurance, and Worker’s Comp charges.
- Supplies and Services – The proposed budget reflects an increase of \$26,110 in this category. This increase is due to software expenses and adjustments based on prior year actuals, in order to provide sufficient resources to process pending development projects.
- Utilities – The utilities category reflects the projected amounts necessary for fiscal year 2017-18 projected utility expenses.

As illustrated in the following table, Personnel Services expenditures in the Development Services Fund are the largest component of the Fund’s expenditures, much the same as the City’s General Fund budget. The Transfers Out expenditure category reimburses the General Fund for citywide and departmental overhead. Reimbursed citywide overhead includes support costs associated with Finance, Human Resources, Information Technology Services, Custodial Services, and City Attorney.

**Development Services Fund Expenditures**  
Fiscal Year 2016 to 2018

Category	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2017-18 Proposed	Change	%Change
Personnel Services	\$ 5,497,080	\$ 6,861,010	\$ 7,167,896	\$ 306,886	4%
Supplies and Services	\$ 348,734	\$ 561,985	\$ 588,095	\$ 26,110	5%
Other Expenses	\$ 251,692	\$ 195,000	\$ 195,000	\$ -	0%
Capital	\$ 9,072	\$ 85,500	\$ 85,500	\$ -	0%
Transfers Out	\$ 1,187,557	\$ 1,796,648	\$ 1,796,648	\$ -	0%
Utilities	\$ 6,194	\$ 5,000	\$ 5,650	\$ 650	13%
<b>Total Expenditures</b>	<b>\$ 7,300,329</b>	<b>\$ 9,505,143</b>	<b>\$ 9,838,789</b>	<b>\$ 333,646</b>	<b>4%</b>

**FUND SUMMARY**

<b>BUDGET CATEGORY</b>	<b>FY 2014-15 ACTUAL</b>	<b>FY 2015-16 ACTUAL</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2017-18 PROPOSED</b>
<b>EXPENDITURES</b>				
Personnel Services	5,459,307	5,497,080	6,861,010	7,167,896
Supplies and Services	262,395	348,734	561,985	588,095
Other Expenses	156,703	251,692	195,000	195,000
Capital	9,072	9,072	85,500	85,500
Utilities	4,723	6,194	5,000	5,650
Transfers Out	1,328,299	1,187,557	1,796,648	1,796,648
<b>TOTAL EXPENDITURES</b>	<b>\$7,220,499</b>	<b>\$7,300,329</b>	<b>\$9,505,143</b>	<b>\$9,838,789</b>
<b>REVENUES</b>				
Other Local Taxes	7,226	8,114	7,000	7,000
Licenses and Permits	1,949,675	2,070,899	1,905,312	2,062,629
Charges for Services	3,269,983	4,012,746	5,691,872	5,697,122
Other Revenue	903,584	472,010	1,209,147	1,209,147
Transfers In	448,687	626,616	841,959	863,791
<b>TOTAL REVENUES</b>	<b>\$6,579,155</b>	<b>\$7,190,385</b>	<b>\$9,655,290</b>	<b>\$9,839,689</b>
<b>NET FUND ACTIVITY</b>	<b>(\$641,344)</b>	<b>(\$109,944)</b>	<b>\$150,147</b>	<b>\$900</b>

**STAFFING SUMMARY - 408**

<b>BUDGET CATEGORY</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2016-17 MIDYEAR</b>	<b>FY 2017-18 CHANGES</b>	<b>FY 2017-18 PROPOSED</b>
ASSOC ENGINEER	3.00	-	-	3.00
ASSOC PLAN CHECK ENGINEER	3.00	-	-	3.00
ASSOCIATE PLANNER	5.00	-	-	5.00
BUILDING INSPECTION MGR	1.00	-	-	1.00
BUILDING INSPECTOR II	4.00	-	-	4.00
BUILDING INSPECTOR III	2.00	-	-	2.00
BUILDING OFF/CODE ENF MGR	1.00	-	-	1.00
DEVELOPMENT SERVICES TECH I	1.00	-	-	1.00
DEVELOPMENT SVCS TECH II	3.00	-	-	3.00
DEVELOPMENT SVCS TECH III	2.00	-	-	2.00
DEVLPMT SVCS COUNTER MGR	1.00	-	-	1.00
ENGINEERING TECH II	1.00	-	-	1.00
LANDSCAPE ARCHITECT	4.00	-	-	4.00
MANAGEMENT ANALYST	1.00	-	-	1.00
PLAN CHECK SUPERVISOR	1.00	-	-	1.00
PLANNING MANAGER	1.00	-	-	1.00
PRINCIPAL CIVIL ENGINEER	1.00	-	-	1.00
PRINCIPAL LANDSCAPE ARCHITECT	-	1.00	-	1.00
PRINCIPAL PLANNER	2.00	(1.00)	-	1.00
SECRETARY	1.00	-	-	1.00
SR BUILDING INSPECTOR	1.00	-	-	1.00
SR CIVIL ENGINEER	2.00	-	-	2.00
SR ENGINEERING TECHNICIAN	1.00	-	-	1.00
SR PLAN CHECK TECHNICIAN	1.00	-	-	1.00
SR PLANNER	4.00	-	-	4.00
SR PROJECT COORDINATOR	1.00	-	-	1.00
SR SECRETARY	1.00	-	-	1.00
TRANSPORTATION ENGINEER W/CERT	1.00	-	-	1.00
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>50.00</b>	<b>-</b>	<b>-</b>	<b>50.00</b>

**SUCCESSOR AGENCY AND  
HOUSING FUNDS**

Successor Agency Funds

Housing Authority Funds



## Successor Agency Funds

On December 29, 2011, the California Supreme Court upheld AB x1 26 dissolving California redevelopment agencies. Effective February 1, 2012, all redevelopment agencies were dissolved and the City of Chula Vista assumed the role of Successor Agency (resolution 2011-164).

The Successor Agency is responsible for the wind down of the former Redevelopment Agency activities and obligations. The act of winding down the former Redevelopment Agency is significant. The Successor Agency will continue to oversee and implement all legally obligated contracted work, projects and programs as well as dispose of the former Redevelopment Agency assets. Since approximately 68% of the former Redevelopment Agency-owned land (24 acres of 35.24 acres) is contaminated there are clean up requirements as well as remediation that will be necessary to dispose of these properties. Significant administrative obligations will continue to exist in the preparation of budgets and documentation to be submitted to and reviewed by the Successor Agency, Oversight Board, County of San Diego and the State Department of Finance.

As required by AB x1 26, an Oversight Board, composed of affected taxing entities within the City, was created. The primary responsibility of the Oversight Board is reviewing and approving the Recognized Obligation Payment Schedule and serving in a fiduciary role to the taxing entities that the Oversight Board represents. Some historical information follows regarding the former Redevelopment Agency.

The Chula Vista Redevelopment Agency was created on October 24, 1972 by City Council Ordinance. The goals of the former Redevelopment Agency were to reduce blight and to encourage new development, reconstruction, and rehabilitation of residential, commercial, industrial, and retail uses. Since the Agency's creation, the City adopted and amended six project areas to encompass a total of approximately 3,563 acres of City territory. Land uses within these areas are mostly commercial and industrial, but also includes some residential and public uses (e.g., governmental administrative centers, corporation yards, streets, etc.).

### FUND DESCRIPTIONS

The Successor Agency budget is organized into Redevelopment Obligation Retirement Fund (RORF) and debt service funds. The RORF accounts for the staffing and other expenditures required in winding down activities of the former Redevelopment Agency. The Debt Service funds are used to pay for the former Redevelopment Agency's debt service on its outstanding Tax Allocation Bonds, loans and other debt of the former Redevelopment Agency.

Several funds were eliminated as a result of the dissolution of the Redevelopment Agency. The eliminated funds are former operating funds 317, 611, 651 and pass-through funds 671-675. In addition the debt service funds listed below replace funds 691 and 693-697.

### Operating Funds

- Fund 318: Redevelopment Obligation Retirement Fund (RORF)  
The RORF will serve as the primary operating funds in the winding down of the former Redevelopment Agency. This fund will be used to pay the documented enforceable obligations of the former redevelopment agency that have been approved by the Successor Agency Oversight Board and the State Department of Finance.
- Fund 319: Successor Agency Housing Fund  
The City's Housing Authority became the Successor Housing Agency. This fund accounts for all assets (everything but fund balance) originally held by the Low and Moderate Income Housing fund and will account for activities similar to the Low and Moderate Income Housing program. The fund revenues are not discretionary and must be used for the production of affordable housing.

### Debt Service Funds

The Debt Service funds are used to pay for former Redevelopment Agency debt service on its outstanding Tax Allocation Bonds, loans and other

debt of the former Redevelopment Agency.

- Fund 692: Long Term Advances Debt Service Fund – Redevelopment Agency

This fund was established to account for Redevelopment Agency inter-fund loans.

- Fund 661: 2005 Taxable Revenue Bonds Series A – CRA/ERAF Loan Program

In April 2005, the Agency entered into a Loan Agreement with the California Statewide Communities Development Authority to borrow the amount of \$765,000. This amount was used to pay the Agency's portion of the 2005 Educational Revenue Augmentation Fund (ERAF) to the County of San Diego pursuant to Section 33681.12 of the California Health and Safety Code. This loan was paid off in fiscal year 2014-15.

- Fund 662: 2006 Taxable Revenue Bonds Series A – CRA/ERAF Loan Program

In April 2006, the Agency entered into a Loan Agreement with the California Statewide Communities Development Authority to borrow the amount of \$930,000. This amount was used to pay the Agency's portion of the 2006 Educational Revenue Augmentation Fund (ERAF) to the County of San Diego pursuant to Section 33681.12 of the California Health and Safety Code. This loan was paid off in fiscal year 2015-16.

- Fund 663: 2006 Senior Tax Allocation Refunding Bonds, Series A

In July 2006, the Redevelopment Agency issued the 2006 Senior Tax Allocation Bonds, Series A in the amount of \$13,435,000 to refinance the Agency's outstanding Bayfront/Town Centre Redevelopment Project 1994 Senior Tax Allocation Refunding Bonds Series A (the "1994 A Bonds"). The original bonds were issued to finance improvements in the Bayfront/Town Centre Project Areas. The bonds have been refinanced as a part of the 2016 Tax Allocation Refunding Bonds.

- Fund 664: 2006 Subordinate Tax Allocation Refunding Bonds, Series B

In July 2006, the Redevelopment Agency issued the 2006 Subordinate Tax Allocation Bonds, Series B in the amount of \$12,325,000 to refinance the Agency's outstanding Bayfront/Town Centre Redevelopment Project 1994 Senior Tax Allocation Refunding Bonds Series D (the "1994 D Bonds") and the 1994 Subordinate Tax Allocation Refunding Bonds, Series C (the 1994 C Bonds) The original bonds were issued to finance improvements in the Bayfront/Town Centre Project Areas. The bonds have been refinanced as a part of the 2016 Tax Allocation Refunding Bonds.

- Fund 665: RDA 2008 Tax Allocation Refunding Bonds (TARBs)

This fund was established to account for the debt service payments for the refunding of the Redevelopment Agency 2000 Tax Allocation Bonds (Merged Redevelopment Project) in the amount of \$21,625,000. The Merged Redevelopment Project was created on August 22, 2000, pursuant to an amendment to the redevelopment plans for three of the Agency's four existing redevelopment projects, the Town Centre II Project Area, the Otay Valley Project Area and the Southwest Project Area. The Merged Project Area was amended in 2004 adding 494 acres. The Bonds were issued to provide funds for the repayment of certain obligations of the Merged Redevelopment Project and other interfund loans, and for general redevelopment purposes. The bonds have been refinanced as a part of the 2016 Tax Allocation Refunding Bonds.

- Fund 666: 2016 Tax Allocation Refunding Bonds

In July 2016, the Successor Agency issued the Tax Allocation Refunding Bonds in the amount of \$29,315,000 to refinance the Agency's outstanding 2006 Senior Tax Allocation Refunding Bonds, Series A, 2006 Subordinate Tax Allocation Refunding Bonds, Series B, and the 2008 Tax Allocation Refunding Bonds. The Annual Debt Service is paid from property tax increments generated in the project areas. The



term of the bonds runs through 2036.

**REVENUES**

A summary of the notable changes by category are listed below:

- Property Taxes – The revenues in this category are received due to the dissolution of the Redevelopment Agency. Property tax increment revenues are now received by the County of San Diego and will be distributed to the Successor Agency based on documented enforceable obligations that have been approved by both the Successor Agency Oversight Board and the State Department of Finance.
- Use of Money & Property – The Use of Money & Property category has increase by \$200,000 for the projected revenue increases from the low income Landings project.

- Other Revenue – The revenue in this category has increased by \$200,000 due to an expected residual receipt increase.
- Transfers In – Transfer-In amount has decreased compared to prior year by \$960,222 due to the last SERAF payment being made in fiscal year 2016-17. The fiscal year 2017-18 proposed budget amount is \$3,709.

The table below provides a comparison of the actual revenues for fiscal year 2015-16 to the estimated fiscal year 2017-18 revenues. The table does not reflect the revenue budget of the debt service funds which are reflected in the debt service section of the budget document.

**Redevelopment/Successor Agency Operating Fund Revenues**  
Fiscal Years 2016 to 2018

Category	Funds 318/319 FY 2015-16 Actual	Funds 318/319 FY 2016-17 Adopted	Funds 318/319 FY 2017-18 Proposed	Change
Property Taxes	\$ 5,314,687	\$ 4,967,149	\$ 4,967,150	\$ 1
Use of Money & Property	\$ 1,051,598	\$ 15,000	\$ 215,000	\$ 200,000
Charges for Services	\$ 6,208	\$ -	\$ -	\$ -
Revenue from Other Agencies	\$ -	\$ -	\$ -	\$ -
Other Revenue	\$ 629,292	\$ -	\$ 200,000	\$ 200,000
Transfers In	\$ -	\$ 963,931	\$ 3,709	\$ (960,222)
<b>Total Revenues</b>	<b>\$ 7,001,785</b>	<b>\$ 5,946,080</b>	<b>\$ 5,385,859</b>	<b>\$ (560,221)</b>

**EXPENDITURES**

Expenditures for fiscal year 2017-18 are winding down for the former Redevelopment Agency and Low and Moderate Income Housing activities and documented enforceable obligations.

- **Supplies and Services** – The budget has decreased by \$105,618 from fiscal year 2016-17 adopted budget. This is due to lower anticipated project expenses and consultant services.
- **Other Expenses** – The Other Expenses category reflects an increase of \$970,957. This increase is for anticipated staff time reimbursements on Low Mod Housing activities and loans for Low Mod projects.
- **Capital** – The capital category reflects the anticipated amounts necessary for the fiscal year

2017-18 budget.

- **Transfers Out** – The transfers out expenditure category accounts for the required debt service for the Successor Agency. Bonded debt service for the 2016 TARBS is approximately \$2.6 million. The Transfers Out category has decreased due to the refunding of the 2006 Senior Tax Allocation Refunding Bonds, Series A, 2006 Subordinate Tax Allocation refunding Bonds, Series B and the 2008 Tax Allocation Refunding Bonds.

The table below provides a comparison of the actual expenditures for fiscal year 2015-16 to fiscal year 2017-18 proposed budget expenditures. The table does not reflect the debt service expenditure budget which is discussed in the debt service section of this document.

**Redevelopment/Successor Agency Operating Fund Expenditures**

Fiscal Year 2016 to 2018

Category	Funds 318/319 FY 2015-16 Actuals	Funds 318/319 FY 2016-17 Adopted	Funds 318/319 FY 2017-18 Proposed	Change
Personnel Services	\$ -	\$ -	\$ -	\$ -
Supplies and Services	\$ 78,012	\$ 117,218	\$ 11,600	\$ (105,618)
Other Expenses	\$ 2,721,234	\$ 4,274,026	\$ 5,244,983	\$ 970,957
Capital	\$ 2,535	\$ 12,040	\$ 6,000	\$ (6,040)
Transfers Out	\$ 5,062,975	\$ 4,504,931	\$ 2,563,000	\$ (1,941,931)
CIP Project Expenditures	\$ -	\$ -	\$ -	\$ -
Non-CIP Project Expenditures	\$ -	\$ -	\$ -	\$ -
Utilities	\$ 1,484	\$ 1,700	\$ -	\$ (1,700)
<b>Total Expenditures</b>	<b>\$ 7,866,240</b>	<b>\$ 8,909,915</b>	<b>\$ 7,825,583</b>	<b>\$ (1,084,332)</b>

**FUND SUMMARY**

<b>BUDGET CATEGORY</b>	<b>FY 2014-15 ACTUAL</b>	<b>FY 2015-16 ACTUAL</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2017-18 PROPOSED</b>
<b>EXPENDITURES</b>				
Supplies and Services	60,180	35,030	54,218	6,000
Other Expenses	516,109	792,705	712,962	629,000
Capital	1,672	0	6,040	0
Utilities	1,538	1,484	1,700	0
Transfers Out	5,561,845	5,062,975	4,504,931	2,563,000
<b>TOTAL EXPENDITURES</b>	<b>\$6,141,344</b>	<b>\$5,892,194</b>	<b>\$5,279,851</b>	<b>\$3,198,000</b>
<b>REVENUES</b>				
Property Taxes	6,179,288	5,314,687	4,967,149	4,967,150
Use of Money & Property	15,778	42,310	0	0
Transfers In	0	0	0	3,709
<b>TOTAL REVENUES</b>	<b>\$6,195,066</b>	<b>\$5,356,997</b>	<b>\$4,967,149</b>	<b>\$4,970,859</b>
<b>NET FUND ACTIVITY</b>	<b>\$53,722</b>	<b>(\$535,197)</b>	<b>(\$312,702)</b>	<b>\$1,772,859</b>

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	25,091	42,982	63,000	5,600
Other Expenses	178,532	1,928,529	3,561,064	4,615,983
Capital	3,685	2,535	6,000	6,000
<b>TOTAL EXPENDITURES</b>	<b>\$207,308</b>	<b>\$1,974,046</b>	<b>\$3,630,064</b>	<b>\$4,627,583</b>
<b>REVENUES</b>				
Use of Money & Property	763,355	1,009,288	15,000	215,000
Charges for Services	3,358	6,208	0	0
Other Revenue	199,741	629,292	0	200,000
Transfers In	0	0	963,931	0
<b>TOTAL REVENUES</b>	<b>\$966,454</b>	<b>\$1,644,788</b>	<b>\$978,931</b>	<b>\$415,000</b>
<b>NET FUND ACTIVITY</b>	<b>\$759,146</b>	<b>(\$329,258)</b>	<b>(\$2,651,133)</b>	<b>(\$4,212,583)</b>

**FUND SUMMARY**

<b>BUDGET CATEGORY</b>	<b>FY 2014-15 ACTUAL</b>	<b>FY 2015-16 ACTUAL</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2017-18 PROPOSED</b>
<b>EXPENDITURES</b>				
Other Expenses	1,274,067	9,496	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$1,274,067</b>	<b>\$9,496</b>	<b>\$0</b>	<b>\$0</b>
<b>REVENUES</b>				
Use of Money & Property	371	1,613	0	0
<b>TOTAL REVENUES</b>	<b>\$371</b>	<b>\$1,613</b>	<b>\$0</b>	<b>\$0</b>
<b>NET FUND ACTIVITY</b>	<b>(\$1,273,696)</b>	<b>(\$7,883)</b>	<b>\$0</b>	<b>\$0</b>

# DEBT SERVICE - SUCCESSORY AGENCY FUND 660

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	8,223	12,595	15,000	5,000
Other Expenses	2,739,071	2,069,162	3,876,000	1,523,000
Transfers Out	0	0	963,931	3,709
<b>TOTAL EXPENDITURES</b>	<b>\$2,747,294</b>	<b>\$2,081,757</b>	<b>\$4,854,931</b>	<b>\$1,531,709</b>
<b>REVENUES</b>				
Use of Money & Property	88,504	52,069	0	0
Other Revenue	0	800	0	0
Transfers In	5,561,843	5,062,975	4,504,931	2,563,000
<b>TOTAL REVENUES</b>	<b>\$5,650,347</b>	<b>\$5,115,844</b>	<b>\$4,504,931</b>	<b>\$2,563,000</b>
<b>NET FUND ACTIVITY</b>	<b>\$2,903,053</b>	<b>\$3,034,087</b>	<b>(\$350,000)</b>	<b>\$1,031,291</b>

## FUND DETAIL

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
661 05 ERAF - SA	5,880	0	0	1,848
662 06 ERAF - SA	16,206	5,868	0	1,861
663 06 TABs Series A - SA	562,142	395,656	1,019,000	0
664 06 TABs Series B - SA	578,085	436,242	992,000	0
665 08 TABs - SA	1,263,843	923,990	1,530,000	0
666 2016 TARBs	0	0	0	1,178,000
692 Successor Agency Long-term Deb	321,138	320,001	1,313,931	350,000
<b>TOTAL EXPENDITURES</b>	<b>\$2,747,294</b>	<b>\$2,081,757</b>	<b>\$4,854,931</b>	<b>\$1,531,709</b>
<b>REVENUES</b>				
661 05 ERAF - SA	100,876	833	0	0
662 06 ERAF - SA	129,277	127,785	0	0
663 06 TABs Series A - SA	1,000,177	1,027,739	1,019,000	0
664 06 TABs Series B - SA	989,027	995,724	992,000	0
665 08 TABs - SA	1,503,241	1,541,088	1,530,000	0
666 2016 TARBs	0	0	0	2,563,000
692 Successor Agency Long-term Deb	1,927,749	1,422,675	963,931	0
<b>TOTAL REVENUES</b>	<b>\$5,650,347</b>	<b>\$5,115,844</b>	<b>\$4,504,931</b>	<b>\$2,563,000</b>
<b>NET FUND ACTIVITY</b>	<b>\$2,903,053</b>	<b>\$3,034,087</b>	<b>(\$350,000)</b>	<b>\$1,031,291</b>

## Housing Authority Funds

The Housing Authority was formed in 1993. A Housing Authority can provide tax-exempt bond financing, own and operate housing, and operate various housing programs. The section 8 rental assistance program including Public Housing in Chula Vista is operated by the County of San Diego Housing Authority. With the elimination of the City's redevelopment agency in 2012, the Housing Authority assumed the housing functions of the former Redevelopment Agency, becoming a "Successor Housing Agency". Housing Authority staff provides comprehensive housing services for the City including new development and program administration.

The Chula Vista Housing Authority fund is the clearinghouse for all housing related staff activity. Included in this fund are personnel expenses which are reimbursed by various funding sources such as the US Department of Housing and Urban Development Grant Funds and Low/Moderate Income Housing Funds. The Housing Fund will receive \$0.9 million in staff time reimbursements for managing the City's Affordable Housing, administering State and Federal Grant Programs, and for monitoring bond covenants for affordable housing bonds issued by the City's Housing Authority. The Housing Authority focuses on the development of sustainable neighborhoods through a variety of investments such as:

- Production of affordable rental housing through new construction and acquisition/rehabilitation
- Provide rental assistance
- Expand home ownership opportunities
- Oversee contracts with social service agencies for the provision of services to low/moderate income residents
- Develop and implement policies and programs related to affordable housing

### FUND DESCRIPTIONS

- Fund 313: Chula Vista Housing Authority  
The Chula Vista Housing Authority Fund accounts for all housing related activities not considered eligible for reimbursement by other sources.



*The Lofts on Landis project (pictured above) is an example of the type of affordable housing product, developed with Housing Authority Funds. The project consists of a mixed-use development with 33 residential units and 1,253 square feet. of office space for Family Health Centers.*





## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Personnel Services	557,357	583,588	630,074	650,131
Supplies and Services	26,218	54,608	88,800	179,000
Other Expenses	0	372,914	0	1,010,000
Utilities	962	370	1,100	1,155
Transfers Out	177,145	155,968	254,697	254,697
<b>TOTAL EXPENDITURES</b>	<b>\$761,682</b>	<b>\$1,167,448</b>	<b>\$974,671</b>	<b>\$2,094,983</b>
<b>REVENUES</b>				
Use of Money & Property	15,940	16,424	0	0
Charges for Services	121,793	195,116	100,000	100,000
Other Revenue	715,937	659,987	874,671	994,983
<b>TOTAL REVENUES</b>	<b>\$853,670</b>	<b>\$871,527</b>	<b>\$974,671</b>	<b>\$1,094,983</b>
<b>NET FUND ACTIVITY</b>	<b>\$91,988</b>	<b>(\$295,921)</b>	<b>\$0</b>	<b>(\$1,000,000)</b>

**STAFFING SUMMARY - 313**

<b>BUDGET CATEGORY</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2016-17 MIDYEAR</b>	<b>FY 2017-18 CHANGES</b>	<b>FY 2017-18 PROPOSED</b>
HOUSING MANAGER	1.00	-	-	1.00
SR MANAGEMENT ANALYST	2.00	-	-	2.00
SR PROJECT COORDINATOR	1.00	-	-	1.00
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>4.00</b>	<b>-</b>	<b>-</b>	<b>4.00</b>

**SEWER FUNDS**



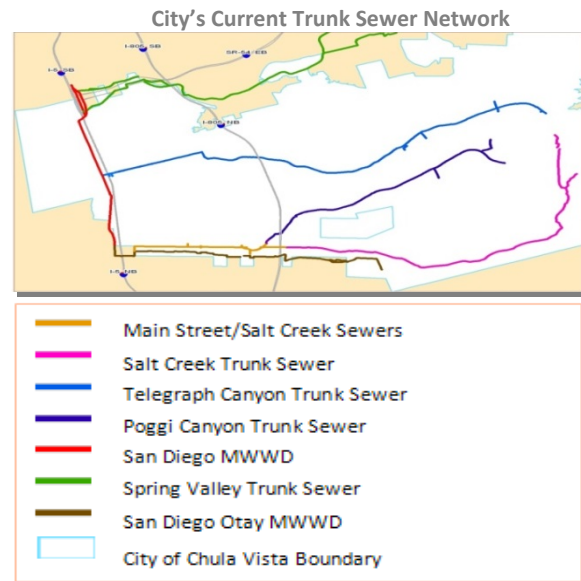
## Sewer Funds

The Sewer enterprise funds account for revenues and expenditures related to the City’s Sewer programs, including maintenance and expansion of the City’s conveyance system and payment of San Diego Metro wastewater treatment costs.

The City of Chula Vista provides wastewater conveyance and treatment services to approximately 54,578 billing accounts, including residential and non-residential uses. The wastewater generated by Chula Vista customers is collected and sent to treatment facilities in the South Bay and Point Loma through the City’s extensive sewer collection system, which consists of 14 pump stations and over 500 miles of sewer pipe. The San Diego Metropolitan Wastewater System (SDMWS) provides wastewater treatment services to the City of Chula Vista and most of the region on a contract basis (the City’s budget was \$25 million in fiscal year 2017-18 for treatment services). The latest Point Loma Treatment Plant Advanced Primary waiver application was submitted in 2015 to the Regional Water Quality Control Board (RWQCB) and the Environmental Protection Agency (EPA). The Waiver was approved by said entities in April 2017 and is now ready for the concurrence hearing by the California Coastal Commission. The costs associated with the special conditions on the waiver related to the Pure Water Program are still unknown but are expected to increase the City’s sewer treatment budget as shown above. The City is currently analyzing options to secure sufficient treatment capacity to see the City through build out. Per the 2014 Wastewater Master Plan, the City will need approximately 29.89 MGD at build out. However, the drought state mandated water usage cuts and the public conservation trends will substantially lower the City’s required sewer treatment capacity. This treatment capacity may be provided by either purchasing additional treatment capacity in the San Diego Metro Wastewater System or construction of a wastewater reclamation plant in Chula Vista.

The following figure illustrates the City’s current trunk sewer network, which conveys flows to the San Diego Metro trunk sewer (shown in red). For efficiency, some sewer lines are shared by the County of San Diego (County) and the City through transportation agreements.

The City has an existing transportation agreement with the County to use the Spring Valley Trunk sewer (shown in green). An additional transportation agreement is currently being processed that would allow County sewer to flow through the Salt Creek trunk (Shown in cyan) from the County’s Villages located to the east of the City.



### REVENUES

The Sewer Fund derives the majority of its revenue from various service charges that are collected from system users. This fund also derives revenues from other sources such as permit fees for new connections to the sewer system, interest earnings from investments, development impact fees, transfers from other funds designated to support Sewer fund operations. Other revenues include revenue reimbursements from other city funds and various service charges. Sewer revenues are projected to decrease by \$0.07 million in the fiscal year 2017-18 proposed budget. This is due to a \$0.3 million reduction in the Transfer In from the Long-Term Debt Service Fund based on the balance available to pay the inter-fund loan between the funds. This reduction is partially offset by an increase of \$0.2 million in the Transfer in from the Salt Creek Sewer Basin Fund, and an increase of \$0.07 in other revenues from increased services charges. Sewer Fund revenues are summarized in the following table:

Sewer Fund Revenues

Category	FY 2015-16 Actual	FY 2016-17 Adopted	FY2017-18 Proposed	Change	%Change
Licenses and Permits	\$ 40,502	\$ 40,000	\$ 40,000	\$ -	0.0%
Use of Money & Property	\$ 1,286,717	\$ 301,726	\$ 301,726	\$ -	0.0%
Charges for Services	\$ 35,316,229	\$ 33,231,199	\$ 33,231,199	\$ -	0.0%
Other Revenue	\$ 1,198,517	\$ 345,000	\$ 415,000	\$ 70,000	20.3%
Transfers In	\$ 8,438,983	\$ 485,000	\$ 350,000	\$ (135,000)	-27.8%
<b>Total Revenues</b>	<b>\$ 46,280,948</b>	<b>\$ 34,402,925</b>	<b>\$ 34,337,925</b>	<b>\$ (65,000)</b>	<b>-0.2%</b>

Note: Revenue amounts include Sewer Operating Funds: 411, 412, 413, 414, and 428.

**EXPENDITURES**

Sewer fund operations and capital programming contains no General Fund contribution. Sewer fund operations and capital programming costs are offset by fees paid by residential and non-residential users. In addition, other revenue sources generated within the Sewer fund through normal operations that fund 46.0 permanent positions that are contained in the fiscal year 2017-18 proposed budget. Changes to the Sewer Fund proposed budget for fiscal year 2017-18 are as follows:

- Personnel Services – Personnel services in the fiscal year 2017-18 are increasing by \$167,537. This increase represents the annualized cost of wage increases previously approved by City Council, and an estimated 2% wage inflation for all employee groups in fiscal year 2017-18. Personnel Services also reflects cost increases in Workers Compensation Charges, Flex (medical insurance), and PERS (retirement benefits).
- Supplies and Services – Supplies and services costs are increasing by \$5.7 million. This change is primarily due to increased contracted services for wastewater treatment for the Pure Water San Diego program (\$5.6) million. Other increases include: (\$46,000) for software maintenance and (\$20,000) for Memberships and Dues. These increases are partially offset by a decrease in Fleet Maintenance charges (\$53,400).
- Other Expenses – This category reflects an increase of \$140,000. This increase consists of a \$125,000 increase for refunds and a \$25,000 increase for anticipated growth in Credit Card Transaction Fees.
- Capital – Capital expenses are increasing by \$69,000 in comparison to fiscal year 2016-17 adopted budget for the replacement of a vehicle within the Sewer Service Revenue fund.
- CIP Project Expenditures – Proposed fiscal year 2017-18 CIP Projected Expenditures are decreasing by \$345,000 from the 2016-17 adopted budget. This represents the net change between \$1.65 million for project related expenditures contained in fiscal year 2016-17 budget that were not carried forward, and \$1.3 million of project expenditures programmed in the fiscal year 2017-18 proposed budget.

The City continues to focus on its Annual Sewer Rehabilitation Program, which expends approximately \$1.0 million to \$2.0 million annually for the replacement and rehabilitation of sewer pipes, connections between sewer mains and laterals, access roads, and access covers. The City also utilizes standardized evaluation and ranking criteria in televising and evaluating the condition of sewers in order to ensure that the most critically impacted sewer infrastructure is replaced or rehabilitated first. To date, the funds collected from City’s rate payers have been sufficient to maintain and operate the City’s wastewater collection system as well as to pay for the treatment of the wastewater.



Pictured above: Point Loma Treatment Facility

In order to ensure the future adequacy of the sewer funds, City Council has adopted an updated sewer rate case study that set the sewer rates for the next five years that went into effect July 2014. One of the issues considered of significant impact to the sewer rates for the City is the Point Loma Treatment Plant (PLTP) Secondary Treatment Waiver. In 2010, the City of San Diego was successful in obtaining a five-year waiver that allowed the continued operation of the PLTP at an advance primary level of sewer treatment before discharging into the ocean. The application for the next waiver will be submitted in 2015. The Waiver was approved in April 2017 by the RWQCB and the EPA and is now ready for the concurrence hearing by the California Coastal Commission. Expensive infrastructure investments are expected as a condition of the next waiver. The 2014 City of Chula Vista sewer rate adjustment will help pay for said infrastructure investments or the upgrade of the PLTP to secondary.

In fiscal year 2007-08 the City transitioned its Sewer funds from 'special revenue' funds to 'enterprise' funds. Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services, and are appropriate in situations wherein there is either a legal requirement or policy decision to recover costs of providing services for an activity. This change complies with the GFOA recommended accounting structure, should the City decide to issue bonds for capital improvements solely guaranteed by sewer fees and charges in the future.

City staff expenditures incurred supporting wastewater system maintenance and operations are funded by the Sewer Service fund through a combination of direct expenditures and inter-fund transfers. Positions 100% funded by Sewer funds (wastewater maintenance and wastewater engineering) are budgeted directly in the Sewer fund (\$4.7 million in fiscal year 2016-17). The remaining support staff is budgeted in either the General or Development Services funds. These positions are partially offset via inter-fund transfers (\$3.3 million in fiscal year 2016-17). All supplies and services, capital, and utilities budgets associated with supporting the wastewater system are also budgeted in the Sewer Service fund in fiscal year 2016-17.

### CAPITAL IMPROVEMENT PROJECTS

The second highest commitment of CIP funding is for the Wastewater Management System (WMS). The appropriation for Wastewater projects is \$1.3 million which represents 1.8% of the adopted CIP budget. The WMS is divided into two categories: Sewer Rehabilitation & Specific Sewer Improvements, and Sewer Pump Stations & Access Roads.

#### *Sewer Rehabilitation & Specific Sewer Improvements*

The annual Sewer and Manhole Rehabilitation project for FY17-18 commits \$400,000 for citywide work. A total of \$200,000 is included to complete sewer improvements at various locations. Funding of \$200,000 is included to continue manhole inspections to establish a baseline condition in order to preserve and extend service life and avoid failures of existing structures.

#### *Sewer Pump Stations and Access Roads*

A total of \$100,000 is included to continue rehabilitation assessment efforts of various pump stations. Sewer access roads at various locations will be rehabilitated, at a cost of \$400,000.

Sewer Fund expenditures are summarized in the table on the following page.

Sewer Fund Expenditures

Category	FY 2015-16 Actual	FY 2016-17 Adopted	FY2017-18 Proposed	Change	%Change
Personnel Services	\$ 4,363,674	\$ 4,651,397	\$ 4,818,934	\$ 167,537	3.6%
Supplies and Services	\$ 19,480,770	\$ 22,713,688	\$ 28,379,810	\$ 5,666,122	24.9%
Other Expenses	\$ 5,773,878	\$ 285,000	\$ 425,000	\$ 140,000	49.1%
Capital	\$ 17,679	\$ 1,340,200	\$ 1,409,200	\$ 69,000	5.1%
Transfers Out	\$ 3,092,522	\$ 3,291,270	\$ 3,303,234	\$ 11,964	0.4%
CIP Project Expenditures	\$ 1,509,089	\$ 1,675,000	\$ 1,330,000	\$ (345,000)	-20.6%
Utilities	\$ 265	\$ 315	\$ 331	\$ 16	5.1%
<b>Total Expenditures</b>	<b>\$ 34,237,877</b>	<b>\$ 33,956,870</b>	<b>\$ 39,666,509</b>	<b>\$ 5,709,639</b>	<b>16.8%</b>

Note: Expenditure amounts include Sewer Operating Funds: 411, 412, 413, 414, and 428.

FUND DESCRIPTIONS

- Fund 411: Sewer Income Fund**  
 This fund is used to account for all revenues collected to recover the City’s costs incurred constructing the public wastewater system. The funds are collected from new properties receiving a permit to connect to the City’s wastewater collection system. The owner or person making the application for connection pays fees to the City as designated in the master fee schedule. All funds received may be used only for the acquisition, construction, reconstruction, maintenance and operation of sanitation or sewerage facilities, or to reimburse a subdivider or any person who has constructed sewer facilities benefiting other properties. The fund may also be used to reimburse the City for any expense incurred in connection with the construction and installation of any sewer facility including engineering work and acquisition of rights-of-way.
- Fund 412: Special Sewer Fund**  
 The Special Sewer Fund is used to account for the sale of the City’s excess Metropolitan Sewerage capacity. On December 17, 2013 Council approved closing this fund and transferring the available fund balance to the Trunk Sewer Capital Reserve Fund (Fund 413).
- Fund 413: Trunk Sewer Capital Reserve Fund**  
 The Trunk Sewer Capital Reserve Fund is used to account for sewerage facility participation fees received from the owner or person applying for a permit to develop or modify the use of any

residential, commercial, industrial or other property, which is projected to increase the volume of flow in the City’s sewer system, as determined by the City Engineer. All revenue derived from the sewerage facility participation fee shall be used solely for:

1. Paying the cost and expense to repair, replace or enlarge trunk sewer facilities of the City so as to enhance efficiency of utilization and/or adequacy of capacity to serve the needs of the City, or;
2. Paying the cost and expense to plan and/or evaluate any future proposals for area-wide sewage treatment and/or water reclamation systems or facilities.

The City Council can appropriate the funds for another purpose, provided such purpose shall be for the planning, design, construction, maintenance or operations of sewage collection or treatment or water reclamation purposes.

- Fund 414: Sewer Service Revenue Fund**  
 The Sewer Service Revenue Fund is used to account for all monies collected from the monthly sewer service charge. Monies in this fund may be used for any and all sewer related activities. The primary use of these funds is the payment of the City’s annual San Diego Metropolitan Sewer Capacity and Maintenance fees and to pay the operational costs of the ‘in-city’ sewer collection system.
- Fund 428: Sewer Facility Replacement Fund**  
 A portion of the revenues derived from the



monthly sewer service charge is deposited into the Sewerage Facilities Replacement Fund. Monies in this fund are used solely for the purpose of paying the cost of refurbishment and/or replacement of structurally deficient sewerage facilities including related evaluation, engineering, and utility modification costs.

The City Council can appropriate the funds for another purpose provided such purpose is for the construction, maintenance, or operation of sewers or incidental thereto, including any charge for its collection.

- Funds 431, 432, 433: Sewer Development Impact Fee Funds

These fees are levied against new development in specific areas of the City, based upon the sewer facility their project will impact. The monies collected are used to fund construction of public improvements designed to increase the capacity of the subject facilities, allowing the City to maintain service levels with increased demand. Included DIF programs are the Telegraph Canyon Sewer Basin DIF, the Poggi Canyon Sewer Basin DIF, and the Salt Creek Sewer Basin DIF.



## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Personnel Services	4,283,250	4,363,674	4,651,397	4,818,934
Supplies and Services	20,863,370	19,480,770	22,713,688	28,379,810
Other Expenses	5,515,598	5,773,878	285,000	425,000
Capital	2,875	17,679	1,340,200	1,409,200
Utilities	183	265	315	331
Transfers Out	3,052,634	3,092,522	3,291,270	3,303,234
CIP Project Expenditures	839,303	1,509,089	1,675,000	1,330,000
<b>TOTAL EXPENDITURES</b>	<b>\$34,557,213</b>	<b>\$34,237,877</b>	<b>\$33,956,870</b>	<b>\$39,666,509</b>
<b>REVENUES</b>				
Licenses and Permits	28,520	40,502	40,000	40,000
Use of Money & Property	628,219	1,286,717	301,726	301,726
Charges for Services	35,978,055	35,316,229	33,231,199	33,231,199
Other Revenue	5,406,099	1,198,517	345,000	415,000
Transfers In	118,250	8,438,983	485,000	350,000
<b>TOTAL REVENUES</b>	<b>\$42,159,143</b>	<b>\$46,280,948</b>	<b>\$34,402,925</b>	<b>\$34,337,925</b>
<b>NET FUND ACTIVITY</b>	<b>\$7,601,930</b>	<b>\$12,043,071</b>	<b>\$446,055</b>	<b>(\$5,328,584)</b>

## FUND DETAIL

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
411 Sewer Income	0	1,471	0	0
413 Trunk Sewer Capital Reserve	5,259,952	6,037,597	1,875,000	350,000
414 Sewer Service Revenue	28,395,567	27,125,298	31,931,870	37,866,509
428 Sewer Facility Replacement	901,694	1,073,511	150,000	1,450,000
<b>TOTAL EXPENDITURES</b>	<b>\$34,557,213</b>	<b>\$34,237,877</b>	<b>\$33,956,870</b>	<b>\$39,666,509</b>
<b>REVENUES</b>				
411 Sewer Income	14,589	35,324	0	0
412 Special Sewer	418	4	0	0
413 Trunk Sewer Capital Reserve	5,198,324	10,881,698	1,375,000	1,450,000
414 Sewer Service Revenue	35,082,271	33,107,865	31,361,199	31,431,199
428 Sewer Facility Replacement	1,863,541	2,256,057	1,666,726	1,456,726
<b>TOTAL REVENUES</b>	<b>\$42,159,143</b>	<b>\$46,280,948</b>	<b>\$34,402,925</b>	<b>\$34,337,925</b>
<b>NET FUND ACTIVITY</b>	<b>\$7,601,930</b>	<b>\$12,043,071</b>	<b>\$446,055</b>	<b>(\$5,328,584)</b>

## STAFFING SUMMARY - 414

BUDGET CATEGORY	FY 2016-17 ADOPTED	FY 2016-17 MIDYEAR	FY 2017-18 CHANGES	FY 2017-18 PROPOSED
ASSOC ENGINEER	2.00	-	-	2.00
ENGINEERING TECH II	2.00	-	-	2.00
EQUIPMENT OPERATOR	3.00	-	-	3.00
MAINTENANCE WORKER II	18.00	-	-	18.00
PUB WORKS SPECIALIST	1.00	-	-	1.00
PUBLIC WORKS SUPERVISOR	4.00	-	-	4.00
SR CIVIL ENGINEER	1.00	-	-	1.00
SR FISCAL OFFICE SPECIALIST	1.00	-	-	1.00
SR MAINTENANCE WORKER	14.00	-	-	14.00
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>46.00</b>	<b>-</b>	<b>-</b>	<b>46.00</b>

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	46,276	1,753	0	100,000
Other Expenses	73,920	5,298	35,000	82,000
Transfers Out	0	7,587,600	125,000	200,000
CIP Project Expenditures	0	0	50,000	0
Non-CIP Project Expenditures	0	1,139,787	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$120,196</b>	<b>\$8,734,438</b>	<b>\$210,000</b>	<b>\$382,000</b>
<b>REVENUES</b>				
Use of Money & Property	12,522	63,532	0	0
Development Impact Fees	166,333	239,143	220,000	400,000
Transfers In	0	2,525	0	0
<b>TOTAL REVENUES</b>	<b>\$178,855</b>	<b>\$305,200</b>	<b>\$220,000</b>	<b>\$400,000</b>
<b>NET FUND ACTIVITY</b>	<b>\$58,659</b>	<b>(\$8,429,238)</b>	<b>\$10,000</b>	<b>\$18,000</b>

## FUND DETAIL

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
431 Tel Cyn Sewer Basin Plan DIF	60,000	2,982,600	0	0
432 Poggi Cyn Sewer Basin DIF	0	1,835	10,000	12,000
433 Salt Creek Sewer Basin DIF	60,196	5,750,003	200,000	370,000
<b>TOTAL EXPENDITURES</b>	<b>\$120,196</b>	<b>\$8,734,438</b>	<b>\$210,000</b>	<b>\$382,000</b>
<b>REVENUES</b>				
431 Tel Cyn Sewer Basin Plan DIF	7,214	0	0	0
432 Poggi Cyn Sewer Basin DIF	118,608	106,408	20,000	20,000
433 Salt Creek Sewer Basin DIF	53,033	198,792	200,000	380,000
<b>TOTAL REVENUES</b>	<b>\$178,855</b>	<b>\$305,200</b>	<b>\$220,000</b>	<b>\$400,000</b>
<b>NET FUND ACTIVITY</b>	<b>\$58,659</b>	<b>(\$8,429,238)</b>	<b>\$10,000</b>	<b>\$18,000</b>



**FLEET FUND**





## Fleet Fund

The Fleet Fund is an internal service fund which like other internal service funds is used to finance and account for goods, special activities, and services performed by one City department for other City departments on a cost reimbursement basis. The Fleet Management fund consists of two functions, Central Garage Operations and Equipment Replacement. Funds are collected on an annual basis through each affected department’s operating budget and deposited in the Fleet Management Fund.

The Central Garage Operations function maintains the City’s fleet of vehicles, both through City equipment mechanics and through contracts with local vendors for more specialized maintenance work, such as major transmission repairs. All City vehicles are maintained by the Central Garage, these vehicles include those associated with safety services, streets and sewers, parks and open space, building and housing and the library. Services provided include maintenance and repair of the vehicles, vehicle fuel, and other specialized services not directly related to any single vehicle.

### REVENUES

Revenues in the Fleet Fund come directly from affected departments within the City through vehicle maintenance charges. These charges are based on the actual vehicles that reside within a department and include costs ranging from routine (oil changes, preventive maintenance) to major (transmission repair) as well as fuel costs. Most vehicle replacement costs will be funded by Measure P sales tax revenues. \$6.3 million is allocated in the fiscal year 2017-18 proposed budget for the replacement of public safety and non-

public safety vehicles within the Measure P Fund. Measure P proposed budget also includes \$1.0 million to upgrade the fleet maintenance system, a new fuel delivery and management system, repair of the compressed natural gas (CNG) production facility and electric charging stations throughout city facilities is part of this upgrade. The much needed fleet replacement will directly affect the fleet fund as efficiencies will be gained as a new fleet is acquired. The fleet fund will also purchase a new fleet management software system to improve overall operations and efficiencies in the management of the city’s fleet. Further efficiencies are expected as a result of the purchase of new vehicles as this is projected to result in a greater focus on preventive maintenance activities undertaken by fleet maintenance staff instead of undertaking costlier major repair work on the city’s fleet.

For fiscal year 2017-18, the proposed revenue budget for the Fleet Fund is \$3.5 million. This represents a net decrease of \$135,911 over the fiscal year 2016-17 adopted budget. The major revenue changes are as follows:

- A \$220,178 decrease in the Other Revenue category is due to revised fleet maintenance charges for fiscal year 2017-18.
- An increase of \$85,267 in the Transfers In category from the General Fund to offset personnel costs that will provide dispatching functions.

Fleet Fund Revenues

Category	FY 15-16 Actual	FY 16-17 Adopted	FY 17-18 Proposed	Inc/Dec
Use of Money & Property	\$ 18,631	\$ -	\$ -	\$ -
Charges for Services	\$ 67,419	\$ 35,000	\$ 35,000	\$ -
Other Revenue	\$ 3,727,087	\$ 3,604,454	\$ 3,384,276	\$ (220,178)
Transfers In	\$ 340,035	\$ -	\$ 85,267	\$ 85,267
<b>Total</b>	<b>\$ 4,153,172</b>	<b>\$ 3,639,454</b>	<b>\$ 3,504,543</b>	<b>\$ (134,911)</b>

**EXPENDITURES**

The Fleet fund’s expenditures include costs to repair and replace equipment (motor vehicles, mowers, generators, equipment trailers, etc.) throughout the City. As discussed in the revenue summary above, these costs are then allocated back to the affected departments based on several factors such as the number of vehicles/equipment, repair history, and fuel usage.

