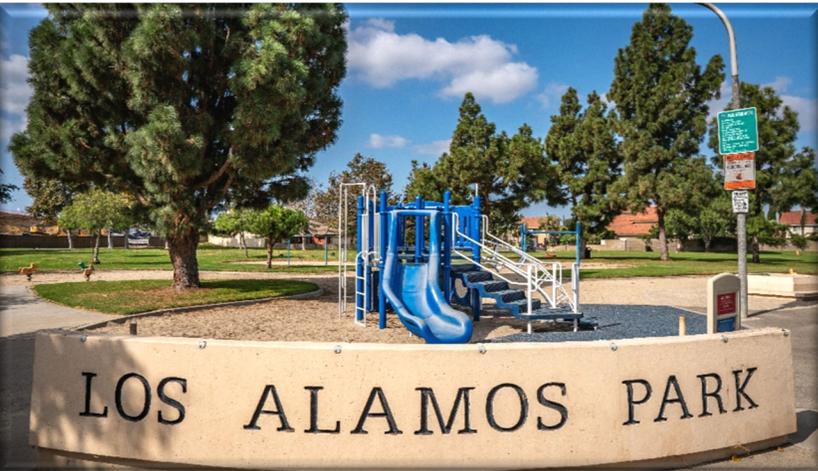


2021-22



**CITY OF FOUNTAIN VALLEY
FISCAL OPERATING BUDGET
AND
10 YEAR CAPITAL IMPROVEMENT PROGRAM**



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The City Council consists of five members elected by the community at large. Council terms are four years, with elections held every two years. Either two or three members are elected in any given election cycle. Every year, the current City Council Members, elect a Mayor and Mayor Pro Tempore who serve for one year. The City Council also serves as the governing body for the Successor Agency, Public Finance Authority and the Housing Authority. City Council members may not serve more than three consecutive full terms, and are responsible for selecting and reviewing the City Manager who is responsible for managing the day-to-day operations of the City and implementing the policies set by the City Council.

CITY COUNCIL MEMBERS



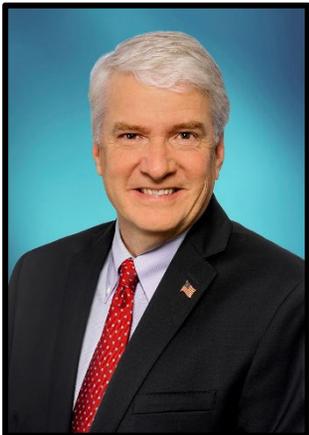
*Michael Vo
Mayor*



*Patrick Harper
Mayor Pro Tem*



*Kim Constatine
Council Member*



*Glenn Grandis
Council Member*



*Ted Bui
Council Member*

CITY OFFICIALS

City Manager	Rob Houston
Deputy City Manager	Maggie Le
Chief of Police	Matt Sheppard
Fire Chief	Ron Cookston
Director of Finance/Treasurer	Jennifer Lampman
Director of Human Resources	Chelsea Phebus
Director of Planning/ Building & Safety	Brian James
Director of Public Works/City Engineer	Hye Jin Lee
Community Services Director	Rob Frizzelle
City Clerk	Rick Miller

City Council meetings are held on the 1st & 3rd Tuesday of the month at 6:00 p.m. and are located in the City Hall Council Chambers.



PLANNING COMMISSION

Bill Spear	Chair
Dave Osborn	Vice Chair
Ed Farrell Jr.	Commissioner
Azzam Saad	Commissioner
Richard Lopez	Commissioner
Ahmad Tahir	Commissioner
Brian James	Staff Representative

HOUSING & COMMUNITY DEVELOPMENT ADVISORY BOARD

Mike White	Chair
Ahmad Tahir	Vice Chair
Cindy Cao	Member
Ramon Galvez-Arango	Member
Susan Saurastri	Member
Brian James	Staff Representative
Ashlyn Newman	Staff Representative

Planning Commission meetings are held on the 2nd Wednesday of every month at 6:00 p.m., as needed, in the Fountain Valley City Hall Council Chamber

Housing & Community Development Advisory Board meetings are held on the 1st Wednesday of every month at 6:00 p.m., as needed, in the Fountain Valley City Hall Council Chamber