The proposed budget for fiscal year 2017-18 for Fleet Management is \$3.5 million. This amount includes funding for the necessary resources that will be required to sustain operations for service, repairs, and to fuel the City’s fleet in fiscal year 2017-18.

- The Personnel Services category is decreasing by a net \$80,639 from the fiscal year 2016-17 budgeted

personnel services costs. This change reflects the reduction of 1.00 equipment mechanic position. This reduction was offset by an increase in salaries due to the estimated 2% wage inflation included in the proposed budget and increases in retirement costs.

- The Supplies and Services category is decreasing by \$12,789 from the adopted fiscal year 2016-17 adopted budget due to reduced fleet maintenance charges.
- The Utilities expense category is decreasing by \$41,482 primarily for gas and electric expenses based on the projected usage for fiscal year 2017-18.

**Fleet Fund Expenditures**

Category	FY 15-16 Actual	FY 16-17 Adopted	FY 17-18 Proposed	Inc/Dec
Personnel Services	\$ 1,038,303	\$ 1,092,719	\$ 1,012,079	\$ (80,640)
Supplies and Services	\$ 2,255,570	\$ 2,373,763	\$ 2,360,974	\$ (12,789)
Other Expenses	\$ 329,851	\$ 400	\$ 400	
Capital	\$ 180,037	\$ -	\$ -	
Utilities	\$ 73,785	\$ 172,572	\$ 131,090	\$ (41,482)
<b>Total</b>	<b>\$ 3,877,546</b>	<b>\$ 3,639,454</b>	<b>\$ 3,504,543</b>	<b>\$ (134,911)</b>

**FUND SUMMARY**

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Personnel Services	1,016,749	1,038,303	1,092,719	1,012,079
Supplies and Services	2,107,969	2,255,570	2,373,763	2,360,974
Other Expenses	264,431	329,851	400	400
Capital	129,722	180,037	0	0
Utilities	274,434	73,785	172,572	131,090
<b>TOTAL EXPENDITURES</b>	<b>\$3,793,305</b>	<b>\$3,877,546</b>	<b>\$3,639,454</b>	<b>\$3,504,543</b>
<b>REVENUES</b>				
Use of Money & Property	7,418	18,631	0	0
Charges for Services	91,950	67,419	35,000	35,000
Other Revenue	3,712,480	3,727,087	3,604,454	3,384,276
Transfers In	87,572	340,035	0	85,267
<b>TOTAL REVENUES</b>	<b>\$3,899,420</b>	<b>\$4,153,172</b>	<b>\$3,639,454</b>	<b>\$3,504,543</b>
<b>NET FUND ACTIVITY</b>	<b>\$106,115</b>	<b>\$275,626</b>	<b>\$0</b>	<b>\$0</b>

**FUND DETAIL**

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
<b>391</b> Central Garage	3,399,152	3,367,243	3,639,454	3,504,543
<b>392</b> Equipment Replacement	394,153	510,303	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$3,793,305</b>	<b>\$3,877,546</b>	<b>\$3,639,454</b>	<b>\$3,504,543</b>
<b>REVENUES</b>				
<b>391</b> Central Garage	3,710,956	3,523,681	3,639,454	3,504,543
<b>392</b> Equipment Replacement	188,464	629,491	0	0
<b>TOTAL REVENUES</b>	<b>\$3,899,420</b>	<b>\$4,153,172</b>	<b>\$3,639,454</b>	<b>\$3,504,543</b>
<b>NET FUND ACTIVITY</b>	<b>\$106,115</b>	<b>\$275,626</b>	<b>\$0</b>	<b>\$0</b>

**STAFFING SUMMARY - 391**

<b>BUDGET CATEGORY</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2016-17 MIDYEAR</b>	<b>FY 2017-18 CHANGES</b>	<b>FY 2017-18 PROPOSED</b>
EQUIPMENT MECHANIC	4.00	-	(1.00)	3.00
FIRE APPARATUS MECH	2.00	-	-	2.00
FISCAL OFFICE SPECIALIST	1.00	-	-	1.00
FLEET INVENTORY CONTROL SPEC	1.00	-	-	1.00
FLEET MANAGER	1.00	-	-	1.00
SR EQUIPMENT MECHANIC	1.00	-	-	1.00
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>10.00</b>	<b>-</b>	<b>(1.00)</b>	<b>9.00</b>

# CAPITAL EQUIPMENT BUDGET

## *Funding Summary by Purchase Type*

FUND	DEPT	EQUIPMENT DESCRIPTION	FY 2017-18 PROPOSED
Development Svcs Fund	Development Svcs	Inspection Vehicles	\$75,000
Environmental Services	Econ Development	Electric Vehicles	\$60,000
Measure P	Measure P	Fire Vehicles <sup>1</sup>	\$1,730,680
Measure P	Measure P	Non-Safety Vehicles <sup>2</sup>	\$2,818,000
Measure P	Measure P	Police Vehicles	\$1,798,760
Operation Stonegarden	Police	Patrol Vehicle	\$65,000
CFD Maint Districts	Public Works	Open Space Vehicle	\$100,002
Sewer	Sewer	Engineering Truck	\$60,000
Sewer	Sewer	Wastewater vehicle and equipment replacement and related outfitting costs	\$1,245,200
<b>TOTAL</b>			<b>\$7,952,642</b>
<b>GRAND TOTAL - ALL EQUIPMENT</b>			<b>\$7,952,642</b>

Notes:

1. Does not include \$244,400 which is budgeted as a Transfer Out for debt service payments related to the capital lease of fire apparatus.
2. Does not reflect \$1.0 million in Fleet Infrastructure which is budgeted as a CIP project in fiscal year 2017-18.



**CAPITAL PROJECT FUNDS**





## Capital Project Funds

Capital Projects Funds account for resources used for the acquisition and construction of capital facilities by the City, with the exception of those assets financed by proprietary funds.

### ASSESSMENT DISTRICT IMPROVEMENT FUNDS

These funds were established as depositories for monies received from issuance of bonds for various assessment districts. The monies are used to finance the construction of public works improvements in the related districts. Included in this group are funds 501 through 518.

### DEVELOPMENT IMPACT FEES (DIF)

These funds were established as depositories for various development impact fees. The fees are levied against all new development in the City in order to pay for the construction or improvement of public facilities as a result of City growth. Included in this group are the following funds:

- Fund 542: Telegraph Canyon Drainage Development Impact Fee  
This fee is levied against new development in specific areas of the City, based upon the drainage facility their project will generate an impact on. The monies collected are used to fund construction of public improvements designed to increase the capacity of the subject facilities, allowing the City to maintain service levels with increased demand.
- Funds 567-582: Public Facilities Development Impact Fees  
The Public Facilities Development Impact Fee (PFDIF) is levied against new development throughout the City to mitigate the impacts of growth on the City's public services. The monies collected are used in the construction of new, and renovation of existing, public facilities.
- Fund 587: Otay Ranch Pedestrian Bridge DIF  
The Otay Ranch Pedestrian Bridge DIF is levied against all new development in Otay Ranch Villages 1, 2, 5, and 6 to fund the construction of pedestrian bridge improvements, as necessitated by growth in these villages.

- Fund 588: Otay Ranch Village 11 Pedestrian Bridge DIF  
The Otay Ranch Village 11 Pedestrian Bridge DIF is levied against all new development in Otay Ranch Village 11 to fund the construction of pedestrian bridge improvements, as necessitated by growth in this village.
- Fund 591: Transportation Development Impact Fee  
The Transportation Development Impact Fee (TDIF) is levied against all new development in the City east of I-805 to fund the construction of transportation improvements, as necessitated by growth in the eastern portion of the City.
- Fund 593: Western Transportation Development Impact Fee  
The Western Transportation Development Impact Fee (W-TDIF) is levied against all new development in the City between Interstate 5 and Interstate 805, to fund the construction of transportation improvements, as necessitated by growth in the western portion of the City.
- Fund 594: Bayfront Development Impact Fee  
The Bayfront Development Impact Fee (BFDIF) is levied against all new development within the Bayfront Area of the City, to fund construction of transportation improvements, as necessitated by growth in the Bayfront Area of the City.
- Fund 718: EUC Millenia Pedestrian Bridge DIF  
The Eastern Urban Center (EUC) Millenia Pedestrian Bridge DIF is levied against all new development in the EUC Millenia project to fund the construction of pedestrian bridge improvements, as necessitated by growth in this project area.

### OTHER TRANSPORTATION FUNDS

Included as a part of this group are the following:

- Fund 723: Bicycle Facilities  
This fund is a depository for local Transportation Development Act funds, Article 3.0, received from the County for the purpose of bicycle related programs.

- Fund 735: Transportation Partnership  
This fund is a depository for the revenues received from the State and Local Transportation Partnership Program. Funds must be spent on street purposes.
- Fund 736: Other Transportation Programs  
This fund accounts for other miscellaneous Federal and State transportation grants received by the City.
- Fund 737: Transportation Equity Act 21  
This fund is a depository for revenues received from the federal government under the Transportation Equity Act of the 21st Century. Funds must be spent on street purposes.
- Fund 739: Traffic Congestion Relief  
This fund is a depository for revenues allocated to the City under Streets and Highways Code Section 2182 and Revenue and Taxation Code Section 7104. Funds must be expended for maintenance or reconstruction of public streets and roads no later than the end of the fiscal year following the fiscal year in which the allocation is received. Any funds not expended within that period must be returned to the State Controller.
- Fund 741: Proposition 1B Highway Safety  
This fund is a depository for revenues received from the State government under Proposition 1B (The Highway Safety, Traffic Reduction, Air Quality, and Port Security Act), as approved by voters in the November 2006 general election. Funds must be spent on street purposes.
- Fund 716: Park Acquisition and Development (West)  
This fund is a depository for fees collected from subdividers for the purpose of providing park and recreational facilities directly benefiting and serving the residents of the regulated subdivision west of the 805. These funds are collected pursuant to Chapter 17.10 of the Chula Vista Municipal Code, in accordance with authority granted by Section 66477 of the California Government Code.
- Fund 717: Residential Construction Tax  
This fund is a depository for fees levied for the construction, replacement, or conversion of all dwelling units within the City including hotels and motels, collected pursuant to Chapter 3.32 of the Chula Vista Municipal Code.
- Fund 725: Industrial Development Authority  
The Industrial Development Authority (IDA) is a conduit-issuer of bonds, formed in February 1982 (Ordinance 1970) by the City of Chula Vista City Council. The IDA enables bonds to be issued with a tax-exempt status, but does not pledge City funds to repay the bond issues. The City is able to issue and sell bonds to provide financial assistance that has a public benefit for the acquisition, construction and installation of facilities for industrial, commercial, business or public utility purposes.

#### **MISCELLANEOUS CAPITAL IMPROVEMENT PROGRAM FUNDS**

Included as part of this group are the following:

- Fund 713: Capital Improvement Fund  
The Capital Improvement Fund is used to account for general purpose capital projects funded primarily from General Fund. Funds are utilized to account for resources used for the acquisition and construction of capital facilities by the City.
- Fund 715: Park Acquisition and Development (East)  
This fund is a depository for fees collected from subdividers for the purpose of providing park and recreational facilities directly benefiting and serving

# ASSESS DIST IMPROVEMENT FUNDS

500

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	0	968	2,500	2,500
Other Expenses	0	300	0	0
Transfers Out	33,376	65,499	0	66,790
CIP Project Expenditures	42,832	193,711	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$76,208</b>	<b>\$260,478</b>	<b>\$2,500</b>	<b>\$69,290</b>
<b>REVENUES</b>				
Use of Money & Property	14,745	39,679	0	0
Development Impact Fees	0	3,861	0	0
Other Revenue	18,865	18,786	0	0
Transfers In	0	285,803	0	0
<b>TOTAL REVENUES</b>	<b>\$33,610</b>	<b>\$348,129</b>	<b>\$0</b>	<b>\$0</b>
<b>NET FUND ACTIVITY</b>	<b>(\$42,598)</b>	<b>\$87,651</b>	<b>(\$2,500)</b>	<b>(\$69,290)</b>

## FUND DETAIL

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
507 Otay Valley Rd AD 90-2 Improv	0	0	2,500	2,500
508 AD97-2	42,832	193,711	0	0
511 Otay Vly Rd Fee Recovery Dist	0	434	0	0
512 EL Greens II AD 94-1 Improv	0	834	0	0
517 AD2004-1 Dixon Drive	9,597	0	0	31,600
518 AD2005-1 Tobias Drive	23,779	65,499	0	35,190
<b>TOTAL EXPENDITURES</b>	<b>\$76,208</b>	<b>\$260,478</b>	<b>\$2,500</b>	<b>\$69,290</b>
<b>REVENUES</b>				
507 Otay Valley Rd AD 90-2 Improv	537	1,421	0	0
508 AD97-2	(48)	287,815	0	0
511 Otay Vly Rd Fee Recovery Dist	5,963	19,569	0	0
512 EL Greens II AD 94-1 Improv	7,366	19,352	0	0
515 Twin Oaks Ave AD 96-1 Improv	142	371	0	0
516 Oxford St AD 97-1 Improv	29	78	0	0
517 AD2004-1 Dixon Drive	9,598	9,773	0	0
518 AD2005-1 Tobias Drive	10,023	9,750	0	0
<b>TOTAL REVENUES</b>	<b>\$33,610</b>	<b>\$348,129</b>	<b>\$0</b>	<b>\$0</b>
<b>NET FUND ACTIVITY</b>	<b>(\$42,598)</b>	<b>\$87,651</b>	<b>(\$2,500)</b>	<b>(\$69,290)</b>

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	0	2,100	0	0
Other Expenses	0	1,180	10,000	10,000
CIP Project Expenditures	1,294,219	770,354	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$1,294,219</b>	<b>\$773,634</b>	<b>\$10,000</b>	<b>\$10,000</b>
<b>REVENUES</b>				
Use of Money & Property	39,520	76,056	0	0
<b>TOTAL REVENUES</b>	<b>\$39,520</b>	<b>\$76,056</b>	<b>\$0</b>	<b>\$0</b>
<b>NET FUND ACTIVITY</b>	<b>(\$1,254,699)</b>	<b>(\$697,578)</b>	<b>(\$10,000)</b>	<b>(\$10,000)</b>

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	1,958	12,238	55,300	56,100
Other Expenses	99,349	106,355	300,000	250,000
Transfers Out	5,774,098	7,711,514	7,719,591	6,537,308
<b>TOTAL EXPENDITURES</b>	<b>\$5,875,405</b>	<b>\$7,830,107</b>	<b>\$8,074,891</b>	<b>\$6,843,408</b>
<b>REVENUES</b>				
Use of Money & Property	86,036	275,469	0	0
Development Impact Fees	5,371,592	6,473,891	2,850,000	5,300,000
Other Revenue	0	225	0	0
Transfers In	140,338	2,552	0	0
<b>TOTAL REVENUES</b>	<b>\$5,597,966</b>	<b>\$6,752,137</b>	<b>\$2,850,000</b>	<b>\$5,300,000</b>
<b>NET FUND ACTIVITY</b>	<b>(\$277,439)</b>	<b>(\$1,077,970)</b>	<b>(\$5,224,891)</b>	<b>(\$1,543,408)</b>

## FUND DETAIL

DEPT # DEPT DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
571 General Administration	241,645	104,130	355,300	306,100
572 Civic Center Expansion	3,200,523	3,095,199	4,221,480	3,175,192
573 Police Facilities Remodel	1,588,503	1,599,655	1,605,470	1,598,150
574 Corporation Yard Relocation	844,734	845,325	847,641	728,966
575 Library for Eastern Territory	0	9,974	0	0
576 Fire Suppression Sys Expansion	0	2,175,824	1,045,000	1,035,000
<b>TOTAL EXPENDITURES</b>	<b>\$5,875,405</b>	<b>\$7,830,107</b>	<b>\$8,074,891</b>	<b>\$6,843,408</b>
<b>REVENUES</b>				
567 DIF-Adamo Property Acquisition	1,214	3,186	0	0
571 General Administration	365,793	481,619	300,000	400,000
572 Civic Center Expansion	1,571,459	1,946,938	600,000	760,000
573 Police Facilities Remodel	1,026,419	1,229,850	400,000	1,360,000
574 Corporation Yard Relocation	233,254	316,331	100,000	260,000
575 Library for Eastern Territory	1,005,819	1,328,712	500,000	1,190,000
576 Fire Suppression Sys Expansion	709,303	635,620	500,000	780,000
582 Recreation Facilities	684,705	809,881	450,000	550,000
<b>TOTAL REVENUES</b>	<b>\$5,597,966</b>	<b>\$6,752,137</b>	<b>\$2,850,000</b>	<b>\$5,300,000</b>
<b>NET FUND ACTIVITY</b>	<b>(\$277,439)</b>	<b>(\$1,077,970)</b>	<b>(\$5,224,891)</b>	<b>(\$1,543,408)</b>

**FUND SUMMARY**

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	0	1,976	0	0
Other Expenses	342	10,111	90,000	110,000
<b>TOTAL EXPENDITURES</b>	<b>\$342</b>	<b>\$12,087</b>	<b>\$90,000</b>	<b>\$110,000</b>
<b>REVENUES</b>				
Use of Money & Property	26,860	73,881	0	0
Development Impact Fees	313,945	253,537	110,000	145,000
<b>TOTAL REVENUES</b>	<b>\$340,805</b>	<b>\$327,418</b>	<b>\$110,000</b>	<b>\$145,000</b>
<b>NET FUND ACTIVITY</b>	<b>\$340,463</b>	<b>\$315,331</b>	<b>\$20,000</b>	<b>\$35,000</b>

**FUND DETAIL**

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
<b>587</b> DIF-OR Village Pedestrian Ramp	0	9,833	30,000	30,000
<b>588</b> OR Vlg11 Pedestrian Bridge DIF	342	2,254	30,000	30,000
<b>718</b> EUC Millenia Ped Bridge DIF	0	0	30,000	50,000
<b>TOTAL EXPENDITURES</b>	<b>\$342</b>	<b>\$12,087</b>	<b>\$90,000</b>	<b>\$110,000</b>
<b>REVENUES</b>				
<b>587</b> DIF-OR Village Pedestrian Ramp	195,754	177,075	100,000	100,000
<b>588</b> OR Vlg11 Pedestrian Bridge DIF	19,906	52,267	10,000	5,000
<b>718</b> EUC Millenia Ped Bridge DIF	125,145	98,076	0	40,000
<b>TOTAL REVENUES</b>	<b>\$340,805</b>	<b>\$327,418</b>	<b>\$110,000</b>	<b>\$145,000</b>
<b>NET FUND ACTIVITY</b>	<b>\$340,463</b>	<b>\$315,331</b>	<b>\$20,000</b>	<b>\$35,000</b>

**FUND SUMMARY**

<b>BUDGET CATEGORY</b>	<b>FY 2014-15 ACTUAL</b>	<b>FY 2015-16 ACTUAL</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2017-18 PROPOSED</b>
<b>EXPENDITURES</b>				
Supplies and Services	0	6,599	0	800
Other Expenses	88,077	468,021	400,000	510,000
Transfers Out	6,444	256	0	0
CIP Project Expenditures	730,638	714,715	2,036,102	3,370,333
<b>TOTAL EXPENDITURES</b>	<b>\$825,159</b>	<b>\$1,189,591</b>	<b>\$2,436,102</b>	<b>\$3,881,133</b>
<b>REVENUES</b>				
Use of Money & Property	159,300	169,623	0	0
Development Impact Fees	726,812	1,726,223	1,591,600	1,591,600
Transfers In	6,444	2,607,030	1,045,000	1,035,000
<b>TOTAL REVENUES</b>	<b>\$892,556</b>	<b>\$4,502,876</b>	<b>\$2,636,600</b>	<b>\$2,626,600</b>
<b>NET FUND ACTIVITY</b>	<b>\$67,397</b>	<b>\$3,313,285</b>	<b>\$200,498</b>	<b>(\$1,254,533)</b>

**FUND DETAIL**

<b>FUND # FUND DESCRIPTION</b>	<b>FY 2014-15 ACTUAL</b>	<b>FY 2015-16 ACTUAL</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2017-18 ADOPTED</b>
<b>EXPENDITURES</b>				
<b>591</b> Transportation DIF	817,759	1,084,624	2,386,102	3,821,133
<b>593</b> Western Transportation DIF Fund	7,400	104,967	50,000	60,000
<b>TOTAL EXPENDITURES</b>	<b>\$825,159</b>	<b>\$1,189,591</b>	<b>\$2,436,102</b>	<b>\$3,881,133</b>
<b>REVENUES</b>				
<b>591</b> Transportation DIF	793,719	4,408,079	2,545,000	2,535,000
<b>593</b> Western Transportation DIF Fund	98,837	94,797	91,600	91,600
<b>TOTAL REVENUES</b>	<b>\$892,556</b>	<b>\$4,502,876</b>	<b>\$2,636,600</b>	<b>\$2,626,600</b>
<b>NET FUND ACTIVITY</b>	<b>\$67,397</b>	<b>\$3,313,285</b>	<b>\$200,498</b>	<b>(\$1,254,533)</b>

# OTHER TRANSPORTATION PROGRAMS FUND 730

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	0	21,137	65,000	65,000
Transfers Out	29,814	0	0	0
CIP Project Expenditures	2,897,253	3,279,735	6,637,647	8,002,203
<b>TOTAL EXPENDITURES</b>	<b>\$2,927,067</b>	<b>\$3,300,872</b>	<b>\$6,702,647</b>	<b>\$8,067,203</b>
<b>REVENUES</b>				
Use of Money & Property	503	1,269	0	0
Revenue from Other Agencies	2,926,211	3,300,874	6,702,647	8,067,203
Other Revenue	858	0	0	0
<b>TOTAL REVENUES</b>	<b>\$2,927,572</b>	<b>\$3,302,143</b>	<b>\$6,702,647</b>	<b>\$8,067,203</b>
<b>NET FUND ACTIVITY</b>	<b>\$505</b>	<b>\$1,271</b>	<b>\$0</b>	<b>\$0</b>

## FUND DETAIL

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
723 Bicycle Facilities	0	21,137	65,000	65,000
736 Other Transportation Program	2,927,067	3,279,735	6,637,647	8,002,203
<b>TOTAL EXPENDITURES</b>	<b>\$2,927,067</b>	<b>\$3,300,872</b>	<b>\$6,702,647</b>	<b>\$8,067,203</b>
<b>REVENUES</b>				
723 Bicycle Facilities	0	21,137	65,000	65,000
735 Transportation Partnership	188	492	0	0
736 Other Transportation Program	2,927,069	3,279,737	6,637,647	8,002,203
741 Prop 1B Hwy Safety	315	777	0	0
<b>TOTAL REVENUES</b>	<b>\$2,927,572</b>	<b>\$3,302,143</b>	<b>\$6,702,647</b>	<b>\$8,067,203</b>
<b>NET FUND ACTIVITY</b>	<b>\$505</b>	<b>\$1,271</b>	<b>\$0</b>	<b>\$0</b>



**FUND SUMMARY**

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	0	14,772	50,000	50,000
Other Expenses	0	8,297	50,000	60,000
Transfers Out	642,015	1,329,160	1,116,415	718,278
CIP Project Expenditures	37,972	531,778	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$679,987</b>	<b>\$1,884,007</b>	<b>\$1,216,415</b>	<b>\$828,278</b>
<b>REVENUES</b>				
Other Local Taxes	366,650	185,625	325,505	325,505
Use of Money & Property	265,347	479,343	0	0
Development Impact Fees	1,072,237	3,203,613	700,000	700,000
Other Revenue	150,000	445,508	87,609	0
Transfers In	302,779	1,133,837	790,910	460,396
<b>TOTAL REVENUES</b>	<b>\$2,157,013</b>	<b>\$5,447,926</b>	<b>\$1,904,024</b>	<b>\$1,485,901</b>
<b>NET FUND ACTIVITY</b>	<b>\$1,477,026</b>	<b>\$3,563,919</b>	<b>\$687,609</b>	<b>\$657,623</b>

**FUND DETAIL**

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
713 Capital Improvement Projects	22,190	507,025	0	0
715 PAD Fund - Eastern	15,782	47,863	75,000	85,000
716 PAD Fund - Western	0	805,000	475,000	75,000
717 Resid. Construction/Conversion	642,015	524,119	666,415	668,278
<b>TOTAL EXPENDITURES</b>	<b>\$679,987</b>	<b>\$1,884,007</b>	<b>\$1,216,415</b>	<b>\$828,278</b>
<b>REVENUES</b>				
713 Capital Improvement Projects	150,002	448,861	87,609	0
715 PAD Fund - Eastern	1,167,306	4,381,959	1,050,000	650,000
716 PAD Fund - Western	169,263	96,162	100,000	100,000
717 Resid. Construction/Conversion	670,442	520,944	666,415	735,901
<b>TOTAL REVENUES</b>	<b>\$2,157,013</b>	<b>\$5,447,926</b>	<b>\$1,904,024</b>	<b>\$1,485,901</b>
<b>NET FUND ACTIVITY</b>	<b>\$1,477,026</b>	<b>\$3,563,919</b>	<b>\$687,609</b>	<b>\$657,623</b>



**DEBT SERVICE FUNDS**



## Debt Service Funds

The debt service requirement for the City and Public Financing Authority is \$12.4 million for fiscal year 2017-18. Successor Agency to the Redevelopment Agency debt is reported in the "Debt Administration" section of the budget. The \$12.4 million are the required payments for the debt per the amortization schedules however, the amounts budgeted or actually paid are usually less due to funds available with the trustee as a result of interest earnings or excess cash in the various debt service funds that reduce the required cash outlay budgeted for the annual payment of the debt.

Debt service payments are made from various City and Funds in accordance with the legal documents governing each borrowing. Present debt is in the form of Certificates of Participation, Long Term Notes and Lease-Purchase Obligations. Debt has been issued by the City to finance a wide variety of projects, including the construction of the new Public Works Center and the new Police Facility, parking facilities, refurbishment of the Chula Vista Shopping Mall, property acquisitions, building remodeling, and equipment and software acquisition.

Annual debt service costs are funded by the General Fund and Public Facilities Development Impact Fee Fund.

### DEBT SERVICE – CITY FUND

Debt Service for City Fund accounts for the activities of the City's bonds (not issued by the CV Public Financing Authority), notes and capital leases. Debt service expenditures for the City Fund are approximately \$3.4 million offset by revenues of \$3.4 million. To follow is a brief description of the City Fund - debt service funds.

- Fund 442: CDBG Section 108 Loan  
In June of 2008, the City received a loan of \$9.5 million from the U.S. Department of Housing and Urban Development (HUD), under the Section 108 program. These funds will be repaid with a portion of the City's annual CDBG allocation, over the next 20 years. The funds will be used for the 'Castle Park Infrastructure Project'. The Section 108 loan is an 'advance' of future CDBG entitlement funds, and, as such, is repaid with a portion of the City's annual entitlement.

- Fund 451: Long Term Advances DSF – City  
This fund was established to account for inter-fund loans.
- Fund 452: Capital Leases  
This fund was established to account for the lease/purchase of the Fire Department's apparatuses, the Police Department's Mobile Data Computers, and Energy Conservation equipment.

In December 2012, the City entered into a lease purchase agreement with Bank of America to purchase certain energy conservation equipment. The agreement would bridge the financial gap between the Municipal Streetlight Retrofit Project capital costs and the available rebates for energy conservation equipment.

In September 2013, the City entered into a lease purchase agreement with Osh Kosh Capital for the acquisition of a Pierce Arrow XT Triple Combination Pumper Fire Engine.

In March 2015, the City entered into a lease purchase agreement with Marlin Leasing Corporation to purchase mobile data computers and associated software.

In November 2015, the City entered into a lease purchase agreement with PNC Equipment Finance, LLC for the acquisition of two Pierce Arrow XT Triple Combination Pumper Fire Engines.

- Fund 453: Energy Loan Repayment  
This fund accumulates payment of principal and interest on a loan obtained through the California Energy Commission to fund various energy conservation capital projects.  
  
On July 23, 2013, the City Council authorized a 16 year lease purchase agreement with Banc of America to fund various solar energy projects for City facilities. The original amount of the loan was \$2,121,500 and will be repaid through future energy savings.

### DEBT SERVICE – CHULA VISTA PUBLIC FINANCING AUTHORITY

The Chula Vista Public Financing Authority (PFA) formed in April 1995 to provide for financing of acquisition, construction and improvement of public capital improvements. The PFA has been used to issue Certificates of Participation on behalf of the City.

Debt service expenditures for the PFA are approximately \$6.8 million with offsetting revenues of \$6.8 million. To follow is a brief description of the Chula Vista PFA - debt service funds.

- Fund 472: 2004 Certificates of Participation – Civic Center Project – Phase I  
In August 2004, the Public Financing Authority issued the 2004 COP in the amount of \$37,240,000 to finance the construction and equipping of certain improvements to the Civic Center complex and to provide funds for infrastructure improvements in western Chula Vista. The source of repayment of the certificates is the lease payments to be made by the General Fund and PFDIF to the Public Financing Authority. The 2004 COPs were refunded in September 2015.
- Fund 473: 2006 Certificates of Participation – Civic Center Project – Phase II  
In March 2006, the Public Financing Authority issued the 2006 COP in the amount of \$20,325,000 to finance the construction and equipping of additional improvements to the Civic Center complex and for the renovation of the City's Nature Center. The 2006 COPs were refunded in July 2016.
- Fund 474: 2010 COP Refinance – Corporation Yard and Civic Center Phase III)  
In February 2010, the Public Financing Authority issued the 2010 COP in the amount of \$29,355,000 to refinance the outstanding \$15,640,000 principal balance of the 2000 Certificate of Participation and to finance certain capital improvement projects. The source of repayment of the certificates is the lease payments to be made by the General Fund and PFDIF to the Public Financing Authority. The 2010 COPs were refunded in July 2016.
- Fund 475: 2014 Refunding Certificates of Participation  
In March 2014, the Public Financing Authority

issued the 2014 COP in the amount of \$45,920,000 to refinance the outstanding principal balance of the 2002 Certificates of Participation. The source of repayment of the certificates is the lease payments to be made by the General Fund and PFDIF to the Public Financing Authority. The term of the certificates is through calendar year 2032.

- Fund 476: 2015 Refunding Certificates of Participation  
In September 2015, the Public Financing Authority issued the 2015 COP in the amount of \$34,330,000 to refinance the outstanding principal balance of the 2004 Certificates of Participation and to refinance part of the outstanding principal balance of the 2006 Certificates of Participation. The source of repayment of the certificates is the lease payments to be made by General Fund and PFDIF to the Public Financing Authority. The term of the certificates is through calendar year 2034.
- Fund 477: 2016 Refunding Certificates of Participation  
In July 2016, the Public Financing Authority issued the 2016 COP in the amount of \$8,600,000 to refinance the outstanding principal balance of the 2006 Certificates of Participation. The source of repayment of the certificates is the lease payments to be made by General Fund and PFDIF to the Public Financing Authority. The term of the certificates is through calendar year 2036.

### DEBT SERVICE – CHULA VISTA MUNICIPAL FINANCING AUTHORITY

The Chula Vista Municipal Financing Authority (PFA) formed in June 2013 to provide for financing or refinancing for the acquisition, construction and improvement of public capital improvements. The MFA has been used to issue Lease Revenue Refunding Bonds on behalf of the City.

Debt service expenditures for the MFA are approximately \$2.1 million with offsetting revenues of \$2.1 million. To follow is a brief description of the Chula Vista MFA - debt service fund.

- Fund 478: 2016 Lease Revenue Refunding Bonds  
In July 2016, the Municipal Financing Authority issued the 2016 LRRB in the amount of \$25,885,000 to refinance the outstanding principal balance of the 2010 Certificates of Participation. The source of repayment of the certificates is the lease payments to be made by General Fund and PFDIF to the Municipal Financing Authority. The term of the certificates is through calendar year 2033.





**FUND SUMMARY**

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Other Expenses	2,254,507	1,669,044	2,043,400	1,995,140
Transfers Out	40,482	4,115,118	2,964,162	1,385,000
<b>TOTAL EXPENDITURES</b>	<b>\$2,294,989</b>	<b>\$5,784,162</b>	<b>\$5,007,562</b>	<b>\$3,380,140</b>
<b>REVENUES</b>				
Use of Money & Property	684	9,381	0	0
Other Revenue	153,684	197,016	173,001	168,000
Transfers In	1,733,873	5,415,614	4,797,769	3,212,140
<b>TOTAL REVENUES</b>	<b>\$1,888,241</b>	<b>\$5,622,011</b>	<b>\$4,970,770</b>	<b>\$3,380,140</b>
<b>NET FUND ACTIVITY</b>	<b>(\$406,748)</b>	<b>(\$162,151)</b>	<b>(\$36,792)</b>	<b>\$0</b>

**FUND DETAIL**

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
442 CDBG Section 108 Loan	756,175	758,243	759,900	762,200
451 Long-term Advances DSF - City	336,255	3,778,863	2,964,162	1,385,000
452 KS Fire Equipment Capital Lease	392,640	435,207	641,500	594,540
453 CES Loan Repayment	809,919	811,849	642,000	638,400
<b>TOTAL EXPENDITURES</b>	<b>\$2,294,989</b>	<b>\$5,784,162</b>	<b>\$5,007,562</b>	<b>\$3,380,140</b>
<b>REVENUES</b>				
442 CDBG Section 108 Loan	756,175	758,243	759,900	762,200
449 SD Co Regional Comm Systems	2	3	0	0
451 Long-term Advances DSF - City	0	3,678,423	2,964,162	1,385,000
452 KS Fire Equipment Capital Lease	353,854	351,363	604,708	594,540
453 CES Loan Repayment	778,210	833,979	642,000	638,400
<b>TOTAL REVENUES</b>	<b>\$1,888,241</b>	<b>\$5,622,011</b>	<b>\$4,970,770</b>	<b>\$3,380,140</b>
<b>NET FUND ACTIVITY</b>	<b>(\$406,748)</b>	<b>(\$162,151)</b>	<b>(\$36,792)</b>	<b>\$0</b>

# DEBT SVC-CV PUBLIC FINANCING AUTH FUND 470

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	17,284	11,725	20,005	21,000
Other Expenses	9,763,838	46,971,130	9,417,130	8,950,700
Transfers Out	0	40,051,517	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$9,781,122</b>	<b>\$87,034,372</b>	<b>\$9,437,135</b>	<b>\$8,971,700</b>
<b>REVENUES</b>				
Use of Money & Property	188,921	685,141	0	0
Other Revenue	0	36,592,493	0	0
Transfers In	9,547,649	49,358,973	9,437,135	8,971,700
<b>TOTAL REVENUES</b>	<b>\$9,736,570</b>	<b>\$86,636,607</b>	<b>\$9,437,135</b>	<b>\$8,971,700</b>
<b>NET FUND ACTIVITY</b>	<b>(\$44,552)</b>	<b>(\$397,765)</b>	<b>\$0</b>	<b>\$0</b>

## FUND DETAIL

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
472 2004 COP Civ Ctr Proj Phase I	2,397,395	33,291,613	0	0
473 2006 COP Civ Ctr Proj Phase 2	1,276,240	8,545,361	394,105	0
474 2010 Refunding COP	2,495,738	2,490,319	2,500,000	0
475 2014 Refunding COP	3,611,749	3,611,381	3,620,000	3,603,500
476 2015 Refunding COP	0	39,095,698	2,923,030	2,931,200
477 2016 COP	0	0	0	288,000
478 2016 LRRB COP Refinance	0	0	0	2,149,000
<b>TOTAL EXPENDITURES</b>	<b>\$9,781,122</b>	<b>\$87,034,372</b>	<b>\$9,437,135</b>	<b>\$8,971,700</b>
<b>REVENUES</b>				
471 2003 Refunding Cert of Part	(4)	(8)	0	0
472 2004 COP Civ Ctr Proj Phase I	2,391,228	30,828,149	0	0
473 2006 COP Civ Ctr Proj Phase 2	1,271,448	8,394,974	394,105	0
474 2010 Refunding COP	2,491,636	2,487,869	2,500,000	0
475 2014 Refunding COP	3,582,263	3,607,949	3,620,000	3,603,500
476 2015 Refunding COP	(1)	41,317,674	2,923,030	2,931,200
477 2016 COP	0	0	0	288,000
478 2016 LRRB COP Refinance	0	0	0	2,149,000
<b>TOTAL REVENUES</b>	<b>\$9,736,570</b>	<b>\$86,636,607</b>	<b>\$9,437,135</b>	<b>\$8,971,700</b>
<b>NET FUND ACTIVITY</b>	<b>(\$44,552)</b>	<b>(\$397,765)</b>	<b>\$0</b>	<b>\$0</b>

**OTHER FUNDS**



## Other Funds

The funds included in this section include miscellaneous Special Revenue and Internal Service funds. Special Revenue Funds are used to account for proceeds derived from specific revenue sources, which are legally restricted to expenditures for special purposes. Internal Service Funds are used to finance and account for goods, special activities, and services performed by one City department for other City departments on a cost reimbursement basis. Internal Service Funds account for the activities of worker's compensation, insurance, and technology replacement.

To follow is a brief description of special revenue funds.

### TRANSPORTATION FUNDS

Included in this group are the following funds:

- Fund 221: Gas Tax  
This fund accounts for the receipt and expenditure of all monies received from the State under Street and Highway Code Sections 2106, 2107, 2107.5. The allocations must be spent for street maintenance or construction and a limited amount for engineering. Historically, these monies were deemed highly restrictive insofar as expenditure, but with adoption of AB1502 effective January 1, 1978 most of the money can be used for any street purpose.
- Fund 225: Traffic Signal Fee  
This fund accounts for the receipt and expenditure of fees collected from private developers for financing and / or installation of new traffic signals, as required by City of Chula Vista Council Policy 478-01.
- Fund 227: Transportation Sales Tax  
This fund was established to account for the receipt and disbursement of all transportation sales tax (TransNet) revenues for the City. In November 1987, San Diego County voters first approved the Transportation Program (TransNet). In November of 2004, voters approved a 40-year extension of the program, which funds transportation improvements throughout the region via a half-cent local sales tax. The City's allocation of regional funds is based upon population and the number of local street and road miles maintained by the City.

### PARKING FUNDS

Included as part of this group are the following funds:

- Fund 241: Parking Meter  
Parking Meter Fund revenues are generated through two sources: coin deposits from parking meters located in the downtown area, and parking citation payments for expired meter violations. These funds pay for the coin collection and maintenance of the meters, the parking enforcement staff that monitors the downtown area, and general upkeep and signage of the downtown parking lots.
- Fund 243: Town Center I Parking  
This fund is used to account for revenues from an in-lieu parking fee. This in-lieu parking fee applies to any developer of a new commercial building or addition to an existing commercial building within the Downtown Parking District. Use of monies in this fund is restricted to the purchase or development of parking sites.

### PUBLIC SAFETY FUNDS

Included in this group are the following funds:

- Fund 245: Traffic Safety  
This fund is a depository for all monies derived from vehicle code fines, excluding parking violations. The fines are collected through the County court system and remitted to the City monthly. These monies may be expended only for traffic control devices and equipment and maintenance thereof or for the maintenance, improvement or construction of public streets.
- Fund 251: Supplemental Law Enforcement Services  
This fund accounts for the Supplemental Law Enforcement grant funds awarded to the Police Department; these funds can be used to supplement general fund appropriations for Police related personnel, overtime, and equipment expenditures.

- Fund 252: Police Department Grants  
This fund includes the California Border Alliance Group (CBAG) and miscellaneous police grants. CBAG is funded with federal funds. While CBAG employees are technically City of Chula Vista employees they do not work in the City of Chula Vista nor do they provide direct services for the City of Chula Vista; the City serves only as a fiscal agent for CBAG.
- Fund 253: Inmate Welfare Fund  
This fund is a depository for monies collected from pay phones commissions and operation of a commissary, in accordance with the Sheriff's Penal Code section 4025. Monies in this fund shall be expended for the benefit, education, and welfare of the inmates.
- Fund 254: Local Law Enforcement Block Grant Funds  
This fund accounts for federal Justice Assistance Grant funds awarded to the Police Department; these funds can be used to supplement general fund appropriations for Police related personnel, overtime, and equipment expenditures.
- Fund 256: Asset Seizure  
This fund is a depository for assets seized under Federal statutes through the process of "equitable sharing" of drug money and real property. By law these funds may only be used for law enforcement purposes and are intended to supplement, not supplant, existing funds.

#### **LIBRARY/CULTURAL ARTS FUNDS**

Included in this group are the following funds:

- Fund 261: California Library Service Act  
The California Library Services Act (CLSA) helps public libraries provide coordinated reference services and provides reimbursement for interlibrary loans of materials and loans to nonresident borrowers through the Transaction Based Reimbursement program, also known as the Direct Loan program. The Chula Vista Public Library participates in the Universal Borrowing provision of CLSA that reimburses the City for any over-the-counter loan service to the residents of all other California public library jurisdictions (Direct Loan). The Interlibrary Loan program reimburses the City for handling costs when books are lent to other

California libraries.

- Fund 262: Public Library Foundation Fund  
The Public Library Foundation Act (PLF) is a funding formula under which the State contributes funding for basic local library services, under specified conditions, to assure the availability to every resident of the state an adequate level of public library service regardless of the taxable wealth of the local jurisdiction providing the service. The legislation provides that to every library jurisdiction which allocates to its public library at least as much local funding as it had the previous year, the state will award a dollar amount equal to the proportional share of the total amount allocated for the Public Library Foundation program based on the population of the library's service area as certified by the State Librarian for that fiscal year. The annual funding is dependent upon appropriations made by the legislature and the Governor.
- Fund 267: McCandliss Awards  
The Gayle McCandliss Fund was established in 1991 shortly after she passed away. Consistent with her wishes, it was established as a perpetual fund to recognize and provide monetary support or recognition to individuals or groups who make substantial contribution to the arts in the City of Chula Vista.

#### **SUNDRY GRANT FUNDS**

Included as part of this group are the following funds:

- Fund 268: State Recreation Grants  
This fund was established to account for the receipt and disbursement of all State Recreation Grants received by the City.
- Fund 269: Other Grant Fund  
The Other Grants Fund was established to account for all grants other than Federal and State grants such as: San Diego Neighborhood Reinvestment Program and Be the Change grants.
- Fund 272: Federal Grants Fund  
This fund was established to account for the receipt and disbursement of all Federal Grants received by the City.

- Fund 273: State Grants Fund  
This fund was established to account for the receipt and disbursement of all State Grants received by the City (excluding Recreation related grants).
- Fund 274: ARRA Fund  
This fund was established to account for the receipt and disbursement of federal grant funds received by the City, authorized by the American Recovery and Reinvestment Act of 2009.
- Fund 275: State Parkway Grant Fund  
This fund was established to meet the State Grant requirement that specific funds be deposited into an interest bearing account.

**ENVIRONMENTAL SERVICES AND CONSERVATION FUNDS**

Included as part of this group are the following funds:

- Fund 281: Waste Management and Recycling  
Revenue for the Waste Management fund is generated by a variety of grants which are used to implement, operate and educate the public on waste diversion, recycling, environmental actions and impacts. Current grant programs include litter reduction and bottle and can recycling programs; a regional used motor oil and oil filter recycling program; regional household hazardous waste program, regional universal waste program, and a regional needles and sharps disposal program.
- Fund 282: Environmental Services  
The Environmental Services fund is a depository for revenue that is generated primarily by a 5% surcharge (AB 939 fees) applied to the refuse rates for residential and commercial customers. The surcharge is authorized by the State to recover the costs of developing and implementing source reduction, recycling, and composting programs that are implemented to meet the State mandate to divert 50% of all waste generated annually in the City from landfills. The fund also includes two annual flat fees paid by the franchise hauler under the franchise agreement to cover litter container costs and to support the programs public education and enforcement service costs.
- Fund 285: Energy Conservation Fund  
Revenue for the Energy Conservation fund is generated by grants and inter-agency agreements

for specific energy conservation projects. The energy conservation fund reflects the budget for the SDG&E energy conservation grant. This grant funds energy conservation programs for local residents, businesses, and City operations that reduce the amount of natural gas and electricity consumed.

**STORM DRAIN FUND**

Storm Drain Revenue (Fund 301) – In accordance with Chapter 14.16 of the Chula Vista Municipal Code all proceeds of the storm drain fee are deposited into the Storm Drain Revenue Fund. Monies in this fund may only be used for storm drain purposes. The monthly storm drain service charge is included on the sewer bill.

**COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

These funds are depositories of grant entitlement monies received from the Department of Housing and Urban Development including funds 311, 314, 321, 325, and 333. The purpose of these monies is for community development projects; eligible activities include those that:

- Benefit low and moderate income people.
- Eliminate slums and blight.
- Alleviate conditions posing a serious health and/or safety hazard.

**OPEN SPACE DISTRICT FUNDS**

These funds are a depository for all monies received for all flat rate property tax assessments levied against benefiting property owners for all maintenance of open space areas. Included in this group are funds 342 through 389.

The total assessment amount for each Open Space District is calculated each year based upon the cost of providing services within the district. This assessment rate is limited to the prior year's amount, increased by the lesser of two local indexes. In recent years the indexed increases were not effectively keeping pace with the actual costs of providing these services to the property owners. In fiscal year 2007-08 staff went through the Proposition 218 process on seven districts/zones, in order to bring revenues in line with actual maintenance costs. Only one of the seven districts was approved for an increase in assessment.

As a result a concentrated effort has been made to reduce expenditures to within available resources.

### MISCELLANEOUS SPECIAL REVENUE FUNDS

Included in this grouping are the following funds:

- Fund 223: Telephone Users Tax (TUT) Common Fund  
This fund is used to account for funds in accordance with a 2014 settlement agreement that resolved a class action lawsuit challenging the City's collection of Telephone Users' Taxes from wireless customers.
- Fund 270: Mobile Home Rent Review Program Fund  
This fund is a depository for monies collected for the Mobile Home Administrative Fee. This fee was established in July 2011 to ensure a consistent funding source for administration and implementation of Chula Vista Municipal Code 9.50 – Mobile Home Park Space Rent Review.
- Fund 316: Public Educational & Government Fee Fund  
This fund accounts for funds received through State Video Franchise Fees to support Public, Education, and Governmental (PEG) access channel facilities. These funds are restricted. In fiscal year 2013-14 they will be used to replace presentation and broadcasting equipment for Council Chambers and the Police Department Community Room.

### INTERNAL SERVICE FUNDS

Included as part of this group are the following funds:

- Fund 232: Flexible Spending Account  
This fund is used to account for employee health, medical and dependent care benefits. In fiscal year 2011-12 this fund was transitioned to a trust and agency type fund.
- Fund 234: Advanced Life Support (ALS) Fund  
This fund accounts for the receipt of pass-through revenue from ambulance services to fund First Responder Advanced Life Support program.
- Fund 235: Legislative Counsel Fund  
This fund accounts for the expenditures and revenues used to fund outside legal counsel services as necessary to implement Proposition C.

- Fund 341: Public Liability Trust Fund  
This fund is a depository for contributions made from the General Fund to provide an appropriate reserve level to pay for uninsured and deductibles for public liability losses. The City is self-insured for amounts up to \$250,000 per claim.
- Fund 393: Technology Replacement Fund  
The Technology Replacement Fund is an internal service function that provides for the replacement of computers and related technology equipment. Funds from departments' operating budgets are transferred to the Technology Replacement Fund for future replacement of equipment included in the program. Due to economic reasons, the program has not been funded for several years. Computer replacement has been included in various funds based on available resources.
- Fund 398: Workers Compensation  
This fund is a depository for contributions made from all funds, which have personnel allocated to them, to pay for annual costs related to workers' compensation liabilities including the provision of an appropriate reserve to pay uninsured claims costs. The City is self-insured for amounts up to \$1.0 million per claim. The amount of the reserve and the required annual transfer is determined by the Director of Finance, based on experience and consultation with the Risk Manager. In fiscal year 2010-11 the Workers Compensation Fund was moved from Fund 231 to Fund 398, this change is necessary to change the fund type from General Fund to internal service.