MEASURE HH-ESSENTIAL CITY SERVICES OVERSIGHT ADVISORY COMMITTEE

Stephen Schwarz	Chair
Evan Jorgensen	Vice Chair
Matt Taylor	Committee Member
Margie Drilling	Committee Member
Michele Jensen	Committee Member
Randy Takayama	Committee Member
Jennifer Lampman	Staff Representative

ADVISORY COMMITTEE FOR PERSONS WITH DISABILITIES

John Borack	Chair
Susanne Seiden	Vice Chair
Herman Ajamian	Committee Member
Kayla Borack	Committee Member
Ramon Galvez-Arango	Committee Member
Philip A. Nisco	Committee Member
Gary M. Osterbach	Committee Member
Leonard Santoro	Committee Member
Jan Werts	Committee Member
Scott Quinlan	Committee Member
Yvette E. Aguilar	Staff Representative

Measure HH-Advisory meetings are held on an as needed bases several times a year in the Fountain Valley City Hall Conference Room #1

Advisory Committee for Persons with Disabilities meetings are held on the 1st Thursday of odd numbered months at 6:30 p.m., as needed, in the Fountain Valley City Hall Conference Room #1

The City's Strategic Plan is comprised of the City's mission statement, goals and objectives, and an action plan. The Strategic Plan is reviewed and updated twice a year by the City Council and the City's executive management team at focused strategic planning sessions. Strategic Planning sessions are facilitator led, open to the public and result in measurable objectives for the upcoming six-month period.

The most recent Strategic Planning session took place in May 2021 and was held virtually due to the COVID-19 pandemic. Participants brainstormed the City's current strengths, weaknesses, challenges and opportunities before developing new objectives in line with the established Strategic Goals. These new, measurable objectives will be presented to the City Council by staff within six months following the planning session, with the next Strategic Planning Session scheduled for November 2021.

The FY2021/22 budget was constructed and developed specifically to support these goals and objectives and reinforces the commitment the City makes to prioritize its core values.

Mission Statement

The City of Fountain Valley delivers cost-effective quality public services to provide a safe and desirable community that enriches its residents and businesses.

Core Values



The City's three year Strategic Goals are (not in priority order):

- Maintain the culture and environment of "A Nice Place to Live"
 - Attract and Retain Revenue Producing Businesses
- Achieve Fiscal Stability in Accordance with the 20-Year Financial Plan
 - Attract and Retain Quality Staff

CITY OF FOUNTAIN VALLEY

SIX-MONTH STRATEGIC OBJECTIVES

May 6, 2021 – October 15, 2021

THREE-YEAR GOAL: MAINTAIN THE CULTURE AND ENVIRONMENT OF “A NICE PLACE TO LIVE”						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. At the May 18, 2021 City Council meeting	Community Services Director - lead, Attorney for the City	Present to the City Council for consideration an amended ordinance to address parking issues at all city park facilities.				
2. At the August 17, 2021 City Council meeting	Chief of Police - lead, Deputy CM, Community Services Director, Public Works Director	Propose a plan to the City Council for consideration, including providing partnership and resource options, to assist the homeless in securing more suitable living accommodations.				
3. Sept. 1, 2021	Planning and Building Director - lead, Attorney for the City, Deputy CM, Finance Director	Present to City Council for consideration options to address short-term rentals in the city.				

THREE-YEAR GOAL: ATTRACT AND RETAIN REVENUE PRODUCING BUSINESSES

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. At the Sept. 21, 2021 City Council meeting	Public Works Director – lead and Deputy City Manager	Conduct a study on the feasibility of partnering with internet providers to provide the best internet service for residents and businesses in Orange County and present the results to the City Council for direction.				
2. At the Sept. 21, 2021 City Council study session	Planning and Building Director – lead, Deputy City Manager	Present to the City Council for consideration at least three business-friendly programs that encourage revenue producing business.				
3. At the October 19, 2021 City Council meeting	Planning and Building Director – lead, City Manager	Report to the City Council at least three methods that improve customer service experience and help attract/retain businesses.				

**THREE-YEAR GOAL: ACHIEVE FISCAL STABILITY IN ACCORDANCE WITH
THE 20-YEAR FINANCIAL PLAN**

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. At the June 1, 2021 City Council Meeting	Finance Director	Provide an update to the City Council on the implementation of the new Enterprise Resource Program (ERP).				
2. At the June 1, 2021 City Council Meeting	Finance Director	Present the FY2021/22 budget to City Council for consideration.				
3. At the July 20, 2021 City Council Meeting	Public Works Director (lead) with Finance Director	Present to the City Council for consideration a new contract for the City's Bus Shelter and Bench Ad Program.				
4. At the Aug. 17, 2021 City Council Meeting	Fire Chief (lead) and Finance Director	Provide an update to the City Council on the status of the new ambulance program.				
5. Sept. 1, 2021	Community Services Director	Provide an update to the City Manager on the Community Access Rental Program.				
6. At the Sept. 21, 2021 City Council Meeting	Finance Director	Update the 20-Year Financial Plan with unaudited FY20/21 figures and labor negotiations impacts				
7. At the Oct. 18, 2021 City Council study session	Deputy City Manager – lead, working with the Planning and Building Director, Finance Director, Fire Chief, Police Chief, Public Works Director	Present to City Council the feasibility and opportunity of annexing the county island at Edinger and Harbor.				

THREE-YEAR GOAL: ATTRACT AND RETAIN QUALITY STAFF

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. August 1, 2021	HR Director	Explore ways to move the City towards more competitive total compensation packages and present the results to the City Manager.				
2. Sept. 1, 2021	City Manager, working with the negotiation team	Reach agreement with all labor groups.				
3. Sept. 1, 2021	HR Director	Identify new programs and opportunities to make Fountain Valley a great place to work and present the results to the City Manager.				
4. Sept. 15, 2021	HR Director - lead, Community Services Director, working with department heads	Identify three ways to market Fountain Valley as a great place to work and present the results to the City Manager.				
5. At the Sept. 21, 2021 City Council study session	IT Manager	Revisit the technology audit and present to the City Council for consideration additional technology options to increase employee efficiency and productivity and to boost the employee experience.				



May 18, 2021

TO: Honorable Mayor and Members of the City Council; Community Members; and City Staff

FROM: Rob Houston, City Manager

It is my pleasure to present the City of Fountain Valley's Proposed Budget and Capital Improvement Program (CIP) for Fiscal Year 2021/22. The Proposed Budget provides the resources necessary to support, expand and/ or improve the many services and amenities provided by the City that help make Fountain Valley not only "A Nice Place to Live" but also a world class community in which to do business, shop, dine and play.

This past year has been a test of the commitment, fortitude and resiliency of the City and its staff in providing services to the community. In some areas, we saw demand for service increase dramatically, particularly in public safety and emergency medical services, as well as both residential and commercial development activity. In other areas, the City was forced to reimagine not only the types of services provided, but how best to deliver those services in light of mandated stay-at-home orders. To highlight a few, Community Services staff delivered hundreds of meals to seniors and those negatively impacted by Covid and successfully hosted socially distanced special events such as drive-in movies. Over one hundred local businesses received grants to support their operations during shutdowns, expedited permitting processes allowed for outdoor dining and business operations within our parks and there were countless other examples of our City exemplifying the very best in public service.

In stark contrast to last year's budget, which included budget reductions and uncertainty, the Proposed FY 2021/22 budget was built with an optimistic eye to the future, restoring funding to pre-pandemic levels, with consideration for both the short and long term financial stability of the City and in accordance with the City's adopted Strategic Plan Goals.

Covid-19 Impact on City Finances

In spring 2020, the Governor of California issued the first of many stay-at-home mandates shuttering businesses statewide. Like all cities, Fountain Valley feared the devastating economic

impact these shutdowns would have on city revenues, specifically sales tax and Measure HH funds. Fortunately, the anticipated drop in revenues did not occur and instead we experienced unexpected resiliency and relatively stable revenue as the community transitioned to online shopping, sales at grocery stores increased as households opted to eat at home more often, and sales at building and construction related businesses soared higher than previous years.

In addition to maintaining steady revenue, the City also received approximately \$1.8 million in support from the federal and state governments through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The majority of this funding was used to provide economic relief in the form of grants to struggling businesses within the community who were negatively impacted by the pandemic. A small portion of these funds were used to offset expenses incurred by the City such as the purchase of personal protective equipment (PPE) for staff, reconfiguration of facilities to allow for social distancing and staff time devoted to managing and responding to the COVID-19 pandemic.

Additional aid will be forthcoming from the American Rescue Plan Act, signed into law on March 12, 2021. The act recognizes the unprecedented financial strain local governments across the country have operated under due to the pandemic at a time when the need for services has greatly increased. While Fountain Valley has fortunately not experienced a loss of revenue at the same level as other agencies, the City has expended funds above that which was reimbursed by the CARES Act including significant staff time supporting countywide vaccination efforts, and a loss of rental revenue from the prolonged closure of city facilities.