### OTHER ENTERPRISE FUNDS

Included as part of this group are the following funds:

- Fund 406: Chula Vista Municipal Golf Course  
This fund is used to account for revenues and expenditures related to the operation of the Chula Vista Municipal Golf Course.
- Fund 409: Chula Vista Elite Athlete Training Center  
This fund accounts for the revenues and expenditures related to the management of the Chula Vista Elite Athlete Training Center.



**FUND SUMMARY**

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	6,300	7,228	0	0
Other Expenses	51,375	6,963	15,000	25,000
Transfers Out	4,259,428	4,259,428	4,259,428	4,259,428
CIP Project Expenditures	11,799,298	11,717,961	9,867,141	8,756,778
Non-CIP Project Expenditures	0	391,919	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$16,116,401</b>	<b>\$16,383,499</b>	<b>\$14,141,569</b>	<b>\$13,041,206</b>
<b>REVENUES</b>				
Other Local Taxes	11,489,633	2,535,464	8,239,131	6,087,000
Use of Money & Property	59,901	131,430	0	0
Revenue from Other Agencies	6,842,508	6,622,809	5,306,551	5,537,543
Charges for Services	279,738	184,401	200,000	200,000
Other Revenue	512,327	114,182	0	0
Transfers In	29,814	0	0	0
<b>TOTAL REVENUES</b>	<b>\$19,213,921</b>	<b>\$9,588,286</b>	<b>\$13,745,682</b>	<b>\$11,824,543</b>
<b>NET FUND ACTIVITY</b>	<b>\$3,097,520</b>	<b>(\$6,795,213)</b>	<b>(\$395,887)</b>	<b>(\$1,216,663)</b>

**FUND DETAIL**

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
221 Gas Tax	7,356,677	8,713,800	5,559,428	5,877,428
225 Traffic Signal	160,826	332,840	510,010	363,166
227 Transportation Sales Tax	8,598,898	7,336,859	8,072,131	6,800,612
<b>TOTAL EXPENDITURES</b>	<b>\$16,116,401</b>	<b>\$16,383,499</b>	<b>\$14,141,569</b>	<b>\$13,041,206</b>
<b>REVENUES</b>				
221 Gas Tax	6,519,979	5,707,250	5,258,582	5,537,543
225 Traffic Signal	444,879	218,770	200,000	200,000
227 Transportation Sales Tax	12,249,063	3,662,266	8,287,100	6,087,000
<b>TOTAL REVENUES</b>	<b>\$19,213,921</b>	<b>\$9,588,286</b>	<b>\$13,745,682</b>	<b>\$11,824,543</b>
<b>NET FUND ACTIVITY</b>	<b>\$3,097,520</b>	<b>(\$6,795,213)</b>	<b>(\$395,887)</b>	<b>(\$1,216,663)</b>

**FUND SUMMARY**

<b>BUDGET CATEGORY</b>	<b>FY 2014-15 ACTUAL</b>	<b>FY 2015-16 ACTUAL</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2017-18 PROPOSED</b>
<b>EXPENDITURES</b>				
Supplies and Services	228,679	245,040	260,300	345,700
Other Expenses	128,027	132,934	168,500	163,500
Utilities	10,643	9,949	12,448	13,070
CIP Project Expenditures	30,409	55	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$397,758</b>	<b>\$387,978</b>	<b>\$441,248</b>	<b>\$522,270</b>
<b>REVENUES</b>				
Licenses and Permits	40,598	26,777	35,000	25,000
Fines, Forfeitures, Penalties	173,565	173,317	200,000	200,000
Use of Money & Property	382,777	381,381	350,000	365,000
Other Revenue	6	0	0	0
<b>TOTAL REVENUES</b>	<b>\$596,946</b>	<b>\$581,475</b>	<b>\$585,000</b>	<b>\$590,000</b>
<b>NET FUND ACTIVITY</b>	<b>\$199,188</b>	<b>\$193,497</b>	<b>\$143,752</b>	<b>\$67,730</b>

**FUND DETAIL**

<b>FUND # FUND DESCRIPTION</b>	<b>FY 2014-15 ACTUAL</b>	<b>FY 2015-16 ACTUAL</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2017-18 ADOPTED</b>
<b>EXPENDITURES</b>				
<b>241</b> Parking Meter	397,758	387,978	441,248	522,270
<b>TOTAL EXPENDITURES</b>	<b>\$397,758</b>	<b>\$387,978</b>	<b>\$441,248</b>	<b>\$522,270</b>
<b>REVENUES</b>				
<b>241</b> Parking Meter	596,615	580,610	585,000	590,000
<b>243</b> Town Centre I-Parking District	331	865	0	0
<b>TOTAL REVENUES</b>	<b>\$596,946</b>	<b>\$581,475</b>	<b>\$585,000</b>	<b>\$590,000</b>
<b>NET FUND ACTIVITY</b>	<b>\$199,188</b>	<b>\$193,497</b>	<b>\$143,752</b>	<b>\$67,730</b>

**FUND SUMMARY**

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Personnel Services	5,070,316	5,250,837	5,967,163	6,311,005
Supplies and Services	1,019,437	986,416	806,052	713,990
Other Expenses	4,452	8,206	192,626	243,940
Capital	218,066	265,258	589,719	165,000
Transfers Out	537,344	425,618	435,785	420,653
<b>TOTAL EXPENDITURES</b>	<b>\$6,849,615</b>	<b>\$6,936,335</b>	<b>\$7,991,345</b>	<b>\$7,854,588</b>
<b>REVENUES</b>				
Fines, Forfeitures, Penalties	441,515	508,082	437,640	437,640
Use of Money & Property	18,837	49,811	20,000	20,000
Revenue from Other Agencies	6,969,247	5,866,451	6,535,938	6,690,179
Charges for Services	134,120	123,841	134,710	140,296
Other Revenue	61,704	54,607	30,000	40,000
Transfers In	51,226	77,139	86,021	150,958
<b>TOTAL REVENUES</b>	<b>\$7,676,649</b>	<b>\$6,679,931</b>	<b>\$7,244,309</b>	<b>\$7,479,073</b>
<b>NET FUND ACTIVITY</b>	<b>\$827,034</b>	<b>(\$256,404)</b>	<b>(\$747,036)</b>	<b>(\$375,515)</b>

**FUND DETAIL**

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
<b>245</b> Traffic Safety	420,098	422,153	437,640	437,640
<b>251</b> Suppl Law Enforcement Services	449,284	488,391	696,424	589,227
<b>252</b> Police Department Grants	5,459,267	5,328,682	6,086,052	6,292,004
<b>253</b> Inmate Welfare Fund	28,534	30,722	60,000	82,350
<b>254</b> Local Law Enf Block Grant	89,245	91,365	94,812	98,415
<b>256</b> Asset Seizure	403,187	575,022	616,417	354,952
<b>TOTAL EXPENDITURES</b>	<b>\$6,849,615</b>	<b>\$6,936,335</b>	<b>\$7,991,345</b>	<b>\$7,854,588</b>
<b>REVENUES</b>				
<b>245</b> Traffic Safety	441,749	509,757	437,640	437,640
<b>251</b> Suppl Law Enforcement Services	876,735	471,256	401,014	401,014
<b>252</b> Police Department Grants	5,457,772	5,206,760	6,020,843	6,292,004
<b>253</b> Inmate Welfare Fund	48,599	65,236	30,000	40,000
<b>254</b> Local Law Enf Block Grant	89,746	92,718	94,812	98,415
<b>256</b> Asset Seizure	762,048	334,204	260,000	210,000
<b>TOTAL REVENUES</b>	<b>\$7,676,649</b>	<b>\$6,679,931</b>	<b>\$7,244,309</b>	<b>\$7,479,073</b>
<b>NET FUND ACTIVITY</b>	<b>\$827,034</b>	<b>(\$256,404)</b>	<b>(\$747,036)</b>	<b>(\$375,515)</b>

**STAFFING SUMMARY - 252**

<b>BUDGET CATEGORY</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2016-17 MIDYEAR</b>	<b>FY 2017-18 CHANGES</b>	<b>FY 2017-18 PROPOSED</b>
FA ADMIN ANALYST II	1.00	-	(1.00)	-
FA ANALYST	2.00	1.00	-	3.00
FA DEPUTY DIRECTOR SDLECC	1.00	1.00	-	2.00
FA DEPUTY EXECUTIVE DIRECTOR	1.00	-	-	1.00
FA DIRECTOR OF SD LECC	1.00	-	-	1.00
FA EXECUTIVE DIRECTOR	1.00	-	(1.00)	-
FA FINANCIAL MANAGER	1.00	-	-	1.00
FA GEOSPATIAL INTEL ANALYST	1.00	-	-	1.00
FA GRAPHIC DESIGNER/WBMSTR	1.00	-	-	1.00
FA INFO SECURITY PROGRAM MGR	1.00	-	-	1.00
FA INTELLIGENCE ANALYST	-	1.00	-	1.00
FA IVDC-LECC EXEC DIRECTOR	1.00	-	-	1.00
FA LECC IT MANAGER	1.00	-	-	1.00
FA NTRWK ADMINISTRATOR II	4.00	-	-	4.00
FA PROG ASST SUPERVISOR	-	1.00	-	1.00
FA PROGRAM ASSISTANT	2.00	(1.00)	-	1.00
FA PROGRAM MANAGER	1.00	-	(1.00)	-
FA PUB PRVT PART EXER PRG MGR	1.00	-	-	1.00
FA RCFL NETWORK ENGINEER	2.00	-	-	2.00
FA SR FINANCIAL ANALYST	1.00	-	-	1.00
FA SR INTELLIGENCE ANALYST	7.00	2.00	-	9.00
FA SR PROGRAM ASSISTANT	-	1.00	-	1.00
FA SR SECRETARY	1.00	-	-	1.00
FA SUPV INTELLIGENCE ANALYST	2.00	1.00	-	3.00
PEACE OFFICER	3.00	-	-	3.00
POLICE COMM RELATIONS SPEC	1.00	-	-	1.00
POLICE SERGEANT	1.00	-	-	1.00
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>39.00</b>	<b>7.00</b>	<b>(3.00)</b>	<b>43.00</b>

**FUND SUMMARY**

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	66,000	2,862	400	400
Other Expenses	0	500	1,200	1,200
<b>TOTAL EXPENDITURES</b>	<b>\$66,000</b>	<b>\$3,362</b>	<b>\$1,600</b>	<b>\$1,600</b>
<b>REVENUES</b>				
Use of Money & Property	392	627	0	0
<b>TOTAL REVENUES</b>	<b>\$392</b>	<b>\$627</b>	<b>\$0</b>	<b>\$0</b>
<b>NET FUND ACTIVITY</b>	<b>(\$65,608)</b>	<b>(\$2,735)</b>	<b>(\$1,600)</b>	<b>(\$1,600)</b>

**FUND DETAIL**

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
261 California Library Service Act	66,000	2,862	0	0
267 McCandliss Cultural Arts	0	500	1,600	1,600
<b>TOTAL EXPENDITURES</b>	<b>\$66,000</b>	<b>\$3,362</b>	<b>\$1,600</b>	<b>\$1,600</b>
<b>REVENUES</b>				
261 California Library Service Act	302	411	0	0
262 Public Library Act	1	1	0	0
267 McCandliss Cultural Arts	89	215	0	0
<b>TOTAL REVENUES</b>	<b>\$392</b>	<b>\$627</b>	<b>\$0</b>	<b>\$0</b>
<b>NET FUND ACTIVITY</b>	<b>(\$65,608)</b>	<b>(\$2,735)</b>	<b>(\$1,600)</b>	<b>(\$1,600)</b>

# SUNDRY GRANTS & MISC FUND

270

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Personnel Services	372,081	446,305	442,716	345,730
Supplies and Services	788,631	805,404	1,101,135	186,344
Other Expenses	280,922	67,679	155,333	139,338
Capital	1,427,514	650,850	125,876	0
Transfers Out	610,000	10,035	0	0
CIP Project Expenditures	2,865,477	164,163	0	350,000
Non-CIP Project Expenditures	70,043	411,371	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$6,414,668</b>	<b>\$2,555,807</b>	<b>\$1,825,060</b>	<b>\$1,021,412</b>
<b>REVENUES</b>				
Use of Money & Property	21,685	30,455	0	0
Revenue from Other Agencies	4,171,189	1,476,296	1,106,821	821,753
Charges for Services	84,180	85,790	65,000	65,000
Other Revenue	46,817	45,919	22,333	22,333
Transfers In	51,615	61,620	112,326	112,326
<b>TOTAL REVENUES</b>	<b>\$4,375,486</b>	<b>\$1,700,080</b>	<b>\$1,306,480</b>	<b>\$1,021,412</b>
<b>NET FUND ACTIVITY</b>	<b>(\$2,039,182)</b>	<b>(\$855,727)</b>	<b>(\$518,580)</b>	<b>\$0</b>

## FUND DETAIL

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
223 TUT Common Fund	2,411,335	991,125	473,826	0
269 Other Grant Fund	3,486	69,162	100,000	100,000
270 Mobile Home Rent Review Progra	52,294	33,021	91,000	65,000
272 Federal Grants Fund	1,411,747	1,048,225	1,059,147	484,079
273 State Grants Fund	2,535,806	414,274	78,754	350,000
274 ARRA Fund	0	0	22,333	22,333
<b>TOTAL EXPENDITURES</b>	<b>\$6,414,668</b>	<b>\$2,555,807</b>	<b>\$1,825,060</b>	<b>\$1,021,412</b>
<b>REVENUES</b>				
223 TUT Common Fund	35,155	27,314	0	0
269 Other Grant Fund	26,858	54,290	100,000	100,000
270 Mobile Home Rent Review Progra	85,084	88,931	65,000	65,000
272 Federal Grants Fund	1,419,184	970,687	1,059,147	484,079
273 State Grants Fund	2,776,762	514,880	60,000	350,000
274 ARRA Fund	32,443	43,978	22,333	22,333
<b>TOTAL REVENUES</b>	<b>\$4,375,486</b>	<b>\$1,700,080</b>	<b>\$1,306,480</b>	<b>\$1,021,412</b>
<b>NET FUND ACTIVITY</b>	<b>(\$2,039,182)</b>	<b>(\$855,727)</b>	<b>(\$518,580)</b>	<b>\$0</b>

**STAFFING SUMMARY - 272**

<b>BUDGET CATEGORY</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2016-17 MIDYEAR</b>	<b>FY 2017-18 CHANGES</b>	<b>FY 2017-18 PROPOSED</b>
EMERGENCY SVCS COORDINATOR	1.00	-	-	1.00
GIS SPECIALIST	1.00	-	-	1.00
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>2.00</b>	<b>-</b>	<b>-</b>	<b>2.00</b>

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	246,095	157,842	300,000	300,000
Other Expenses	0	265	0	0
Capital	64,040	204,160	300,000	300,000
<b>TOTAL EXPENDITURES</b>	<b>\$310,135</b>	<b>\$362,267</b>	<b>\$600,000</b>	<b>\$600,000</b>
<b>REVENUES</b>				
Other Local Taxes	679,354	664,470	600,000	600,000
Use of Money & Property	4,141	17,109	0	0
<b>TOTAL REVENUES</b>	<b>\$683,495</b>	<b>\$681,579</b>	<b>\$600,000</b>	<b>\$600,000</b>
<b>NET FUND ACTIVITY</b>	<b>\$373,360</b>	<b>\$319,312</b>	<b>\$0</b>	<b>\$0</b>



**FUND SUMMARY**

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Personnel Services	796,900	804,062	964,236	1,048,681
Supplies and Services	1,388,562	1,696,789	2,037,385	2,076,885
Other Expenses	439,989	442,008	854,170	810,080
Capital	4,003	348	67,193	67,193
Utilities	57	4,494	5,100	10,355
Transfers Out	107,585	107,585	107,585	107,585
CIP Project Expenditures	956	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$2,738,052</b>	<b>\$3,055,286</b>	<b>\$4,035,669</b>	<b>\$4,120,779</b>
<b>REVENUES</b>				
Use of Money & Property	9,672	21,191	0	0
Revenue from Other Agencies	1,457,141	1,688,811	2,119,276	2,113,296
Charges for Services	1,088,446	1,161,539	1,262,279	1,262,279
Other Revenue	141,585	314,710	139,726	139,726
<b>TOTAL REVENUES</b>	<b>\$2,696,844</b>	<b>\$3,186,251</b>	<b>\$3,521,281</b>	<b>\$3,515,301</b>
<b>NET FUND ACTIVITY</b>	<b>(\$41,208)</b>	<b>\$130,965</b>	<b>(\$514,388)</b>	<b>(\$605,478)</b>

**FUND DETAIL**

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
<b>281</b> Waste Management & Recycling	659,352	790,223	555,691	477,701
<b>282</b> Environmental Services Fund	1,280,625	1,461,847	1,916,393	2,007,483
<b>285</b> Energy Conservation	798,075	803,216	1,563,585	1,635,595
<b>TOTAL EXPENDITURES</b>	<b>\$2,738,052</b>	<b>\$3,055,286</b>	<b>\$4,035,669</b>	<b>\$4,120,779</b>
<b>REVENUES</b>				
<b>281</b> Waste Management & Recycling	662,596	886,217	555,691	477,701
<b>282</b> Environmental Services Fund	1,237,492	1,496,818	1,402,005	1,402,005
<b>285</b> Energy Conservation	796,756	803,216	1,563,585	1,635,595
<b>TOTAL REVENUES</b>	<b>\$2,696,844</b>	<b>\$3,186,251</b>	<b>\$3,521,281</b>	<b>\$3,515,301</b>
<b>NET FUND ACTIVITY</b>	<b>(\$41,208)</b>	<b>\$130,965</b>	<b>(\$514,388)</b>	<b>(\$605,478)</b>

**STAFFING SUMMARY - 282**

<b>BUDGET CATEGORY</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2016-17 MIDYEAR</b>	<b>FY 2017-18 CHANGES</b>	<b>FY 2017-18 PROPOSED</b>
RECYCLING SPECIALIST I	3.00	-	-	3.00
RECYCLING SPECIALIST II	3.00	-	-	3.00
SR RECYCLING SPECIALIST	1.00	-	-	1.00
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>7.00</b>	<b>-</b>	<b>-</b>	<b>7.00</b>

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	324,124	238,069	348,100	348,100
Utilities	674	0	800	840
Transfers Out	0	697,599	210,000	0
<b>TOTAL EXPENDITURES</b>	<b>\$324,798</b>	<b>\$935,668</b>	<b>\$558,900</b>	<b>\$348,940</b>
<b>REVENUES</b>				
Licenses and Permits	0	0	23,750	23,750
Fines, Forfeitures, Penalties	24,431	11,800	5,000	5,000
Use of Money & Property	(833)	3,482	0	0
Charges for Services	624,232	605,207	555,500	555,500
Other Revenue	290	1,393	0	0
<b>TOTAL REVENUES</b>	<b>\$648,120</b>	<b>\$621,882</b>	<b>\$584,250</b>	<b>\$584,250</b>
<b>NET FUND ACTIVITY</b>	<b>\$323,322</b>	<b>(\$313,786)</b>	<b>\$25,350</b>	<b>\$235,310</b>

**FUND SUMMARY**

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	11,642	961	23,527	5,100
Other Expenses	544,093	1,143,306	571,813	280,500
Capital	3,672	17,653	70,419	60,470
Utilities	0	0	0	8,530
Transfers Out	756,175	758,243	759,900	762,200
CIP Project Expenditures	0	35,600	483,640	0
Non-CIP Project Expenditures	893,511	684,914	1,052,756	50,100
<b>TOTAL EXPENDITURES</b>	<b>\$2,209,093</b>	<b>\$2,640,677</b>	<b>\$2,962,055</b>	<b>\$1,166,900</b>
<b>REVENUES</b>				
Use of Money & Property	66,683	91,708	79,000	79,000
Revenue from Other Agencies	2,109,028	2,382,370	2,853,055	976,300
Other Revenue	103,714	270,558	0	0
Transfers In	9,597	0	0	31,600
<b>TOTAL REVENUES</b>	<b>\$2,289,022</b>	<b>\$2,744,636</b>	<b>\$2,932,055</b>	<b>\$1,086,900</b>
<b>NET FUND ACTIVITY</b>	<b>\$79,929</b>	<b>\$103,959</b>	<b>(\$30,000)</b>	<b>(\$80,000)</b>

**FUND DETAIL**

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
311 CDBG Housing Program	114,988	34,025	328,574	51,100
314 Emergency Shelter Grant Prog	188,146	162,948	159,265	0
321 Home Program	285,313	1,010,415	509,215	289,500
333 Comm Dev Block Grant	1,620,646	1,433,289	1,965,001	826,300
<b>TOTAL EXPENDITURES</b>	<b>\$2,209,093</b>	<b>\$2,640,677</b>	<b>\$2,962,055</b>	<b>\$1,166,900</b>
<b>REVENUES</b>				
311 CDBG Housing Program	151,614	4,175	328,574	51,100
314 Emergency Shelter Grant Prog	188,146	162,948	159,265	0
321 Home Program	316,804	1,129,713	509,215	209,500
325 CDBG Program - Income Projects	412	1,093	0	0
333 Comm Dev Block Grant	1,632,046	1,446,707	1,935,001	826,300
<b>TOTAL REVENUES</b>	<b>\$2,289,022</b>	<b>\$2,744,636</b>	<b>\$2,932,055</b>	<b>\$1,086,900</b>
<b>NET FUND ACTIVITY</b>	<b>\$79,929</b>	<b>\$103,959</b>	<b>(\$30,000)</b>	<b>(\$80,000)</b>

**FUND SUMMARY**

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	6,326,177	6,486,597	7,337,964	7,101,254
Other Expenses	1,894,778	1,816,940	1,753,766	2,184,759
Capital	0	38,464	0	100,002
Utilities	2,319,236	2,198,014	2,908,652	2,982,435
CIP Project Expenditures	7,303	16,313	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$10,547,494</b>	<b>\$10,556,328</b>	<b>\$12,000,382</b>	<b>\$12,368,450</b>
<b>REVENUES</b>				
Use of Money & Property	91,222	227,663	0	0
Other Revenue	8,682,473	11,450,924	11,994,382	14,513,404
<b>TOTAL REVENUES</b>	<b>\$8,773,695</b>	<b>\$11,678,587</b>	<b>\$11,994,382</b>	<b>\$14,513,404</b>
<b>NET FUND ACTIVITY</b>	<b>(\$1,773,799)</b>	<b>\$1,122,259</b>	<b>(\$6,000)</b>	<b>\$2,144,954</b>

**FUND DETAIL**

FUND #	FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>					
342	CFD 11-M RHR McMillin	89,974	122,176	130,275	152,496
343	CFD 12-M Vlg7	339,345	310,541	466,868	365,547
344	CFD 13-M Vlg2	141,531	145,752	209,297	232,968
345	CFD 12M - OR Village 7	380,648	344,795	468,444	497,287
346	CFD 14M - A - EUC Millenia	0	2,508	148,402	158,124
347	CFD 14M - B - EUC Millenia Park	0	0	4,328	61,503
348	CFD 18M Village 3 Otay Ranch	0	0	0	5,000
349	CFD 19M Freeway Commercial 2	0	0	0	59,616
352	Bay Blvd Landscaping Dist	2,928	3,598	10,575	12,500
353	Eastlake Maintenance Dist #1	311,192	348,733	331,451	332,054
354	Open Space District #1	93,273	97,028	86,481	85,441
355	Open Space District #2	15,499	18,504	14,439	14,917
356	Open Space District #3	51,339	60,957	51,501	52,602
357	Open Space District #4	86,265	102,828	89,881	91,867
358	Open Space District #5	48,357	51,721	50,412	52,045
359	Open Space District #6	30,227	31,189	32,617	34,178
361	Open Space District #7	5,400	4,669	12,977	14,736
362	Open Space District #8	76,626	87,263	77,329	74,058
363	Open Space District #9	79,634	95,802	79,437	73,459
364	Open Space District #10	74,369	95,675	88,054	84,563
365	Open Space District #11	162,518	172,128	193,157	172,143

# OPEN SPACE DISTRICT FUNDS

350

367	Open Space District #14	422,949	384,591	354,236	361,460
368	Open Space District #15	37,736	38,203	27,154	22,905
369	Open Space District #17	8,433	10,084	18,906	8,848
371	Open Space District #18	141,408	149,790	168,492	177,836
372	Open Space District #20	1,367,797	1,444,371	1,453,756	1,477,100
373	Open Space District #23	35,449	37,477	49,966	49,966
374	Open Space District #24	42,817	42,602	39,916	31,150
375	Open Space District #26	14,526	14,633	12,762	11,613
376	Open Space District #31	177,032	130,023	160,614	178,339
378	CFD 07M-Eastlk II Woods, Vista	496,316	585,709	653,562	685,373
379	CFD 08M-Vlg 6 McM & Oty Ranc	822,345	771,748	956,488	1,019,508
380	CFD 09M OR Vlg II	894,010	738,156	961,157	1,005,296
382	CFD 99-2 Otay Ranch Vlg 1 We	705,504	777,204	752,336	792,483
386	Otay Ranch Acquisition Dist	487,221	495,083	654,500	602,500
387	CFD 98-3 Sunbow 2	851,331	811,689	872,069	915,889
388	Comm Facility 97-1 (Otay Rnch)	2,052,841	2,026,756	2,304,452	2,401,080
389	Otay Ranch Village 1,2,6,7,12	654	2,342	14,091	0
<b>TOTAL EXPENDITURES</b>		<b>\$10,547,494</b>	<b>\$10,556,328</b>	<b>\$12,000,382</b>	<b>\$12,368,450</b>
<b>REVENUES</b>					
342	CFD 11-M RHR McMillin	33,615	99,279	130,275	169,681
343	CFD 12-M Vlg7	73,009	202,245	466,868	365,547
344	CFD 13-M Vlg2	198,882	197,185	209,297	340,796
345	CFD 12M - OR Village 7	374,818	459,001	468,444	503,247
346	CFD 14M - A - EUC Millenia	0	285,162	148,402	224,334
347	CFD 14M - B - EUC Millenia Park	0	0	4,328	67,823
348	CFD 18M Village 3 Otay Ranch	0	0	0	657,277
349	CFD 19M Freeway Commercial 2	0	0	0	130,546
351	Town Centre Landscaping Dist I	161	419	0	0
352	Bay Blvd Landscaping Dist	285	698	10,575	12,500
353	Eastlake Maintenance Dist #1	292,059	303,037	331,451	351,035
354	Open Space District #1	81,315	84,586	86,481	85,441
355	Open Space District #2	14,227	14,530	14,439	15,063
356	Open Space District #3	49,475	50,352	51,501	52,602
357	Open Space District #4	90,771	89,499	89,881	91,867
358	Open Space District #5	49,412	52,892	50,412	52,045
359	Open Space District #6	32,585	33,555	32,617	34,178
361	Open Space District #7	10,593	3,796	12,977	14,736
362	Open Space District #8	71,001	71,325	77,329	74,058
363	Open Space District #9	69,813	72,088	79,437	73,459
364	Open Space District #10	80,753	82,773	88,054	84,563
365	Open Space District #11	164,848	169,488	193,157	172,143
366	Open Space District #13	3	5	0	0
367	Open Space District #14	344,410	348,891	354,236	361,460
368	Open Space District #15	21,811	22,104	27,154	22,905
369	Open Space District #17	8,426	8,658	18,906	8,848

**OPEN SPACE DISTRICT FUNDS****350**

<b>371</b>	Open Space District #18	172,810	174,721	168,492	177,836
<b>372</b>	Open Space District #20	1,304,760	1,398,633	1,453,756	1,479,914
<b>373</b>	Open Space District #23	54,831	52,097	49,966	49,966
<b>374</b>	Open Space District #24	30,115	30,567	39,916	31,150
<b>375</b>	Open Space District #26	11,025	11,217	12,762	11,613
<b>376</b>	Open Space District #31	186,239	175,316	160,614	189,419
<b>378</b>	CFD 07M-Eastlk II Woods, Vista	147,780	284,689	653,562	686,876
<b>379</b>	CFD 08M-Vlg 6 McM & Oty Ranc	38,574	1,115,153	956,488	1,317,286
<b>380</b>	CFD 09M OR Vlg II	942,755	961,696	961,157	1,122,910
<b>382</b>	CFD 99-2 Otay Ranch Vlg 1 We	681,447	773,549	752,336	887,430
<b>383</b>	Town Ctr Business Imprv Distr	3,599	(2,289)	0	0
<b>386</b>	Otay Ranch Acquisition Dist	436,863	670,716	648,500	743,651
<b>387</b>	CFD 98-3 Sunbow 2	712,856	848,662	872,069	998,072
<b>388</b>	Comm Facility 97-1 (Otay Rnch)	1,933,852	2,529,517	2,304,452	2,851,127
<b>389</b>	Otay Ranch Village 1,2,6,7,12	53,917	2,775	14,091	0
<b>TOTAL REVENUES</b>		<b>\$8,773,695</b>	<b>\$11,678,587</b>	<b>\$11,994,382</b>	<b>\$14,513,404</b>
<b>NET FUND ACTIVITY</b>		<b>(\$1,773,799)</b>	<b>\$1,122,259</b>	<b>(\$6,000)</b>	<b>\$2,144,954</b>

**FUND SUMMARY**

<b>BUDGET CATEGORY</b>	<b>FY 2014-15 ACTUAL</b>	<b>FY 2015-16 ACTUAL</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2017-18 PROPOSED</b>
<b>EXPENDITURES</b>				
Personnel Services	497,499	280,948	208,634	212,824
Supplies and Services	300,466	128,239	178,317	178,177
Capital	160,702	197,893	193,469	193,469
Transfers Out	649,923	828,194	972,453	972,453
<b>TOTAL EXPENDITURES</b>	<b>\$1,608,590</b>	<b>\$1,435,274</b>	<b>\$1,552,873</b>	<b>\$1,556,923</b>
<b>REVENUES</b>				
Revenue from Other Agencies	1,534,430	1,476,315	1,552,873	1,556,923
<b>TOTAL REVENUES</b>	<b>\$1,534,430</b>	<b>\$1,476,315</b>	<b>\$1,552,873</b>	<b>\$1,556,923</b>
<b>NET FUND ACTIVITY</b>	<b>(\$74,160)</b>	<b>\$41,041</b>	<b>\$0</b>	<b>\$0</b>



**STAFFING SUMMARY - 234**

<b>BUDGET CATEGORY</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2016-17 MIDYEAR</b>	<b>FY 2017-18 CHANGES</b>	<b>FY 2017-18 PROPOSED</b>
<b>EMS NURSE COORDINATOR</b>	<b>1.00</b>	<b>-</b>	<b>-</b>	<b>1.00</b>
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>1.00</b>	<b>-</b>	<b>-</b>	<b>1.00</b>

**FUND SUMMARY**

<b>BUDGET CATEGORY</b>	<b>FY 2014-15 ACTUAL</b>	<b>FY 2015-16 ACTUAL</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2017-18 PROPOSED</b>
<b>EXPENDITURES</b>				
Supplies and Services	0	0	5,000	5,000
Transfers Out	0	33,950	41,050	0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$33,950</b>	<b>\$46,050</b>	<b>\$5,000</b>
<b>NET FUND ACTIVITY</b>	<b>\$0</b>	<b>(\$33,950)</b>	<b>(\$46,050)</b>	<b>(\$5,000)</b>

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	300,850	363,714	400,000	384,908
Other Expenses	463,479	814,982	540,000	819,170
<b>TOTAL EXPENDITURES</b>	<b>\$764,329</b>	<b>\$1,178,696</b>	<b>\$940,000</b>	<b>\$1,204,078</b>
<b>REVENUES</b>				
Transfers In	442,646	500,681	520,000	1,284,078
<b>TOTAL REVENUES</b>	<b>\$442,646</b>	<b>\$500,681</b>	<b>\$520,000</b>	<b>\$1,284,078</b>
<b>NET FUND ACTIVITY</b>	<b>(\$321,683)</b>	<b>(\$678,015)</b>	<b>(\$420,000)</b>	<b>\$80,000</b>

**FUND SUMMARY**

<b>BUDGET CATEGORY</b>	<b>FY 2014-15 ACTUAL</b>	<b>FY 2015-16 ACTUAL</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2017-18 PROPOSED</b>
<b>EXPENDITURES</b>				
Supplies and Services	460,526	12,125	127,349	0
<b>TOTAL EXPENDITURES</b>	<b>\$460,526</b>	<b>\$12,125</b>	<b>\$127,349</b>	<b>\$0</b>
<b>NET FUND ACTIVITY</b>	<b>(\$460,526)</b>	<b>(\$12,125)</b>	<b>(\$127,349)</b>	<b>\$0</b>

**FUND SUMMARY**

<b>BUDGET CATEGORY</b>	<b>FY 2014-15 ACTUAL</b>	<b>FY 2015-16 ACTUAL</b>	<b>FY 2016-17 ADOPTED</b>	<b>FY 2017-18 PROPOSED</b>
<b>EXPENDITURES</b>				
Supplies and Services	613,727	651,884	810,197	826,359
Other Expenses	2,784,023	4,758,944	2,669,000	3,702,764
<b>TOTAL EXPENDITURES</b>	<b>\$3,397,750</b>	<b>\$5,410,828</b>	<b>\$3,479,197</b>	<b>\$4,529,123</b>
<b>REVENUES</b>				
Other Revenue	2,631,734	4,437,087	3,519,714	5,029,123
Transfers In	950,000	503,346	0	0
<b>TOTAL REVENUES</b>	<b>\$3,581,734</b>	<b>\$4,940,433</b>	<b>\$3,519,714</b>	<b>\$5,029,123</b>
<b>NET FUND ACTIVITY</b>	<b>\$183,984</b>	<b>(\$470,395)</b>	<b>\$40,517</b>	<b>\$500,000</b>

**FUND SUMMARY**

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Personnel Services	180,524	0	0	0
Supplies and Services	3,600,665	49,578	0	0
Other Expenses	912,703	0	0	0
Capital	50,838	0	0	0
Utilities	96,189	0	0	0
Transfers Out	34,750	0	0	0
CIP Project Expenditures	24,184	15,486	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$4,899,853</b>	<b>\$65,064</b>	<b>\$0</b>	<b>\$0</b>
<b>REVENUES</b>				
Use of Money & Property	25,613	26,054	0	0
Revenue from Other Agencies	2,531,799	0	0	0
Charges for Services	1,503,263	0	0	0
Other Revenue	338,107	16,429	0	0
<b>TOTAL REVENUES</b>	<b>\$4,398,782</b>	<b>\$42,483</b>	<b>\$0</b>	<b>\$0</b>
<b>NET FUND ACTIVITY</b>	<b>(\$501,071)</b>	<b>(\$22,581)</b>	<b>\$0</b>	<b>\$0</b>

**FUND DETAIL**

FUND # FUND DESCRIPTION	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ADOPTED
<b>EXPENDITURES</b>				
401 Bayfront Trolley Station TDA	59,864	0	0	0
402 Transit CVT	4,536,607	0	0	0
403 Transit Capital Projects	303,382	65,064	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$4,899,853</b>	<b>\$65,064</b>	<b>\$0</b>	<b>\$0</b>
<b>REVENUES</b>				
401 Bayfront Trolley Station TDA	59,795	1,382	0	0
402 Transit CVT	4,035,644	33,949	0	0
403 Transit Capital Projects	303,343	7,152	0	0
<b>TOTAL REVENUES</b>	<b>\$4,398,782</b>	<b>\$42,483</b>	<b>\$0</b>	<b>\$0</b>
<b>NET FUND ACTIVITY</b>	<b>(\$501,071)</b>	<b>(\$22,581)</b>	<b>\$0</b>	<b>\$0</b>

# CHULA VISTA MUNICIPAL GOLF COURSE FUND 406

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Transfers Out	0	0	0	132,580
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$132,580</b>
<b>REVENUES</b>				
Use of Money & Property	0	0	0	132,580
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$132,580</b>
<b>NET FUND ACTIVITY</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

# CV ELITE ATHLETE TRAINING CENTER FUND 409

## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	0	0	0	5,280
Utilities	0	0	0	339,263
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$344,543</b>
<b>REVENUES</b>				
Revenue from Other Agencies	0	0	0	339,263
Transfers In	0	0	0	20,000
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$359,263</b>
<b>NET FUND ACTIVITY</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,720</b>



# NON-CAPITAL IMPROVEMENT PROJECT BUDGET

## *Funding Summary by Project Type*

### COMMUNITY DEVELOPMENT BLOCK GRANT

	FY 2017-18 PROPOSED
Norman Park Senior Center Services	\$30,000
Therapeutic Program	\$20,100
<b>COMMUNITY DEVELOPMENT BLOCK GRANT TOTAL</b>	<b>\$50,100</b>

### GENERAL FUND

	FY 2017-18 PROPOSED
Eucalyptus Park Imp American Legion	\$18,700
<b>GENERAL FUND TOTAL</b>	<b>\$18,700</b>

**GRAND TOTAL - ALL PROJECTS** **\$68,800**



## **CAPITAL IMPROVEMENT PROGRAM**

Capital Improvement Program Summary

CIP Revenue Summary

CIP Expenditure Summary

Capital Improvement Projects Summary

Five-Year CIP Project Summary Schedule

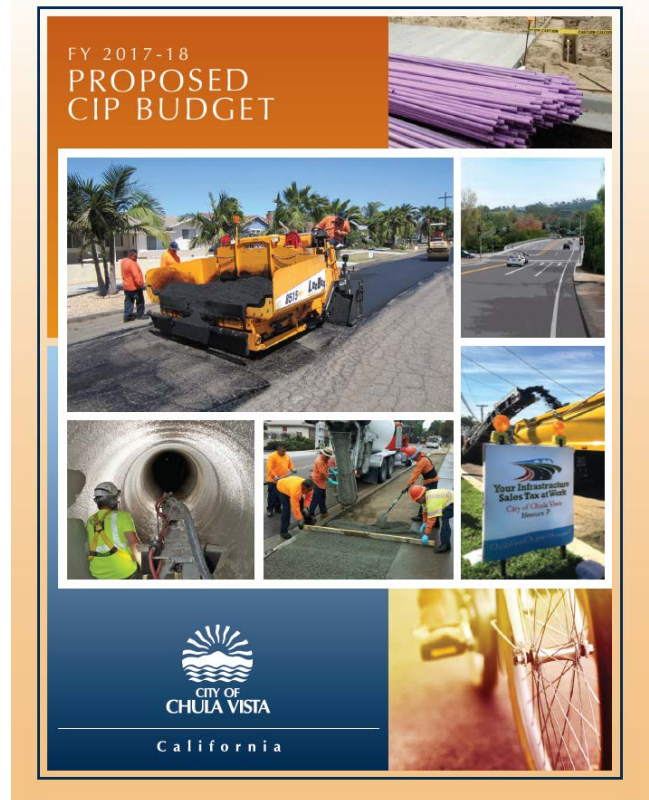


## Capital Improvement Program Summary

The following is an overview of the Capital Improvement Budget Program. The goal of the Capital Improvement Program (CIP) is to provide for the sustainable preservation of City-owned assets at the lowest cost and to leverage financial strategies to address infrastructure needs within a prioritized framework, which includes an assessment of the asset's condition, capacity to meet service demands, probability of failure, maintenance and preservation strategies, and funding availability. The CIP is a living document used to identify current and future requirements and the basis for determining annual capital budget expenditures. The CIP document can be found in its entirety on the City's website. To follow is a summary of the document.

Capital Improvement Projects are defined as capital investments with a value of \$50,000 or more and a minimum useful life of 5 years at a fixed location. Equipment, operating and maintenance costs are budgeted in the City's operating budget. New maintenance costs are included in the CIP budget and appropriated in future operating budget cycles.

The CIP document provides the capital project budget detail and reporting by asset management category, funding, and location. This format better aids the decision-making process as it allows the City Council to review projects recommended in each asset management system, gain an understanding of the condition of the asset in relation to the overall system and the basis for the recommendation, as well as the availability of funding sources. The proposed projects' detail sheets within each asset management system provides a description, location, project intent, type of project, link to the strategic goals, and funding requirements over the life of the project.



### CIP PROCESS

The Engineering and Capital Project Department annually prepares a Capital Improvement Budget for the City Council's approval. The CIP budget includes an estimated five-year Capital Improvement Program. The City is faced with the challenge of managing a range of aging infrastructure assets that are critical to maintaining an aging City and serving new development. Making sound decisions about asset maintenance and replacement requires information about the asset's probability of failure and capacity to meet the requirements of the system.

On a continuous basis, project proposals are added to the City's capital improvement budget and project management database (CIPACE) following recommendations from guiding documents (see list below) adopted by the City Council and condition assessments performed by Engineering & Capital Projects and Public Works Operations staff. This year's CIP process includes the process of ranking projects and setting funding priorities. Funding recommendations

are based on the evaluation of the proposed asset's probability of failure, capacity, and level of service requirements including efficiency improvements gained.

Another tool used in ranking and formulating the CIP recommendations are Guiding Documents approved by the City Council. The City utilizes "guiding documents" to ensure proposed CIP projects are consistent with established program priorities. The following is a partial list of guiding documents, which have included public input from multiple stakeholders in the community. Additionally, proposed CIP projects are reviewed for consistency with the City's General Plan and specific plan and City policies.

- General Plan
- Regional Transportation Program
- Bikeway Master Plan
- Street Saver Condition Index Database
- Drainage Master Plan
- Wastewater Master Plan
- Fire Master Plan
- Asset Management Plan
- Parks Master Plan
- Pedestrian Master Plan/Safe Routes to School
- Redevelopment Implementation Plan
- Southwest United in Action Survey Results
- Third Avenue Streetscape Master Plan
- Environmental Mitigation Program
- Western TDIF Program
- TDIF Program
- Redevelopment Implementation Plan
- Traffic Monitoring Program
- Growth Management Oversight Committee Annual Report
- Other Specific Plans (e.g. Urban Core Specific Plan, Palomar, Bayfront and Main Street Specific Plans)

## BUDGET DEVELOPMENT

Although a component of the City Manager's overall budget, the CIP budget is developed separately by Engineering and Capital Projects staff on an annual basis. The CIP budget process runs parallel to the development process for the City's operating budget, and they are subsequently presented together for City Council approval.

On March 7, 2017, a public hearing was held for City Council to consider and adopt the TransNet Local Street Improvement Program of projects for fiscal years 2016-17 through 2020-21. Then, on May 4, 2017, Engineering and Capital Projects/Public Works Operations held their annual Infrastructure Workshop.

Public comment is a vital component of the CIP process. The public had the opportunity to comment on the proposed CIP. The initial proposed capital improvement project detail sheets are posted annually in April of each year on the Public Works website for public comment and review.

<http://www.chulavistaca.gov/departments/public-works/projects>

Additionally, the Engineering and Capital Projects Department publishes an annual proposed CIP budget. The document will be made available at the City Clerk's Office, the Civic Center Library, Otay Ranch Mall Library, and the South Chula Vista Library.

The proposed program reaffirms the City's commitment to identify resources to move us toward long-term sustainability of our City's current assets as well as new improvements that accommodate growth.

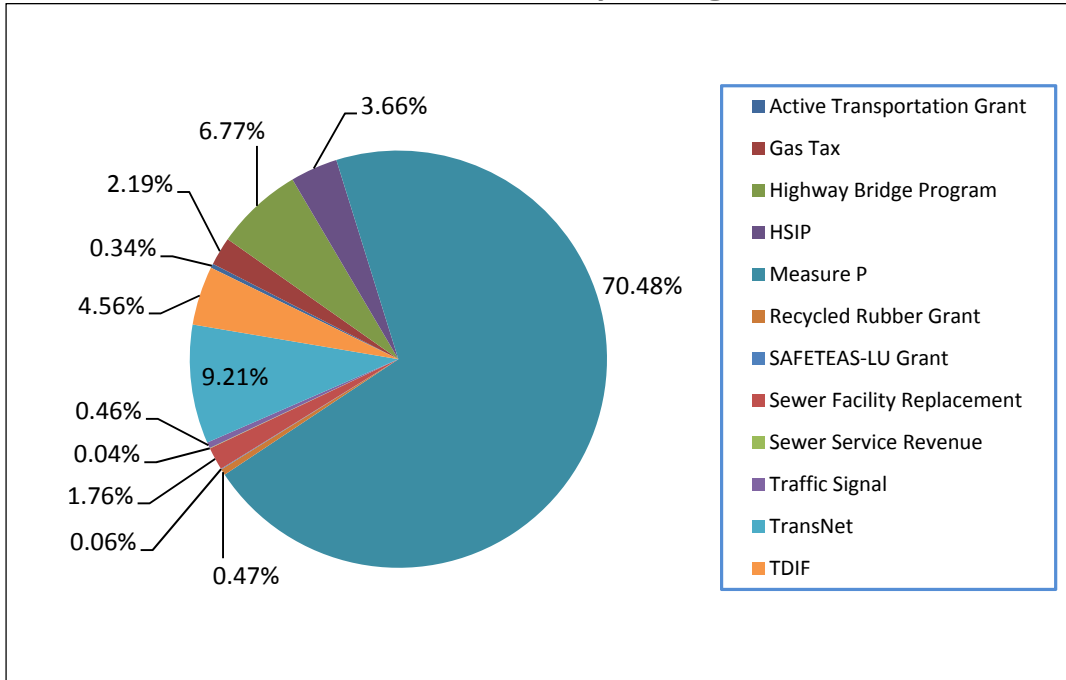
The City will continue to collaborate with regional agencies, such as the Port, SANDAG, and Caltrans, to ensure that the needs of our City residents are met, taking into account the unique characteristics of our City and recognizing our role as the County's second largest city and a leader in the South Bay.

## CIP Revenue Summary

The Capital Improvement Program is supported by a number of funding sources. City staff continuously explores opportunities to diversify revenue and leverage funding for infrastructure improvements. The

following chart and table summarizes the funding sources for the FY 2017-2018 CIP budget.

Fiscal Year 2017-18 CIP by Funding Source



Fund Source	Percentage	Amount
Active Transportation Grant	0.34%	\$250,000
Gas Tax	2.19%	\$1,618,000
Highway Bridge Program	6.77%	\$5,000,000
HSIP	3.66%	\$2,707,250
Measure P	70.48%	\$52,062,653
Recycled Rubber Grant	0.47%	\$350,000
SAFETEAS-LU Grant	0.06%	\$44,953
Sewer Facility Replacement	1.76%	\$1,300,000
Sewer Service Revenue	0.04%	\$30,000
Traffic Signal	0.46%	\$338,166
TransNet	9.21%	\$6,800,612
TDIF	4.56%	\$3,370,333
<b>Total</b>	<b>100.00%</b>	<b>\$73,871,967</b>

The Capital Improvement Budget is primarily supported by Measure P funds, Transportation Sales Tax (TransNet), Gas Tax, and revenues from the Highway Bridge Program (HBP) for Willow Street and Heritage Bridges. Chula Vista voters approved Measure P – a temporary, 10-year, half-cent sales tax to fund high priority infrastructure needs. TransNet is the largest stable source of revenues for Capital Improvement projects. Along with TransNet, Gas Tax funds continue to provide a steady source of revenue for street related projects. The HBP is a safety program that provides federal-aid to local agencies to replace and rehabilitate deficient locally owned public highway bridges. Other major revenues in this year’s budget include Transportation Development Impact Fees for street related projects and Sewer Facility Replacement funds for ongoing sewer rehabilitation projects. Competitive grant revenue sources remain steady with grant revenue growth opportunities in the imminent future. Transportation grants include the Active Transportation Program and Federal Highway Safety Improvement Program. Revenue decreases include the end of funds available from Proposition 1B and a reduction in Community Block Grant funding traditionally used for ADA pedestrian improvements.

The following is a brief description of key funding sources which support the FY 2017-18 Capital Improvement Budget:

**DEVELOPMENT IMPACT FEES**

Traffic Signal Fee

The Traffic Signal Fee is a trip-based development impact fee that is charged with the issuance of building permits for new construction. The fee can be utilized for the installation and upgrade of traffic signals throughout the City. A total of \$338,166 is programmed in FY 2017-18 for traffic signal modifications and pedestrian improvements.

Transportation Development Impact Fee (TDIF)

The City’s TDIF Program was established on January 12, 1988, by Ordinance 2251 for the collection of development impact fees to be used to construct transportation facilities to accommodate increased traffic generated by new development within the City’s eastern territories. More than \$3.4 million is programmed as part of the FY 2017-18 CIP.

Western Transportation Development Impact Fee (WTDIF)

The City’s WTDIF Program was established on March 18, 2008, by Ordinances 3106 through 3110. This program is similar to the Eastern Transportation Development Impact Fee (TDIF) Program, which was established on January 12, 1988. In 2014, it was determined that the Bayfront, previously included in the WTDIF, be removed and a new DIF area covering only the Bayfront be established. No WTDIF is programmed as part of the FY 2017-18 CIP.

Telegraph Canyon Development Impact Fee

The City’s Telegraph Canyon DIF was established on August 7, 1990, by Ordinance 2384 for collection of development impact fees to be used to construct drainage and channel improvements for the Telegraph Canyon Basin. No Telegraph Canyon DIF funds are programmed in the FY 2017-18 CIP.

Salt Creek Sewer DIF

The City’s Salt Creek Sewer DIF was established in 1994 by Ordinance 2617 to finance the sewer improvements within the Salt Creek Sewer Basin. No Salt Creek Sewer Basin funds are programmed as part of the FY 2017-18 CIP.

**GRANTS**

Active Transportation Grant Program

On September 26, 2013, the Governor signed legislation creating the Active Transportation Program (Senate Bill 99 Chapter 359 and Assembly Bill 101, Chapter 354), a new statewide grant program to encourage increased use of active modes of transportation, such as biking and walking. The Active Transportation Program (ATP) consolidated the Bicycle Transportation Account BTA along with Safe Routes to School Program, the Environmental Enhancement and Mitigation Program and two other programs into one program. The California Transportation Commission (CTC) adopted the ATP guidelines on March 26, 2015. A total of \$250,000 is programmed as part of the FY 2017-18 CIP.

Bicycle Transportation Account

The Bicycle Transportation Account (BTA) is an annual program providing state funds for city and county projects that improve safety and convenience for bicycle commuters. Projects must be designed and developed to achieve the functional commuting needs and physical safety of all bicyclists. No BTA Program Call



for Projects has been announced for FY 2017-18. Therefore, no BTA funds are programmed in the FY 2017-18 CIP.

#### Community Development Block Grant Funds

Each year, the City receives approximately \$1.7 million in Community Development Block Grant (CDBG) funds. Of this amount approximately \$1.3 million is available for community development activities, which include capital improvement projects. In 2006, the City of Chula Vista received a CDBG Section 108 loan in the amount of \$9.5 million for the completion of the Castle Park Infrastructure Projects. The debt service payment is paid back from the City's annual allotment of CDBG funds (approximately \$750,000 annually). This reduces the amount of CDBG funds available for other capital projects to approximately \$0.3-0.5 million annually for a total of 12 years. The City has excluded the budgeting of these funds pending final award notification, therefore no CDBG funds are programmed in the FY 2017-18 CIP Program.

#### Highway Bridge Program

Included in the FY 2017-18 Capital Improvement Program are two major bridge replacement projects: STL-261, "Willow Street Bridge Widening," at the Sweetwater River and STM-386, "Heritage Road Bridge Replacement," at the Otay River. Both projects will be designed and constructed primarily using Federal Highway Bridge Program (HBP) funds totaling approximately \$43.3 million, leveraged with a relatively small local TDIF contribution of about \$6.7 million. The environmental documentation and engineering design for STM-364 was partially funded by a \$2.5 million SAFETEA-LU grant.

The Highway Bridge Program (HBP) provides funding to enable states to improve the condition of their highway bridges through replacement, rehabilitation, and systematic preventive maintenance of deficient bridges. The existing bridge at Willow Street was constructed in 1940 and, through a series of studies, was determined that it was not practical to rehabilitate the bridge and funding for full replacement was subsequently approved by the Federal Highway Administration (FHWA) and Caltrans, which administers the HBP Grant Program in California. The existing bridge at Heritage Road was built as an interim facility in 1993 when heavy flood waters destroyed the river crossing; this interim bridge was recently approved by FHWA and Caltrans for

replacement because it is inadequate for peak traffic volumes, does not accommodate pedestrians, and is unable to convey the 50-year storm without being overtopped. A total of \$5 million in HBP funds is programmed as part of the FY 2017-18 CIP.

#### Highway Safety Improvement Program

The Highway Safety Improvement Program (HSIP) was established to attain a significant reduction in traffic fatalities and serious injuries on all public roads through the implementation of infrastructure-related highway safety improvements. Approximately \$2.7 million in HSIP funding has been programmed as part of the FY 2017-18 CIP.

#### Neighborhood Reinvestment Program

The Neighborhood Reinvestment Program (NEP) provides grant funds to County departments, public agencies, and to non-profit community organizations for one-time community, social, environmental, educational, cultural or recreational needs. No NEP funds are programmed in the FY 2017-18 CIP.

#### Safe Routes to School

The State Safe Routes to School (SR2s) program goal is to reduce injuries and fatalities to schoolchildren and to encourage increased walking and bicycling among students. Competitive grants are available to local government agencies for construction of facilities that enhance safety for pedestrians and bicyclists, primarily students in grades K-12 who walk or bicycle to school. No Safe Routes to School funds are programmed in the FY 2017-18 CIP. The Active Transportation Program (ATP) consolidated the Safe Routes to School Program along with a number of other programs into one program.

#### Smart Growth Incentive Grant

The TransNet Smart Growth Initiative Program (SGIP) funds transportation related infrastructure improvements and planning efforts that support smart growth development. The SGIP will award two percent of the annual TransNet revenues for the next 40 years to local governments through a competitive grant program to support projects that will help better coordinate transportation and land use in the San Diego region. It is anticipated that SANDAG will release a Notice of Funding Availability during FY 2016-17 for the SGIP. Staff will be submitting for an Active SGIP grant for the Third Avenue Streetscape Improvement Project

Phase III from 200 feet north of "F" Street to "E" Street. No SGIP funds are programmed as part of the FY 2017-18 CIP.

#### Rubberized Pavement (TRP) Grant

The Department of Resources Recycling and Recovery (CalRecycle) offers funding opportunities authorized by legislation to assist public and private entities in the safe and effective management of the waste stream. CalRecycle's tire grant programs are designed to encourage activities that promote reducing the number of waste tires going to landfills for disposal and eliminating the stockpile of waste tires. Revenue for the grants is generated from a tire fee on each new tire sold in California. The Rubberized Pavement (TRP) Grant Program provides assistance to local governments to fund rubberized asphalt (RAC) projects including hot mix and chip seal. RAC is a proven road paving material that has been used in California since the 1970s it is made by blending ground tire rubber with asphalt binder which is then mixed with conventional aggregate materials. Calrecycle approved the City's grant request for \$350,000 in TRP Grant FY 2017-18 funds.

### **MISCELLANEOUS FUNDS**

#### General Fund

The General Fund is the City's main operating fund used to pay for City services. No General Fund monies are programmed as part of the FY 2017-18 CIP. Capital improvement projects will be funded by the Measure P commitment.

#### Residential Construction Tax (RCT)

The Residential Construction Tax (RCT) was established by the City Council in October 1971 to provide a more equitable distribution of the burden of financing parks, open spaces, public facilities, and other capital improvements, the need for which is created by the increasing population of the City. The RCT is applicable to all new residential units and paid by the person constructing the units. RCT funds are used to pay for debt service obligations resulting from the issuance of Certificates of Participation (COP's) for western Chula Vista failing CMP repairs. No RCT funds are programmed as part of the FY 2017-18 CIP.

### **VOTER APPROVED FUNDS**

#### Proposition 1B Highway Funds

In 2006-07, the voters of the State of California approved Proposition 1B. This proposition included funds to be provided to cities within the State for local roadway improvements. The initial allocation of \$3.6 million was spent on pavement rehabilitation projects in FY 2010-11. The second allocation of \$3.3 million was frozen by the State of California due to the State's financial crisis and released in late April 2010 in monthly installments. As a result, the State provided an additional year of expenditure for Prop 1B funds received in 2009-10. The City spent the second allocation of Prop 1B funds prior to June 2014.

#### Gas Tax

Several years ago the voters approved Proposition 42, which provided funding for cities to improve streets from the sales tax on fuel. The funds can only be utilized for street improvements and the City has utilized these funds to augment its annual pavement rehabilitation efforts. In FY 2017-18 the proposed CIP budget is \$1.6 million for minor pavement rehabilitation including street overlays and some street reconstruction based on the City's Pavement Management System.

#### Transportation Sales Tax

Transportation Sales Tax (TransNet) funds are derived from sales tax revenues levied in San Diego County that are collected by the State specifically for use on transportation related projects in San Diego County. The regional metropolitan planning agency, San Diego Association of Governments (SANDAG), programs these funds to municipalities within San Diego County. Revenues vary from year-to-year, depending on the amount of sales tax available to the region and the number and costs of projects for which municipalities, local transit, and Caltrans request funding. The revenue approved for municipalities is based on the specific cost estimates that are required to be submitted as part of the annual request for funding. The TransNet Extension Ordinance states that at least 70 percent of the funds allocated to local agencies for local road projects should be used to fund Congestion Relief (CR) projects. CR projects include the construction of new or expanded facilities, major rehabilitation and reconstruction of roadways, traffic signalization, transportation infrastructure to support smart growth, capital improvements for transit facilities, and operating support for local shuttle and circulator transit routes. No more than 30 percent of TransNet funds allocated

to local agencies are expected to be used for local street and road maintenance. In the FY 2017-18 CIP, the TransNet budget is more than \$6.8 million.

#### Measure P

On August 2, 2016, the City Council approved Ordinance 3371 modifying the Municipal Code to establish a temporary one-half cent General Transactions and Use Tax if approved by the voters. As part of the action to approve the Ordinance, the City Council approved a spending plan described as the Intended Infrastructure, Facilities and Equipment Expenditure Plan, which identified how the funds were to be allocated. On November 8, 2016, Chula Vista voters approved Measure P, authorizing the one-half cent sales tax increase on retail sales within the City for a period of ten (10) years. The Finance Department created the 2016 Measure P Sales Tax Fund for the purpose of monitoring all revenues and expenditures of Measure P funds. All expenditures of Measure P funds will be tracked and accounted for by the Finance Department in accordance with Generally Accepted Accounting Principles (GAAP), and presented annually in a report to the newly created Citizens' Oversight Committee (COC). More than \$52 million is programmed as part of the FY 2017-18 CIP.

### **SEWER FUNDS**

#### Sewer Service Revenue

The Special Sewer fund is used to account for the sale of the City's excess Metropolitan Sewerage Capacity. A total of \$30,000 in Special Service funds are programmed in the FY 2017-18 CIP.

#### Trunk Sewer Capital Reserve

The Trunk Sewer Capital Reserve Fund is a permit fee based revenue source received from the owner or person applying for a permit to develop or modify the use of any residential, commercial, industrial or other property that may increase the volume of flow in the City's sewer system. The funds may be used for: (1) to repair, replace or enlarge trunk sewer facilities to enhance efficiency of utilization and/or adequacy of capacity to serve the needs of the City, or (2) to plan and/or evaluate any future proposals for area-wide sewage treatment and/or water reclamations systems and facilities. No Truck Sewer Capital Reserve funds are programmed in the FY 2017-18 CIP.

#### Sewer Facility Replacement Fund

The Sewer Facility Replacement Fund is a fee based revenue source that all properties pay each month as part of their sewer bills. The funds can be utilized to replace, rehabilitate or upgrade existing sewer facilities. A total of \$1.3 million is programmed in the FY 2017-18 CIP.



## CIP Expenditure Summary

The 2018-2022 Capital Improvement Program (CIP) is a five-year expenditure plan that provides the City with a financial strategy for infrastructure improvements. The estimated five-year project summary report is included at the end of this Capital Improvement Program (CIP) section. The CIP includes funding for projects and programs in various geographic areas of the City. The Adopted Fiscal Year 2017-18 capital expenditure budget is approximately \$73.9 million. The forecasted five-year program is estimated at \$133.3 million. The 2018-2022 CIP program reflects the actions taken by Council and developed in accordance with Council adopted policies and guiding documents (such as and not limited to the City's General Plan, Master Plans, Specific Plans and the Regional Transportation Plan) as well as generally accepted accounting principles. Overall, the 5-year program continues to trend favorably despite the economy and the fiscal constraints facing the City.

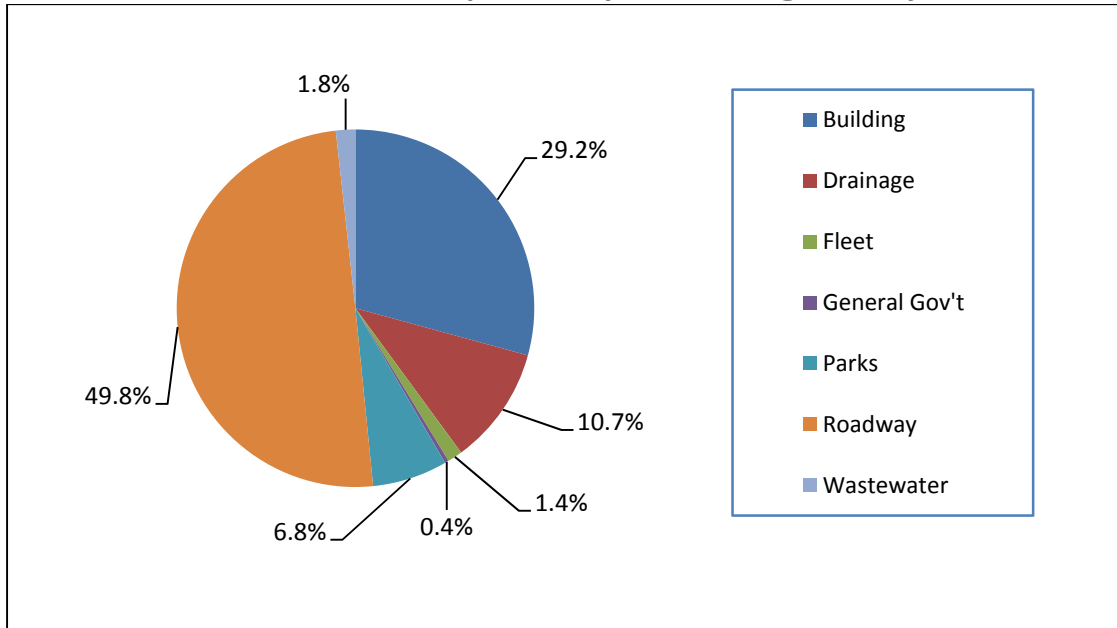
Projects in this year's Capital Improvement Budget have been sorted by the nine-asset management systems identified in the City's Fiscal Recovery Plan and the Infrastructure Workshop with the City Council. This provides a mechanism to track CIP allocations by Asset Management System (AMS). The nine AMS's include the following:

- The Roadway Management System (RMS) is comprised of all City-owned assets in the Public Right-of-Way. These assets include: Major and Local Streets, Sidewalks, Traffic Signals & Striping, Bicycle and Pedestrian paths, ADA Ramps and Curbs and Gutters. A majority of the CIP funding is focused on the RMS.
- The Wastewater Management System (WMS) is comprised of Sewer Pump Stations, Rehabilitation and related projects.

- The Drainage Management System (DMS) is comprised of citywide storm drain facilities.
- The Building Management System (BMS) is comprised of City-owned facilities including the Civic Center, Fire Stations, Libraries, Police Station, Recreation Centers, and community facilities such as Rohr Manor and the Woman's Club.
- The Parks Management System (PMS) is comprised of the citywide park system.
- The Open Space Management System (OMS) is comprised of the Open Space Districts and Community Facility Districts (CFDs).
- The Fleet Management System (FMS) is comprised of infrastructure associated with maintaining City-owned vehicles.
- The General Government Management System (GGMS) includes general-purpose items such as Automation, Utility Undergrounding and Parking Meters.
- The Urban Forestry Management System (UMFS) is comprised of City-owned street trees, and trees within Public Right-of-Way and parks.

The following chart provides an expenditure breakdown, by Asset Management System, totaling approximately \$73.9 million of recommended appropriations:

Fiscal Year 2017-18 Adopted CIP by Asset Management System



**ROADWAY MANAGEMENT SYSTEM (RMS)**

A majority of the CIP funding is focused on the Roadway Management System (RMS). The total amount programmed for Roadway projects is \$36.8 million, which represents 49.8% of the adopted CIP budget. Project types within the RMS are Major Streets, Local Streets, and Traffic. The following chart and table summarizes the funding by these project types.

Project Type	Percentage	Amount
Local Streets	62%	\$22,871,086
Major Streets	12%	\$4,494,228
Traffic	26%	\$9,438,300
<b>Total:</b>	<b>100%</b>	<b>\$36,803,614</b>

RMS Projects

- Major Streets*  
 Approximately \$4.5 million in funding includes the Pavement Major Rehabilitation Project (citywide), Bike Lanes on Broadway Phase II project and Bikeway Pedestrian Master Plan update. The Pavement Major Rehabilitation Project includes resurfacing and pavement overlays, which may extend street life by up to 15 years. Failure to complete proactive street maintenance will lead to the accelerated deterioration of City streets, thereby, costing more to repair in the long-term.

- Local Streets*  
 More than \$13.5 million in Measure P funds has been programmed for street pavement rehabilitation (citywide) based on recommendations from the City's Pavement Management System for residential streets with PCIs ranging from 0 to 25. If sufficient funding is available, additional streets with PCIs ranging from 26 to 40 will be included.

Funding of more than \$6.7 million is included for the Willow Street Bridge Widening Project.

A total of \$1.6 million has been programmed for the Pavement Minor Rehabilitation Project, replacement of sidewalks (citywide), ADA curb ramps (citywide), and the Bikeway Pedestrian Master Plan Update.

Funding of \$1 million is programmed for the replacement of sidewalks (citywide) in Measure P funds.

- Traffic*  
 Funding of \$3 million in Measure P funds has been programmed to reconstruct failing and outdated traffic signals.



Approximately \$1.5 million in funding has been included for the Traffic Calming Program, Traffic Signal System Optimization, Traffic Signal and Streetlight Systems Upgrade and Modification Program, Neighborhood Traffic and Pedestrian Safety Program, and other traffic related programs. More than \$1.3 million has been programmed for the retiming of Traffic Signals and installation of Fiber Optic/Ethernet Communication System along the Fourth Avenue, H Street and Main Street corridors.

Approximately \$1.2 million has been programmed to replace and/or install new pedestrian countdown type indications at 19 locations. This project also includes traffic signal modifications at First Avenue & L Street, Fifth Avenue & J Street, and Third Avenue & Davidson Street.

A total of \$800,000 has been programmed for traffic signal system communication through fiber optic, wireless and Ethernet communications in various locations throughout the city.

Approximately \$800,000 has been programmed to convert pedestal mounted signals to mast arm type signals at the following intersections: Broadway & Anita Street, Third Avenue & Oxford Street, Fifth Avenue & E Street, Fifth Avenue & F Street, and Fifth Avenue & G Street.

Funding of \$800,000 has been programmed for expansion of Adaptive Traffic Signal System at: East "H" Street between Hidden Vista Drive and Tierra Del Rey; and Telegraph Canyon Road between Canyon Plaza Driveway and Buena Vista Way.

### **WASTEWATER MANAGEMENT SYSTEM (WMS)**

The appropriation for Wastewater Management System (WMS) is \$1.3 million, which represents 1.8% of the adopted CIP budget. The WMS is divided into two categories: Sewer Rehabilitation & Specific Sewer Improvements, and Sewer Pump Stations & Access Roads.

#### *Sewer Rehabilitation & Specific Sewer Improvements*

The annual Sewer and Manhole Rehabilitation project for FY17-18 commits \$400,000 for citywide work. A total of \$200,000 is included to complete sewer

improvements at various locations. Funding of \$200,000 is included to continue manhole inspections to establish a baseline condition in order to preserve and extend service life and avoid failures of existing structures.

#### *Sewer Pump Stations and Access Roads*

A total of \$100,000 is included to continue rehabilitation assessment efforts of various pump stations. Sewer access roads at various locations will be rehabilitated, at a cost of \$400,000.

### **DRAINAGE MANAGEMENT SYSTEM (DMS)**

The appropriation for Drainage Management System (DMS) projects is \$7.9 million which represents 10.7% of the adopted CIP budget.

#### DMS Projects

- *Drainage*  
Approximately \$6.8 million in Measure P funds has been programmed for corrugated metal pipe (CMP) rehabilitation. The rehabilitation of CMP at various locations outside the right-of-way will be addressed with this project.

Funding of \$500,000 in Gas Tax and \$500,000 in TransNet has been programmed for CMP rehabilitation. The rehabilitation of CMP at various locations within the right-of-way will be addressed with this project.

A total of \$50,000 has been committed to perform drainage assessments outside the right-of-way to determine the probability of failure and priorities for the efficient use of funding available. .

### **BUILDING MANAGEMENT SYSTEM (BMS)**

The appropriation for Building Management System (BMS) projects is \$21.6 million, which represents 29.2% of the proposed CIP budget.

A total of \$13 million in Measure P funds is programmed for the replacement and repair of Fire Stations. The Fire Department currently operates nine fire stations to provide a network of emergency response service delivery. Three of nine Fire Stations are well beyond their service life.

Several public buildings (i.e. Animal Care Facility, Living Coast Discovery Center) are in need of heating and air conditioning replacements, roof & plumbing repairs, flooring replacements, restroom renovation, and upgrades to meet ADA standards. Funding of \$3.1 million in Measure P funds is programmed to complete these necessary repairs.

The Recreation Centers and Senior Center are in need of significant repairs such as roofs, water and waste water plumbing, and heating and air conditioning systems. A total of \$3 million in Measure P funding has been programmed for these repairs.

A total of \$1.5 million in Measure P funds is programmed for repairs associated with the Civic Center and South Chula Vista Libraries. These types of repairs include roofing, plumbing, bathroom upgrades, and heating & air conditioning systems.

Funding of \$1 million in Measure P funds is programmed for repairs to the Police Facility such as replacing the heating and air conditioning system.

#### **FLEET MANAGEMENT SYSTEM (FMS)**

The appropriation for Fleet Management System (FMS) projects is \$1 million, which represents 1.4% of the proposed CIP budget.

A total of \$1 million in Measure P funds is programmed for the replacement of the City's vehicle fuel control, management & accounting system and upgrading the fuel dispensers. These funds will also be used to add electric charging stations at some City facilities to accommodate new electrical vehicles that will be added to the fleet.

#### **PARKS MANAGEMENT SYSTEM (PMS)**

The appropriation for Park Management System (PMS) projects is \$5 million, which represents 6.8% of the proposed CIP budget.

A total of \$3 million in Measure P funds is programmed for the replacement and repair of park infrastructure. Several elements within the parks are beyond their service life and in need of repair or replacement, such as drinking fountains, irrigation controls, lights, picnic tables, play structures, playground surfacing, etc.

Funding of \$2 million in Measure P funds is programmed to bring the City's sports fields up to good standing and upgrade the irrigation systems to a smart system allowing for efficient and effective water use. In addition to sports fields, the city has a total of 62 tennis courts and basketball courts. Many of these courts need repair due to worn surfaces.

#### **OPEN SPACE MANAGEMENT SYSTEM (OSMS)**

The Open Space Districts and Community Facility Districts (CFD's) were established with new subdivisions beginning in the 1980s. These funding mechanisms were established to ensure sustainable improvements in the natural and landscaped areas in and around the new developments. These fees were structured to allow incremental adjustment with inflation and have generally kept pace with the maintenance needs of the districts.

#### **URBAN FORESTRY MANAGEMENT SYSTEM (UFMS)**

The Urban Forestry Management System is responsible for monitoring the overall health of trees throughout the City, including street trees, park trees, and trees located on City property. The City continues to maintain City street trees in order to:

- Ensure ongoing traffic safety along City streets;
- Enhance the appearance and image of the City;
- Improve the air quality and the environment for City residents; and
- Clear right-of-way obstructions.

Industry standard sets the ideal schedule for periodic tree trimming as follows: Palms need to be trimmed every 1 or 2 years. Non-palms are recommended to be trimmed every 3-5 years (eucalyptus and pine every 2-3 and broadleaf every 5-6). Based on an inventory of about 27,500 trees and using 5 years, the annual goal is 5,500 trees. Maintenance of City trees is primarily funded via Gas Tax Funds.



## GENERAL GOVERNMENT MANAGEMENT SYSTEM (GGMS)

The appropriation for General Government System (GGS) projects is \$268,353, which represents 0.4% of the adopted CIP budget.

### GGMS Projects

- *General Government*

Funding of \$100,000 is programmed for Utility Undergrounding Districts in the coming year. This CIP is for design services related to the roadway lighting and signal systems to be able to coordinate with the SDG&E utility undergrounding design.

The City has approximately 164 Miles of aboveground electric distribution wires with an estimated cost to underground of \$275 million. The Franchise Agreement with SDGE Allocation is \$2 million per year from 20A Funds. Almost \$40 million has been expended in undergrounding projects since the 1990's. The most recent completed projects are the Phase I Bayfront project at \$20 million, and Fourth Avenue from L Street to Orange Avenue and L Street from Monserate Avenue to Nacion Avenue, at \$9.3 million. The City's 20A fund allocation has a positive balance of \$2.13 million. Staff presented a report to the Council in FY 2016-17 and recommended that design work begin on the next UUD district on L Street from Broadway to Third Avenue. Construction could begin in FY 2018-19.

A total of \$93,353 is programmed for advance planning associated with the citywide CIP Program.

Funding of \$75,000 will be utilized for the City's pavement management system, which requires ongoing management for cross-departmental coordination, regular data and system updates, data analysis of pavement conditions, and priority development based on maintenance strategies.

## REGIONAL PROJECTS

The City of Chula Vista CIP includes funding for several studies related to regional projects. It does not include total costs of regional projects funded or led by other agencies such as Caltrans or SANDAG. However, City staff often partners or gets involved in the delivery of these projects since they provide a direct benefit to the

community and sustainable infrastructure. The following is a summary of various projects:

- *Interstate-5 Multi-modal Corridor Study*

In an effort to identify all transportation related improvements needed along, across and within the four-mile long Interstate-5 and rail corridor in Chula Vista, the City has combined efforts with Caltrans, Metropolitan Transit System (MTS) and SANDAG to undertake this planning level study. Funding is provided by a combination of TransNet and two Federal grants. The study has several phases of work and the first two phases have been completed. Phase III commenced in FY 2013-14 and is for the environmental work and preliminary engineering of grade-separating the Palomar Street light rail crossing near the intersection with Industrial Blvd.

Phase I identified and prioritized needed transportation improvements to improve mobility and goods movement within the study area bounded by SR-54 and Main Street. The results of the first phase study completed in December 2010 have already been included in the 2050 Regional Transportation Plan adopted by SANDAG in October 2011. This report is used as a technical appendix to the SANDAG 2050 Regional Transportation Plan. Rail improvements were identified as the highest near term need.

<http://www.sandag.org/index.asp?projectid=387&useaction=projects.detail>

Phase II, the Chula Vista Light Rail Corridor Improvements Project Study Report, is a grade separation study for each of the three light rail trolley stations at E Street, H Street and Palomar Street. This document, completed in August 2012, has planning level work for the ultimate rail corridor improvements in Chula Vista. Final recommendations from the LRT Improvement study are being incorporated into the Phase III environmental work for the Palomar Street location as well as future regional plans and as individual projects into the Bayfront Development Impact Fee Program, the Western Transportation Development Impact Fee (WTDIF) Program and the CIP program.

<http://www.chulavistaca.gov/Home/ShowDocument?id=9784>

The completed Phase I and Phase II studies serve to identify an accurate project description for Phase III, a future LRT grade-separation Environmental Impact Report (EIR) that commenced in FY 2013-14 and completed within the next 12-months. This environmental and preliminary design work is the last phase of the I-5 Multi-modal Corridor Study. The Palomar Street crossing is the highest priority LRT grade-separation project out of 27 study locations within San Diego County.

The H Street and the E street locations rank fourth and sixth, respectively. Due to the proximity of the F Street crossing and freight rail profile design constraints between the Sweetwater River and the J Street rail crossing, F Street must be grade separated along with the E Street and H Street rail crossings. In FY 2016-17 an updated E Street & H Street Grade Separation Project Alternatives Analyses/Feasibility Study (AA/FS) Report was completed with input from the freight rail operator. This AA/FS report provides additional information on the extent of the work needed for this corridor and preliminary opinion of probable costs. Ultimate improvements for this freight and LRT rail corridor are planned for in the SANDAG Regional Transportation Plan. This project titled "Blue Line/Mid-Coast Frequency Enhancements and rail grade separations at 28th St, 32nd St, E St, H St, Palomar St, at Taylor St and Ash St, and Blue/Orange Track Connection at 12th/Imperial" is included as in the 2015 San Diego Regional Transportation Plan "San Diego Forward: The Regional Plan" – Appendix A, as a two phased project with a planned completion date of Year 2035 for the work within Chula Vista, but no funding is yet identified other than the current work at Palomar Street.

Phase I - Blue Line Frequency Enhancements and rail grade separations at 28th St, 32nd St, E St, H St, Palomar St, and Blue/Orange Track Connection at 12th/Imperial (Year 2035).

Phase II - Blue Line rail grade separations at Taylor St and Ash St (Year 2050).

In addition to the roadway and freeway network, Light Rail Trolley (LRT) maintenance upgrades at all Chula Vista at-grade rail crossings began by MTS/SANDAG in FY 2012-13 and work on the Anita Street crossing and the Main Street Freight Rail bridge were completed in FY 2016-17. Over the past few years, the Blue Line Improvement Corridor has seen many upgrades and continues with several improvements to the LRT low-floor vehicles. SANDAG will continue freight rail improvements throughout the Blue Line corridor and the San Ysidro Rail Yard.

- *Main Street Extension from Heritage Road to La Media Road.* The project is in coordination with the development community to consider several roadway alignments of which one includes a bridge over Wolf Canyon and associated utilities. The initial works involves meeting with the resource agencies and ultimately issue a request for proposal to complete the environmental document and preliminary level bridge and utility design (see STM 357).
- *Interstate-805/East Palomar Street Direct Access Ramp (DAR) Project*  
The Caltrans work on Interstate-805 will provide a new access point to/from the East Palomar Street Bridge to and from the north freeway via Direct Access Ramps which are ramps that lead to/from the center median area of the freeway instead of from the right side of the freeway. The project started construction in April 2013 and was opened to the public in time for the morning commuters on Wednesday, January 4, 2017. Landscaping work is still in progress and will continue for the next year. The freeway DAR project connects to the recently completed High Occupancy Vehicle (HOV) lanes that extend from East Naples Street to State Route-94. Caltrans is currently on the design phase and right-of-way phase for the work on the sound walls needed between SR-54 to East Naples Street. This work will ultimately widen the I-805 Sweetwater River Bridge south of the SR-54 interchange so that there is more left and right shoulder area and complete the seismic retrofit. Caltrans is pursuing construction funding for this phase at this time and if funding is approved in 2017, construction could begin in the fall and be completed by Year 2020.

- The South Bay Bus Rapid Transit (SBBRT) Project*  
 The SBBRT project, coordinated by SANDAG, is expected to follow the Caltrans I-805 Direct Access Ramp project. SANDAG, as the project manager, will design and build a 21-mile BRT line between the Otay Mesa Port of Entry and downtown San Diego via eastern Chula Vista, I-805 and SR-94. The eastern Chula Vista section extends from the intersection of East Palomar Street and Oleander Avenue through Otay Ranch Town Center and the Millennia Project to SR-125. The project will include arterial "transit only" lanes, transit signal priority, special shoulder lanes for busses-only on the freeway, and enhanced customer amenities. Service along this corridor is expected to begin in the summer of 2018.

Construction through Chula Vista is in three phases:

1. Phase 1A from Oleander Avenue to Heritage Road. This phase of work is nearing the advertising phase as final construction funding is being approved.
2. Phase 1B from Heritage Road to Olympic Parkway began construction in February 2016.
3. Phase 2, from Olympic Parkway then across the SR-125 Toll Road via a new pedestrian and bus bridge overcrossing to Birch Road around the northerly and easterly frontage of the Otay Ranch Mall. Construction began in September 2016. Work south of Birch Road within the Millenia project area is being completed by the developer.

**CIP DOCUMENT**

The initial proposed capital improvement project detail sheets are posted annually in April of each year on the Public Works website for public comment and review.

<http://www.chulavistaca.gov/departments/public-works/projects>

The proposed CIP is presented at a Council Budget Workshop in May and adopted in June of every year.

Additionally, the Engineering & Capital Projects Department publishes an annual adopted CIP budget. The document is made available at the City Clerk's Office, the Civic Center Library, Otay Ranch Mall Library, the South Chula Vista Library, and the City's website.





# CAPITAL IMPROVEMENT BUDGET

## *Funding Summary by Project Type*

### BUILDING

		FY 2017-18 PROPOSED
<b>GG230</b>	Fire Stations Repair/Replacement (Measure P)	\$13,000,000
<b>GG231</b>	Civic Center and South Libraries (Measure P)	\$1,500,000
<b>GG232</b>	Police Facility Repairs (Measure P)	\$1,000,000
<b>GG233</b>	Recreation and Senior Centers Repairs (Measure P)	\$3,000,000
<b>GG234</b>	Public Building Repairs (Measure P)	\$3,100,000
<b>BUILDING TOTAL</b>		<b>\$21,600,000</b>

### DRAINAGE

		FY 2017-18 PROPOSED
<b>DR205</b>	CMP Rehabilitation In Right of Way FY2017/18	\$1,000,000
<b>DR209</b>	CMP Rehab Outside ROW (Measure P)	\$6,850,000
<b>DR210</b>	Drainage Pipe Assessment Outside ROW (Measure P)	\$50,000
<b>DRAINAGE TOTAL</b>		<b>\$7,900,000</b>

### FLEET

		FY 2017-18 PROPOSED
<b>GG235</b>	Fleet Infrastructure (Measure P)	\$1,000,000
<b>FLEET TOTAL</b>		<b>\$1,000,000</b>

### GENERAL GOVERNMENT

		FY 2017-18 PROPOSED
<b>OP202</b>	Advance Planning-	\$93,353
<b>OP219</b>	Pavement Management System-	\$75,000
<b>GENERAL GOVERNMENT TOTAL</b>		<b>\$168,353</b>

# CAPITAL IMPROVEMENT BUDGET

## *Funding Summary by Project Type*

### PARKS

		FY 2017-18 PROPOSED
<b>PR326</b>	Park Infrastructure (Measure P)	\$2,000,000
<b>PR327</b>	Sports Courts and Fields (Measure P)	\$3,000,000
<b>PARKS TOTAL</b>		<b>\$5,000,000</b>

# CAPITAL IMPROVEMENT BUDGET

## *Funding Summary by Project Type*

### ROADWAY

		FY 2017-18 PROPOSED
<b>STL261</b>	Willow St Bridge Widening	\$6,705,333
<b>STL404</b>	Multi-Modal Pedestrian/Bikeway Master Plan-	\$260,000
<b>STL423</b>	Pavement Minor Rehabilitation FY2017/2018	\$1,000,000
<b>STL424</b>	ADA Curb Ramps Program FY2017/2018	\$150,000
<b>STL426</b>	Sidewalk Gap on Various locations Citywide FY 2017/18	\$193,100
<b>STL427</b>	Street Pavement Rehab (Measure P)	\$13,562,653
<b>STL428</b>	Sidewalk Replacement (Measure P)	\$1,000,000
<b>STM361</b>	I5 Multi-Modal Corridor Imprv Study Default Scenario	\$200,000
<b>STM369</b>	Bikeway Facilities Gap Project-	\$75,000
<b>STM380</b>	Sidewalk Replacement on East H St Study	\$130,000
<b>STM390</b>	Major Pavement Rehab FY16/17	\$350,000
<b>STM392</b>	Bike Lanes on Broadway	\$460,000
<b>STM393</b>	Major Pavement Rehabilitation FY2017/18	\$3,279,228
<b>STM394</b>	Local Street Utility Undergrounding District	\$100,000
<b>TF274</b>	Traffic Count Stations Program	\$50,000
<b>TF321</b>	Citywide Traffic Count Stations	\$50,000
<b>TF325</b>	Traffic Monitoring Program	\$65,000
<b>TF327</b>	Neighborhood Traffic and Pedestrian Safety Program	\$240,000
<b>TF332</b>	Signing and Striping	\$50,000
<b>TF345</b>	Traffic Calming Program	\$150,000
<b>TF350</b>	Traffic Signal System Optimization Program	\$184,500
<b>TF354</b>	Traffic Congestion Relief Program-	\$30,000
<b>TF356</b>	Otay Mesa Transportation System-	\$20,000
<b>TF366</b>	Traffic Signal and Streetlight Systems Upgrade and Modification Programs	\$200,000
<b>TF389</b>	Expansion of Adaptive Traffic Signal System at: East "H" Street and Telegraph Canyon Road	\$800,000
<b>TF394</b>	Pedestrian Crosswalk Enhancement at Uncontrolled Intersections (2017)	\$350,000
<b>TF397</b>	Raised Median Improvements (2017)	\$80,000
<b>TF403</b>	Traffic Signal Communication Improvements	\$800,000
<b>TF404</b>	Retiming of Traffic Signals and Installation of Fiber Optic/Ethernet Communication System	\$1,323,100
<b>TF405</b>	Installation of Pedestrian Countdown Indication and Traffic Signal Modification	\$1,215,900
<b>TF407</b>	Traffic Signal Modifications at Five Intersections	\$829,800
<b>TF408</b>	Traffic Sig System -Fiber Ntwrk (Measure P)	\$3,000,000
<b>ROADWAY TOTAL</b>		<b>\$36,903,614</b>

# CAPITAL IMPROVEMENT BUDGET

## *Funding Summary by Project Type*

### WASTEWATER

		FY 2017-18 PROPOSED
<b>SW299</b>	Manhole Inspection Program FY 2017/18	\$200,000
<b>SW300</b>	Sewer Pipe Rehabilitation Program FY 2017/18	\$300,000
<b>SW301</b>	Sewer Manhole Rehabilitation Program FY 2017/18	\$300,000
<b>SW302</b>	Sewer Access Road Rehabilitation Program FY 2017/18	\$400,000
<b>SW303</b>	Pump Station Rehabilitation Program FY 2017/18	\$100,000
<b>WASTEWATER TOTAL</b>		<b>\$1,300,000</b>
<b>GRAND TOTAL - ALL PROJECTS</b>		<b>\$73,871,967</b>





**City of Chula Vista**  
**2017/18-2021/22 Capital Improvement Program**

CIP #.	Category	2017/18	2018/19	2019/20	2020/21	2021/22	Total	
DR205	CMP Rehabilitation In Right of Way FY2017/18	Drainage	\$1,000,000	0	0	0	0	\$1,000,000
DR209	CMP Rehabilitation Outside Right of Way FY2017/18 (Measure P)	Drainage	\$6,850,000	\$926,025	0	0	\$917,800	\$8,693,825
DR210	Drainage Pipe Assessment Outside ROW (Measure P)	Drainage	\$50,000	0	0	0	0	\$50,000
GG230	Fire Stations Repairs/Replacemets (Measure P)	Building	\$13,000,000	\$3,500,000	\$5,320,806	\$1,018,743	0	\$22,839,549
GG231	Civic Center and South Chula Vista Libraries (Measure P)	Building	\$1,500,000	0	0	0	0	\$1,500,000
GG232	Police Facility Repairs (Measure P)	Building	\$1,000,000	0	0	0	0	\$1,000,000
GG233	Recreation and Senior Center Repairs (Measure P)	Building	\$3,000,000	0	0	0	0	\$3,000,000
GG234	Public Building Repairs (Measure P)	Building	\$3,100,000	0	0	0	0	\$3,100,000
GG235	Fleet Infrastructure (Measure P)	Fleet Management	\$1,000,000	0	0	0	0	\$1,000,000
OP202	CIP Advanced Planning	CIP Advance Planing	\$93,353	\$65,000	\$65,000	\$65,000	0	\$288,353
OP219	Pavement Management System	Pavement Management	\$75,000	\$50,000	\$50,000	0	0	\$175,000
PR326	Park Infratructure (Measure P)	Parks	\$2,000,000	0	0	\$1,000,000	\$800,000	\$3,800,000
PR327	Sport Courts and Fields Renovation (Measure P)	Parks	\$3,000,000	0	0	\$1,000,000	\$2,000,000	\$6,000,000
STL261	Willow Street Bridge (Widening)- Phase II-----MPO ID: CHV08	Local Streets	\$6,705,333	0	0	0	0	\$6,705,333
STL404	Bikeway Pedestrian Master Plan 2016 Update	Local Streets	\$260,000	0	0	0	0	\$260,000
STL423	Pavement Minor Rehabilitation FY2017/2018	Local Streets	\$1,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$9,000,000
STL424	ADA Curb Ramps Program FY2017/2018	Local Streets	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
STL426	Sidewalk Gap on Various locations Citywide FY 2017/18	Local Streets	\$193,100	0	0	0	0	\$193,100
STL427	Street Pavement Rehabilitation (Measure P)	Local Streets	\$13,562,653	0	0	\$1,139,059	\$1,276,188	\$15,977,900
STL428	Sidewalk Replacement Citywide (Measure P)	Local Streets	\$1,000,000	0	0	0	0	\$1,000,000
STM361	I5 Multi-Modal Corridor Imprv Study	Major Streets	\$200,000	0	0	0	0	\$200,000
STM369	Bikeway Facilities Gap Project (Study)	Major Streets	\$75,000	\$50,000	\$50,000	\$50,000	0	\$225,000
STM380	Sidewalk Replacement on East H Street Study	Major Streets	\$130,000	0	0	0	0	\$130,000
STM384	Bike Lane Improvements on Broadway - Phase I	Major Streets	0	\$475,000	0	0	0	\$475,000
STM390	Major Pavement Rehabilitation 2016/17	FY Major Streets	\$350,000	\$3,500,000	\$3,500,000	\$3,500,000	0	\$10,850,000
STM392	Bike Lanes on Broadway Phase II	Major Streets	\$460,000	0	0	0	0	\$460,000
STM393	Major Pavement Rehabilitation FY2017/18	Major Streets	\$3,279,228	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$17,279,228
STM394	Local Street Utility Undergrounding District	Utility Underground	\$100,000	0	0	0	0	\$100,000
SW299	Manhole Inspection Program 2017/18	FY Sewer	\$200,000	0	0	0	0	\$200,000
SW300	Sewer Pipe Rehabilitation Program FY 2017/18	Sewer	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
SW301	Sewer Manhole Rehabilitation Program FY 2017/18	Sewer	\$300,000	0	0	0	0	\$300,000
SW302	Sewer Access Road Rehabilitation Program FY 2017/18	Sewer	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000
SW303	Pump Station Rehabilitation Program FY 2017/18	Sewer	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

TF274	Traffic Count Station Program	Traffic	\$50,000	\$65,000	\$65,000	\$65,000	\$65,000	\$310,000
TF321	Citywide Traffic Count Program	Traffic	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
TF325	Transportation Planning Program	Traffic	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$325,000
TF327	Neighborhood Traffic and Pedestrian Safety Program	Traffic	\$240,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,040,000
TF332	Signing and Striping Program	Traffic	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
TF345	Traffic Calming Program	Traffic	\$150,000	\$100,000	\$100,000	\$100,000	\$100,000	\$550,000
TF350	Traffic Signal System Optimization Program	Traffic	\$184,500	\$200,000	\$200,000	\$200,000	\$200,000	\$984,500
TF354	Traffic Congestion Relief Program	Traffic	\$30,000	\$50,000	\$50,000	\$50,000	\$50,000	\$230,000
TF356	Otay Mesa Transportation System	Traffic	\$20,000	0	0	0	0	\$20,000
TF366	Traffic Signal and Streetlight Systems Upgrade and Modification Program	Traffic	\$200,000	\$50,000	\$50,000	\$50,000	\$50,000	\$400,000
TF389	Expansion of Adaptive Traffic Signal System at: East "H" Street and Telegraph Canyon Road	Traffic	\$800,000	0	0	0	0	\$800,000
TF394	Pedestrian Crosswalk Enhancement at Uncontrolled Intersections	Traffic	\$350,000	0	0	0	0	\$350,000
TF397	Raised Median Improvements	Traffic	\$80,000	0	0	0	0	\$80,000
TF403	Traffic Signal Communication Improvements	Traffic	\$800,000	0	0	0	0	\$800,000
TF404	Retiming of Traffic Signals and Installation of Fiber Optic/Ethernet Communication System	Traffic	\$1,323,100	0	0	0	0	\$1,323,100
TF405	Installation of Pedestrian Countdown Indication and Traffic Signal Modification	Traffic	\$1,215,900	0	0	0	0	\$1,215,900
TF407	Traffic Signal Modifications at Five Intersections	Traffic	\$829,800	0	0	0	0	\$829,800
TF408	Traffic Signal System -Fiber Network (Measure P)	Traffic	\$3,000,000	0	0	0	0	\$3,000,000
<b>Total: 51</b>			<b>\$73,871,967</b>	\$15,846,025	\$16,265,806	\$15,052,802	\$12,273,988	\$133,310,588

**MEASURE P FUND SUMMARY**



## Measure P Fund Summary

The Measure P fund accounts for revenues and expenditures related to the recently approved ballot measure adopting a one-half (½) cent General Transactions and Use Tax (Sales Tax) in the City of Chula Vista.

On August 2, 2016, the City Council approved Ordinance 3371 (“Ordinance”) modifying the Municipal Code to establish a temporary one-half cent Sales Tax if approved by the voters. As part of the action to approve the Ordinance, the City Council approved a spending plan described as the Intended Infrastructure, Facilities and Equipment Expenditure Plan (Expenditure Plan), which identified how the funds were to be allocated.

On November 8, 2016 Chula Vista voters approved Measure P, authorizing the one-half cent sales tax increase on retail sales within the City for a period of ten (10) years. The spending plan has been updated to reflect, where necessary, the ratification of Measure P.

Collection of the sales tax began April 1, 2017. The sales tax is projected to raise \$178 million over the ten-year collection period. The proceeds of the tax will be used to upgrade police, fire, paramedic and 9-1-1 equipment, vehicles and facilities; fund streets and sidewalks; replace storm drains to prevent sinkholes; improve parks; repair recreation facilities; and repair

or replace other city infrastructure.

The City has established a separate fund to track and account for income and expenses and appointed a Citizen’s Oversight Committee (“COC”) to ensure transparency in the use of Measure P Funds. Staff brought forward the fiscal year 2017-18 Measure P Proposed Budget to the COC at a meeting of the committee on April 18, 2017. At this same meeting committee members affirmed that the fiscal year 2017-18 Measure P Proposed Budget was in compliance with the approved expenditure plan.

### REVENUES

The proposed fiscal year 2017-18 budget reflects the allocation of approximately \$44.2 million in net bond proceeds along with Measure P sales tax revenues of approximately \$16.3 million. Total revenues anticipated to be received in the Measure P Sales Tax Fund is \$60.6 million.

Measure P sales tax revenue projections were based on a conservative forecast of 50% of projected sales tax revenue. Sales tax revenues are received in the City’s General Fund, and then transferred into the Measure P Sales Tax Fund.