The City's preliminary allocation from the federal government's American Rescue Plan Act is \$7.9 million, which will be divided into two equal payments over the course of two years. The Department of the Treasury is in the process of finalizing its guidance including allowable expenses for the funds. Once finalized, opportunities for use of the funds will be presented to the City Council for review.

FY 2021/22 Proposed Budget Summary

The proposed FY 2021/22 citywide operating budget is \$107.6 million, an increase of 10.8% over the Adopted FY 2020/21 budget. These expenses are supported by \$102.9 million in revenue, an increase of 11.2 percent from the current fiscal year and use of one-time funds from the Capital Improvement Reserve. These total figures reflect revenues and expenses for all funds citywide including the General Fund, Enterprise Funds, Debt Service Funds and Special Revenue Funds. The Proposed Budget also includes Internal Service Funds whose totals are not included in the \$107.6 million.

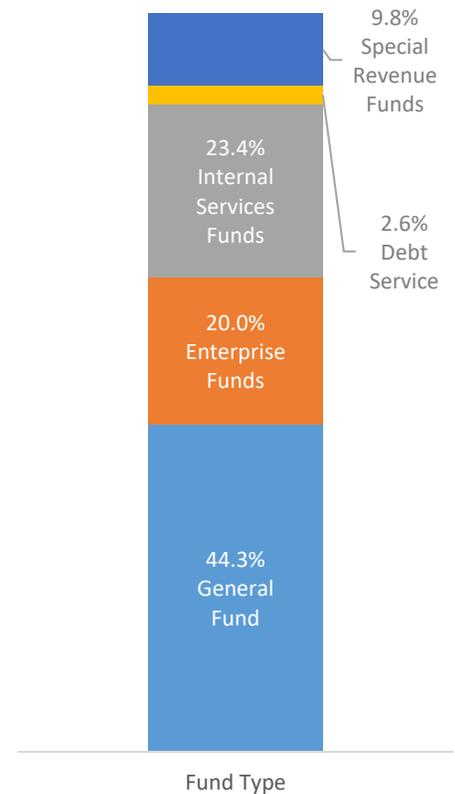
Enterprise Funds are proprietary funds supported by user fees and charges. The rates charged to customers for these services cover the costs of operation, maintenance and capital and infrastructure improvements. The City maintains several Enterprise Funds including Water, Sewer, and Solid Waste. Expenditures for FY 2021/22 for these funds are proposed to be \$26.2 Million

for both operating and capital expenses.

Internal Service Funds, including information technology, government buildings, capital equipment, employee benefits, self-insurance and fleet services account for activities provided to one City department by another City department. The Proposed FY 2021/22 budget includes \$30.6 million in funding for these funds.

Debt Service Funds are used to account for debt service expenditures on general long-term debt. The City currently has four outstanding debt obligations; the 2014 Revenue Bonds, 2016A Lease Revenue Bonds, 2015A Pension Obligation Bonds and the Clean Energy Renewable Bonds (CREBS). Payments for citywide debt is \$3.4 million for FY 2021/22.

Special Revenue Funds are funds legally restricted to a specific purpose. Examples of Special Revenue Funds include the Gas Tax Fund and the Community Development Block Grant (CDBG). In total, expenses in Special Revenue Funds are proposed at \$12.8 million for FY 2021/22.



General Fund

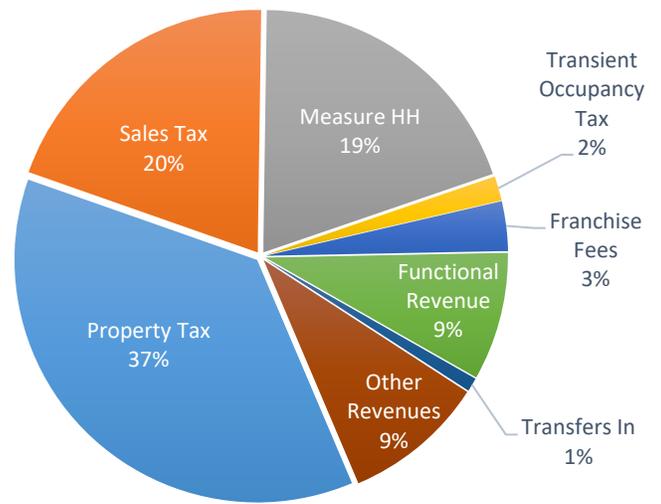
The General Fund is the primary operating fund of the City and supports fundamental services including Police, Fire, Building and Planning, Community Services and general administration. Revenue for this fund comes from general taxes such as property tax, sales tax, Measure HH, transient occupancy taxes as well as a variety of user and permit fees and other smaller sources. The Proposed Budget for FY 2021/22 for the General Fund is \$58.0 million in operating expenses and \$63.5 million in operating revenue, with an additional \$9.1 million for one-time capital projects