The following table reflects the fiscal year 2017-18 revenues by category.

**Measure P Fund Revenues**

Category	FY 15-16 Actual	FY 16-17 Adopted	FY 17-18 Proposed	Inc/Dec
Other Revenue	\$ -	\$ -	\$ 44,239,992	\$ 44,239,992
Transfers In	\$ -	\$ -	\$ 16,320,000	\$ 16,320,000
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 60,559,992</b>	<b>\$ 60,559,992</b>

**EXPENDITURES**

The fiscal year 2017-18 proposed Measure P budget includes approximately \$60.6 million in expenditures for a variety of infrastructure projects, equipment and fleet purchases, and technology. To follow are the major categories as noted within the adopted Expenditure Plan:

- Public Safety Vehicles – This category includes police patrol vehicles, police undercover vehicles, administrative and volunteer patrol vehicles, patrol motorcycles, fire engines, fire trucks, fire prevention fleet, fire utility vehicles, urban search and rescue vehicles, and brush rigs
- Non-Safety City Vehicles – Includes all cars, trucks, SUV’s, and specialty vehicles that are used to support general city operations.
- Fire Equipment – Includes breathing apparatus, radios, etc.
- Fire Station Repair/Replacement – Includes the complete replacement of fire stations 5 and 9 and possible renovation or replacement of Fire Station 1. This category may include land acquisition related to fire station 9.
- Police Equipment – Includes the acquisition and lease payments on the Computer Aided Dispatch System and Regional Communication System & radios.
- Police Facility Repairs – General rehabilitation on the City police facility.
- Recreation Centers and Senior Center – Replace roofs, lighting, bathrooms, flooring, pools, decking,

paint, and all other necessary repair work as identified in the City’s Asset Management Program.

- Civic Center and South Chula Vista Libraries - Replace roofs, lighting, bathrooms, flooring, decking, paint, and all other necessary repair work as identified in the City’s Asset Management Program.
- Other Public Buildings – General rehabilitation projects at the City’s Animal Care Facility and Living Coast Discovery Center.
- Sports Courts and Fields – Replacement of turf, irrigation, lighting, resurfacing tennis and basketball courts, field rehab, etc.
- Park Infrastructure – Replacement of playground structures including pour in place foundations, irrigation, lighting, sidewalks, paths.
- Street Pavement – Resurfacing, reconditioning, and replacement of arterial, collector, and residential streets throughout the City.
- Traffic Signal System – Installation of fiber optic networks for traffic signal communication throughout the City.
- Other Infrastructure – May include but is not limited to storm drains, sidewalks, trees, technology, etc.

The following table provides the detailed breakdown of the Measure P expenditures by project category.

<b>Project</b>	<b>FY17-18 Proposed</b>
Fire Vehicles	\$ 1,975,080
Police Vehicles	\$ 1,798,760
Non-Safety city Vehicles	\$ 3,818,000
Fire Equipment	\$ 1,202,000
Police Communications & Dipatch System	\$ 353,499
Regional Communications System (RCS)	\$ 350,000
Fire Stations Repair/Replacement	\$ 13,000,000
Police Facility Repairs	\$ 1,000,000
Recreation Centers and Senior Center	\$ 3,000,000
Civic Center and South Chula Vista Libraries	\$ 1,500,000
Other Public Bldgs (i.e. Animal Care Facility & Living Coast DC)	\$ 3,100,000
Sports Courts and Fields	\$ 3,000,000
Park Infrastructure	\$ 2,000,000
Street Pavement (Arterials/Collectors/Residential)	\$ 13,562,653
Traffic Signal System	\$ 3,000,000
Other Infrastructure (Storm Drains, Sidewalks, Trees etc)	\$ 7,900,000
<b>Total Project Expenditures</b>	<b>\$ 60,559,992</b>





## FUND SUMMARY

BUDGET CATEGORY	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 PROPOSED
<b>EXPENDITURES</b>				
Supplies and Services	0	0	0	1,555,499
Other Expenses	0	0	0	350,000
Capital	0	0	0	6,347,440
Transfers Out	0	0	0	244,400
CIP Project Expenditures	0	0	0	52,062,653
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$60,559,992</b>
<b>REVENUES</b>				
Other Revenue	0	0	0	44,239,992
Transfers In	0	0	0	16,320,000
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$60,559,992</b>
<b>NET FUND ACTIVITY</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



**SUMMARY TABLES**

Fund Appropriations by Department and  
Expenditure Category

Schedule of Revenues

Fund Balance Projections

Schedule of Interfund Transfers

Authorized Positions by Department



**FUND APPROPRIATIONS BY  
DEPARTMENT AND EXPENDITURE  
CATEGORY**



# PROPOSED EXPENDITURES BY DEPARTMENT / CATEGORY

*Fiscal Year 2017-18*

DEPT / FUND	PERSONNEL SERVICES	SUPPLIES & SERVICES	UTILITIES	OTHER EXPENSES	OPERATING CAPITAL	TRANSFERS OUT	CIP PROJECTS	NON-CIP PROJECTS	TOTAL FY 2017-18
01100 City Council	1,501,794	105,847	1,307		3,190				1,612,138
02000 Boards and Commissions		9,187							9,187
03000 City Clerk	721,652	219,350	688						941,690
04000 City Attorney	2,670,255	303,300	1,856		4,948				2,980,359
05000 Administration	1,953,937	88,812	832		3,416				2,046,997
06000 Information Technology Svcs	2,322,332	1,358,580	11,907		87,890				3,780,709
07000 Human Resources	2,353,614	413,686	1,457		9,272				2,778,029
08000 Finance	3,573,843	201,736	2,212		15,499				3,793,290
09000 Non-Departmental	309,800	1,839,061	8,255	167,500		22,490,479			24,815,095
10000 Animal Care Facility	2,472,433	477,665	45,347	4,500	6,282				3,006,227
11000 Economic Development	2,024,866	168,422	2,497		1,520				2,197,305
12000 Planning and Building Services	2,519,424	174,363	2,375	12,000	500				2,708,662
13000 Engineering and Capital Projects	6,852,212	459,750	867,081	108,500	10,000	389,700			8,687,243
14000 Police	49,988,573	2,767,798	451,602	123,243					53,331,216
15000 Fire	25,238,900	2,271,285	201,327			62,326			27,773,838
16000 Public Works	12,444,646	2,568,865	2,838,832	19,500	5,171		18,700		17,895,714
17000 Recreation	3,298,547	583,845	328,024	206,796	2,523				4,419,735
18000 Library	3,309,240	202,879	297,306	400					3,809,825
<b>100 GENERAL FUND TOTAL</b>	<b>123,556,068</b>	<b>14,214,431</b>	<b>5,062,905</b>	<b>642,439</b>	<b>150,211</b>	<b>22,942,505</b>		<b>18,700</b>	<b>166,587,259</b>
201 2016 Measure P Sales Tax Fund		1,555,499		350,000	6,347,440	244,400	52,062,653		60,559,992
221 Gas Tax						4,259,428	1,618,000		5,877,428
225 Traffic Signal				25,000			338,166		363,166
227 Transp Sales Tax Fund							6,800,612		6,800,612
234 Advanced Life Support Program	212,824	178,177			193,469	972,453			1,556,923
235 Legislative Counsel Fund		5,000							5,000
241 Parking Meter		345,700	13,070	163,500					522,270
245 Traffic Safety		38,500				399,140			437,640
251 Supp Law Enforcement Serv Fund	492,714	75,000				21,513			589,227
252 Police Dept Grants Fund	5,690,526	294,538		241,940	65,000				6,292,004
253 Inmate Welfare Fund	29,350	51,000		2,000					82,350
254 Local Law Enforc blk Grant Pro	98,415								98,415
256 Asset Seizure		254,952			100,000				354,952
267 McCandliss memorial Cult Arts		400		1,200					1,600
269 Other Grants Fund	45,000	5,000		50,000					100,000

# PROPOSED EXPENDITURES BY DEPARTMENT / CATEGORY

*Fiscal Year 2017-18*

DEPT / FUND	PERSONNEL SERVICES	SUPPLIES & SERVICES	UTILITIES	OTHER EXPENSES	OPERATING CAPITAL	TRANSFERS OUT	CIP PROJECTS	NON-CIP PROJECTS	TOTAL FY 2017-18
270	Mobilehome Admin fee fund	28,000		37,000					65,000
272	Federal Grants Fund	300,730	153,344	30,005					484,079
273	State Grants Fund						350,000		350,000
274	Amer. Recovery & Reinvest. Act			22,333					22,333
281	Waste Mgmt & Recycling	42,197	372,229	63,275					477,701
282	Environmental Services	741,914	864,678	10,355	64,600	107,585			2,007,483
285	Energy Conserv Fund	264,570	839,978	528,454	2,593				1,635,595
301	Storm Drain Revenue		348,100	840					348,940
313	CV Housing Authority Fund	650,131	179,000	1,155	300,000	254,697			2,094,983
316	Public Educational & Govt. Fee		300,000						600,000
318	Redv Obligation Retirement Fnd		6,000	629,000		2,563,000			3,198,000
319	Housing - SA		5,600	4,615,983	6,000				4,627,583
311	CDBG Housing Program Fund		5,100	46,000					51,100
321	Home Program Fund			232,500	50,600				289,500
333	Comm Dev Block Grant Fund		2,130	2,000	9,870	762,200		50,100	826,300
341	Public Liability Trust	384,908		819,170					1,204,078
342	CFD 11-M RHR McMillin	90,708	16,906	43,174	1,708				152,496
343	CFD 12-M Village 7 MM	160,986	120,447	77,950	6,164				365,547
344	CFD 13-M Otay Ranch Village 2	111,893	73,290	47,785					232,968
345	CFD 12M Village 7 Otay Ranch	239,029	173,775	78,269	6,214				497,287
346	CFD 14M- A - EUC Millenia	136,099	11,025	11,000					158,124
347	CFD 14M- B- EUC Millenia Parks	44,028	7,475	10,000					61,503
348	CFD 18M Village 3 Otay Ranch			5,000					5,000
349	CFD 19M Freeway Commercial 2	43,364	11,252	5,000					59,616
352	Bay Blvd Ldscpg Dist Fund	5,842	3,102	3,556					12,500
353	Eastlake Maintenance District	180,912	88,967	62,175					332,054
354	Open Space District #1	38,314	27,972	19,155					85,441
355	Open Space District #2	10,796	4,121						14,917
356	Open Space District #3	33,403	11,780	7,419					52,602
357	Open Space District #4	48,226	22,370	21,271					91,867
358	Open Space District #5	21,782	18,800	11,463					52,045
359	Open Space District #6	13,493	11,550	9,135					34,178
361	Open Space District #7	8,048	2,250	4,438					14,736
362	Open Space District #8	44,402	19,510	10,146					74,058
363	Open Space District #9	38,213	23,928	11,318					73,459
364	Open Space District #10	39,514	31,537	13,512					84,563



# PROPOSED EXPENDITURES BY DEPARTMENT / CATEGORY

*Fiscal Year 2017-18*

DEPT / FUND	PERSONNEL SERVICES	SUPPLIES & SERVICES	UTILITIES	OTHER EXPENSES	OPERATING CAPITAL	TRANSFERS OUT	CIP PROJECTS	NON-CIP PROJECTS	TOTAL FY 2017-18
365	Open Space District #11	74,939	62,450	34,754					172,143
367	Open Space District #14	152,756	163,596	45,108					361,460
368	Open Space District #15	19,436	3,469						22,905
369	Open Space District #17 Fund	6,882		1,966					8,848
371	Open Space District #18 Fund	73,110	69,284	35,442					177,836
372	Open Space District #20 Fund	849,907	374,083	253,110					1,477,100
373	Open Space District #23 Fund	23,642	10,306	16,018					49,966
374	Open Space District #24 Fund	17,250	13,900						31,150
375	Open Space District #26	8,595	3,018						11,613
376	Open Space District #31 Fund	73,980	54,294	50,065					178,339
378	CFD 07M Improvement Areas	360,082	134,628	182,028	8,635				685,373
379	CFD 08M Village 6	470,005	302,915	233,903	12,685				1,019,508
380	CFD 09M OR Vig II Brookfld She	601,896	210,087	180,619	12,694				1,005,296
382	CFD 99-2 Otay Ranch Vig 1 West	442,912	209,029	130,588	9,954				792,483
386	Otay Ranch Preserve	542,500		60,000					602,500
387	CFD 98-3 Sunbow 2	548,068	210,970	145,314	11,537				915,889
388	Community Facility Dst 97-1 OR	1,526,242	480,349	364,078	30,411				2,401,080
391	Central Garage Fund	1,012,079	131,090	400					3,504,543
398	Workers Compensation	826,359		3,702,764					4,529,123
406	Chula Vista Muni Golf Course					132,580			132,580
408	Development Services Fund	7,167,896	5,650	195,000	85,500	1,796,648			9,838,789
409	CV Elite Athlete Training Center		339,263						344,543
413	Trunk Sewer Capital Reserve			350,000					350,000
414	Sewer Service Revenue	4,818,934	331	75,000	1,409,200	3,153,234	30,000		37,866,509
428	Sewer Facility Replacement					150,000	1,300,000		1,450,000
432	Poggi Cyn Sewer Basin DIF			12,000					12,000
433	Salt Creek Sewer Basin DIF	100,000		70,000		200,000			370,000
442	CDBG Section 108 Loan			762,200					762,200
451	Long-term Advances DSF - City					1,385,000			1,385,000
452	Equipment Lease			594,540					594,540
453	Energy Conservation Loans			638,400					638,400
475	2014 Refunding COP	6,000		3,597,500					3,603,500
476	2015 Refunding COP	5,000		2,926,200					2,931,200
477	2016 COP	5,000		283,000					288,000
478	2016 LRRB COP Refinance	5,000		2,144,000					2,149,000
507	Otay Vly Rd AD 90-2 Impvnt Fund	2,500							2,500

# PROPOSED EXPENDITURES BY DEPARTMENT / CATEGORY

*Fiscal Year 2017-18*

DEPT / FUND	PERSONNEL SERVICES	SUPPLIES & SERVICES	UTILITIES	OTHER EXPENSES	OPERATING CAPITAL	TRANSFERS OUT	CIP PROJECTS	NON-CIP PROJECTS	TOTAL FY 2017-18
517 AD2004-1 Dixon Drive						31,600			31,600
518 AD2005-1 Tobias Drive						35,190			35,190
542 Tele Cyn Drainage Plan Dif Fun				10,000					10,000
571 PFDIF General Administration		56,100		250,000					306,100
572 PFDIF - Civic Center Expansion						3,175,192			3,175,192
573 Police Facilities Remodel						1,598,150			1,598,150
574 Corporation Yard Relocation						728,966			728,966
576 Fire Suppression Sys Expansion						1,035,000			1,035,000
587 Oray Ranch VLG Ped Ramp DIF				30,000					30,000
588 OR Vlg11 Pedestrian Bridge DIF				30,000					30,000
718 EUC Millenia Ped Bridge DIF				50,000					50,000
591 Transportation DIF		800		450,000			3,370,333		3,821,133
593 Western TDIF				60,000					60,000
661 05 ERAF - SA						1,848			1,848
662 06 ERAF - SA						1,861			1,861
666 2016 TARBS		5,000							1,178,000
692 Long-term Advances DSF-RDA S				1,173,000					350,000
715 Park Land Acquisition Fund		50,000		35,000					85,000
716 Western-Park Acquisition & Dev				25,000		50,000			75,000
717 Resident. Construct/Conver Fnd						668,278			668,278
723 Bicycle Facilities Fund		65,000							65,000
736 Other Transportation Programs							8,002,203		8,002,203
<b>GRAND TOTAL ALL FUNDS</b>	<b>145,123,348</b>	<b>60,067,306</b>	<b>8,555,624</b>	<b>29,728,913</b>	<b>8,884,485</b>	<b>46,670,468</b>	<b>73,871,967</b>	<b>68,800</b>	<b>372,970,911</b>

**SCHEDULE OF REVENUES**



# SCHEDULE OF REVENUES

FUND/ACCOUNT	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ESTIMATED
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## 100 GENERAL FUND

<b><u>Property Taxes</u></b>					
3000	27,451,232	28,616,729	30,220,180	31,174,827	33,620,932
	<b>\$27,451,232</b>	<b>\$28,616,729</b>	<b>\$30,220,180</b>	<b>\$31,174,827</b>	<b>\$33,620,932</b>
<b><u>Other Local Taxes</u></b>					
3010	29,985,219	31,257,515	34,180,256	33,182,552	50,087,466
3020	8,845,067	10,831,671	11,709,977	11,795,951	11,968,646
3030	17,525,294	6,364,691	5,844,248	6,379,964	5,860,328
3040	1,328,554	1,407,145	1,538,595	1,424,643	1,424,643
3050	2,632,774	3,136,847	3,827,244	3,654,779	4,316,267
3070	949,603	1,013,526	1,253,479	1,023,661	1,173,550
	<b>\$61,266,511</b>	<b>\$54,011,395</b>	<b>\$58,353,799</b>	<b>\$57,461,550</b>	<b>\$74,830,900</b>
<b><u>Licenses and Permits</u></b>					
3100	150,879	134,042	124,926	132,600	175,300
3120	267,938	251,375	293,421	266,455	266,455
3140	896,628	896,239	881,916	922,030	1,068,877
3160	0	0	980	0	14,000
	<b>\$1,315,445</b>	<b>\$1,281,656</b>	<b>\$1,301,243</b>	<b>\$1,321,085</b>	<b>\$1,524,632</b>
<b><u>Fines, Forfeitures, Penalties</u></b>					
3200	494,211	781,454	630,134	420,700	470,423
3210	99,627	457,077	233,579	232,000	237,000
3240	279,084	273,220	269,453	250,000	250,000
3250	136,814	126,500	116,291	118,000	118,000
	<b>\$1,009,736</b>	<b>\$1,638,251</b>	<b>\$1,249,457</b>	<b>\$1,020,700</b>	<b>\$1,075,423</b>
<b><u>Use of Money &amp; Property</u></b>					
3300	356,840	317,745	212,438	200,000	200,000
3310	0	161,240	0	0	0
3320	58,043	78,501	48,221	8,000	8,000
3330	52,449	51,548	55,875	58,772	58,772
3350	963,843	1,044,271	1,154,700	1,091,397	1,127,018
3370	1,091,740	1,178,734	1,408,632	1,373,432	1,027,325
	<b>\$2,522,915</b>	<b>\$2,832,039</b>	<b>\$2,879,866</b>	<b>\$2,731,601</b>	<b>\$2,421,115</b>

# SCHEDULE OF REVENUES

FUND/ACCOUNT	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ESTIMATED
<b>Revenue from Other Agencies</b>					
3400 State Grants	567,615	597,219	676,926	568,826	591,826
3440 State Tax Sharing	226,938	225,986	223,198	228,246	228,246
3460 Motor Vehicle License Fees	16,773,957	17,884,321	18,934,656	19,692,436	20,844,039
3480 State Reimbursements	51,284	6,408	541,858	7,233	7,233
3500 Federal Grants	486,626	458,484	578,032	544,603	415,875
3580 Federal Reimbursements	16,804	37,177	61,183	42,000	42,000
3600 Other Agency Grants	6,845	5,500	7,465	2,000	2,000
3690 Other Agency Revenue	1,348,040	828,326	665,000	664,000	664,000
<b>TOTAL</b>	<b>\$19,478,109</b>	<b>\$20,043,421</b>	<b>\$21,688,318</b>	<b>\$21,749,344</b>	<b>\$22,795,219</b>
<b>Charges for Services</b>					
3700 Zoning Fees	1,449,571	1,213,086	1,073,557	875,564	1,044,664
3720 Document Fees	87,522	136,164	357,865	207,237	327,237
3730 Plan Checking Fees	6,790	3,696	301	0	0
3740 Inspection Fees	366,158	454,851	490,213	334,580	497,080
3750 Filing Fees	0	0	40	0	0
3770 Other Dev Fees	9,886	600	0	0	0
3800 Animal Shelter Contracts	1,667,067	1,560,827	1,390,959	1,310,904	1,407,593
3830 Services to the Port District	957,682	973,964	986,625	1,010,304	1,010,304
3900 Recreation Program Fees	868,164	879,535	950,576	947,502	1,033,311
3950 Class Admission Fees	403,218	427,894	401,740	443,941	437,875
3970 Referral Fees	164,768	246,068	207,597	188,000	138,277
4200 Staff Services Reimbursements	1,684,748	1,739,327	1,663,027	1,494,250	2,064,714
4300 Fees for Other Services	276,190	259,655	265,310	267,000	294,200
<b>TOTAL</b>	<b>\$7,941,764</b>	<b>\$7,895,667</b>	<b>\$7,787,810</b>	<b>\$7,079,282</b>	<b>\$8,255,255</b>
<b>Other Revenue</b>					
4410 DIF Reimbursements	426,705	150,459	203,429	177,721	163,975
4420 Transit Reimbursements	292,419	189,951	0	0	0
4430 Redev Agency Reimbursements	4,468	5,397	5,560	1,800	1,800
4440 Open Space/Assess Dist Reimb	1,884,161	2,055,227	1,972,696	2,084,087	2,011,703
4450 CIP Reimbursements	4,273,692	4,758,399	4,434,147	4,544,009	4,475,271
4460 CDBG/Home Reimbursements	443,524	62,970	94,478	60,100	60,100
4480 Other City Funds Reimbursement	2,874,051	4,290,278	3,731,934	2,923,829	3,110,366
4600 Assessments	0	0	36,939	30,000	30,000

# SCHEDULE OF REVENUES

FUND/ACCOUNT	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ESTIMATED
4700 Collection Charges	61,864	74,928	68,996	80,000	80,000
4800 Sale of Goods	4,643	3,781	1,708	2,650	2,650
4900 Other Revenue	1,010,207	1,798,691	1,816,908	2,081,574	921,415
<b>TOTAL</b>	<b>\$11,275,734</b>	<b>\$13,390,081</b>	<b>\$12,366,795</b>	<b>\$11,985,770</b>	<b>\$10,857,280</b>
<b>Transfers In</b>					
5000 Transfers In	10,097,493	10,550,802	9,837,957	11,937,171	11,206,503
<b>TOTAL</b>	<b>\$10,097,493</b>	<b>\$10,550,802</b>	<b>\$9,837,957</b>	<b>\$11,937,171</b>	<b>\$11,206,503</b>
<b>TOTAL - 100 GENERAL FUND</b>	<b>\$142,358,939</b>	<b>\$140,260,041</b>	<b>\$145,685,425</b>	<b>\$146,461,330</b>	<b>\$166,587,259</b>

## 201 2016 MEASURE P SALES TAX FUND

4900 Other Revenue	0	0	0	0	44,239,992
5000 Transfers In	0	0	0	0	16,320,000
<b>TOTAL - 201 2016 MEASURE P SALES TAX FUND</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$60,559,992</b>

## 220 TRANSPORTATION FUNDS

3010 Sales Tax	898,172	11,489,633	2,535,464	8,239,131	6,087,000
3300 Investment Earnings	76,338	59,901	131,430	0	0
3400 State Grants	4,319,400	0	0	0	0
3440 State Tax Sharing	7,890,623	6,483,721	5,632,359	5,258,582	5,537,543
3600 Other Agency Grants	294,165	358,787	990,450	47,969	0
3770 Other Dev Fees	207,016	279,738	184,401	200,000	200,000
4440 Open Space/Assess Dist Reimb	1,778	1,455	0	0	0
4450 CIP Reimbursements	24,085	126,426	0	0	0
4480 Other City Funds Reimbursement	330,081	384,446	114,182	0	0
5000 Transfers In	19,999	29,814	0	0	0
<b>TOTAL - 220 TRANSPORTATION FUNDS</b>	<b>\$14,061,657</b>	<b>\$19,213,921</b>	<b>\$9,588,286</b>	<b>\$13,745,682</b>	<b>\$11,824,543</b>

## 230 DEVELOPER DEPOSITS

3300 Investment Earnings	16,914	16,000	48,617	0	0
3760 Other Dev Fees	8,022,857	8,381,649	6,646,852	0	0
<b>TOTAL - 230 DEVELOPER DEPOSITS</b>	<b>\$8,039,771</b>	<b>\$8,397,649</b>	<b>\$6,695,469</b>	<b>\$0</b>	<b>\$0</b>

# SCHEDULE OF REVENUES

FUND/ACCOUNT	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ESTIMATED
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## 234 ADVANCED LIFE SUPPORT

3690	Other Agency Revenue	1,316,182	1,534,430	1,476,315	1,552,873	1,556,923
<b>TOTAL - 234 ADVANCED LIFE SUPPORT</b>		<b>\$1,316,182</b>	<b>\$1,534,430</b>	<b>\$1,476,315</b>	<b>\$1,552,873</b>	<b>\$1,556,923</b>

## 240 PARKING

3160	Other Permits	39,897	40,598	26,777	35,000	25,000
3240	Parking Penalties	232,857	173,565	173,317	200,000	200,000
3300	Investment Earnings	12,518	7,372	22,836	0	0
3350	Rental/Lease of Land and Space	379,690	375,405	358,545	350,000	365,000
4900	Other Revenue	2,001	6	0	0	0
<b>TOTAL - 240 PARKING</b>		<b>\$666,963</b>	<b>\$596,946</b>	<b>\$581,475</b>	<b>\$585,000</b>	<b>\$590,000</b>

## 250 PUBLIC SAFETY

3210	Law Enforcement Penalties	427,460	441,515	508,082	437,640	437,640
3300	Investment Earnings	10,352	8,428	25,732	0	0
3320	Sale of Personal Property	0	1,030	0	0	0
3350	Rental/Lease of Land and Space	12,173	9,379	24,079	20,000	20,000
3400	State Grants	383,103	923,169	470,588	401,014	401,014
3500	Federal Grants	4,302,468	4,952,526	4,812,160	5,972,324	6,196,739
3600	Other Agency Grants	869,705	832,729	383,554	0	0
3690	Other Agency Revenue	170,476	260,823	200,149	162,600	92,426
4200	Staff Services Reimbursements	144,800	134,120	123,841	134,710	140,296
4480	Other City Funds Reimbursement	0	1,023	0	0	0
4800	Sale of Goods	1,868	38,819	39,897	10,000	20,000
4900	Other Revenue	36,221	21,862	14,710	20,000	20,000
5000	Transfers In	42,753	51,226	77,139	86,021	150,958
<b>TOTAL - 250 PUBLIC SAFETY</b>		<b>\$6,401,379</b>	<b>\$7,676,649</b>	<b>\$6,679,931</b>	<b>\$7,244,309</b>	<b>\$7,479,073</b>

## 260 LIBRARY/CULTURAL ARTS FUNDS

3300	Investment Earnings	1,820	392	627	0	0
<b>TOTAL - 260 LIBRARY/CULTURAL ARTS FUNDS</b>		<b>\$1,820</b>	<b>\$392</b>	<b>\$627</b>	<b>\$0</b>	<b>\$0</b>



# SCHEDULE OF REVENUES

FUND/ACCOUNT	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ESTIMATED
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## 270 SUNDRY GRANTS & MISC

3300	Investment Earnings	21,077	21,685	30,455	0
3400	State Grants	157,945	2,776,762	512,939	60,000
3500	Federal Grants	1,531,268	1,367,569	909,067	996,821
3600	Other Agency Grants	14,737	26,858	54,290	50,000
4200	Staff Services Reimbursements	117,055	84,180	85,790	65,000
4480	Other City Funds Reimbursement	1,633	0	1,941	0
4900	Other Revenue	23,434	46,817	43,978	22,333
5000	Transfers In	8,060,513	51,615	61,620	112,326
	<b>TOTAL - 270 SUNDRY GRANTS &amp; MISC</b>	<b>\$9,927,662</b>	<b>\$4,375,486</b>	<b>\$1,700,080</b>	<b>\$1,306,480</b>

**\$1,021,412**

## 280 CONSERVATION

3300	Investment Earnings	16,680	9,672	21,191	0
3400	State Grants	174,843	661,008	751,621	336,091
3600	Other Agency Grants	1,050,492	796,133	937,190	1,783,185
3700	Zoning Fees	128	0	171	0
3900	Recreation Program Fees	0	0	264	0
4200	Staff Services Reimbursements	1,830	1,610	1,330	0
4300	Fees for Other Services	1,102,615	1,086,836	1,159,774	1,262,279
4480	Other City Funds Reimbursement	232,231	141,585	314,710	139,726
4900	Other Revenue	2,121,500	0	0	0
	<b>TOTAL - 280 CONSERVATION</b>	<b>\$4,700,319</b>	<b>\$2,696,844</b>	<b>\$3,186,251</b>	<b>\$3,521,281</b>

**\$3,515,301**

## 301 STORM DRAIN REVENUE FUND

3120	Dev / Improvement Permits	0	0	0	23,750
3230	Environmental Fines Penalties	(4,341)	24,431	11,800	5,000
3300	Investment Earnings	1,850	(833)	3,482	0
4020	Storm Drain Fees	600,025	624,232	605,207	555,500
4700	Collection Charges	0	290	1,393	0
	<b>TOTAL - 301 STORM DRAIN REVENUE FUND</b>	<b>\$597,534</b>	<b>\$648,120</b>	<b>\$621,882</b>	<b>\$584,250</b>

**\$584,250**

## 310 HOUSING PROGRAM FUND

3300	Investment Earnings	5,355	15,940	16,424	0
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**0**

# SCHEDULE OF REVENUES

FUND/ACCOUNT	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ESTIMATED
3700 Zoning Fees	18,349	7,458	592	0	0
3760 Other Dev Fees	372,660	0	0	0	0
4200 Staff Services Reimbursements	1,000	1,000	1,000	0	0
4300 Fees for Other Services	230,781	113,335	193,524	100,000	100,000
4430 Redev Agency Reimbursements	160,044	201,438	102,873	326,058	752,483
4460 CDBG/Home Reimbursements	405,254	443,175	463,514	455,613	114,500
4480 Other City Funds Reimbursement	56,421	44,602	85,290	93,000	128,000
4900 Other Revenue	100,008	26,722	8,310	0	0
<b>TOTAL - 310 HOUSING PROGRAM FUND</b>	<b>\$1,349,872</b>	<b>\$853,670</b>	<b>\$871,527</b>	<b>\$974,671</b>	<b>\$1,094,983</b>
<b>316 PUBLIC EDUCATIONAL &amp; GOVT. FEE</b>					
3020 Franchise Fees	654,842	679,354	664,470	600,000	600,000
3300 Investment Earnings	4,924	4,141	17,109	0	0
<b>TOTAL - 316 PUBLIC EDUCATIONAL &amp; GOVT. FEE</b>	<b>\$659,766</b>	<b>\$683,495</b>	<b>\$681,579</b>	<b>\$600,000</b>	<b>\$600,000</b>
<b>318 REDV OBLIGATION RETIREMENT</b>					
3000 Property Tax	6,144,146	6,179,288	5,314,687	4,967,149	4,967,150
3300 Investment Earnings	10,640	15,778	42,310	0	0
5000 Transfers In	0	0	0	0	3,709
<b>TOTAL - 318 REDV OBLIGATION RETIREMENT</b>	<b>\$6,154,786</b>	<b>\$6,195,066</b>	<b>\$5,356,997</b>	<b>\$4,967,149</b>	<b>\$4,970,859</b>
<b>319 HOUSING - SA</b>					
3300 Investment Earnings	423,627	749,380	997,660	0	200,000
3310 Sale of Real Property	56,612	0	0	0	0
3350 Rental/Lease of Land and Space	14,944	13,954	11,628	15,000	15,000
3370 Rental/Lease of Buildings	0	21	0	0	0
4200 Staff Services Reimbursements	20,979	3,358	6,208	0	0
4420 Transit Reimbursements	2,192	0	0	0	0
4900 Other Revenue	103,872	199,741	629,292	0	200,000
5000 Transfers In	0	0	0	963,931	0
<b>TOTAL - 319 HOUSING - SA</b>	<b>\$622,226</b>	<b>\$966,454</b>	<b>\$1,644,788</b>	<b>\$978,931</b>	<b>\$415,000</b>

# SCHEDULE OF REVENUES

FUND/ACCOUNT	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ESTIMATED
<b>320 COMM DEV BLOCK GRANTS FUND</b>					
3300 Investment Earnings	12,067	31,114	15,475	0	0
3350 Rental/Lease of Land and Space	0	35,569	76,233	79,000	79,000
3500 Federal Grants	3,415,216	2,109,028	2,382,370	2,853,055	976,300
4200 Staff Services Reimbursements	140	0	0	0	0
4460 CDBG/Home Reimbursements	0	0	14,000	0	0
4480 Other City Funds Reimbursement	441	0	0	0	0
4900 Other Revenue	55,269	103,714	256,558	0	0
5000 Transfers In	0	9,597	0	0	31,600
<b>TOTAL - 320 COMM DEV BLOCK GRANTS FUND</b>	<b>\$3,483,133</b>	<b>\$2,289,022</b>	<b>\$2,744,636</b>	<b>\$2,932,055</b>	<b>\$1,086,900</b>
<b>341 PUBLIC LIABILITY TRUST</b>					
4480 Other City Funds Reimbursement	304,810	0	0	0	0
5000 Transfers In	1,321,009	442,646	500,681	520,000	1,284,078
<b>TOTAL - 341 PUBLIC LIABILITY TRUST</b>	<b>\$1,625,819</b>	<b>\$442,646</b>	<b>\$500,681</b>	<b>\$520,000</b>	<b>\$1,284,078</b>
<b>350 OPEN SPACE DISTRICT FUNDS</b>					
3300 Investment Earnings	169,089	91,222	227,663	0	0
3350 Rental/Lease of Land and Space	57	0	0	0	0
4600 Assessments	9,203,769	8,682,473	11,430,380	11,994,382	14,513,404
4900 Other Revenue	834	0	20,544	0	0
<b>TOTAL - 350 OPEN SPACE DISTRICT FUNDS</b>	<b>\$9,373,749</b>	<b>\$8,773,695</b>	<b>\$11,678,587</b>	<b>\$11,994,382</b>	<b>\$14,513,404</b>
<b>390 FLEET MANAGEMENT</b>					
3300 Investment Earnings	13,613	6,106	15,031	0	0
3320 Sale of Personal Property	1,576	1,312	3,600	0	0
4200 Staff Services Reimbursements	55,542	91,950	67,419	35,000	35,000
4420 Transit Reimbursements	368,561	168,980	0	0	0
4480 Other City Funds Reimbursement	175	0	0	0	0
4900 Other Revenue	3,224,285	3,543,500	3,727,087	3,604,454	3,384,276
5000 Transfers In	0	87,572	340,035	0	85,267
<b>TOTAL - 390 FLEET MANAGEMENT</b>	<b>\$3,663,752</b>	<b>\$3,899,420</b>	<b>\$4,153,172</b>	<b>\$3,639,454</b>	<b>\$3,504,543</b>

# SCHEDULE OF REVENUES

FUND/ACCOUNT	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ESTIMATED
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## 393 TECHNOLOGY REPLACEMENT

5000	Transfers In	600,000	0	0	0
<b>TOTAL - 393 TECHNOLOGY REPLACEMENT</b>		<b>\$600,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## 398 WORKERS COMPENSATION

4480	Other City Funds Reimbursement	2,318	0	1,189,728	25,000
4900	Other Revenue	2,106,790	2,631,734	3,247,359	3,494,714
5000	Transfers In	0	950,000	503,346	0
<b>TOTAL - 398 WORKERS COMPENSATION</b>		<b>\$2,109,108</b>	<b>\$3,581,734</b>	<b>\$4,940,433</b>	<b>\$3,519,714</b>
					<b>\$5,029,123</b>

## 400 TRANSIT FUNDS

3300	Investment Earnings	7,903	1,236	7,692	0
3320	Sale of Personal Property	0	24,377	18,362	0
3400	State Grants	3,800,358	2,531,799	0	0
4200	Staff Services Reimbursements	4,654	3,956	0	0
4300	Fees for Other Services	2,667,576	1,499,307	0	0
4480	Other City Funds Reimbursement	0	81,885	0	0
4900	Other Revenue	212,196	256,222	16,429	0
5000	Transfers In	23,701	0	0	0
<b>TOTAL - 400 TRANSIT FUNDS</b>		<b>\$6,716,388</b>	<b>\$4,398,782</b>	<b>\$42,483</b>	<b>\$0</b>

## 406 CHULA VISTA MUNICIPAL GOLF COURSE

3370	Rental/Lease of Buildings	0	0	0	132,580
<b>TOTAL - 406 CHULA VISTA MUNICIPAL GOLF COURSE</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$132,580</b>

## 408 DEVELOPMENT SERVICES FUND

3780	Other State Revenue	7,845	7,226	8,114	7,000
3120	Dev / Improvement Permits	1,735,402	1,949,675	2,070,899	1,905,312
3700	Zoning Fees	2,312,855	2,041,237	2,155,133	3,030,577
3720	Document Fees	154	90	220	500
3730	Plan Checking Fees	1,360,370	1,143,633	1,801,080	2,504,755
3740	Inspection Fees	69,449	84,726	56,063	154,040
3770	Other Dev Fees	1,038	297	0	2,000

# SCHEDULE OF REVENUES

FUND/ACCOUNT	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ESTIMATED
4200 Staff Services Reimbursements	32,493	0	250	0	0
4410 DIF Reimbursements	50,065	52,160	42,264	489,407	489,407
4440 Open Space/Assess Dist Reimb	2,170	9,901	4,660	175,000	175,000
4450 CIP Reimbursements	271,980	233,200	148,138	510,255	510,255
4460 CDBG/Home Reimbursements	1,123	0	2,038	0	0
4480 Other City Funds Reimbursement	493,551	596,419	258,076	34,485	34,485
4900 Other Revenue	117	11,904	16,834	0	0
5000 Transfers In	628,181	448,687	626,616	841,959	863,791
<b>TOTAL - 408 DEVELOPMENT SERVICES FUND</b>	<b>\$6,966,793</b>	<b>\$6,579,155</b>	<b>\$7,190,385</b>	<b>\$9,655,290</b>	<b>\$9,839,689</b>

## 409 CV ELITE ATHLETE TRAINING CENTER

3690 Other Agency Revenue	0	0	0	0	339,263
5000 Transfers In	0	0	0	0	20,000
<b>TOTAL - 409 CV ELITE ATHLETE TRAINING CENTER</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$359,263</b>

## 410 SEWER FUNDS

3120 Dev / Improvement Permits	11,120	28,520	40,502	40,000	40,000
3300 Investment Earnings	1,373,068	628,219	1,286,717	301,726	301,726
3700 Zoning Fees	21,976	15,365	36,706	18,500	18,500
4000 Sewer Fees	33,039,714	35,925,367	35,216,706	33,212,699	33,212,699
4040 Industrial Waste Fees	(2,525)	0	0	0	0
4100 Pump Station Fees	50,625	36,597	58,202	0	0
4200 Staff Services Reimbursements	4,550	726	4,615	0	0
4410 DIF Reimbursements	7,200	0	0	0	0
4440 Open Space/Assess Dist Reimb	58,818	33,475	1,621	0	0
4450 CIP Reimbursements	20,717	9,413	64,231	15,000	15,000
4480 Other City Funds Reimbursement	0	594	352,545	0	0
4600 Assessments	441	4,547	246	0	0
4700 Collection Charges	626,854	441,418	439,235	330,000	400,000
4900 Other Revenue	6,822,903	4,916,652	340,639	0	0
5000 Transfers In	565,495	118,250	8,438,983	485,000	350,000
<b>TOTAL - 410 SEWER FUNDS</b>	<b>\$42,600,956</b>	<b>\$42,159,143</b>	<b>\$46,280,948</b>	<b>\$34,402,925</b>	<b>\$34,337,925</b>

# SCHEDULE OF REVENUES

FUND/ACCOUNT	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ESTIMATED
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## 430 SEWER DIF FUNDS

3300	Investment Earnings	102,104	12,522	63,532	0
4350	Sewer / Drainage DIF	268,092	166,333	239,143	400,000
5000	Transfers In	0	0	2,525	0
<b>TOTAL - 430 SEWER DIF FUNDS</b>		<b>\$370,196</b>	<b>\$178,855</b>	<b>\$305,200</b>	<b>\$220,000</b>

## 440 DEBT SERVICE - CITY FUNDS

3300	Investment Earnings	1,055	684	9,381	0
4480	Other City Funds Reimbursement	145,494	153,684	197,016	168,000
5000	Transfers In	2,741,033	1,733,873	5,415,614	4,797,769
<b>TOTAL - 440 DEBT SERVICE - CITY FUNDS</b>		<b>\$2,887,582</b>	<b>\$1,888,241</b>	<b>\$5,622,011</b>	<b>\$4,970,770</b>

## 470 DEBT SVC-CV PUBLIC FINANCING AUTH

3300	Investment Earnings	111,629	188,921	685,141	0
4900	Other Revenue	49,457,111	0	36,592,493	0
5000	Transfers In	12,842,973	9,547,649	49,358,973	9,437,135
<b>TOTAL - 470 DEBT SVC-CV PUBLIC FINANCING AUTH</b>		<b>\$62,411,713</b>	<b>\$9,736,570</b>	<b>\$86,636,607</b>	<b>\$9,437,135</b>

## 500 ASSESS DIST IMPROVEMENT FUNDS

3300	Investment Earnings	24,792	14,745	39,679	0
4340	Transportation DIF	0	0	3,861	0
4600	Assessments	18,784	18,865	18,786	0
5000	Transfers In	0	0	285,803	0
<b>TOTAL - 500 ASSESS DIST IMPROVEMENT FUNDS</b>		<b>\$43,576</b>	<b>\$33,610</b>	<b>\$348,129</b>	<b>\$0</b>

## 542 TELEGRAPH CANYON DRAINAGE DIF

3300	Investment Earnings	66,577	39,520	76,056	0
<b>TOTAL - 542 TELEGRAPH CANYON DRAINAGE DIF</b>		<b>\$66,577</b>	<b>\$39,520</b>	<b>\$76,056</b>	<b>\$0</b>

## 560 PUBLIC FACILITIES DIF

3300	Investment Earnings	256,279	86,036	275,469	0
3320	Sale of Personal Property	3,730	0	0	0

# SCHEDULE OF REVENUES

FUND/ACCOUNT	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ESTIMATED
4330 Public Facilities DIF	4,554,723	5,371,592	6,473,891	2,850,000	5,300,000
4900 Other Revenue	146,608	0	225	0	0
5000 Transfers In	0	140,338	2,552	0	0
<b>TOTAL - 560 PUBLIC FACILITIES DIF</b>	<b>\$4,961,340</b>	<b>\$5,597,966</b>	<b>\$6,752,137</b>	<b>\$2,850,000</b>	<b>\$5,300,000</b>
<b>580 PEDESTRIAN BRIDGE DIF</b>					
3300 Investment Earnings	40,741	26,860	73,881	0	0
4380 OR Pedestrian Bridge DIF	345,770	313,945	253,537	110,000	145,000
<b>TOTAL - 580 PEDESTRIAN BRIDGE DIF</b>	<b>\$386,511</b>	<b>\$340,805</b>	<b>\$327,418</b>	<b>\$110,000</b>	<b>\$145,000</b>
<b>590 TRANSPORTATION DIF FUND</b>					
3300 Investment Earnings	138,990	159,300	169,623	0	0
4340 Transportation DIF	2,001,362	726,812	1,726,223	1,591,600	1,591,600
5000 Transfers In	36,851	6,444	2,607,030	1,045,000	1,035,000
<b>TOTAL - 590 TRANSPORTATION DIF FUND</b>	<b>\$2,177,203</b>	<b>\$892,556</b>	<b>\$4,502,876</b>	<b>\$2,636,600</b>	<b>\$2,626,600</b>
<b>600 REDEVELOPMENT AGENCY FUND</b>					
3300 Investment Earnings	578	371	1,613	0	0
<b>TOTAL - 600 REDEVELOPMENT AGENCY FUND</b>	<b>\$578</b>	<b>\$371</b>	<b>\$1,613</b>	<b>\$0</b>	<b>\$0</b>
<b>660 DEBT SERVICE - SUCCESSORY AGENCY</b>					
3300 Investment Earnings	102,377	88,504	52,069	0	0
4480 Other City Funds Reimbursement	541	0	800	0	0
5000 Transfers In	3,122,996	5,561,843	5,062,975	4,504,931	2,563,000
<b>TOTAL - 660 DEBT SERVICE - SUCCESSORY AGENCY</b>	<b>\$3,225,914</b>	<b>\$5,650,347</b>	<b>\$5,115,844</b>	<b>\$4,504,931</b>	<b>\$2,563,000</b>
<b>700 MISCELLANEOUS CIP FUNDS</b>					
3060 Residential Construction Tax	209,075	366,650	185,625	325,505	325,505
3300 Investment Earnings	310,082	265,347	479,343	0	0
4370 Park Acquisition & Develop Fee	2,614,066	1,072,237	3,203,613	700,000	700,000
4480 Other City Funds Reimbursement	0	150,000	445,508	87,609	0
5000 Transfers In	383,900	302,779	1,133,837	790,910	460,396

# SCHEDULE OF REVENUES

FUND/ACCOUNT	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ADOPTED	FY 2017-18 ESTIMATED
<b>TOTAL - 700 MISCELLANEOUS CIP FUNDS</b>	<b>\$3,517,123</b>	<b>\$2,157,013</b>	<b>\$5,447,926</b>	<b>\$1,904,024</b>	<b>\$1,485,901</b>
<b>730 OTHER TRANSPORTATION PROGRAMS</b>					
3300 Investment Earnings	5,085	503	1,269	0	0
3400 State Grants	362,284	1,178	0	0	0
3500 Federal Grants	1,232,550	2,925,033	3,256,871	6,637,647	8,002,203
3600 Other Agency Grants	0	0	44,003	65,000	65,000
4450 CIP Reimbursements	0	858	0	0	0
4900 Other Revenue	300,000	0	0	0	0
<b>TOTAL - 730 OTHER TRANSPORTATION PROGRAMS</b>	<b>\$1,899,919</b>	<b>\$2,927,572</b>	<b>\$3,302,143</b>	<b>\$6,702,647</b>	<b>\$8,067,203</b>
<b>GRAND TOTAL ALL FUNDS</b>	<b>\$355,946,806</b>	<b>\$295,666,186</b>	<b>\$380,739,917</b>	<b>\$282,521,883</b>	<b>\$363,826,644</b>



## **FUND BALANCE PROJECTIONS**



# FUND BALANCE PROJECTIONS

FUND	DESCRIPTION	EST AVAIL 06/30/2017 FUND BAL	ESTIMATED REVENUES/ TFERS IN	ESTIMATED TOTAL RESOURCES	ESTIMATED OP EXP/ TFERS OUT	ADOPTED CIP/NON- CIP	EST AVAIL 06/30/2018 FUND BAL
<b>GENERAL FUND</b>							
100	General Fund	17,855,389	166,587,259	184,442,648	(166,568,559)	(18,700)	17,855,389
<b>TOTAL - GENERAL FUND</b>		<b>17,855,389</b>	<b>166,587,259</b>	<b>184,442,648</b>	<b>(166,568,559)</b>	<b>(18,700)</b>	<b>17,855,389</b>
<b>HOUSING</b>							
<u>Housing Funds</u>							
313	CV Housing Authority	3,468,706	1,094,983	4,563,689	(2,094,983)		2,468,706
<b>TOTAL</b>		<b>3,468,706</b>	<b>1,094,983</b>	<b>4,563,689</b>	<b>(2,094,983)</b>		<b>2,468,706</b>
<b>TOTAL - HOUSING</b>		<b>3,468,706</b>	<b>1,094,983</b>	<b>4,563,689</b>	<b>(2,094,983)</b>		<b>2,468,706</b>
<b>SUCCESSOR AGENCY</b>							
<u>Successor Agency</u>							
318	Redv Obligation Retirement Fnd	660,794	4,970,859	5,631,653	(3,198,000)		2,433,653
319	Housing - SA	6,529,401	415,000	6,944,401	(4,627,583)		2,316,818
654	RDA 2008 TARBS ProjFund - SA	0					0
661	05 ERAF - SA	1,847		1,847	(1,848)		(1)
662	06 ERAF - SA	1,859		1,859	(1,861)		(2)
663	06 TABs Series A - SA	6,525		6,525			6,525
664	06 TABs Series B - SA	2,270		2,270			2,270
665	08 TABs - SA	(12,513)		(12,513)			(12,513)
666	2016 TARBS	(27,089,140)	2,563,000	(24,526,140)	(1,178,000)		(25,704,140)
692	Successor Agency Long-term Debt	(10,956,392)		(10,956,392)	(350,000)		(11,306,392)
<b>TOTAL</b>		<b>(30,855,349)</b>	<b>7,948,859</b>	<b>(22,906,490)</b>	<b>(9,357,292)</b>		<b>(32,263,782)</b>
<b>TOTAL - SUCCESSOR AGENCY</b>		<b>(30,855,349)</b>	<b>7,948,859</b>	<b>(22,906,490)</b>	<b>(9,357,292)</b>		<b>(32,263,782)</b>
<b>ENTERPRISE FUNDS</b>							
406	Chula Vista Muni Golf Course	0	132,580	132,580	(132,580)		0
409	CV Elite Athlete Training Center	0	359,263	359,263	(344,543)		14,720

# FUND BALANCE PROJECTIONS

FUND	DESCRIPTION	EST AVAIL 06/30/2017 FUND BAL	ESTIMATED REVENUES/ TFRS IN	ESTIMATED TOTAL RESOURCES	ESTIMATED OP EXP/ TFRS OUT	ADOPTED CIP/NON- CIP	EST AVAIL 06/30/2018 FUND BAL
<b>Transit Funds</b>							
403	Transit Capital Projects	183,249		183,249			183,249
	<b>TOTAL</b>	<b>183,249</b>		<b>183,249</b>			<b>183,249</b>
<b>Sewer Funds</b>							
411	Sewer Income	2,053,557		2,053,557			2,053,557
413	Trunk Sewer Capital Reserve	56,695,532	1,450,000	58,145,532	(350,000)		57,795,532
414	Sewer Service Revenue	27,263,986	31,431,199	58,695,185	(37,836,509)	(30,000)	20,828,676
428	Sewer Facility Replacement	6,098,394	1,456,726	7,555,120	(150,000)	(1,300,000)	6,105,120
431	Tel Cyn Sewer Basin Plan DIF	7,000		7,000			7,000
432	Poggi Cyn Sewer Basin DIF	2,371,338	20,000	2,391,338	(12,000)		2,379,338
433	Salt Creek Sewer Basin DIF	(8,772)	380,000	371,228	(370,000)		1,228
	<b>TOTAL</b>	<b>94,481,035</b>	<b>34,737,925</b>	<b>129,218,960</b>	<b>(38,718,509)</b>	<b>(1,330,000)</b>	<b>89,170,451</b>
408	Development Services Fund	(496,662)	9,839,689	9,343,027	(9,838,789)		(495,762)
	<b>TOTAL - ENTERPRISE FUNDS</b>	<b>94,167,622</b>	<b>45,069,457</b>	<b>139,237,079</b>	<b>(49,034,421)</b>	<b>(1,330,000)</b>	<b>88,872,658</b>

## SPECIAL REVENUE FUNDS

<b>Transportation Funds</b>							
221	Gas Tax	667,300	5,537,543	6,204,843	(4,259,428)	(1,618,000)	327,415
225	Traffic Signal	1,028,406	200,000	1,228,406	(25,000)	(338,166)	865,240
227	Transportation Sales Tax	713,612	6,087,000	6,800,612	(6,800,612)		0
	<b>TOTAL</b>	<b>2,409,318</b>	<b>11,824,543</b>	<b>14,233,861</b>	<b>(4,284,428)</b>	<b>(8,756,778)</b>	<b>1,192,655</b>
<b>Parking Funds</b>							
241	Parking Meter	1,030,189	590,000	1,620,189	(522,270)		1,097,919
243	Town Centre I-Parking District	42,324		42,324			42,324
	<b>TOTAL</b>	<b>1,072,513</b>	<b>590,000</b>	<b>1,662,513</b>	<b>(522,270)</b>		<b>1,140,243</b>

# FUND BALANCE PROJECTIONS

FUND	DESCRIPTION	EST AVAIL 06/30/2017 FUND BAL	ESTIMATED REVENUES/ TFERS IN	ESTIMATED TOTAL RESOURCES	ESTIMATED OP EXP/ TFERS OUT	ADOPTED CIP/NON- CIP	EST AVAIL 06/30/2018 FUND BAL
<b><u>Public Safety Funds</u></b>							
245	Traffic Safety	123,271	437,640	560,911	(437,640)		123,271
251	Suppl Law Enforcement Services	371,478	401,014	772,492	(589,227)		183,265
252	Police Department Grants	0	6,292,004	6,292,004	(6,292,004)		0
253	Inmate Welfare Fund	78,500	40,000	118,500	(82,350)		36,150
254	Local Law Enf Block Grant	11,793	98,415	110,208	(98,415)		11,793
256	Asset Seizure	151,537	210,000	361,537	(354,952)		6,585
	<b>TOTAL</b>	<b>736,579</b>	<b>7,479,073</b>	<b>8,215,652</b>	<b>(7,854,588)</b>		<b>361,064</b>
<b><u>Library and Cultural Arts Funds</u></b>							
261	California Library Service Act	22,664		22,664			22,664
262	Public Library Act	1,899		1,899			1,899
265	CA Dept of Education Sect. 321	1		1			1
267	McCandliss Cultural Arts	11,879		11,879	(1,600)		10,279
	<b>TOTAL</b>	<b>36,443</b>		<b>36,443</b>	<b>(1,600)</b>		<b>34,843</b>
<b><u>Sundry Grant Funds</u></b>							
269	Other Grant Fund	1,231	100,000	101,231	(100,000)		1,231
272	Federal Grants Fund	0	484,079	484,079	(484,079)		0
273	State Grants Fund	0	350,000	350,000		(350,000)	0
274	ARRA Fund	6,943	22,333	29,276	(22,333)		6,943
	<b>TOTAL</b>	<b>8,174</b>	<b>956,412</b>	<b>964,586</b>	<b>(606,412)</b>	<b>(350,000)</b>	<b>8,174</b>
<b><u>Conservation Funds</u></b>							
281	Waste Management & Recycling	65,822	477,701	543,523	(477,701)		65,822
282	Environmental Services Fund	831,385	1,402,005	2,233,390	(2,007,483)		225,907
285	Energy Conservation	28,956	1,635,595	1,664,551	(1,635,595)		28,956
	<b>TOTAL</b>	<b>926,163</b>	<b>3,515,301</b>	<b>4,441,464</b>	<b>(4,120,779)</b>		<b>320,685</b>

# FUND BALANCE PROJECTIONS

FUND	DESCRIPTION	EST AVAIL 06/30/2017 FUND BAL	ESTIMATED REVENUES/ TFERS IN	ESTIMATED TOTAL RESOURCES	ESTIMATED OP EXP/ TFERS OUT	ADOPTED CIP/NON- CIP	EST AVAIL 06/30/2018 FUND BAL
<b><u>Community Development Block Grant</u></b>							
311	CDBG Housing Program	(1,086)	51,100	50,014	(51,100)		(1,086)
314	Emergency Shelter Grant Prog	1,263		1,263			1,263
321	Home Program	16,860,405	209,500	17,069,905	(289,500)		16,780,405
325	CDBG Program - Income Projects	1,000		1,000			1,000
333	Comm Dev Block Grant	365,762	826,300	1,192,062	(776,200)	(50,100)	365,762
	<b>TOTAL</b>	<b>17,227,344</b>	<b>1,086,900</b>	<b>18,314,244</b>	<b>(1,116,800)</b>	<b>(50,100)</b>	<b>17,147,344</b>
<b><u>Open Space District Funds</u></b>							
342	CFD 11-M RHR McMillin	229,512	169,681	399,193	(152,496)		246,697
343	CFD 12-M Vlg7	400,077	365,547	765,624	(365,547)		400,077
344	CFD 13-M Vlg2	612,678	340,796	953,474	(232,968)		720,506
345	CFD 12M - OR Village 7	766,504	503,247	1,269,751	(497,287)		772,464
346	CFD 14M - A - EUC Millenia	453,828	224,334	678,162	(158,124)		520,038
347	CFD 14M - B - EUC Millenia Parks	0	67,823	67,823	(61,503)		6,320
348	CFD 18M Village 3 Otay Ranch	0	657,277	657,277	(5,000)		652,277
349	CFD 19M Freeway Commercial 2	0	130,546	130,546	(59,616)		70,930
351	Town Centre Landscaping Dist I	25,707		25,707			25,707
352	Bay Blvd Landscaping Dist	46,091	12,500	58,591	(12,500)		46,091
353	Eastlake Maintenance Dist #1	344,568	351,035	695,603	(332,054)		363,549
354-376	Open Space District #1 - #31	1,880,048	3,083,266	4,963,314	(3,069,226)		1,894,088
378	CFD 07M-Eastlk II Woods, Vista	549,857	686,876	1,236,733	(685,373)		551,360
379	CFD 08M-Vlg 6 McM & Oty Ranch	2,207,677	1,317,286	3,524,963	(1,019,508)		2,505,455
380	CFD 09M OR Vlg II	1,414,124	1,122,910	2,537,034	(1,005,296)		1,531,738
382	CFD 99-2 Otay Ranch Vlg 1 We	1,045,665	887,430	1,933,095	(792,483)		1,140,612
383	Town Ctr Business Imprv Distr	277,606		277,606			277,606
386	Otay Ranch Acquisition Dist	552,977	743,651	1,296,628	(602,500)		694,128
387	CFD 98-3 Sunbow 2	926,582	998,072	1,924,654	(915,889)		1,008,765
388	Comm Facility 97-1 (Otay Rnch)	4,304,132	2,851,127	7,155,259	(2,401,080)		4,754,179
389	Otay Ranch Village 1,2,6,7,12	164,260		164,260			164,260
	<b>TOTAL</b>	<b>16,201,893</b>	<b>14,513,404</b>	<b>30,715,297</b>	<b>(12,368,450)</b>		<b>18,346,847</b>

# FUND BALANCE PROJECTIONS

FUND	DESCRIPTION	EST AVAIL 06/30/2017 FUND BAL	ESTIMATED REVENUES/ TFERS IN	ESTIMATED TOTAL RESOURCES	ESTIMATED OP EXP/ TFERS OUT	ADOPTED CIP/NON- CIP	EST AVAIL 06/30/2018 FUND BAL
<b>Miscellaneous</b>							
223	TUT Common Fund	116,129		116,129			116,129
270	Mobile Home Rent Review Program	218,804	65,000	283,804	(65,000)		218,804
316	Public Educational & Govt. Fee	1,249,658	600,000	1,849,658	(600,000)		1,249,658
	<b>TOTAL</b>	<b>1,584,591</b>	<b>665,000</b>	<b>2,249,591</b>	<b>(665,000)</b>		<b>1,584,591</b>
201	2016 Measure P Sales Tax Fund	0	60,559,992	60,559,992	(8,497,339)	(52,062,653)	0
301	Storm Drain Revenue	329,766	584,250	914,016	(348,940)		565,076
	<b>TOTAL - SPECIAL REVENUE FUNDS</b>	<b>40,532,784</b>	<b>101,774,875</b>	<b>142,307,659</b>	<b>(40,386,606)</b>	<b>(61,219,531)</b>	<b>40,701,522</b>

## INTERNAL SERVICE FUNDS

234	Advance Life Support Fund	261,260	1,556,923	1,818,183	(1,556,923)		261,260
235	Legislative Council Fund	5,000		5,000	(5,000)		0
341	Public Liability Trust	0	1,284,078	1,284,078	(1,204,078)		80,000
391	Central Garage	589,133	3,504,543	4,093,676	(3,504,543)		589,133
392	Equipment Replacement	263,004		263,004			263,004
393	Technology Replacement	2,650		2,650			2,650
398	Workers Compensation	0	5,029,123	5,029,123	(4,529,123)		500,000
	<b>TOTAL - INTERNAL SERVICE FUNDS</b>	<b>1,121,047</b>	<b>11,374,667</b>	<b>12,495,714</b>	<b>(10,799,667)</b>		<b>1,696,047</b>

# FUND BALANCE PROJECTIONS

FUND	DESCRIPTION	EST AVAIL 06/30/2017 FUND BAL	ESTIMATED REVENUES/ TFERS IN	ESTIMATED TOTAL RESOURCES	ESTIMATED OP EXP/ TFERS OUT	ADOPTED CIP/NON- CIP	EST AVAIL 06/30/2018 FUND BAL
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## CAPITAL PROJECTS FUNDS

<b>Assessment District Funds</b>							
507	Otay Valley Rd AD 90-2 Improv	86,170		86,170	(2,500)		83,670
508	AD97-2	6,033		6,033			6,033
511	Otay Vly Rd Fee Recovery Dist	946,884		946,884			946,884
512	EL Greens II AD 94-1 Improv	1,164,474		1,164,474			1,164,474
515	Twin Oaks Ave AD 96-1 Improv	22,532		22,532			22,532
516	Oxford St AD 97-1 Improv	4,479		4,479			4,479
517	AD2004-1 Dixon Drive	31,600		31,600	(31,600)		0
518	AD2005-1 Tobias Drive	35,190		35,190	(35,190)		0
	<b>TOTAL</b>	<b>2,297,362</b>		<b>2,297,362</b>	<b>(69,290)</b>		<b>2,228,072</b>
<b>Development Impact Fee Funds</b>							
542	Tel Cyn Drainage Plan DIF	3,325,207		3,325,207	(10,000)		3,315,207
567-582	DIF - Public Facilities	5,530,243	5,300,000	10,830,243	(6,843,408)		3,986,835
587	DIF-OR Village Pedestrian Ramp	1,270,439	100,000	1,370,439	(30,000)		1,340,439
588	OR Vlg11 Pedestrian Bridge DIF	3,117,213	5,000	3,122,213	(30,000)		3,092,213
591	Transportation DIF	20,996,898	2,535,000	23,531,898	(450,800)	(3,370,333)	19,710,765
593	Western Transportation DIF Fund	172,149	91,600	263,749	(60,000)		203,749
718	EUC Millenia Ped Bridge DIF	347,107	40,000	387,107	(50,000)		337,107
	<b>TOTAL</b>	<b>34,759,256</b>	<b>8,071,600</b>	<b>42,830,856</b>	<b>(7,474,208)</b>	<b>(3,370,333)</b>	<b>31,986,315</b>
<b>Misc Capital Project Funds</b>							
713	Capital Improvement Projects	(397,200)		(397,200)			<b>(397,200)</b>
715	PAD Fund - Eastern	38,948,230	650,000	39,598,230	(85,000)		39,513,230
716	PAD Fund - Western	81,191	100,000	181,191	(75,000)		106,191
717	Resid. Construction/Conversion	288,139	735,901	1,024,040	(668,278)		355,762
	<b>TOTAL</b>	<b>38,920,360</b>	<b>1,485,901</b>	<b>40,406,261</b>	<b>(828,278)</b>		<b>39,577,983</b>



# FUND BALANCE PROJECTIONS

FUND	DESCRIPTION	EST AVAIL 06/30/2017 FUND BAL	ESTIMATED REVENUES/ TFERS IN	ESTIMATED TOTAL RESOURCES	ESTIMATED OP EXP/ TFERS OUT	ADOPTED CIP/NON- CIP	EST AVAIL 06/30/2018 FUND BAL
<b><u>Other Transportation Funds</u></b>							
723	Bicycle Facilities	0	65,000	65,000	(65,000)		0
735	Transportation Partnership	0					0
736	Other Transportation Program	0	8,002,203	8,002,203		(8,002,203)	0
741	Prop 1B Hwy Safety	777	777	777			777
	<b>TOTAL</b>	<b>777</b>	<b>8,067,203</b>	<b>8,067,980</b>	<b>(65,000)</b>	<b>(8,002,203)</b>	<b>777</b>
<b>TOTAL - CAPITAL PROJECTS FUNDS</b>		<b>75,977,755</b>	<b>17,624,704</b>	<b>93,602,459</b>	<b>(8,436,776)</b>	<b>(11,372,536)</b>	<b>73,793,147</b>
<b><u>DEBT SERVICE FUNDS</u></b>							
477	2016 COP	1,193,350	288,000	1,481,350	(288,000)		1,193,350
478	2016 LRRB COP Refinance	4,390,270	2,149,000	6,539,270	(2,149,000)		4,390,270
<b><u>Debt Service - City Funds</u></b>							
442	CDBG Section 108 Loan	0	762,200	762,200	(762,200)		0
451	Long-term Advances DSF - City	(19,234,092)	1,385,000	(17,849,092)	(1,385,000)		(19,234,092)
452	KS Fire Equipment Capital Lease	111,142	594,540	705,682	(594,540)		111,142
453	CES Loan Repayment	119,570	638,400	757,970	(638,400)		119,570
	<b>TOTAL</b>	<b>(19,003,380)</b>	<b>3,380,140</b>	<b>(15,623,240)</b>	<b>(3,380,140)</b>		<b>(19,003,380)</b>
<b><u>Debt Service - CV Financing Authority</u></b>							
472	2004 COP Civ Ctr Proj Phase 1	29		29			29
473	2006 COP Civ Ctr Proj Phase 2	8,569		8,569			8,569
474	2010 Refunding COP	26,378		26,378			26,378
475	2014 Refunding COP	3,019,606	3,603,500	6,623,106	(3,603,500)		3,019,606
476	2015 Refunding COP	2,216,978	2,931,200	5,148,178	(2,931,200)		2,216,978
	<b>TOTAL</b>	<b>5,271,560</b>	<b>6,534,700</b>	<b>11,806,260</b>	<b>(6,534,700)</b>		<b>5,271,560</b>
<b>TOTAL - DEBT SERVICE FUNDS</b>		<b>(8,148,200)</b>	<b>12,351,840</b>	<b>4,203,640</b>	<b>(12,351,840)</b>		<b>(8,148,200)</b>
<b>GRAND TOTAL ALL FUNDS</b>		<b>194,119,754</b>	<b>363,826,644</b>	<b>557,946,398</b>	<b>(299,030,144)</b>	<b>(73,940,767)</b>	<b>184,975,487</b>



**SCHEDULE OF INTERFUND TRANSFERS**



# SCHEDULE OF INTERFUND TRANSFERS IN

<b>FUND/ACCOUNT</b>	<b>FY 2017-18</b>
	<b>Proposed</b>

<b>100 GENERAL FUND</b>		
221 Gas Tax	Reimbursement for street related staff time, materials, and utilities	\$ 4,259,428
234 Advanced Life Support Fund	Staff time reimbursement	\$ 972,453
245 Traffic Safety	Reimbursement for Police fleet maintenance costs	\$ 399,140
282 Environmental Services	Reimbursement for allocated overhead costs	\$ 107,585
313 CV Housing Authority Fund	Reimbursement for allocated overhead costs	\$ 181,572
406 Chula Vista Municipal Golf Course	City's share of golf course operational revenues	\$ 132,580
408 Development Services	Reimbursement for allocated overhead costs	\$ 1,796,648
414 Sewer Service Revenue	Reimbursement for Sewer related staff time and materials	\$ 3,057,097
451 Long-term Advances DSF - City	Interfund loan payment	\$ 300,000
<b>TOTAL TRANSFERS IN - 100 GENERAL FUND</b>		<b>\$ 11,206,503</b>

<b>201 MEASURE P SALES TAX FUND</b>		
100 General Fund	Transfer Measure P Sales Tax from General Fund	\$ 16,320,000
<b>TOTAL TRANSFERS IN - 201</b>		<b>\$ 16,320,000</b>

<b>252 POLICE DEPARTMENT GRANTS</b>		
100 General Fund	General Fund support of grant funded positions	\$ 76,466
251 Supp Law Enforcement Serv Fund	Funding for personnel costs	\$ 21,513
<b>TOTAL TRANSFERS IN - 252</b>		<b>\$ 97,979</b>

<b>254 LOCAL LAW ENFORCEMENT BLOCK GRANT</b>		
100 General Fund	General Fund support of grant funded positions	\$ 52,979
<b>TOTAL TRANSFERS IN - 254</b>		<b>\$ 52,979</b>

<b>269 Other Grant Funds</b>		
100 General Fund	General Fund match for grant	\$ 50,000
<b>TOTAL TRANSFERS IN - 269</b>		<b>\$ 50,000</b>

<b>272 FEDERAL GRANTS FUND</b>		
100 General Fund	General Fund match for grant	\$ 62,326

# SCHEDULE OF INTERFUND TRANSFERS IN

FUND/ACCOUNT	DESCRIPTION	FY 2017-18 Proposed
<b>TOTAL TRANSFERS IN - 272</b>		<b>\$ 62,326</b>
<b>318 Redevelopment Obligation Retirement</b>		
661 05 ERAF - SA	Transfer to close out 05 ERAF	1,848
662 06 ERAF - SA	Transfer to close out 06 ERAF	1,861
<b>TOTAL TRANSFERS IN - 318</b>		<b>\$ 3,709</b>
<b>333 Community Development Block Grant</b>		
517 AD2004-1 Dixon Dr	Project cost reimbursement from Assessment District	31,600
<b>TOTAL TRANSFERS IN - 333</b>		<b>\$ 31,600</b>
<b>341 PUBLIC LIABILITY TRUST</b>		
100 General Fund	General Fund transfer for public liability expenses	1,204,078
414 Sewer Service Revenue	Sewer Fund transfer for public liability expenses	80,000
<b>TOTAL TRANSFERS IN - 341</b>		<b>\$ 1,284,078</b>
<b>391 Central Garage</b>		
100 General Fund	Staff time reimbursement	85,267
<b>TOTAL TRANSFERS IN - 391</b>		<b>\$ 85,267</b>
<b>408 DEVELOPMENT SERVICES FUND</b>		
100 General Fund	Staff time and Accela reimbursement	374,529
100 General Fund	Permit subsidy	400,000
313 CV Housing Authority Fund	Reimbursement for allocated overhead costs	73,125
414 Sewer Service Revenue	Staff time reimbursement	16,137
<b>TOTAL TRANSFERS IN - 408</b>		<b>\$ 863,791</b>
<b>409 CV Elite Athlete Center</b>		
100 General Fund	Transfer cell site tower lease revenue	20,000
<b>TOTAL TRANSFERS IN - 409</b>		<b>\$ 20,000</b>

# SCHEDULE OF INTERFUND TRANSFERS IN

FUND/ACCOUNT	DESCRIPTION	FY 2017-18 Proposed
<b>413 TRUNK SEWER CAPITAL RESERVE</b>		
433 Salt Creek Sewer Basin DIF	Interfund loan payment	\$ 200,000
<b>TOTAL TRANSFERS IN - 413</b>		<b>\$ 200,000</b>
<b>414 SEWER SERVICE REVENUE</b>		
428 Sewer Facility Replacement	Staff time reimbursement	\$ 150,000
<b>TOTAL TRANSFERS IN - 414</b>		<b>\$ 150,000</b>
<b>442 CDBG SECTION 108 LOAN</b>		
333 Community Development Block Grant	Debt service payment - Section 108 loan	\$ 762,200
<b>TOTAL TRANSFERS IN - 442</b>		<b>\$ 762,200</b>
<b>451 LONG-TERM ADVANCES DSF - CITY</b>		
572 PFDIF - Civic Center Expansion	Interfund loan payment	\$ 300,000
576 Fire Suppression System Expansion	Interfund loan payment	\$ 1,035,000
716 Western - Park Acquisition & Dev	Interfund loan payment	\$ 50,000
<b>TOTAL TRANSFERS IN - 451</b>		<b>\$ 1,385,000</b>
<b>452 EQUIPMENT LEASE FUND</b>		
100 General Fund	Debt service payment - Mobile data computers & QECB	\$ 311,140
201 Measure P Sales Tax	Debt service payment - Fire equipment	\$ 244,400
<b>TOTAL TRANSFERS IN - 452</b>		<b>\$ 555,540</b>
<b>453 ENERGY LOAN REPAYMENTS</b>		
100 General Fund	Debt service payment - California Energy Commission loan	\$ 509,400
<b>TOTAL TRANSFERS IN - 453</b>		<b>\$ 509,400</b>
<b>475 2014 REFUNDING COP</b>		
100 General Fund	Debt Service Payment - 2002 COP Refunding - Police Facility	\$ 2,005,350
573 Police Facilities Remodel	Debt Service Payment - 2002 COP Refunding - Police Facility	\$ 1,598,150
<b>TOTAL TRANSFERS IN - 475</b>		<b>\$ 3,603,500</b>

# SCHEDULE OF INTERFUND TRANSFERS IN

FY 2017-18  
Proposed

## DESCRIPTION

## FUND/ACCOUNT

<b>476 2015 REFUNDING COP</b>		
100 General Fund	Debt Service Payment	\$ 425,747
572 PFDIF - Civic Center Expansion	Debt Service Payment	\$ 1,837,175
717 Resid. Construction/Conversion	Debt Service Payment - 2015 Refunding COP	\$ 668,278
<b>TOTAL TRANSFERS IN - 476</b>		<b>\$ 2,931,200</b>
<b>477 2016 REF COP CIVIC CENTER/NATURE CNTR</b>		
100 General Fund	Debt service payment	\$ 58,232
572 PFDIF - Civic Center Expansion	Debt service payment	\$ 229,768
<b>TOTAL TRANSFERS IN - 477</b>		<b>\$ 288,000</b>
<b>478 2016 LRRB PFDIF/COP</b>		
100 General Fund	Debt service payment	\$ 611,785
572 PFDIF - Civic Center Expansion	Debt service payment	\$ 808,249
574 Corporation Yard Relocation	Debt service payment	\$ 728,966
<b>TOTAL TRANSFERS IN - 478</b>		<b>\$ 2,149,000</b>
<b>591 TRANSPORTATION DIF</b>		
451 Long-term Advances DSF - City	Interfund loan payment	\$ 1,035,000
<b>TOTAL TRANSFERS IN - 591</b>		<b>\$ 1,035,000</b>
<b>666 2016 TARBS</b>		
318 Redevelopment Obligation Retirement Fund	Debt service payments	\$ 2,563,000
<b>TOTAL TRANSFERS IN - 666</b>		<b>\$ 2,563,000</b>
<b>715 PARK ACQUISITION &amp; DEVELOPMENT</b>		
451 Long-term Advances DSF - City	Interfund loan payment	\$ 50,000
<b>TOTAL TRANSFERS IN - 715</b>		<b>\$ 50,000</b>
<b>717 RESID. CONSTRUCTION/CONVERSION</b>		



# SCHEDULE OF INTERFUND TRANSFERS IN

FUND/ACCOUNT	DESCRIPTION	FY 2017-18 Proposed
100 General Fund	General Fund transfer for debt service expense	\$ 375,206
100 General Fund	Project cost reimbursement from Assessment District	\$ 35,190
<b>TOTAL TRANSFERS IN - 717</b>		<b>\$ 410,396</b>
<b>GRAND TOTAL ALL FUNDS</b>		<b>\$ 46,670,468</b>

# SCHEDULE OF INTERFUND TRANSFERS OUT

<b>FUND/ACCOUNT</b>	<b>FY 2017-18</b>
	<b>Proposed</b>

<b>DESCRIPTION</b>	
<b>100 GENERAL FUND</b>	
201 Measure P Sales Tax	\$ 16,320,000
252 Police Department Grants	\$ 76,466
254 Local Law Enforcement Block Grant	\$ 52,979
269 Other Grant Fund	\$ 50,000
272 Federal Grants Fund	\$ 62,326
341 Public Liability Trust	\$ 1,204,078
391 Central Garage	\$ 85,267
408 Development Services	\$ 774,529
409 CV Elite Athlete Center	\$ 20,000
452 Equipment Lease Fund	\$ 311,140
453 Energy Loan Repayments	\$ 509,400
475 2014 Refunding COP	\$ 2,005,350
476 2015 Refunding COP	\$ 425,747
477 2016 Refunding COP	\$ 58,232
478 2016 Refunding COP	\$ 611,785
717 Resid. Construction/Conversion	\$ 375,206
<b>TOTAL TRANSFERS OUT - 100</b>	<b>\$ 22,942,505</b>

<b>201 MEASURE P SALES TAX</b>	
452 Equipment Lease Fund	\$ 244,400
<b>TOTAL TRANSFERS OUT - 201</b>	<b>\$ 244,400</b>

<b>221 GAS TAX FUND</b>	
100 General Fund	\$ 4,259,428
<b>TOTAL TRANSFERS OUT - 221</b>	<b>\$ 4,259,428</b>

<b>234 ADVANCED LIFE SUPPORT FUND</b>	
100 General Fund	\$ 972,453
<b>TOTAL TRANSFERS OUT - 234</b>	<b>\$ 972,453</b>

# SCHEDULE OF INTERFUND TRANSFERS OUT

FUND/ACCOUNT	DESCRIPTION	FY 2017-18 Proposed
<b>245 TRAFFIC SAFETY</b>		
100 General Fund	Reimbursement for Police fleet maintenance costs	\$ 399,140
<b>TOTAL TRANSFERS OUT - 245</b>		<b>\$ 399,140</b>
<b>251 SUPP LAW ENFORCEMENT SERV FUND</b>		
252 Police Department Grants	Funding for personnel costs	\$ 21,513
<b>TOTAL TRANSFERS OUT - 251</b>		<b>\$ 21,513</b>
<b>282 ENVIRONMENTAL SERVICES</b>		
100 General Fund	Reimbursement for allocated overhead costs	\$ 107,585
<b>TOTAL TRANSFERS OUT - 282</b>		<b>\$ 107,585</b>
<b>313 CV HOUSING AUTHORITY</b>		
100 General Fund	Reimbursement for allocated overhead costs	\$ 181,572
408 Development Services	Reimbursement for allocated overhead costs	\$ 73,125
<b>TOTAL TRANSFERS OUT - 313</b>		<b>\$ 254,697</b>
<b>318 Redevelopment Obligation Retirement Fund</b>		
666 2016 TARBS	Debt service payment	\$ 2,563,000
<b>TOTAL TRANSFERS OUT - 318</b>		<b>\$ 2,563,000</b>
<b>333 COMM DEV BLOCK GRANT FUND</b>		
442 CDBG Section 108 Loan	Project cost reimbursement from AD	\$ 762,200
<b>TOTAL TRANSFERS OUT - 333</b>		<b>\$ 762,200</b>
<b>406 CV MUNICIPAL GOLF COURSE</b>		
100 General Fund	City's share of golf course operational revenues	\$ 132,580
<b>TOTAL TRANSFERS OUT - 406</b>		<b>\$ 132,580</b>
<b>408 DEVELOPMENT SERVICES</b>		
100 General Fund	Reimbursement for allocated overhead costs	\$ 1,796,648

# SCHEDULE OF INTERFUND TRANSFERS OUT

FUND/ACCOUNT	DESCRIPTION	FY 2017-18 Proposed
<b>TOTAL TRANSFERS OUT - 408</b>		<b>\$ 1,796,648</b>
<b>414 SEWER SERVICE REVENUE</b>		
100 General Fund	Reimbursement for Sewer related staff time and materials	\$ 3,057,097
341 Public Liability Trust	Sewer Fund transfer for public liability expenses	\$ 80,000
408 Development Services	Staff time reimbursement	\$ 16,137
<b>TOTAL TRANSFERS OUT - 414</b>		<b>\$ 3,153,234</b>
<b>428 SEWER FACILITY REPLACEMENT</b>		
414 Sewer Service Revenue	Staff time reimbursement	\$ 150,000
<b>TOTAL TRANSFERS OUT - 428</b>		<b>\$ 150,000</b>
<b>433 SALT CREEK SEWER BASIN DIF</b>		
413 Trunk Sewer Capital Reserve	Interfund loan payment - Trunk Sewer Capl Res-FY00-01 Budget Reso	\$ 200,000
<b>TOTAL TRANSFERS OUT - 433</b>		<b>\$ 200,000</b>
<b>451 LONG TERM ADVANCES DSF - CITY</b>		
100 General Fund	Interfund loan payment	\$ 300,000
591 Transportation DIF	Interfund loan payment	\$ 1,035,000
715 Park Acquisition & Development	Interfund loan payment	\$ 50,000
<b>TOTAL TRANSFERS OUT - 451</b>		<b>\$ 1,385,000</b>
<b>517 AD2001-1 DIXON DRIVE</b>		
333 Community Development Block Grant	Project cost reimbursement from Assessment District	\$ 31,600
<b>TOTAL TRANSFERS OUT - 517</b>		<b>\$ 31,600</b>
<b>518 AD2005-1 TOBIAS DRIVE</b>		
717 Resid. Construction/Conversion	Project cost reimbursement from Assessment District	\$ 35,190
<b>TOTAL TRANSFERS OUT - 518</b>		<b>\$ 35,190</b>
<b>572 PFDIF - CIVIC CENTER EXPANSION</b>		

# SCHEDULE OF INTERFUND TRANSFERS OUT

FUND/ACCOUNT	DESCRIPTION	FY 2017-18 Proposed
451 Long-term Advances DSF - City	Interfund loan payment	\$ 300,000
476 2015 Refunding COP	Debt Service Payment - 2015 Refunding COP	\$ 1,837,175
477 2016 Ref COP Civic Center/Nature Center	Debt Service Payment	\$ 229,768
478 2016 LRRB PFDIF/COP	Debt Service Payment	\$ 808,249
<b>TOTAL TRANSFERS OUT - 572</b>		<b>\$ 3,175,192</b>
<b>573 POLICE FACILITIES REMODEL</b>		
475 2014 Refunding COP	Debt Service Payment - 2002 COP Refunding - Police Facility	\$ 1,598,150
<b>TOTAL TRANSFERS OUT - 573</b>		<b>\$ 1,598,150</b>
<b>574 CORP YARD RELOCATION</b>		
478 2016 LRRB PFDIF/COP	Debt Service Payment	\$ 728,966
<b>TOTAL TRANSFERS OUT - 574</b>		<b>\$ 728,966</b>
<b>576 FIRE SUPPRESSION SYS EXPANSION</b>		
451 Long-term Advances DSF - City	Interfund loan payment	\$ 1,035,000
<b>TOTAL TRANSFERS OUT - 576</b>		<b>\$ 1,035,000</b>
<b>661 05 ERAF - SA</b>		
318 Redevelopment Obligation Retirement Fund	Transfer to close out 05 ERAF	\$ 1,848
<b>TOTAL TRANSFERS OUT - 661</b>		<b>\$ 1,848</b>
<b>662 06 ERAF - SA</b>		
318 Redevelopment Obligation Retirement Fund	Transfer to close out 06 ERAF	\$ 1,861
<b>TOTAL TRANSFERS OUT - 662</b>		<b>\$ 1,861</b>
<b>716 WESTERN - PARK ACQUISITION &amp; DEV</b>		
451 Long-term Advances DSF - City	Interfund loan payment	\$ 50,000
<b>TOTAL TRANSFERS OUT - 716</b>		<b>\$ 50,000</b>

# SCHEDULE OF INTERFUND TRANSFERS OUT

FUND/ACCOUNT	DESCRIPTION	FY 2017-18 Proposed
<b>717 RESID. CONSTRUCTION/CONVERSION</b>		
476 2015 Refunding COP	Debt Service Payment - 2015 Refunding COP	\$ 668,278
<b>TOTAL TRANSFERS OUT - 717</b>		<b>\$ 668,278</b>
<b>GRAND TOTAL ALL FUNDS</b>		<b>\$ 46,670,468</b>

**AUTHORIZED POSITIONS BY  
DEPARTMENT**





# AUTHORIZED POSITIONS BY DEPARTMENT

CLASSIFICATION	FY 2016-17 ADOPTED BUDGET	FY 2016-17 MIDYEAR CHANGES	FY 2017-18 PROPOSED CHANGES	FY 2017-18 PROPOSED BUDGET
<b>CITY COUNCIL</b>				
ADMIN SECRETARY (MAYOR,ATWILL)	1.00	-	-	1.00
CHIEF OF STAFF	1.00	-	-	1.00
CONSTITUENT SERVICES REPRESENTATIVE	-	-	1.00	1.00
COUNCILPERSON	4.00	-	-	4.00
EXECUTIVE SECRETARY	1.00	-	-	1.00
MAYOR	1.00	-	-	1.00
OFFICE SPECIALIST (MYR/@WILL)	1.00	-	(1.00)	-
POLICY AIDE	1.00	-	-	1.00
SR COUNCIL ASST	4.00	-	-	4.00
<b>CITY COUNCIL</b>	<b>14.00</b>	<b>-</b>	<b>-</b>	<b>14.00</b>
<b>CITY CLERK</b>				
ASSISTANT CITY CLERK	1.00	-	-	1.00
CITY CLERK	1.00	-	-	1.00
DEPUTY CITY CLERK I	1.00	-	-	1.00
DEPUTY CITY CLERK II	1.00	-	-	1.00
RECORDS MANAGER	1.00	-	-	1.00
SR RECORDS SPECIALIST	1.00	-	-	1.00
<b>CITY CLERK</b>	<b>6.00</b>	<b>-</b>	<b>-</b>	<b>6.00</b>
<b>CITY ATTORNEY</b>				
ASST CITY ATTORNEY	1.00	-	-	1.00
CITY ATTORNEY (ELECTED)	1.00	-	-	1.00
DEPUTY CITY ATTORNEY II	3.00	-	-	3.00
DEPUTY CITY ATTORNEY III	3.00	-	-	3.00
LAW OFFICE MANAGER	1.00	-	-	1.00
LEGAL ASSISTANT	2.00	-	-	2.00
SR ASST CITY ATTORNEY	1.00	-	-	1.00
SR LEGAL ASSISTANT	1.00	-	-	1.00
SR RISK MANAGEMENT SPECIALIST	1.00	-	-	1.00
<b>CITY ATTORNEY</b>	<b>14.00</b>	<b>-</b>	<b>-</b>	<b>14.00</b>
<b>ADMINISTRATION</b>				
ASST CITY MANAGER/ADMIN	1.00	-	-	1.00
CITY MANAGER	1.00	-	-	1.00
DEPUTY CITY MANAGER	2.00	-	-	2.00
EXECUTIVE SECRETARY	1.00	-	-	1.00
MARKETING & COMMUNICATIONS MGR	1.00	-	-	1.00
PUBLIC INFORMATION SPECIALIST	1.00	-	-	1.00

# AUTHORIZED POSITIONS BY DEPARTMENT

CLASSIFICATION	FY 2016-17 ADOPTED BUDGET	FY 2016-17 MIDYEAR CHANGES	FY 2017-18 PROPOSED CHANGES	FY 2017-18 PROPOSED BUDGET
SPECIAL EVENTS COORDINATOR	1.00	-	-	1.00
SR GRAPHIC DESIGNER	1.00	-	-	1.00
SR WEBMASTER	1.00	-	-	1.00
<b>ADMINISTRATION</b> <b>TOTAL</b>	<b>10.00</b>	<b>-</b>	<b>-</b>	<b>10.00</b>
<b>INFORMATION TECHNOLOGY SRVCS</b>				
DIR OF INFO TECH SVCS	1.00	-	-	1.00
GIS MANAGER	1.00	-	-	1.00
GIS SPECIALIST	2.00	-	-	2.00
INFO TECH SUPPORT SPECIALIST	3.00	-	(2.00)	1.00
INFO TECHNOLOGY TECHNICIAN	-	-	2.00	2.00
INFORMATION TECHNOLOGY MANAGER	1.00	-	-	1.00
OPS&TELECOM MGR	1.00	-	-	1.00
SR APPLICATION SUPPORT SPEC	1.00	-	-	1.00
SR INFO TECH SUPPORT SPEC	4.00	-	-	4.00
SR PROGRAMMER ANALYST	2.00	-	-	2.00
TELECOMMUNICATIONS SPECIALIST	1.00	-	-	1.00
<b>INFORMATION TECHNOLOGY SRVCS TOTA</b>	<b>17.00</b>	<b>-</b>	<b>-</b>	<b>17.00</b>
<b>HUMAN RESOURCES</b>				
BENEFITS MANAGER	1.00	-	-	1.00
DIR OF HUMAN RESOURCES	1.00	-	-	1.00
HR ANALYST	1.00	-	-	1.00
HR TECHNICIAN	3.00	-	-	3.00
HUMAN RESOURCES OPS MANAGER	1.00	-	-	1.00
PERFORMANCE & ORG DEV MGR	1.00	-	-	1.00
SR FISCAL OFFICE SPECIALIST	2.00	-	-	2.00
SR HR ANALYST	4.00	-	-	4.00
SR RISK MANAGEMENT SPECIALIST	2.00	-	-	2.00
<b>HUMAN RESOURCES</b> <b>TOTAL</b>	<b>16.00</b>	<b>-</b>	<b>-</b>	<b>16.00</b>
<b>FINANCE</b>				
ACCOUNTANT	1.00	-	-	1.00
ACCOUNTING ASSISTANT	6.00	-	-	6.00
ACCOUNTING TECHNICIAN	4.00	-	-	4.00
ACCOUNTS PAYABLE SUPERVISOR	1.00	-	-	1.00
ASST DIR OF FINANCE	1.00	-	-	1.00
BUDGET & ANALYSIS MANAGER	1.00	-	-	1.00
BUSINESS LICENSE REP	1.00	-	-	1.00
COLLECTIONS SUPERVISOR	1.00	-	-	1.00
DIRECTOR OF FINANCE	1.00	-	-	1.00

# AUTHORIZED POSITIONS BY DEPARTMENT

CLASSIFICATION	FY 2016-17 ADOPTED BUDGET	FY 2016-17 MIDYEAR CHANGES	FY 2017-18 PROPOSED CHANGES	FY 2017-18 PROPOSED BUDGET
FINANCE & PURCHASING MGR	1.00	-	-	1.00
FISCAL & MANAGEMENT ANALYST	4.00	-	(1.00)	3.00
FISCAL DEBT MGMT ANALYST	-	1.00	-	1.00
FISCAL OFFICE SPECIALIST	1.00	-	-	1.00
PRINCIPAL MANAGEMENT ANALYST	1.00	(1.00)	-	-
PROCUREMENT SERVICES ANALYST	-	-	1.00	1.00
PROCUREMENT SPECIALIST	1.00	-	-	1.00
SR ACCOUNTANT	2.00	-	-	2.00
SR MANAGEMENT ANALYST	-	-	1.00	1.00
SR PROCUREMENT SPECIALIST	1.00	-	(1.00)	-
<b>FINANCE</b>				
<b>TOTAL</b>	<b>28.00</b>	<b>-</b>	<b>-</b>	<b>28.00</b>
<b>ANIMAL CARE FACILITY</b>				
ANIMAL ADOPTION COUNSELOR	1.00	-	-	1.00
ANIMAL CARE FAC ADMINISTRATOR	1.00	-	-	1.00
ANIMAL CARE SPECIALIST	5.00	-	1.00	6.00
ANIMAL CARE SUPERVISOR	1.00	-	-	1.00
ANIMAL CONTROL OFFICER	3.00	-	(1.00)	2.00
ANIMAL CTRL OFFICER SUPERVISOR	1.00	-	-	1.00
FISCAL OFFICE SPECIALIST	1.00	-	(1.00)	-
OFFICE SPECIALIST	0.50	-	-	0.50
REGISTERED VETERINARY TECH	3.50	-	-	3.50
SR ANIMAL CARE SPECIALIST	2.00	-	-	2.00
SR FISCAL OFFICE SPECIALIST	-	-	1.00	1.00
SR OFFICE SPECIALIST	1.00	-	-	1.00
VETERINARIAN (PERMITTED)	1.75	-	-	1.75
<b>ANIMAL CARE FACILITY TOTAL</b>	<b>21.75</b>	<b>-</b>	<b>-</b>	<b>21.75</b>
<b>ECONOMIC DEVELOPMENT</b>				
ADMINISTRATIVE SECRETARY	-	-	1.00	1.00
CHIEF SUSTAINABILITY OFFICER	1.00	-	-	1.00
CONSERVATION SPECIALIST I	4.00	-	(4.00)	-
CONSERVATION SPECIALIST II	-	-	5.00	5.00
CULTURAL ARTS PROGRAM MGR	1.00	-	-	1.00
DIR OF ECON DEVELOPMENT	1.00	-	-	1.00
ECONOMIC DEVELOPMENT SPEC I	-	-	1.00	1.00
ENVIRONMENTAL SERVICES MGR	1.00	-	-	1.00
PROJECT COORDINATOR I	2.00	-	(2.00)	-
REAL PROPERTY MANAGER	1.00	-	-	1.00
SR CONSERVATION SPECIALIST	1.00	-	-	1.00
SR ECONOMIC DEV SPECIALIST	1.00	-	-	1.00

# AUTHORIZED POSITIONS BY DEPARTMENT

CLASSIFICATION	FY 2016-17 ADOPTED BUDGET	FY 2016-17 MIDYEAR CHANGES	FY 2017-18 PROPOSED CHANGES	FY 2017-18 PROPOSED BUDGET
SR FISCAL OFFICE SPECIALIST	-	1.00	-	1.00
SR SECRETARY	1.00	-	(1.00)	-
<b>ECONOMIC DEVELOPMENT TOTAL</b>	<b>14.00</b>	<b>1.00</b>	<b>-</b>	<b>15.00</b>
<b>PLANNING AND BUILDING SERVICES</b>				
ADMINISTRATIVE TECHNICIAN	1.00	-	-	1.00
ASSISTANT DIR DEVELOPMENT SVCS	1.00	-	-	1.00
ASSOCIATE PLANNER	2.00	-	-	2.00
CODE ENF OFFCR II	6.00	-	-	6.00
DEVELOPMENT SVCS DEPT DIRECTOR	1.00	-	-	1.00
DEVELOPMENT SVCS TECH II	1.00	-	-	1.00
OFFICE SPECIALIST	1.00	-	-	1.00
PLANNING TECHNICIAN	1.00	-	-	1.00
PRINCIPAL PLANNER	1.00	-	-	1.00
SR ADMINISTRATIVE SECRETARY	1.00	-	-	1.00
SR CODE ENFORCEMENT OFFICER	2.00	-	-	2.00
SR OFFICE SPECIALIST	1.00	-	-	1.00
SR PLANNING TECHNICIAN	1.00	-	-	1.00
<b>PLANNING AND BUILDING SERVICES TOTA</b>	<b>20.00</b>	<b>-</b>	<b>-</b>	<b>20.00</b>
<b>ENGINEERING AND CAPITAL PROJECT</b>				
ADMINISTRATIVE SERVICES MANAGR	-	-	1.00	1.00
ASSOC ENGINEER	-	-	11.00	11.00
ASSOC LAND SURVEYOR	-	-	1.00	1.00
DIR OF ENGINEERING	-	-	1.00	1.00
ENGINEERING TECH II	-	-	2.00	2.00
ENVIRONMENTAL HLTH SPECIALIST	-	-	2.00	2.00
MANAGEMENT ANALYST	-	-	1.00	1.00
PRINCIPAL CIVIL ENGINEER	-	-	4.00	4.00
PUBLIC WORKS INSP II	-	-	6.00	6.00
SECRETARY	-	-	1.00	1.00
SR ADMINISTRATIVE SECRETARY	-	-	1.00	1.00
SR CIVIL ENGINEER	-	-	6.00	6.00
SR ENGINEERING TECHNICIAN	-	-	2.00	2.00
SR PUBLIC WORKS INSP	-	-	2.00	2.00
SURVEY TECHNICIAN II	-	-	1.00	1.00
TRAFFIC DEVICES TECH	-	-	3.00	3.00
TRAFFIC DEVICES TECH SUPV	-	-	1.00	1.00
<b>ENGINEERING AND CAPITAL PROJECTS TO</b>	<b>-</b>	<b>-</b>	<b>46.00</b>	<b>46.00</b>

# AUTHORIZED POSITIONS BY DEPARTMENT

CLASSIFICATION	FY 2016-17 ADOPTED BUDGET	FY 2016-17 MIDYEAR CHANGES	FY 2017-18 PROPOSED CHANGES	FY 2017-18 PROPOSED BUDGET
<b>POLICE</b>				
AUTOMATED FINGERPRINT TECH	2.00	-	-	2.00
CHIEF OF POLICE	1.00	-	-	1.00
CIVILIAN BACKGROUND INVESTIGTR	1.00	-	-	1.00
COMMUNITY SERVICE OFFICER	8.00	-	-	8.00
CRIME LABORATORY MANAGER	1.00	-	-	1.00
DETENTION FACILITY MANAGER	1.00	-	-	1.00
FACILITY & SUPPLY SPECIALIST	1.00	-	-	1.00
FISCAL OFFICE SPECIALIST	1.00	-	-	1.00
FORENSICS SPECIALIST	2.00	-	-	2.00
LATENT PRINT EXAMINER	1.00	1.00	-	2.00
PARKING ENFORCEMENT OFFICER	1.00	-	-	1.00
PEACE OFFICER	148.00	-	5.00	153.00
POLICE ADMIN SVCS ADMINISTRATO	1.00	-	-	1.00
POLICE AGENT	50.00	(2.00)	-	48.00
POLICE CAPTAIN	3.00	-	-	3.00
POLICE COMM SYSTEMS MANAGER	1.00	-	-	1.00
POLICE DISPATCHER	20.00	1.00	-	21.00
POLICE DISPATCHER SUPERVISOR	6.00	(1.00)	-	5.00
POLICE LIEUTENANT	10.00	-	-	10.00
POLICE RECORDS SPECIALIST	10.50	-	-	10.50
POLICE SERGEANT	23.00	2.00	-	25.00
POLICE SERVICES OFFICER	10.00	-	-	10.00
POLICE SUPPORT SERVICES MGR	1.00	-	-	1.00
POLICE SVCS OFFICER SUPERVISOR	2.00	-	-	2.00
POLICE TECHNOLOGY MANAGER	-	1.00	-	1.00
POLICE TECHNOLOGY SPECIALIST	1.00	-	-	1.00
PRINCIPAL MANAGEMENT ANALYST	1.00	-	-	1.00
PUBLIC SAFETY ANALYST	1.00	-	-	1.00
SECRETARY	3.00	-	-	3.00
SR ADMINISTRATIVE SECRETARY	1.00	-	-	1.00
SR FISCAL OFFICE SPECIALIST	1.00	-	-	1.00
SR LATENT PRINT EXAMINER	1.00	-	-	1.00
SR MANAGEMENT ANALYST	1.00	(1.00)	-	-
SR OFFICE SPECIALIST	4.00	-	-	4.00
SR POLICE RECORDS SPECIALIST	1.00	-	-	1.00
SR POLICE TECHNOLOGY SPEC	1.00	(1.00)	-	-
SR PROP & EVIDENCE SPECIALIST	2.00	-	-	2.00
SR PUBLIC SAFETY ANALYST	2.00	-	-	2.00
SUPV PUBLIC SAFETY ANALYST	-	1.00	-	1.00
TRAINING PROGRAMS SPEC	1.00	-	-	1.00

# AUTHORIZED POSITIONS BY DEPARTMENT

CLASSIFICATION	FY 2016-17 ADOPTED BUDGET	FY 2016-17 MIDYEAR CHANGES	FY 2017-18 PROPOSED CHANGES	FY 2017-18 PROPOSED BUDGET
<b>POLICE</b>	<b>326.50</b>	<b>1.00</b>	<b>5.00</b>	<b>332.50</b>
<b>FIRE</b>				
DEPUTY FIRE CHIEF	1.00	-	-	1.00
FACILITY & SUPPLY SPECIALIST	1.00	-	-	1.00
FIRE BATTALION CHIEF (112 HR)	6.00	-	-	6.00
FIRE BATTALION CHIEF (80 HR)	1.00	-	-	1.00
FIRE CAPTAIN (112 HR)	33.00	-	-	33.00
FIRE CAPTAIN (80 HR)	2.00	-	-	2.00
FIRE CHIEF	1.00	-	-	1.00
FIRE DIVISION CHIEF	1.00	-	-	1.00
FIRE ENG (112 HR)	33.00	-	-	33.00
FIRE ENGINEER (80 HR)	1.00	-	-	1.00
FIRE INSP/INVEST I	1.00	-	-	1.00
FIRE INSP/INVEST II	5.00	-	-	5.00
FIRE PREV ENG/INVEST	1.00	-	-	1.00
FIRE PREVENTION AIDE	1.00	-	-	1.00
FIREFIGHTER (112 HR)	9.00	-	-	9.00
FIREFIGHTER/PARAMEDIC (112 HR)	33.00	-	-	33.00
PRINCIPAL MANAGEMENT ANALYST	1.00	-	-	1.00
PUBLIC SAFETY ANALYST	1.00	-	-	1.00
SR ADMINISTRATIVE SECRETARY	1.00	-	-	1.00
SR FIRE INSP/INVEST	1.00	-	-	1.00
SR OFFICE SPECIALIST	1.00	-	-	1.00
TRAINING PROGRAMS SPEC	1.00	-	-	1.00
<b>FIRE</b>	<b>136.00</b>	<b>-</b>	<b>-</b>	<b>136.00</b>
<b>PUBLIC WORKS</b>				
ADMINISTRATIVE SECRETARY	1.00	-	-	1.00
ADMINISTRATIVE SERVICES MANAGR	1.00	-	(1.00)	-
ASSOC ENGINEER	10.00	-	(10.00)	-
ASSOC LAND SURVEYOR	1.00	-	(1.00)	-
ASST DIR OF PUBLIC WORKS	1.00	-	-	1.00
ASST DIRECTOR OF ENGINEERING	1.00	-	(1.00)	-
ASST ENGINEER	1.00	-	(1.00)	-
BLDG PROJECT MANAGER	1.00	(1.00)	-	-
CONSTRUCTION & REPAIR SUPVSR	1.00	-	-	1.00
CUSTODIAL SUPERVISOR	2.00	-	-	2.00
CUSTODIAN	11.50	-	(0.50)	11.00
DIR OF PUBLIC WORKS	1.00	-	-	1.00
ELECTRICIAN	2.00	-	-	2.00

# AUTHORIZED POSITIONS BY DEPARTMENT

CLASSIFICATION	FY 2016-17 ADOPTED BUDGET	FY 2016-17 MIDYEAR CHANGES	FY 2017-18 PROPOSED CHANGES	FY 2017-18 PROPOSED BUDGET
ENGINEERING TECH II	2.00	-	(2.00)	-
ENVIRONMENTAL HLTH SPEC	2.00	-	(2.00)	-
EQUIPMENT OPERATOR	2.00	-	-	2.00
FACILITIES MANAGER	1.00	-	-	1.00
GARDENER II	22.00	-	-	22.00
GRAFFITI ABATEMENT COORDINATOR	1.00	-	-	1.00
HVAC TECHNCIAN	2.00	-	-	2.00
LEAD CUSTODIAN	4.00	-	-	4.00
LOCKSMITH	2.00	-	-	2.00
MAINTENANCE WORKER I	1.00	-	-	1.00
MAINTENANCE WORKER II	9.00	-	-	9.00
MANAGEMENT ANALYST	3.00	-	(1.00)	2.00
OPEN SPACE INSPECTOR	5.00	-	-	5.00
OPEN SPACE MANAGER	1.00	-	-	1.00
PARK RANGER SUPERVISOR	1.00	-	-	1.00
PARKS OPERATIONS MANAGER	1.00	-	-	1.00
PARKS SUPERVISOR	4.00	-	-	4.00
PLUMBER	1.00	-	-	1.00
PRINCIPAL CIVIL ENGINEER	4.00	-	(4.00)	-
PRINCIPAL MANAGEMENT ANALYST	-	1.00	-	1.00
PUB WORKS SPECIALIST	1.00	-	-	1.00
PUBLIC WORKS INSP II	6.00	-	(6.00)	-
PUBLIC WORKS MANAGER	1.00	-	-	1.00
PUBLIC WORKS SUPERVISOR	2.00	-	-	2.00
PUMP MAINT TECHNICIAN	5.00	-	-	5.00
PUMP MAINTENANCE SUPERVISOR	1.00	-	-	1.00
SECRETARY	1.00	-	(1.00)	-
SIGNING&STRIPING SUPERVISOR	1.00	-	-	1.00
SR ADMINISTRATIVE SECRETARY	1.00	-	(1.00)	-
SR CIVIL ENGINEER	5.00	1.00	(6.00)	-
SR ELECTRONICS TECH	1.00	-	-	1.00
SR ENGINEERING TECHNICIAN	2.00	-	(2.00)	-
SR FISCAL OFFICE SPECIALIST	2.00	-	-	2.00
SR GARDENER	9.00	-	-	9.00
SR HVAC TECHNICIAN	1.00	-	-	1.00
SR LANDSCAPE INSPECTOR	1.00	-	-	1.00
SR MAINTENANCE WORKER	8.00	-	-	8.00
SR MANAGEMENT ANALYST	1.00	(1.00)	-	-
SR OPEN SPACE INSPECTOR	1.00	-	-	1.00
SR PARK RANGER	1.00	-	-	1.00
SR PUBLIC WORKS INSP	2.00	-	(2.00)	-
SURVEY TECHNICIAN II	1.00	-	(1.00)	-

# AUTHORIZED POSITIONS BY DEPARTMENT

CLASSIFICATION	FY 2016-17 ADOPTED BUDGET	FY 2016-17 MIDYEAR CHANGES	FY 2017-18 PROPOSED CHANGES	FY 2017-18 PROPOSED BUDGET
TRAFFIC DEVICES TECH	3.00	-	(3.00)	-
TRAFFIC DEVICES TECH SUPV	1.00	-	(1.00)	-
TREE TRIMMER SUPERVISOR	1.00	-	-	1.00
WASTEWATER/STRMWTR OPS MGR	1.00	-	-	1.00
<b>PUBLIC WORKS</b>				
<b>TOTAL</b>	<b>162.50</b>	<b>-</b>	<b>(46.50)</b>	<b>116.00</b>
<b>RECREATION</b>				
ADMINISTRATIVE SECRETARY	1.00	-	-	1.00
AQUATIC SUPV II	2.00	-	-	2.00
AQUATIC SUPV III	1.00	-	-	1.00
DIRECTOR OF RECREATION	1.00	-	-	1.00
MANAGEMENT ANALYST	-	-	1.00	1.00
PRINCIPAL RECREATION MANAGER	2.00	-	-	2.00
RECREATION SUPERVISOR III	8.00	-	-	8.00
SR FISCAL OFFICE SPECIALIST	1.00	-	(1.00)	-
SR RECREATION MGR	1.00	-	-	1.00
<b>RECREATION</b>				
<b>TOTAL</b>	<b>17.00</b>	<b>-</b>	<b>-</b>	<b>17.00</b>
<b>LIBRARY</b>				
DIR OF LIBRARY	1.00	-	-	1.00
LIBRARIAN I	1.00	-	-	1.00
LIBRARIAN II	5.00	-	-	5.00
LIBRARIAN III	2.00	-	-	2.00
LIBRARY ASSOCIATE	7.50	-	-	7.50
LIBRARY DIGITAL SERVICES MGR	1.00	-	-	1.00
MANAGEMENT ANALYST	1.00	-	-	1.00
PRINCIPAL LIBRARIAN	1.00	-	-	1.00
SR LIBRARIAN	3.00	-	-	3.00
<b>LIBRARY</b>				
<b>TOTAL</b>	<b>22.50</b>	<b>-</b>	<b>-</b>	<b>22.50</b>
<b>GENERAL FUND SUBTOTAL</b>	<b>825.25</b>	<b>2.00</b>	<b>4.50</b>	<b>831.75</b>
<b>ADVANCED LIFE SUPPORT PROGRAM</b>				
EMS NURSE COORDINATOR	1.00	-	-	1.00
<b>ADVANCED LIFE SUPPORT PROGRAM TOT</b>	<b>1.00</b>	<b>-</b>	<b>-</b>	<b>1.00</b>
<b>POLICE DEPT GRANTS FUND</b>				
FA ADMIN ANALYST II	1.00	-	(1.00)	-
FA ANALYST	2.00	1.00	-	3.00
FA DEPUTY DIRECTOR SDLECC	1.00	1.00	-	2.00



# AUTHORIZED POSITIONS BY DEPARTMENT

CLASSIFICATION	FY 2016-17 ADOPTED BUDGET	FY 2016-17 MIDYEAR CHANGES	FY 2017-18 PROPOSED CHANGES	FY 2017-18 PROPOSED BUDGET
FA DEPUTY EXECUTIVE DIRECTOR	1.00	-	-	1.00
FA DIRECTOR OF SD LECC	1.00	-	-	1.00
FA EXECUTIVE DIRECTOR	1.00	-	(1.00)	-
FA FINANCIAL MANAGER	1.00	-	-	1.00
FA GEOSPATIAL INTEL ANALYST	1.00	-	-	1.00
FA GRAPHIC DESIGNER/WBMSTR	1.00	-	-	1.00
FA INFO SECURITY PROGRAM MGR	1.00	-	-	1.00
FA INTELLIGENCE ANALYST	-	1.00	-	1.00
FA IVDC-LECC EXEC DIRECTOR	1.00	-	-	1.00
FA LECC IT MANAGER	1.00	-	-	1.00
FA NTRWK ADMINISTRATOR II	4.00	-	-	4.00
FA PROG ASST SUPERVISOR	-	1.00	-	1.00
FA PROGRAM ASSISTANT	2.00	(1.00)	-	1.00
FA PROGRAM MANAGER	1.00	-	(1.00)	-
FA PUB PRVT PART EXER PRG MGR	1.00	-	-	1.00
FA RCFL NETWORK ENGINEER	2.00	-	-	2.00
FA SR FINANCIAL ANALYST	1.00	-	-	1.00
FA SR INTELLIGENCE ANALYST	7.00	2.00	-	9.00
FA SR PROGRAM ASSISTANT	-	1.00	-	1.00
FA SR SECRETARY	1.00	-	-	1.00
FA SUPV INTELLIGENCE ANALYST	2.00	1.00	-	3.00
PEACE OFFICER	3.00	-	-	3.00
POLICE COMM RELATIONS SPEC	1.00	-	-	1.00
POLICE SERGEANT	1.00	-	-	1.00
<b>POLICE DEPT GRANTS FUND TOTAL</b>	<b>39.00</b>	<b>7.00</b>	<b>(3.00)</b>	<b>43.00</b>
<b>FEDERAL GRANTS FUND</b>				
EMERGENCY SVCS COORDINATOR	1.00	-	-	1.00
GIS SPECIALIST	1.00	-	-	1.00
<b>FEDERAL GRANTS FUND TOTAL</b>	<b>2.00</b>	<b>-</b>	<b>-</b>	<b>2.00</b>
<b>ENVIRONMENTAL SERVICES</b>				
RECYCLING SPECIALIST I	3.00	-	-	3.00
RECYCLING SPECIALIST II	3.00	-	-	3.00
SR RECYCLING SPECIALIST	1.00	-	-	1.00
<b>ENVIRONMENTAL SERVICES TOTAL</b>	<b>7.00</b>	<b>-</b>	<b>-</b>	<b>7.00</b>
<b>CV HOUSING AUTHORITY FUND</b>				
HOUSING MANAGER	1.00	-	-	1.00
SR MANAGEMENT ANALYST	2.00	-	-	2.00
SR PROJECT COORDINATOR	1.00	-	-	1.00

# AUTHORIZED POSITIONS BY DEPARTMENT

CLASSIFICATION	FY 2016-17 ADOPTED BUDGET	FY 2016-17 MIDYEAR CHANGES	FY 2017-18 PROPOSED CHANGES	FY 2017-18 PROPOSED BUDGET
<b>CV HOUSING AUTHORITY FUND    TOTAL</b>	<b>4.00</b>	-	-	<b>4.00</b>
<b>FLEET MANAGEMENT</b>				
EQUIPMENT MECHANIC	4.00	-	(1.00)	3.00
FIRE APPARATUS MECH	2.00	-	-	2.00
FISCAL OFFICE SPECIALIST	1.00	-	-	1.00
FLEET INVENTORY CONTROL SPEC	1.00	-	-	1.00
FLEET MANAGER	1.00	-	-	1.00
SR EQUIPMENT MECHANIC	1.00	-	-	1.00
<b>FLEET MANAGEMENT TOTAL</b>	<b>10.00</b>	-	<b>(1.00)</b>	<b>9.00</b>
<b>DEVELOPMENT SERVICES FUND</b>				
ASSOC ENGINEER	3.00	-	-	3.00
ASSOC PLAN CHECK ENGINEER	3.00	-	-	3.00
ASSOCIATE PLANNER	5.00	-	-	5.00
BUILDING INSPECTION MGR	1.00	-	-	1.00
BUILDING INSPECTOR II	4.00	-	-	4.00
BUILDING INSPECTOR III	2.00	-	-	2.00
BUILDING OFF/CODE ENF MGR	1.00	-	-	1.00
DEVELOPMENT SERVICES TECH I	1.00	-	-	1.00
DEVELOPMENT SVCS TECH II	3.00	-	-	3.00
DEVELOPMENT SVCS TECH III	2.00	-	-	2.00
DEVLPMT SVCS COUNTER MGR	1.00	-	-	1.00
ENGINEERING TECH II	1.00	-	-	1.00
LANDSCAPE ARCHITECT	4.00	-	-	4.00
MANAGEMENT ANALYST	1.00	-	-	1.00
PLAN CHECK SUPERVISOR	1.00	-	-	1.00
PLANNING MANAGER	1.00	-	-	1.00
PRINCIPAL CIVIL ENGINEER	1.00	-	-	1.00
PRINCIPAL LANDSCAPE ARCHITECT	-	1.00	-	1.00
PRINCIPAL PLANNER	2.00	(1.00)	-	1.00
SECRETARY	1.00	-	-	1.00
SR BUILDING INSPECTOR	1.00	-	-	1.00
SR CIVIL ENGINEER	2.00	-	-	2.00
SR ENGINEERING TECHNICIAN	1.00	-	-	1.00
SR PLAN CHECK TECHNICIAN	1.00	-	-	1.00
SR PLANNER	4.00	-	-	4.00
SR PROJECT COORDINATOR	1.00	-	-	1.00
SR SECRETARY	1.00	-	-	1.00
TRANSPORTATION ENGINEER W/CERT	1.00	-	-	1.00

# AUTHORIZED POSITIONS BY DEPARTMENT

CLASSIFICATION	FY 2016-17 ADOPTED BUDGET	FY 2016-17 MIDYEAR CHANGES	FY 2017-18 PROPOSED CHANGES	FY 2017-18 PROPOSED BUDGET
<b>DEVELOPMENT SERVICES FUND    TOTAL</b>	<b>50.00</b>	-	-	<b>50.00</b>
<b>SEWER FUNDS</b>				
ASSOC ENGINEER	2.00	-	-	2.00
ENGINEERING TECH II	2.00	-	-	2.00
EQUIPMENT OPERATOR	3.00	-	-	3.00
MAINTENANCE WORKER II	18.00	-	-	18.00
PUB WORKS SPECIALIST	1.00	-	-	1.00
PUBLIC WORKS SUPERVISOR	4.00	-	-	4.00
SR CIVIL ENGINEER	1.00	-	-	1.00
SR FISCAL OFFICE SPECIALIST	1.00	-	-	1.00
SR MAINTENANCE WORKER	14.00	-	-	14.00
<b>SEWER FUNDS TOTAL</b>	<b>46.00</b>	-	-	<b>46.00</b>
<b>NON-GENERAL FUND SUBTOTAL</b>	<b>159.00</b>	<b>7.00</b>	<b>(4.00)</b>	<b>162.00</b>
<b>TOTAL AUTHORIZED POSITIONS</b>	<b>984.25</b>	<b>9.00</b>	<b>0.50</b>	<b>993.75</b>



## **APPENDIX**

Fiscal Policies

Investment Policies

Debt Administration

GANN Appropriations Limit

Legal Debt Margin

Accounting Systems and Budgetary Control

List of Acronyms

Glossary



## Fiscal Policies

This section of the budget document reiterates the fiscal policies that were reviewed, acknowledged, or approved/adopted by the City Council. These policies form the overall framework within which the operating budget was formulated. The fiscal policies, most of which are already codified in one form or another, are not considered new or controversial, but are summarized here to assist you to better understand the basis for the resource allocation decisions that were made.

### General

1. The City's financial assets will be managed in a sound and prudent manner in order to ensure the continued viability of the organization.
2. A comprehensive operating and capital budget for all City funds will be developed annually and presented to the City Council for approval. The purpose of the annual budget will be to:
  - a. Identify community needs for essential services.
  - b. Identify the programs and specific activities required to provide these essential services.
  - c. Establish program policies and goals that define the nature and level of program services required.
  - d. Identify alternatives for improving the delivery of program services.
  - e. Identify the resources required to fund identified programs and activities, and enable accomplishment of program objectives.
  - f. Set standards to facilitate the measurement and evaluation of program performance.
3. The City's annual operating budget will be balanced whereby planned expenditures do not exceed anticipated revenues.
4. Recurring revenues will fund recurring expenditures. One-time revenues will be used for capital, reserve augmentation, or other non-recurring expenditures.
5. Accounting systems will be maintained in accordance with Generally Accepted Accounting Principles.
6. Investment policy and practice will be in accordance with State statutes that emphasize safety and liquidity over yield, including quarterly status reports to the City Council. (*Council Policy*)
7. City operations will be managed and budgets prepared with the goal of maintaining an available fund balance in the General Fund of no less than fifteen percent of the General Fund operating budget. (*Council Policy*)
8. General Fund fiscal status reports reflecting comparisons of actual and projected performance with budget allocations for both revenue and expenditures will be presented to the City Council on a quarterly basis. (*City Charter*)

### Revenue

1. The City will endeavor to maintain a diversified and stable revenue base in order to minimize the impact to programs from short-term economic fluctuations.
2. Revenue projections will be maintained for the current year and four future fiscal years, and estimates will be based on a conservative, analytical, and objective process.
3. In order to maintain flexibility, except as required by law or funding source, the City will avoid earmarking any restricted revenues for specific purpose or program.
4. The City has established user fees to best ensure that those who use a proprietary service pay for that service in proportion to the benefits received. With few exceptions, such as those services provided for low-income residents, fees have been set to enable the City to recover the full cost of providing those services. (*Citywide*)

*Cost Recovery Policy, Council Policy Number 159-03)*

5. User fees will be reviewed and updated on an ongoing basis to ensure that program costs continue to be recovered and that the fees reflect changes in levels of service delivery. *(Master Fee Schedule)*
6. The City will recover the cost of new facilities and infrastructure necessitated by new development consistent with State law and the City’s Growth Management Program. Development Impact Fees will be closely monitored and updated to ensure that they are maintained at a level adequate to recover costs. *(GMOC Ordinance)*
7. When considering new development alternatives, the City will attempt to determine the fiscal impact of proposed projects, annexations, etc. and ensure that mechanisms are put in place to provide funding for any projected negative impacts on City operations. *(GMOC Ordinance)*

**Expenditures**

1. Budgetary control will be exercised at the Department/category level, meaning that each department is authorized to spend up to the total amount appropriated for that department within the expenditure categories of Personnel Costs, Supplies & Services, Other Charges, Utilities, and Capital. Transfers of appropriations between expenditure categories of up to \$15,000 may be approved by the City Manager. Transfers of appropriations between expenditure categories in excess of \$15,000, between departments, and transfers from CIP projects require City Council approval. *(City Charter & Council Policy)*
2. Appropriations, other than for capital projects, remaining unspent at the end of any fiscal year will be cancelled and returned to Available Fund Balance with the exception of any appropriations encumbered as the result of a valid purchase order or as approved for a specific project or purpose by the City Council or the City Manager.

Appropriations for capital projects will necessarily be carried over from year to year until the project is deemed to be complete. *(Council Policy)*

3. The City will establish and maintain equipment replacement and facility maintenance funds as deemed necessary to ensure that monies are set aside and available to fund ongoing replacement needs.
4. The City will attempt to compensate non-safety employees at rates above the middle of the labor market as measured by the median rate for similar jurisdictions. *(Council Policy)*

**Capital Improvement Program (CIP)**

1. Major capital projects will be included in a CIP Budget reflecting a five-year period. The CIP budget will be updated annually and presented to City Council for approval. Resources will be formally appropriated (budgeted) for the various projects on an annual basis in accordance with the five-year plan.

**City Debt Policy & Debt Management**

1. The City will consider the use of debt financing primarily for capital improvement projects (CIP) when the project’s useful life will exceed the term of the financing and when resources are identified sufficient to fund the debt service requirements. Some exceptions to this CIP driven focus are the issuance of debt such as Pension Obligation Bonds, where the financial benefits are significantly greater than the costs and where the benefits are determined to be a financially prudent option; and short-term instruments such as tax and revenue anticipation notes, which are to be used for prudent cash management purposes. Bonded debt should not be issued for projects with minimal public benefit or support, or to finance normal operating expenses. *(Council Policy)*

If a department has any project which is expected to use debt financing, the department director is responsible for expeditiously providing the Finance Department with reasonable cost



estimates, including specific revenue accounts that will provide payment for the debt service. This will allow the Finance Department to do an analysis of the project’s potential impact on the City’s debt capacity and limitations. *(Council Policy)*

2. Debt capacity and affordability will be determined by conducting various analyses prior to the issuance of bonds. The analysis of debt capacity should cover a broad range of factors including but limited to the following:
  - Statutory or constitutional limitations affecting the amount that can be issued, such as legally authorized debt limits and tax or expenditure ceilings
  - Other legal limitations, such as coverage requirements or additional bonds tests imposed by bond covenants
  - Evaluation of trends relating to the government’s financial performance, such as revenues and expenditures, net revenues available after meeting operating requirements, reliability of revenues expected to pay debt service and unreserved fund balance levels
  - Debt service as a percentage of total General Fund Revenues

The City will attempt to limit the total amount of annual debt service payments payable by the General Fund to no more than 10% of estimated total General Fund revenues. Under State Law, general obligation bonds shall not exceed 15% of total assessed valuation within the City.

An analysis using current market rates and conservative projections showing compliance with the debt affordability limitations included in this Debt Policy shall be conducted before the issuance of any debt with a maturity longer than two years from date of issue.

Data showing direct and overlapping debt levels for the City of Chula Vista and surrounding agencies that affect the residents of the City shall be compiled for inclusion in the Comprehensive

Annual Financial Report (CAFR) of the City. *(Council Policy)*

3. In order to maximize the financial options available to benefit the public, it is the policy of the City of Chula Vista to allow for the consideration of issuing all generally accepted types of debt, including, but not exclusive to the following:
  - General Obligation (GO) Bonds: General Obligation Bonds are suitable for use in the construction or acquisition of improvements to real property that benefit the public at large. Examples of projects include libraries, parks, and public safety facilities. All GO bonds require a 2/3 vote in order to pass.
  - Revenue Bonds: Revenue Bonds are limited-liability obligations tied to a specific enterprise revenue stream where the projects financed clearly benefit or relate to the enterprise. An example of projects that would be financed by a Revenue Bond would be improvements to the sewer system, which would be paid back with money raised from the property owner’s sewer bills. Generally, no voter approval is required to issue this type of obligation but must comply with proposition 218 regarding rate adjustments.
  - Lease-Backed Debt/Certificates of Participation (COP): Issuance of COP debt is a commonly used form of debt that allows a City to finance projects where the debt service is secured via a lease or installment agreement and where the payments are budgeted in the annual budget appropriation by the City from the general fund. Lease-Backed debt does not constitute indebtedness under the state or the City’s constitutional debt limit and does not require voter approval.
  - Special Assessment/Special District Debt: the City will consider requests from developers for the use of debt financing secured by property based assessments or special taxes in order to provide for necessary infrastructure for new development only under strict guidelines adopted by City

Council, which may include minimum value-to-lien ratios and maximum tax burdens. Examples of this type of debt are Assessment Districts (AD) and Community Facilities Districts (CFD) or more commonly known as Mello-Roos Districts. In order to protect bondholders as well as the City’s credit rating, all Rate and Method of Apportionment (RMA) documents must include the provision that the maximum projected annual special tax revenues must equal 110% of the projected annual gross debt service on any bonds of the community facilities district. The City will also comply with all State guidelines regarding the issuance of special district or special assessment debt. For further information, refer to the City of Chula Vista Statement of Goals and Policies Regarding the Establishment of Community Facility Districts.

- Industrial Development Bonds – Industrial Development Bonds (IDBs) are tax-exempt securities which can fund manufacturing businesses or energy development projects which provides a public benefit. While the authorization to issue IDBs is provided by a state statute, the tax-exempt status of these bonds is derived from federal law (IRS Code Section 103(b) (2).
  - Tax Allocation Bonds – Tax Allocation Bonds are special obligations that are secured by the allocation of tax increment revenues that were generated by increased property taxes in the designated redevelopment area. Tax Allocation Bonds are not debt of the City. Due to changes in the law affecting California Redevelopment agencies with the passage of ABX1 26 as codified in the California Health and Safety Code, the City of Chula Vista Redevelopment Agency (RDA) was dissolved as of February 1, 2012, and its operations substantially eliminated but for the continuation of certain enforceable RDA obligations to be administered by the City of Chula Vista Successor Agency. The terms of ABX 1 26 requires successor agencies perform all obligations with respect to enforceable debt obligations, which include Tax Allocation Bonds.
  - Multi-Family Mortgage Revenue Bonds – The City Housing Authority is authorized to issue mortgage revenue bonds to finance the development, acquisition and rehabilitation of multi-family rental projects. The interest on the bonds can be exempt from Federal and State taxation. As a result, bonds provide below market financing for qualified rental projects. In addition, the bonds issued can qualify projects for allocations of Federal low-income housing tax credits, which can provide a significant portion of the funding necessary to develop affordable housing. For further information, refer to the Chula Vista Housing Authority – Multi-Family Administrative Bond Policies.
  - HUD Section 108 Loan Guarantee Program – The U.S. Department of Housing and Urban Development (HUD) Section 108 Loan Guarantee Program allows cities to use their annual Community Development Block Grant (CDBG) entitlement grants to obtain federally guaranteed funds large enough to stimulate or pay for major community development and economic development projects. The program does not require a pledge of the City’s General Fund, only of future CDBG entitlements. By pledging future CDBG entitlement grants as security, the City can borrow at favorable interest rates because of HUD’s guarantee of repayment to investors. *(Council Policy)*
4. The City will strive to minimize borrowing costs by:
    - Seeking the highest credit rating possible;
    - Maintaining transparency and excellent communications with credit rating agencies regarding the City’s fiscal condition;
    - Purchasing bond insurance or taking action to upgrade the City’s current credit rating *(Council Policy)*
  5. The City will comply with Rule 15(c) 2-12 of the Securities Exchange Commission (SEC) and provide timely disclosure of relevant information

on an annual basis as well as any material event notices as required. *(Council Policy)*

6. In addition to externally financed debt, the City utilizes inter-fund loans whenever possible to reduce borrowing costs or provide for shorter term loans. When interest is charged on internal loans, it is done at the same rate the City earns from its pooled investments.

**Sewer Service Revenue Fund Reserve Policy**

1. Working Capital and Rate Stabilization Reserve  
Working Capital and Rate Stabilization reserves in the Sewer Service Revenue Fund will be restricted to maintaining operating the wastewater collection system and paying treatment charges to City of San Diego Metropolitan Wastewater (“Metro”). The reserve will be funded from revenues accumulated in the Sewer Service Revenue Fund. IT is intended to accommodate any natural variability in revenues and expenditures, including potential disruptions of cash flows due to varied billing methodology, short term fluctuations and annual cycles. The reserve will also assist in addressing shortfalls which may occur due to unanticipated cost increases in labor or energy and other consumption based goods and services, such as wastewater treatment services provided by Metro. The reserves represent unrestricted resources available for appropriation by the City Council addressing unforeseen needs for sewer services.

The Working Capital and Rate Stabilization Reserves will assist the City in addressing the following items:

- Rate Stabilization – the reserves will allow the City the flexibility to “smooth” rates and phase increases in over multiple years, which is prudent given the potential variability in the City’s payments to Metro.
- Revenue Collection Fluctuations – the reserves will be used to protect the City from natural fluctuations in revenue and expenditure cycles which is prudent given that the City bills customers at different points in time but incurs expenses

continuously throughout the year.

- Rates of delinquencies – delays in collection of outstanding revenues.
- Payroll cycles – the timing of fixed cash requirement for payroll, as related to the timing of revenue cycles.
- Unanticipated expenses – expenses whose characteristics make accurate estimation difficult, such as increases in wastewater treatment services provided by the City of San Diego, energy costs, labor benefits and other consumption based goods and services.

The City shall maintain a Sewer Revenue reserve equivalent to 90 days of operating expenditures and a Rate Stabilization reserve equivalent to 90 days of operating expenditures for a minimum combined total of 180 days and a maximum reserve balance of 125% of the minimum balance.

If funds are appropriated from the Sewer Revenue Working Capital and Rate Stabilization Reserves, the funds should be replenished in the budget process during subsequent fiscal years to the minimum reserve balance. If the magnitude of the event caused the Sewer Revenue Working Capital and a Stabilization Reserves to be less than 30 days of operating and maintenance budget, the Finance Director shall provide the City Council with a plan to incrementally replenish the reserves to the 180 days minimum reserve balance. *(Council Policy)*

2. Emergency Reserve  
The Sewer Service Revenue Fund Emergency Reserve is necessary to secure funding for insurance deductibles, unforeseen liabilities/litigation and settlement costs related to the City’s wastewater system.

The City shall maintain a minimum Sewer Service Revenue Fund Emergency Reserve target level of 5% of the operating and maintenance budget and a maximum reserve balance of 125% of the minimum balance. If the funds are appropriated from the Sewer Revenue Emergency Reserves

due to unanticipated needs, the Finance Director shall provide the City Council with a plan to incrementally replenish the reserves to the minimum reserve balance. *(Council Policy)*

### 3. Vehicle Replacement Reserve

The Sewer Service Revenue Fund Vehicle Replacement Reserves represents monies set aside to fund the replacement of aging vehicles. The allocation is funded from revenues accumulated in the Sewer Service Revenue Fund.

The City shall maintain a minimum Sewer Services Fund Vehicle Replacement Reserve target of 2% of the operating and maintenance budget. This reserve will ensure that vehicles utilized for sewer operations are replaced as scheduled and available to deploy as needed.

To achieve a minimum impact to cost of services and rates, funds will be included in the proposed budget on an annual basis as identified in the City's Vehicle Replacement schedule. The cost of replacing all vehicles will be averaged over the lifespan of the existing fleet. This will generate a more normalized cost of services by evenly distributing revenue requirements on a year-to-year-basis offsetting temporary cash flow deficiencies and avoid significant increases in rate charges to customers in the years the replacement cost are incurred. *(Council Policy)*

### 4. USEPA Permit Renewal Liability Reserve

The Sewer Service Revenue Fund USEPA Permit Renewal Liability Reserve will account for monies set aside to fund the City of San Diego Metropolitan Wastewater costs related to the potential upgrade of the Point Loma Wastewater Treatment Plant (PLWTP) or other alternative for secondary treatment. The reserve will be funded from revenues accumulated in the Sewer Service Revenue Fund.

Metro's USEPA waiver expires in FY 2015 and may not be renewed. If denied, Metro would need to develop and implement improvements to achieve secondary treatment level at PLWTP. Current cost estimates to establish full secondary

treatment at PLWTP as well as possible alternatives are all significant (>\$1 Billion). As a contributing member to the regional treatment plant, the City of Chula Vista's share in the cost of any upgrade would be approximately 10 percent for the capital improvements and any increase in the overall treatment cost. It is expected that Metro will have 10 years after the expiration of the USEPA waiver to institute secondary treatment or alternative. This reserve establishes a dedicated fund that will offset a portion of the City's share of any obligation related to the PLWTP USEPA waiver. By actively planning for the PLWTP upgrade or alternative the City will be in a stronger financial position to afford such costs while mitigating impacts to ratepayers.

The Permit Renewal Liability Reserve will be funded through annual contributions with the intent to reach a target balance of 20% of Chula Vista's share of the upgrade cost by FY 2024/25 (10 years after the expiration of the waiver). If substantial increases in Metro-related costs occur sooner than expected, the City may draw down reserve levels prior to FY 2024/25 to manage impacts to ratepayers. To be consistent with the City's policy for managing balances for its other utility reserves, if funds are appropriated from the reserve before its intended use, the funds should be replenished in subsequent fiscal years. If the magnitude of withdrawal is material, the Finance Director shall provide the City Council with a plan to incrementally replenish the reserves.

If the actual costs for the PLWTP upgrade or alternative are less than anticipated, any unspent reserves will be rolled into the Working Capital and Rate Stabilization Reserve and utilized to fund City sewer programs, including maintenance and expansion of the City's conveyance system and payment of San Diego Metro wastewater treatment costs. *(Council Policy)*

## Investment Policies

### 1.0 Purpose

This “Investment Policy and Guidelines” (the “Investment Policy”) Policy is intended to provide guidelines for the prudent investment of the City of Chula Vista’s (the “City”) cash balances, and outline policies to assist in maximizing the efficiency of the City’s cash management system, while meeting the daily cash flow demands of the City.

### 2.0 Policy

The investment practices and policies of the City of Chula Vista are based upon state law and prudent money management.

### 3.0 Scope

This Investment Policy applies to all financial assets of the City of Chula Vista, as indicated in 3.1 below. These funds are accounted for in the City’s Comprehensive Annual Financial Report.

### 3.1 Funds

The Director of Finance/Treasurer is responsible for investing the unexpended cash in the City Treasury for all funds, except for the employee’s retirement funds, which are administered separately, and those funds which are managed separately by trustees appointed under indenture agreements. The Director of Finance/Treasurer will strive to maintain the level of investment of this cash as close as possible to 100%. These funds are described in the City’s annual financial report and include:

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Enterprise Funds
- Trust and Agency Funds
- Any new fund created by the legislative body, unless specifically exempted

This Investment Policy applies to all transactions involving the financial assets and related activity of the foregoing funds.

### 4.0 Prudence

The standard of prudence to be used by the Director of Finance/Treasurer shall be the “**prudent investor standard**”. This shall be applied in the context of managing an overall portfolio. The “**prudent investor standard**” is applied to local agencies, pursuant to California Government Code Section 53600.3 which provides, in pertinent part:

“ ... all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency...”

### 4.1 Personal Responsibility

The Director of Finance/Treasurer, Assistant Director of Finance, Treasury Manager and Finance Manager as investment officers acting in accordance with written procedures and the Investment Policy and exercising due diligence, shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported to the City Council in a timely fashion and appropriate action is taken to control adverse developments.

### 5.0 Objective

Consistent with this aim, investments are made under the terms and conditions of California Government Code Section 53600, et seq. Criteria for selecting investments and the absolute order of priority are:



### 5.1 Safety

Safety of principal is the foremost objective of the investment program. Investments of the City of Chula Vista shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

### 5.2 Liquidity

The City of Chula Vista's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated and to maintain compliance with any indenture agreement, as applicable. Liquidity is essential to the safety of principal.

### 5.3 Return on Investments

The City of Chula Vista's investment portfolio shall be designed with the objective of attaining a market-average rate of return throughout budgetary and economic cycles (market interest rates), within the City's Investment Policy's risk parameters and the City's cash flow needs. See also Section 16.0.

### 6.0 Delegation of Authority

The Director of Finance/Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls and written procedures to regulate the activities of subordinate officials. The responsibility for the day-to-day investment of City funds will be delegated to the Assistant Director of Finance or their designee. The Director of Finance/Treasurer may delegate day-to-day investment decision making and execution authority to an investment advisor. The advisor shall follow the Investment Policy and such other written instructions as are provided.

### 7.0 Ethics and Conflicts of Interest

In addition to state and local statutes relating to conflicts of interest, all persons involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment

decisions. Employees and investment officers, including investment advisors, are required to file annual disclosure statements as required for "public officials who manage public investments" [as defined and required by the Political Reform Act and related regulations, including Government Code Sections 81000, et seq., and the rules, regulations and guidelines promulgated by California's Fair Political Practices Commission (FPPC)].

### 8.0 Authorized Financial Dealers and Institutions

The City's Director of Finance/Treasurer will maintain a list of the financial institutions and brokers/dealers authorized to provide investment and depository services and will perform an annual review of the financial condition and registrations of qualified bidders and require annual audited financial statements to be on file for each company. The City will utilize Moody's Securities or other such services to determine financially sound institutions with which to do business. The City shall annually send a copy of the current Investment Policy to all financial institutions and brokers/dealers approved to do business with the City.

As far as possible, all money belonging to, or in the custody of, a local agency, including money paid to the City's Director of Finance/Treasurer or other official to pay the principal, interest, or penalties of bonds, shall be deposited for safekeeping in state or national banks, savings associations, federal associations, credit unions, or federally insured industrial loan companies in this state selected by the City's Director of Finance/Treasurer; or may be invested in the investments set forth in Section 9.0. To be eligible to receive local agency money, a bank, savings association, federal association, or federally insured industrial loan company shall have received an overall rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency of its record of meeting the credit needs of California's communities, including low- and moderate-income neighborhoods.

To provide for the optimum yield in the investment of City funds, the City's investment procedures shall encourage competitive bidding on transactions from approved brokers/dealers. In order to be approved

by the City, the dealer must meet the following criteria: (i) the dealer must be a “primary” dealer or regional dealer that qualifies under Securities and Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule); (ii) the dealer’s institution must have an office in California; (iii) the dealer must be experienced in institutional trading practices and familiar with the California Government Code as related to investments appropriate for the City; and (iv) all other applicable criteria, as may be established in the investment procedures. All brokers/dealers and financial institutions who desire to become qualified bidders for investment transactions must submit a “Broker/Dealer Application” and related documents relative to eligibility including a current audited annual financial statement, U4 form for the broker, proof of state registration, proof of Financial Industry Regulatory Authority (FINRA) certification and a certification of having read and understood the City’s Investment Policy and agreeing to comply with the Investment Policy. The City’s Director of Finance/Treasurer shall determine if they are adequately capitalized (i.e. minimum capital requirements of \$10,000,000 and five years of operation).

If the City has an investment advisor, the investment advisor may use its own list of authorized broker/dealers to conduct transactions on behalf of the City.

### 9.0 Authorized & Suitable Investments

The City is authorized by California Government Code Section 53600, et. seq., to invest in specific types of securities. Where this section specifies a percentage limitation for a particular security type, that percentage is applicable only on the date of purchase. Credit criteria listed in this section refers to the credit rating at the time the security is purchased. If an investment’s credit rating falls below the minimum rating required at the time of purchase, the Director of Finance/Treasurer will perform a timely review and decide whether to sell or hold the investment.

Investments not specifically listed below are deemed inappropriate and prohibited:

A. BANKERS’ ACCEPTANCES. A maximum of 40% of

the portfolio may be invested in bankers’ acceptances. The maximum maturity is 180 days. Eligible bankers’ acceptances shall have the highest ranking or the highest letter and number rating in a rating category as provided by a nationally recognized statistical rating organization (NRSRO).

B. NEGOTIABLE CERTIFICATES OF DEPOSIT. A maximum of 30% of the portfolio may be invested in negotiable certificates of deposit (NCD’s). The maximum maturity of a NCD issue shall be 5 years. These are issued by commercial banks and thrift institutions against funds deposited for specified periods of time and earn specified or variable rates of interest. Negotiable certificates of deposit (NCD) differ from other certificates of deposit by their liquidity. NCD’s are traded actively in secondary markets. NCD’s with maturities under one year must be rated in a rating category of “A-1,” its equivalent, or better by a NRSRO. NCD’s with maturities in excess of one year must be rated in a rating category of “A,” its equivalent or better by a NRSRO. In compliance with California Code 53601.8, all FDIC insured CD’s, when placed through a deposit placement service, will be measured for compliance with NCD’s.

C. COMMERCIAL PAPER. A maximum of 25% of the portfolio may be invested in commercial paper. The maximum maturity is 270 days. Commercial paper of prime quality of the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):

- 1) The entity meets the following criteria:
  - a. Is organized and operating in the United States as a general corporation.
  - b. Has total assets in excess of five hundred million dollars (\$500,000,000).
  - c. Has debt other than commercial paper, if any, that is rated in a rating category of “A” or higher, or the equivalent, by a NRSRO.

- 2) The entity meets the following criteria:
- a. Is organized within the United States as a special purpose corporation, trust, or limited liability company.
  - b. Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond.
  - c. Has commercial paper that is rated in a rating category of "A-1" or higher, or the equivalent, by a NRSRO.
- D. BONDS ISSUED BY THE CITY OR ANY LOCAL AGENCY WITHIN THE STATE OF CALIFORNIA. Bonds must have a rating in a rating category of "A," its equivalent or better from a NRSRO. There is no limit on the percentage of the portfolio that can be invested in this category.
- E. OBLIGATIONS OF THE UNITED STATES TREASURY. United States Treasury Notes, bonds, bills or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. There is no limit on the percentage of the portfolio that can be invested in this category.
- F. FEDERAL AGENCIES. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There is no limit on the percentage of the portfolio that can be invested in this category.
- G. REPURCHASE AGREEMENT, maximum term 3 months. Investments in repurchase agreements may be made, on any investment authorized in this section, when the term of the agreement does not exceed 3 months. A Master Repurchase Agreement must be signed with the bank or broker/dealer who is selling the securities to the City. There is no limit on the percentage of the portfolio that can be invested in this category.
- H. REVERSE-REPURCHASE AGREEMENTS (Requires Council approval for each transaction). Reverse repurchase agreements or securities lending agreements may be utilized only when all of the following conditions are met:
- 1) The security to be sold on reverse repurchase agreement or securities lending agreement has been owned and fully paid for by the local agency for a minimum of 30 days prior to sale.
  - 2) The total of all reverse repurchase agreements and securities lending agreements on investments owned by the local agency does not exceed 20% of the base value of the portfolio.
  - 3) The agreement does not exceed a term of 92 days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.
  - 4) Funds obtained or funds within the pool of an equivalent amount to that obtained from selling a security to a counter party by way of a reverse repurchase agreement or securities lending agreement, shall not be used to purchase another security with a maturity longer than 92 days from the initial settlement date of the reverse repurchase agreement or securities lending agreement, unless the reverse repurchase agreement or securities lending agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security. Investments in reverse repurchase agreements, securities lending agreements, or similar investments in which the local agency sells securities prior to purchase with a simultaneous agreement to repurchase the security shall only be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or



state-chartered bank that has or has had a significant banking relationship with a local agency.

- 5) For purposes of this policy, "significant banking relationship" means any of the following activities of a bank:
  - a. Involvement in the creation, sale, purchase, or retirement of a local agency's bonds, warrants, notes, or other evidence of indebtedness.
  - b. Financing of a local agency's activities.
  - c. Acceptance of a local agency's securities or funds as deposits.
  
- I. MEDIUM-TERM CORPORATE NOTES. A maximum of 30% of the portfolio may be invested in medium-term corporate notes, with a maximum remaining maturity of five years or less. Notes eligible for investment shall be rated in a rating category of "A," its equivalent or better by a NRSRO.
  
- J. TIME DEPOSITS-CERTIFICATES OF DEPOSIT (non-negotiable certificates of deposit). The maximum maturity is 3 years. Certificates of deposit are required to be collateralized as specified under Government Code Section 53630 et seq. The City, at its discretion, may waive the collateralization requirements for any portion that is covered by Federal Deposit Insurance Corporation (FDIC) insurance. The City shall have a signed agreement with any depository accepting City funds per Government Code Section 53649. No deposits shall be made at any time in certificates of deposit issued by a state or federal credit union if a member of the City Council or the Chief Financial Officer serves on the board of directors or any committee appointed by the board of directors of the credit union. In accordance with Government Code Section 53638, any deposit shall not exceed that total shareholder's equity of any depository bank, nor shall the deposit exceed the total net worth of any institution. There is no limit on the percentage of the portfolio that can be invested in this category
  
- K. OBLIGATIONS OF THE STATE OF CALIFORNIA. Including bonds payable solely out of revenues from a revenue producing property owned, controlled or operated by the state, or by a department, board, agency or authority of the state. Obligations must be rated in a rating category of "A," its equivalent or better by a NRSRO. There is no limit on the percentage of the portfolio that can be invested in this category.
  
- L. OBLIGATIONS OF THE OTHER 49 STATES. Including bonds payable solely out of revenues from a revenue producing property owned, controlled or operated by any of these states, or by a department, board, agency or authority of the state. Obligations must be rated in a rating category of "A," its equivalent or better by a NRSRO. There is no limit on the percentage of the portfolio that can be invested in this category.
  
- M. MONEY MARKET FUNDS. A maximum of 20% of the portfolio may be invested in money market funds. No more than 10% of the City's portfolio may be invested in shares of beneficial interest of any one Money Market fund. Local agencies may invest in "shares of beneficial interest" issued by diversified management companies which invest only in direct obligations in U.S. Treasury bills, notes and bonds, and repurchase agreements collateralized with U.S. Treasuries with a weighted average of 60 days or less. They must have the highest rating from two NRSRO's or have retained an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years of experience managing money market mutual funds and with assets under management in excess of \$500,000,000. The purchase price of the shares may not include commission.
  
- N. SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND. Also known as the San Diego County Investment Pool, the pool is a local government money fund created to invest the assets of the County of San Diego and other public agencies located within the County. The three primary objectives of the County Pool are

to safeguard principal; to meet liquidity needs of Pool participants; and to achieve an investment return on the funds within the guidelines of prudent risk management. Investment in the County Pool is highly liquid and the City may invest with no portfolio percentage limit.

O. THE LOCAL AGENCY INVESTMENT FUND (LAIF). LAIF is a special fund of the California State Treasury through which any local government may pool investments. The City may invest up to \$50 million in this fund. Investments in LAIF are highly liquid and may be converted to cash within 24 hours.

P. SHARES OF BENEFICIAL INTEREST ISSUED BY A JOINT POWERS AUTHORITY (Local Government Investment Pools [LGIP]). There is no limit on the percentage of the portfolio that can be invested in this category. LGIP's organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (o) of California Government Code Section 53601, inclusive. Each share will represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section the joint powers authority issuing the shares will have retained an investment adviser that meets all of the following criteria:

- The adviser is registered or exempt from registration with the Securities and Exchange Commission.
- The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (o) Government Code Section 53601, inclusive.
- The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

Q. ASSET BACKED SECURITIES (ABS). A maximum of 20% of the portfolio may be invested in ABS. The maximum maturity is five years. Securities eligible for investment under this subdivision shall be issued by an issuer rated in a rating category of "A," its equivalent or higher rating

for the issuer's debt as provided by an NRSRO and rated in a rating category of "AA" or its equivalent or better by an NRSRO. ABS constitutes a mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond.

R. SUPRANATIONALS. A maximum of 30% of the portfolio may be invested in supranationals. The maximum maturity is five years. Securities eligible for purchase under this subdivision shall be United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank that are eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA," its equivalent or better by an NRSRO.

### 9.1 Investment Pools

The City's Director of Finance/Treasurer or designee shall be required to investigate all local government investment pools and money market mutual funds prior to investing and performing at least a quarterly review thereafter while the City is invested in the pool or the money market fund. LAIF is authorized under provisions in Section 16429.1 of the California Government Code as an allowable investment for local agencies even though some of the individual investments of the pool are not allowed as a direct investment by a local agency.

### 10.0 Portfolio Adjustments

Should any investment listed in section 9.0 exceed a percentage-of-portfolio limitation due to an incident such as fluctuation in portfolio size, the affected securities may be held to maturity to avoid losses. When no loss is indicated, the Director of Finance/Treasurer shall consider reconstructing the portfolio basing his or her decision on the expected length of time the portfolio will be unbalanced. If this occurs, the City Council shall be notified.

### 11.0 Collateralization

Under provisions of the California Government Code, California banks, and savings and loan associations are required to secure the City's deposits by pledging government securities with a value of 110 % of principal and accrued interest. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total deposits. Collateral will always be held by an independent third party. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained. The market value of securities that underlay a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102% no later than the next business day. The Director of Finance/Treasurer, at his or her discretion, may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The right of collateral substitution is granted.

### 12.0 Safekeeping and Custody

All City investments shall identify the City of Chula Vista as the registered owner, and all interest and principal payments and withdrawals shall indicate the City of Chula Vista as the payee. All securities shall be safe kept with the City itself or with a qualified financial institution, contracted by the City as a third party. All agreements and statements will be subject to review annually by external auditors in conjunction with their audit. In the event that the City has a financial institution hold the securities, a separate custodial agreement shall be required. All securities shall be acquired by the safekeeping institution on a "Delivery-Vs-Payment" (DVP) basis. For Repurchase Agreements, the purchase may be delivered by book entry, physical delivery or by third-party custodial agreement consistent with the Government Code. The transfer of securities to the

counter party bank's customer book entry account may be used for book entry delivery.

### 13.0 Diversification

The City's investment portfolio will be diversified to avoid incurring unreasonable and avoidable risks associated with concentrating investments in specific security types, maturity segment, or in individual financial institutions. No more than 5% of the investment portfolio shall be in securities of any one issuer except for U.S. Treasuries, U.S. Government Agency issues, and investment pools such as LAIF, the San Diego County Pool, money market funds, and local government investment pools (LGIP's).

- A. Credit risk, defined as the risk of loss due to failure of the insurer of a security, shall be mitigated by investing in those securities with an "A" or above rating and approved in the Investment Policy and by diversifying the investment portfolio so that the failure of any one issuer would not unduly harm the City's cash flow.
- B. Market risk, defined as the risk of market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by implementing a long-term investment strategy. It is explicitly recognized herein, however, that in a diversified portfolio, occasional measured losses are inevitable and must be considered within the context of overall investment return. The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

### 14.0 Maximum Maturities

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase, unless, the legislative body has granted express authority to make that investment either specifically, or as a part of an investment program approved by the City Council at least three (3) months prior to the investment.

### 15.0 Internal Control

The Director of Finance/Treasurer shall establish a system of internal controls designed to prevent loss of public funds due to fraud, employee error, or misrepresentation by third parties. No investment personnel, including an investment advisor, may engage in an investment transaction except as provided for under the terms of this Investment Policy and the procedure established by the Director of Finance/Treasurer.

The external auditors shall annually review the investments with respect to the Investment Policy. This review will provide internal control by assuring compliance with policies and procedures for the investments that are selected for testing. Additionally, account reconciliation and verification of general ledger balances relating to the purchasing or maturing of investments and allocation of investments to fund balances shall be performed by the Finance Department and approved by the Director of Finance/Treasurer. To provide further protection of City funds, written procedures prohibit the wiring of any City funds without the authorization of at least two of the following four designated City staff:

1. Director of Finance/Treasurer
2. Assistant Director of Finance
3. Treasury Manager
4. Finance Manager

### 16.0 Performance Standards

The investment portfolio shall be managed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow. Investment return becomes a consideration only after the basic requirements of investment safety and liquidity have been met. In evaluating the performance of the City's portfolio in complying with this policy, the City shall establish an appropriate performance benchmark and compare the return of its portfolio to the return of the benchmark.

### 17.0 Reporting

The Director of Finance/Treasurer shall submit a quarterly investment report to the City Council and

City Manager following the end of each quarter. This report will include the following elements:

- Type of investment
- Institutional issuer
- Purchase date
- Date of maturity
- Amount of deposit or cost of the investment
- Face value of the investment
- Current market value of securities and source of valuation
- Rate of interest
- Interest earnings
- Statement relating the report to its compliance with the Statement of Investment Policy or the manner in which the portfolio is not in compliance
- Statement on availability of funds to meet the next six month's obligations
- Monthly and year-to-date budget amounts for interest income
- Percentage of portfolio by investment type
- Days to maturity for all investments
- Comparative report on monthly investment balances & interest yields
- Monthly transactions
- Compare portfolio total return to market benchmark total return

In addition, a commentary on capital markets and economic conditions may be included with the report.

### 18.0 Investment Policy Review and Adoption

This Investment Policy shall be reviewed at least annually by the Director of Finance/Treasurer to ensure its consistency with the overall objective of preservation of principal, liquidity, and return, and its relevance to current law and financial and economic trends. Each fiscal year, the Finance Director shall provide a copy of the City's current Investment Policy and Guidelines to the City Council. By virtue of a resolution of the City Council of the City of Chula Vista, the Council shall acknowledge the receipt of the Policy for the respective fiscal year.

*This Policy is a draft being considered by City Council on May 23, 2017*

## Debt Administration

Based on the most recent audited financial statements, which were for the year ended June 30, 2016, the City and the former Redevelopment Agency (Agency) borrowed funds through several long-term debt issues

and held other obligations which are to be funded over a period of time longer than one year, are categorized as follows:

Description	Principal Outstanding	Interest Outstanding	Total Debt Outstanding
Tax Allocation Bonds	\$ 37,465,000	\$ 16,365,089	\$ 53,830,089
Certificates of Participation	\$ 111,195,000	\$ 50,789,403	\$ 161,984,403
Bond Premium	\$ 5,246,819	\$ -	\$ 5,246,819
Bond Discount	\$ (540,623)	\$ -	\$ (540,623)
Capital Leases	\$ 2,467,714	\$ 601,556	\$ 3,069,270
Notes/Loans Payable	\$ 4,338,577	\$ 581,345	\$ 4,919,922
CDBG Section 108 Loan	\$ 7,161,000	\$ 2,695,007	\$ 9,856,007
Miscellaneous Claims Payable	\$ 22,468,939	\$ -	\$ 22,468,939
Compensated Absences (Employee Leave)	\$ 7,246,998	\$ -	\$ 7,246,998
<b>Subtotal</b>	<b>\$ 197,049,424</b>	<b>\$ 71,032,401</b>	<b>\$ 268,081,825</b>
Advances from Other Funds	\$ 48,607,965	\$ -	\$ 48,607,965
<b>TOTAL LONG TERM DEBT</b>	<b>\$ 245,657,389</b>	<b>\$ 71,032,401</b>	<b>\$ 316,689,790</b>



This section discusses the various types of long-term debt that the City has incurred. Bond financings, notes payable, capital leases and advances from other funds are the traditional forms of long-term debt that the City has incurred. However, also captured in this section are professional estimates derived from actuarial studies for workers compensation and general liability claims. In addition, the Finance Department provides an estimate of the City's liability for compensated absences as of the end of each fiscal year. The following sections discuss the details of the City's long-term debt.

#### **Tax Allocation Bonds (\$37.5 million)**

Tax Allocation Bonds (TABs) are issued by the Agency and utilize tax increment revenue for debt service. The 2006 Senior TABs, Series A and 2006 Subordinate TABs, Series B were issued to refund the 1994 TABs Series A, C and D that were issued to refund prior obligations of the Bayfront and Town Center 1 project areas. In July 2008 the Agency issued the 2008 Tax Allocation Refunding Bonds to refund the 2000 TABs that were issued by the Southwest, Otay Valley and Town Center 2 project areas to finance certain redevelopment activities in those areas.

#### **Certificates of Participation (\$111.2 million)**

As of June 30, 2016, the City currently has four outstanding Certificates of Participation. In March 2006, the Chula Vista Public Financing Authority (Authority) issued the 2006 COP to finance the Phase 2 construction and equipping of certain improvements to the Civic Center Complex of the City and other existing City Facilities. In February 2010, the Authority issued the 2010 COP to refund the 2000 COP and to provide funds for the construction, reconstruction, modernization and equipping of Phase 3 of the Civic Center Complex, reimburse the PFDIF funds, fund capitalized interest, fund a reserve fund, and pay the costs incurred in connection with the execution and delivery of the Certificates. In February 2014, the authority issued the 2014 COP to refund the 2002 COP (Police Facility Project), fund a reserve fund, and pay the costs incurred in connection with the execution and delivery of the Certificates. In September 2015, the authority issued the 2015 COP to refund the 2004 COP (Civic Center Project Phase I) and partially refund the 2006 COP (Civic Center Project Phase II), fund a reserve fund, and pay the costs incurred in connection with the execution and delivery of the Certificates.

#### **Bond Premium (\$5.2 million)**

The premium is composed of three bond issuances. One is for the premium on the issuance of the 2004 COP Civic Center Phase 1. Original amount was \$35,254. This amount is amortized over 30 years. The second premium is in connection with the 2014 COP refunding bonds. The original amount of the premium is \$3,537,111 and will be amortized over the life of the bonds. The third premium is related to the 2015 COP refunding bonds. The original amount of the premium is \$2,262,493 and will be amortized over the life of the bonds.

#### **Bond Discount (-\$0.5 million)**

This is the discount on the issuance of the 2006 COP Civic Center Phase II and the 2010 COP Civic Center Phase III. The original amounts were \$77,820 and \$709,819 respectively. These amounts are amortized over the life of the bonds.

#### **Capital Leases (\$2.5 million)**

In July 2013, the City Council authorized a 16 year lease purchase agreement with Banc of America to fund various solar energy projects for City facilities. The original amount of the loan was \$2,121,500 and will be repaid through future energy savings.

In September 2013, the City entered into a lease purchase agreement with Osh Kosh Capital for the acquisition of a Pierce Arrow XT Triple Combination Pumper Fire Engine. The original amount of the loan was \$578,224.

In March 2015, the City entered into a lease agreement with Marlin Leasing Corporation for the acquisition of Mobile Data Computers. The original amount of the loan was \$377,487.

#### **Notes/Loans Payable (\$4.3 million)**

In September 2007, the City Council authorized the City's participation in the California Energy Commission and San Diego Gas and Electric On-Bill Financing program. The loans were to bridge the financial gap between energy conservation project capital costs and available rebates for energy conservation equipment. The original loan amount was \$665,884 for the On-Bill Financing program. In fiscal year 2011-12 additional loans were entered into with the California Energy Commission (\$3.7 million) and San Diego Gas & Electric On-Bill Financing Program (\$256,302).

In December 2012, the City entered into a lease purchase agreement with Bank of America to purchase certain energy conservation equipment. The agreement would bridge the financial gap between the Municipal Streetlight Retrofit Project capital costs and the available rebates for energy conservation equipment. As of June 30, 2016 the outstanding balance is \$1,636,034.

#### **CDBG Section 108 Loan (\$7.2 million)**

The City entered into a contract for Loan Guarantee Assistance with the U.S. Department of Housing and Urban Development (HUD) as part of the Section 108 Loan Program in the amount of \$9,500,000 in June 2008. The Section 108 Loan is an “advance” of future CDBG entitlement funds and as such is repaid with a portion of the City’s annual entitlement. Proceeds of the loan will be used to fund multiple capital improvement projects. Debt service payments will be made with future CDBG entitlements for 20 years.

#### **Miscellaneous Claims Payable (\$22.5 million)**

The Miscellaneous Claims Payable represents the probable amount of loss as estimated by legal counsel and risk management staff due to worker’s compensation and general liability claims filed against the City.

#### **Compensated Absences (\$7.2 million)**

The obligation for Compensated Absences represents the current dollar value of accumulated leave balances, primarily vacation leave, for employees that would have to be paid off if all permanent employees were terminated as of June 30, 2016.

#### **Advances From Other Funds (\$48.6 million)**

The Successor Agency has entered into reimbursement agreements with the City to reimburse the City for certain lease payments made by the City under various lease agreements. The balance as of June 30, 2016, was \$9.9 million

City Council authorized loans to the Public Facilities DIF in the amount of \$1,528,969 to help fund the Civic Center expansion. The loan will be repaid as funds become available, through the payment of DIF fees by developers. The balance was \$1,488,267 at June 30, 2016. In accordance with Council Policy No. 220-06, approved via Resolution 2015-028, the financing costs

shall be calculated using the City's pooled investment earning rate on a quarterly basis.

Per Resolution 2015-035 of the City Council, interfund loans from the Transportation Development Impact Fee to the Fire Suppression System expansion component of the Public Development Impact Fee were consolidated into one loan totaling \$10,500,000. The balance for the loan was \$8,150,862 at June 30, 2016. In accordance with Council Policy No. 220-06, approved via Resolution 2015-028, the financing costs shall be calculated using the City's pooled investment earning rate on a quarterly basis.

City Council authorized a loan to Western PAD from Eastern PAD in the amount of \$9,630,000 to acquire the 14.41 acre site located in the lower Sweetwater Valley owned by the Redevelopment Agency and \$310,000 to acquire the 1.89 acre site located at Auto Park Place, Chula Vista. Per Resolution 2015-035 of the City Council, these loans were consolidated. The loan will be repaid as funds become available, either as a result of credit acquisitions by the Agency or the payment of PAD fees by developers in western Chula Vista; in conjunction with Council Policy No 200-06, approved via Resolution 2015-028, the financing costs shall be calculated using the City's pooled investment earning rate on a quarterly basis. The balance was \$9,288,457 at June 30, 2016. The Agency will ensure that PAD funds are repaid to fully fund the development of the park for which they were originally collected.

The City Council authorized and set terms for loans from the Trunk Sewer fund to Salt Creek for \$16,848,381, to the Storm Drain fund for \$744,612, and \$803,331 from the Sewer Facility fund for capital improvement projects, via Resolution 2015-035. In accordance with Council Policy No. 220-06, approved via Resolution 2015-028, the financing costs shall be calculated using the City's pooled investment earning rate on a quarterly basis. The balance was \$19,794,095 at June 30, 2016.

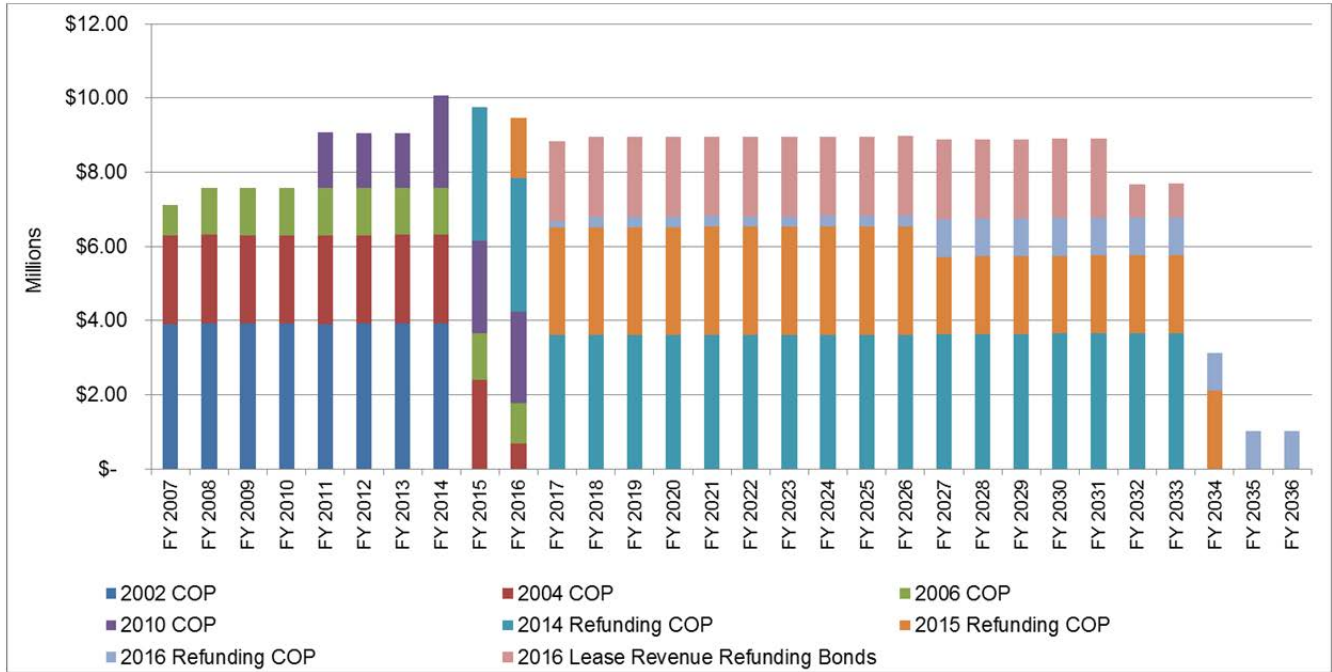
#### **General Fund Long-Term Debt for Fiscal Year 2017-18**

The General Fund’s annual debt service “commitment” for the Certificates of Participation and the Lease Revenue Refunding Bond in fiscal year 2017-18 is approximately \$9.0 million, or 5.4% of the General Fund operating budget. However, it must be noted that

although this amount is truly a General Fund commitment, only \$3.1 million will actually be paid from General Fund resources, with the remaining amount paid from available development impact fees and residential construction tax. The \$3.1 million

represents approximately 1.9% of the General Fund operating budget. The \$9.0 million represents ongoing level debt service payments as depicted in the following chart.

**Annual Debt Service Obligation of the General Fund**  
Fiscal Years 2006-07 through 2035-36



Note:

- 1) Actual payments are funded by the General Fund, Development Impact Fee Funds and residential construction tax however all debt service obligations are backed by the General Fund.
- 2) The 2002 COP was refunded in FY2013 and became the 2014 Refunding COP. The 2004 COP was refunded and the 2006 was partially refunded and became the 2015 Refunding COP. The 2006 COP was refunded and became the 2016 Refunding COP. The 2010 COP was refunded and became the 2016 Lease Revenue Refunding Bonds.



## GANN Appropriations Limit

Article XIII B of the California Constitution, approved by the voters in 1979, imposed the concept of spending limits on local governments. This Constitutional provision and related implementing legislation specifies that annual increases in appropriations financed from "Proceeds of Taxes" are limited to a base year (1978-79) amount increased annually by an inflation factor comprised of the change in population of the City combined with the greater of the change in new non-residential construction or the change in the California per capita personal income. By definition, "Proceeds of Taxes" includes such revenues as property taxes, sales and use taxes, utility users taxes, transient occupancy taxes, and state subventions. Revenues from other sources like fees/charges and federal grants are considered "Non-Proceeds of Taxes" and are not subject to the annual spending limit. This calculation has always been perfunctory for the City of Chula Vista,

since the proceeds of taxes for the City are far less than the statutory appropriations limit.

The State Department of Finance and the San Diego County Assessor's Office are charged with providing the data necessary for local jurisdictions to establish their appropriations limit. According to these sources, for purposes of the fiscal year 2016-2017 calculation, the population increased 0.66%. California per capita personal income increased by 5.37% and new non-residential construction increased by 1.0066%. Consequently, the California per capita personal income was used in the formula to compute the limit since this increase is the greater of the two amounts.

### Fiscal Year 2016-17 Appropriations Limit

The fiscal year 2016-17 Appropriations Limit has been calculated as follows:

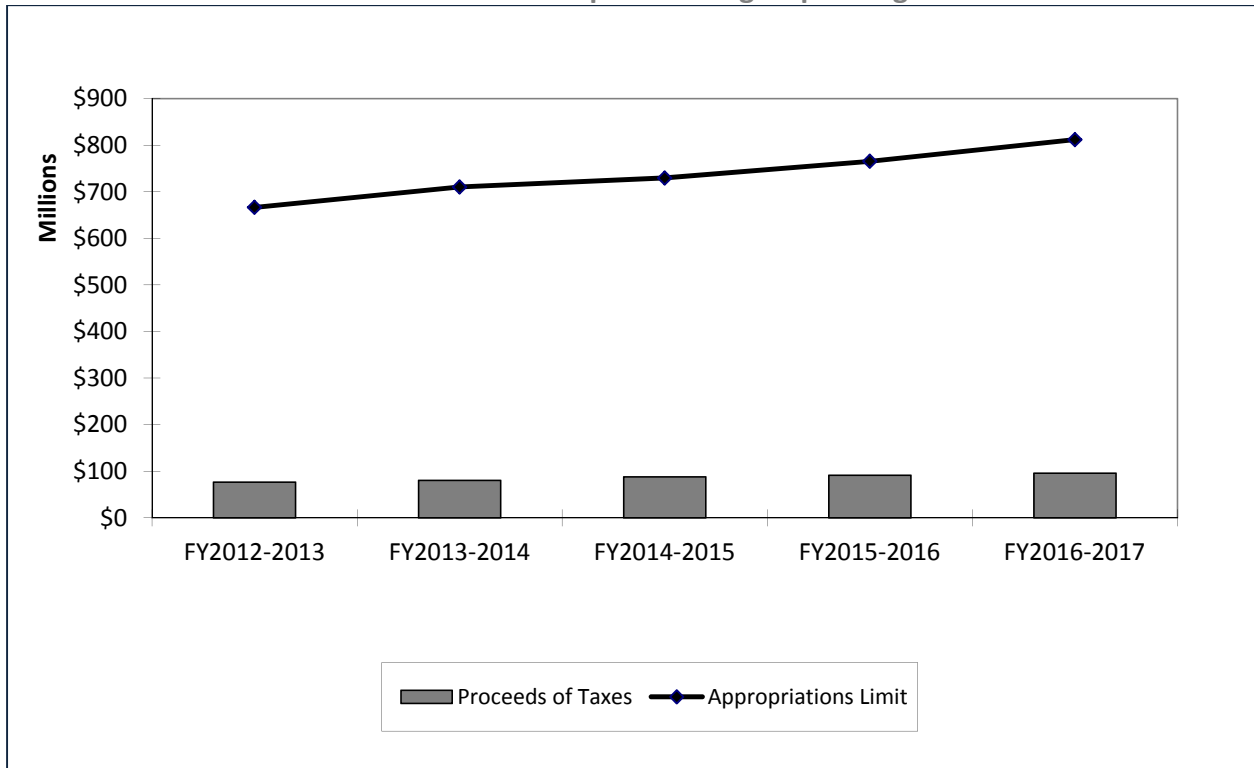
Fiscal Year 2016-17 Appropriation Limit		
Fiscal Year 2015-16 Appropriations Limit	\$	765,339,521
Increased by an inflation factor composed of the increases in population and New non-residential construction	x	1.06065442
<b>FISCAL YEAR 2016-17 APPROPRIATIONS LIMIT</b>	<b>\$</b>	<b>811,760,746</b>

**Proceeds of Taxes**

The "Proceeds of Taxes" as included in the fiscal year 2016-17 Adopted Budget that are subject to the appropriations limit are estimated to be \$95,873,998. Therefore the City has what is referred to as an appropriation "gap" of \$715,886,748

(\$811,760,746 - \$95,873,998). Simply stated, this means that the City could collect and spend up to \$715,886,748 more in taxes during Fiscal Year 2016-2017 without exceeding the Constitutional limit.

**Proceeds of Taxes Compared to Legal Spending Limit**



## Legal Debt Margin

Under State law, the City has a legal debt limitation not to exceed 15% of the total assessed valuation of taxable property within City boundaries. As of June 30, 2016 the City's legal debt limit is \$917,099,949. In accordance with California Government Code Section

43605, only the City's general obligation bonds are subject to this limit. The City of Chula Vista has no outstanding General Obligation Bonds. The table below summarizes the City's debt limit margin.

### Computation of Debt Limit Margin

Fiscal Years Ended 2014 through 2016

	June 30, 2014	June 30, 2015	June 30, 2016
Total Assessed Valuation	\$ 21,646,268,909	\$ 23,090,440,353	\$ 24,455,998,641
Conversion Percentage	25%	25%	25%
Adjusted Assessed Valuation	\$ 5,411,567,227	\$ 5,772,610,088	\$ 6,113,999,660
Debt Limitation Percentage	15%	15%	15%
<i>Debt Limit</i>	\$ 811,735,084	\$ 865,891,513	\$ 917,099,949
Total Debt Applicable to Limit:			
Pension Obligation Bonds	\$ -	\$ -	\$ -
<b>Legal Debt Margin</b>	<b>\$ 811,735,084</b>	<b>\$ 865,891,513</b>	<b>\$ 917,099,949</b>

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.



## Accounting Systems and Budgetary Control

The City of Chula Vista’s budget provides an overview of the fiscal and operational status of the City; highlighting policy issues, decisions, and proposed changes in service levels. The budget is comprised of a series of funds used to account for revenues and expenditures. These funds are generally categorized as governmental or proprietary funds.

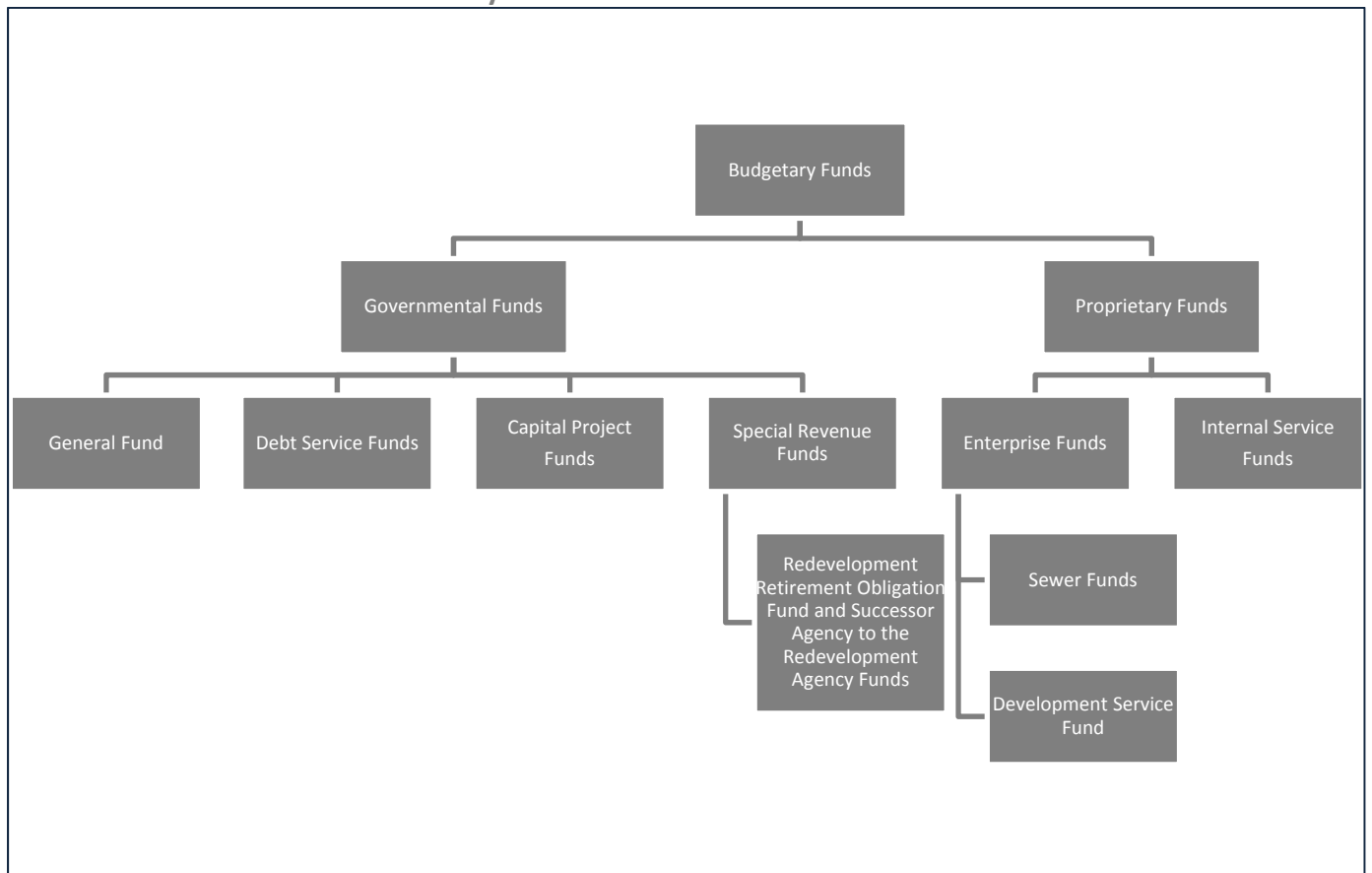
Governmental funds include activities associated with the operations of the City such as the provision of library, recreation, and public safety services. Special revenue funds, capital project funds, debt service funds, and the City’s general fund are different types of governmental funds.

Proprietary funds are used to account for activities often found in the private sector including two fund

types: enterprise funds and internal service funds. Operations of the development service and sewer systems are accounted for as enterprise funds. Examples of functions accounted for by internal service funds include fleet management and worker’s compensation.

The budget document is organized around the following major funds – General Fund, Redevelopment Retirement Obligation Fund and Successor Agency to the Redevelopment Agency Funds, Sewer Funds, Fleet Service Funds, Capital Projects Funds, Debt Service Funds, and Other Funds. Details about each of these funds can be found in the corresponding sections of the document.

City of Chula Vista Fund Structure



Each fund is considered an autonomous accounting entity. Funds are used to separate the various financial activities of the City and to demonstrate compliance with specific regulations, restrictions, or limitations. This may include demonstrating that restricted revenues are spent only for allowed purposes.

The City's accounting records and budget are prepared and maintained using a modified accrual basis of accounting, which follows the accounting practices for governmental units as recommended by the Governmental Accounting Standards Board. Basic City operations are accounted for in the City's General Fund, with other activities accounted for in separate funds as required by law or determined by management discretion. Generally, revenues are recorded when measurable and available, and liabilities are recorded when incurred.

In administering the City's accounting systems, primary consideration is given to the adequacy of internal accounting controls, which include an array of administrative procedures. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, as well as the reliability of financial records for accurate and fair presentation of financial reports. The concept of reasonable assurance recognizes that the cost of specific controls should not exceed the benefits likely to be derived from exercising the controls, and that this evaluation necessarily involves estimates and judgments by management. It is believed that the City's internal accounting controls adequately safeguard City assets and provide reasonable assurance of proper recording of financial transactions.

The City Charter charges the Director of Finance with the responsibility to supervise and be responsible for the disbursement of all monies and have control over all expenditures to ensure that budget appropriations are not exceeded. The level of budgetary control, that is the level at which expenditures are not to exceed Council approved appropriations, is established at the department and expenditure category level (e.g., personnel services, supplies and services, capital).

Any budget modification that would result in an appropriation increase requires City Council approval. The City Manager and Finance Director are jointly

authorized to transfer up to \$15,000 of appropriations between expenditure categories within a departmental budget. Any appropriations transfers between departments, in excess of \$15,000, and transfers from CIP projects, require City Council approval.

An encumbrance (commitment) accounting system is utilized as a technique to enhance budgetary control during the fiscal year. Appropriations encumbered (committed) at year-end may be carried forward with City Manager approval and are available to be used for those commitments during the subsequent fiscal year. Unspent and unencumbered appropriations lapse at year-end and become generally available for re-appropriation the following fiscal year.

## List of Acronyms

### A

ADA: Americans with Disabilities Act  
 ALS: Advanced Life Support  
 AMP: Asset Management Plan  
 AMS: Asset Management System  
 ARRA: American Recovery and Reinvestment Act  
 ATP: Active Transportation Program

### B

BIG: Business Improvement Grant  
 BFDIF: Bayfront Development Impact Fee  
 BMS: Building Management System  
 BRT: Bus Rapid Transit  
 BTA: Bicycle Transportation Account

### C

CAD: Computer Aided Dispatch  
 CalPERS: California Public Employees Retirement System  
 CALTRUST: Investment Trust of California  
 CAPPO: California Association of Public Purchasing Officers  
 CBAG: California Border Alliance Group  
 CDBG: Community Development Block Grant  
 CEC: California Energy Commission  
 CES: Conservation Environmental Services  
 CFD: Community Facility District

CIP: Capital Improvement Plan/Project/Program  
 CLSA: California Library Services Act  
 CMP: Corrugated Metal Pipe  
 CMT: Constant Maturity Treasury  
 CONF: Confidential  
 COP: Certificate of Participation  
 CPI: Consumer Price Index  
 CTC: California Transportation Commission  
 CVBMP: Chula Vista Bayfront Master Plan  
 CVACF: Chula Vista Animal Care Facility  
 CVEA: Chula Vista Employee's Association  
 CVPD: Chula Vista Police Department  
 CVT: Chula Vista Transit

### D

DASH: Dynamic After School Hours  
 DIF: Development Impact Fee  
 DMS: Drainage Management System  
 DVP: Delivery Versus Payment

### E

EEBG: Energy Efficiency Block Grant  
 EOC: Emergency Operation Center  
 ERAF: Educational Revenue Augmentation Fund  
 EUC: Eastern Urban Center

**F**

FCIP: Fire Company Inspection Program  
 FDIC: Federal Deposit Insurance Corporation

FF: Firefighters

FHLB: Federal Home Loan Bank

FHLMC: Federal Home Loan Mortgage Corporation

FHWA: Federal Highway Administration

FICB: Federal Intermediate Credit Bank

FLB: Federal Land Bank

FLSA: Fair Labor Standards Act

FMS: Fleet Management System

FNMA: Federal National Mortgage Association

FPPC: Fair Political Practices Commission

FREBE: Free Resource Energy Business Evaluation

FSE: Fire Safety Engineering

FTA: Federal Transit Administration

FTE: Full-Time Equivalent

FY: Fiscal Year

**G**

GAAP: Generally Accepted Accounting Principles

GDP: Gross Domestic Product

GFOA: Government Finance Officers of America

GGMS: General Government Management System

GIS: Geographic Information System

GMOC: Growth Management Oversight Committee

GNMA: Government National Mortgage Association

GUC: General Use Certificates

**H**

HBP: Highway Bridge Program

HOV: High Occupancy Vehicle

HR: Human Resources

HSIP: Highway Safety Improvement Program

HUD: Housing and Urban Development

HVAC: Heating\Ventilation\Air Conditioning

**I**

IAFF: International Association of Firefighters

ITS: Information and Technology Services

**L**

LAIF: Local Agency Investment Fund

LAN: Local Area Network

LRT: Light Rail Trolley

**M**

MGD: Million Gallons per Day

MHZ: Megahertz

MIS: Management and Information Systems\Services

MLA: Master Lease Agreement

MOU: Memorandum of Understanding

MSCP: Multiple Species Conservation Plan

MTDB: Metropolitan Transit Development Board

MTS: Metropolitan Transit System



**N**

NCD: Negotiable Certificate of Deposit

NEP: Neighborhood Reinvestment Program

NFPA: National Fire Protection Association

**O**

OSMS: Open Space Management System

**P**

PACE: Parcel Assessed Clean Energy

PAD: Park Acquisition and Development

PCI: Pavement Condition Index

PFDIF: Public Facilities Development Impact Fees

PLF: Public Library Foundation Act

PLTP: Point Loma Treatment Plant

PMS: Parks Management System

POA: Police Officer's Association

PUC: Public Utilities Commission

**R**

RCS: Regional Communications System

RCT: Residential Construction Tax

RDA: Redevelopment Agency

RFP: Request for Proposals

RMS: Roadway Management System

RTIP: Regional Transportation Improvement Program

**S**

SANDAG: San Diego Association of Governments

SANDPIPA: San Diego Pooled Insurance Policy Association

SBA: Small Business Association

SBBRT: South Bay Bus Rapid Transit

SGIP: Smart Growth Initiative Program

SHOPP: State Highway Operations and Protection Program

SLMA: Student Loan Marketing Association

SR2s: Safe Routes to School

SRO: School Resource Officer

STRETCH: Safe Time For Recreation, Enrichment And Tutoring

SWBAMLA: Southwest Border Anti-Money Laundering Alliance

**T**

TABS: Tax Allocation Bonds

TARBS: Tax Allocation Refunding Bonds

TDA: Transportation Development Act

TDIF: Transportation Development Impact Fee

TOT: Transient Occupancy Tax

TUT: Telephone Users' Tax

TVA: Tennessee Valley Authorities

**U**

UUT: Utility Users Tax

**V**

VLF: Vehicle License Fee

**W**

WCE: Western Council of Engineers

WMS: Wastewater Management System

W-TDIF: Western Transportation Development Impact  
Fee

## Glossary

### A

**Accrual Basis of Accounting** – A method of accounting by which transactions are recognized when they occur, regardless of the timing of cash receipts and disbursements.

**Accounting System** – The collective set of records and procedures used to record, classify, and report information on the financial status and operations of the City.

**Accounts Payable** – Amounts owed by the City to external entities for goods and services received.

**Accounts Receivable** – Amounts due to the City from external entities for goods and services furnished.

**Adopted Budget** – The title of the budget following its formal adoption by resolution of the City Council.

**Ad Valorem** – In proportion to value, a basis for levy of taxes on property.

**Amended Budget** – The title of the budget version that includes all amendments to the Adopted Budget approved by Council throughout the fiscal year.

**Appropriation** – A legislative act by the City Council authorizing the expenditure of a designated amount of public funds for a specific purpose.

**Audit** – An examination of City records and accounts by an external source to check their validity and accuracy.

### B

**Balanced Budget** – The amount of budgeted expenditures is equal to or less than the amount of budgeted revenues plus other available sources. For budgeting purposes, the use of contingency reserves or use of fund balance will be considered revenue in defining a balanced budget.

**Bond** – A certificate of debt issued by a government or corporation guaranteeing payment of the original investment plus interest by a specified future date.

**Budget** – A spending plan and policy guide comprised of an itemized summary of the City's probable expenditures and revenues for a given fiscal year.

### C

**Calendar Year (CY)** – The 12-month period from January through December.

**Capital Expenditures** – A specific undertaking involving procurement, construction or installation of facilities or related equipment which improves, preserves, enhances or modernizes the City's provision of municipal services, has a useful life of at least five years, and costs in excess of \$10,000.

**Capital Improvement Program** – An ongoing five-year plan of single and multiple-year capital expenditures which is updated annually.

**Capital Improvement Project (CIP)** – Any major capital investment with a value of \$50,000 or more and a minimum useful life of five years at a fixed location. CIPs may include construction or major repair of City buildings and facilities such as streets, roads, storm drains, traffic signals, parks, community centers, etc.

**Capital Project Funds** – Funds that are utilized to account for resources used for the acquisition and construction of capital facilities by the City, with the exception of those assets financed by proprietary funds.

**Community Development Block Grant (CDBG) Funds** – Funds received from the federal government and expenditures as prescribed under the Community Development Grant Program.

### D

**Debt Service Funds** – Funds used for payment of interest and principal to holders of the City's various debt instruments.

**Deferred Maintenance** – A backlog of needed repairs to City facilities including facility maintenance, painting and structural repairs.

**Depreciation** – The expense incurred with the expiration of a capital asset.

**Direct Costs** – Operational expenditures exclusive to a specific service or program.

**Discretionary Revenue** – Revenues that are generated by general or specific taxing authority such as Property or Sales Taxes.

## E

**Encumbrance** – The designation or reserving of funds to buy an item or service.

**Enterprise Funds** – Funds established to account for specific services funded directly by fees and charges to users such as sewer services. These funds are intended to be self-supporting.

**Expenditure** – The actual outlay of monies set aside by appropriation for identified goods and services.

## F

**Fiscal Year (FY)** – The twelve-month period beginning July 1st and ending June 30th of the subsequent calendar year.

**Fixed Assets** – An asset with a useful life greater than three years.

**Fringe Benefits** – This consists of the costs to provide employee benefits that include the flexible benefit program, insurance, and retirement.

**Full-time Equivalent Positions (FTE)** – The conversion of part-time, temporary, or volunteer positions to a decimal equivalent of a full-time position based on an annual amount of 2,080 hours worked.

**Fund** – A set of interrelated accounts to record revenues and expenditures.

**Fund Balance** – The excess of an entity's assets over its liabilities. A negative fund balance is sometimes referred to as a deficit.

## G

**Generally Accepted Accounting Principles** – A uniform set of minimum standards for external financial accounting and reporting.

**Gann Appropriation Limit** – A State of California mandated appropriation limit imposed on local jurisdictions.

**General Fund** – The City's main operating fund that is used to pay for City services.

**General Plan** – The fundamental policy document that guides the City's future growth and development.

**General Revenue** – See Discretionary Revenues.

**Governmental Funds** – Funds that are typically used to account for tax-supported activities. These include the general fund, special revenue funds, debt service funds, and capital project funds.

**Grants** – A contribution by a government or other organization to provide funding for a specific project. Grants can either be classified as capital projects or programmatic, depending on the grant.

## I

**Indirect Cost** – Costs that are essential to the operation of the City but not exclusive to any specific service or program. Indirect costs are primarily associated with support departments such as City Clerk, City Attorney, Administration, Management Information Systems (MIS), Human Resources, and Finance.

**Infrastructure** – Basic physical assets such as buildings, streets, sewers, and parks.

**Interest Expense** – Interest costs paid by Chula Vista on loans and bonds.

**Internal Service Funds** – Funds that are used to finance and account for goods, special activities, and services performed by one City department for other City departments on a cost reimbursement basis.

**L**

**Levy** – To impose or collect a tax, special assessments, or charges for the support of City services.

**Liability** – Debt or other legal obligations arising out of past transactions that will be liquidated, renewed, or refunded at some future date.

**M**

**Memorandum of Understanding** – A document detailing the outcomes of labor negotiations between the City and its various bargaining units.

**Modified Accrual Basis of Accounting** – A method of accounting in which revenues are recognized in the period they become available and measurable, and expenditures are recognized in the period the associated liability is incurred.

**Municipal Code** – A collection of ordinances approved by City Council.

**N**

**Non-Capital Improvement Project Expenditures** – Expenditures in this category are for large maintenance costs, studies and various community outreach programs. By their nature these maintenance upkeeps and programs are expended beyond a one year period. Recording these types of expenditures in an operating type budget would skew the comparison of budgets from year to year, because of this, the City finds it more efficient to record these types of expenditures in the Non-Capital Improvement Project category.

**O**

**Operating Budget** – Costs associated with the on-going municipal services.

**Ordinance** – A formal legislative enactment by the City Council.

**Other Expenditures** – All budgeted expenditures that do not fall into one of the following primary expenditure categories: Personnel, Supplies and Services, Utilities, Transfers Out, CIP and Non-CIP Projects, and Capital.

**P**

**Personnel Services Expenditures** – Expenses related to employee compensation including salaries, wages, and benefits.

**Program Revenue** – Revenues generated by a given activity.

**Proposed Budget** – The title of the budget prior to its formal adoption by resolution of the City Council.

**Proprietary Funds** – Funds used to account for a government's business-type activities, which are supported, at least in part, by fees or charges.

**R**

**Reserves** – The portion of the General Fund balance set aside for contingencies.

**Resolution** – A special order of the City Council that requires less legal formality than an Ordinance.

**Revenue** – Funds received from various sources to finance expenditures.

**S**

**Sewer Funds** – Funds that account for revenues and expenditures related to the City's sewer programs, including maintenance and expansion of the City's conveyance system and payment of Metro Sewer treatment costs.

**Special Revenue Funds** – Funds that are used to account for proceeds derived from specific revenues sources, which are legally restricted to expenditures for special purposes. (e.g. Transportation Funds, parking Funds, Public Safety Funds)

**Spending Plan** – A preliminary budget approved by Council contingent upon subsequent adoption of appropriations.

**Supplies and Services Expenditures** – Expenditures for supplies required for the daily operation of the City and for contractual and professional services.

**T**

**Transfers Out Expenditures** – Expenditures in this category are the authorized exchanges of cash, positions, or other resources between organizational units.

**U**

**Utilities Expenditures** – Expenses related to the consumption of services including electricity, natural gas, water, and telephone services.

**Y**

**Yield** – The rate of return earned on an investment based on the price paid.