General Fund Revenue Highlights

Property Tax revenue in FY 2021/22 is projected to be \$21,777,000, an increase of \$647,000 over FY 2020/21. Increases in property tax are due to a combination of property turnover and resulting reassessments and the two percent per year inflation factor for property assessments allowable under Proposition 13.

Sales Tax, including Measure HH is projected to increase by approximately 20% in FY 2021/22 from the Adopted FY 2020/21 budget for a combined total of \$26,981,000. This increase is larger than normal as the budget for sales tax was lowered considerably last year due to the uncertainty caused by Covid-19. Fortunately, sales tax remained stable in FY 2020/21, and compared to our

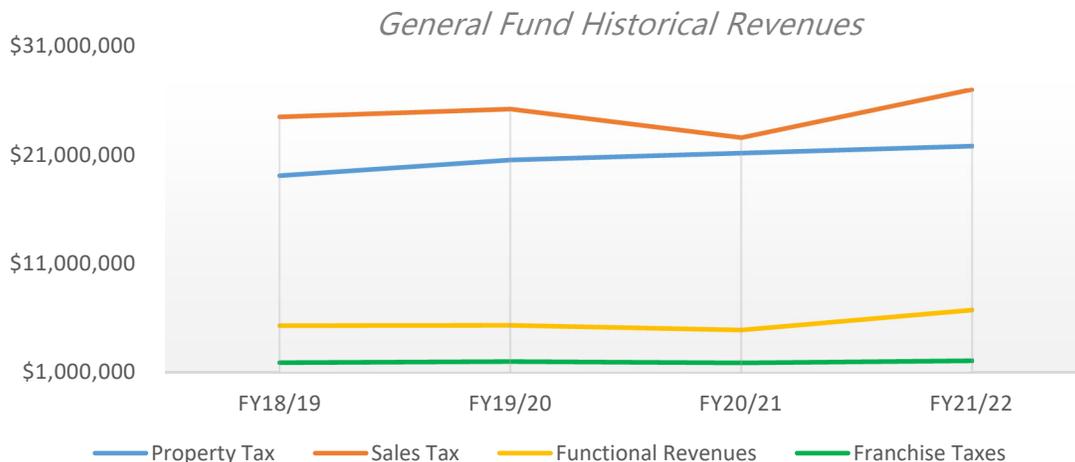
projected sales tax, the proposed budget represents an increase of only 3%. This increase is attributable to a combination of sales derived from new businesses within the community, inflation and the impact of the South Dakota vs. Wayfair case. The Wayfair case was decided by the Supreme Court in 2018, and was implemented in California in April 2019. The case, and subsequent state legislation, requires online retail sellers to collect and remit sales tax on taxable sales shipped into the state. Revenue from the tax is then allocated to a countywide pool based on the point of delivery of the product purchased. As online shopping has surged in popularity both before and during the pandemic, the City’s portion of the countywide pool has increased dramatically and accounted for 21% of the City’s total sales tax as of the quarter ending December 2020.



FY 2021/22 Proposed General Fund Revenue

Transient occupancy tax (TOT), otherwise known as “the bed tax” is tax paid by visitors staying overnight in one of our local hotels. Revenue from TOT was lower in FY 2020/21 due to the pandemic, however not as low as originally feared given the many pandemic related travel restrictions. The Proposed Budget assumes \$1,060,000 in TOT revenue, 13% higher than the FY 2020/21 Adopted Budget.

General Fund Functional Revenues are those revenues derived from services and activities provided by the various departments such as plan checking, facility rentals, business license fees, EMS response fees and alarm permits. Functional revenues are projected to total \$6,763,142 in FY 2021/22, an increase of \$1.9 million from FY 2020/21 due primarily to the expected recovery of Community Services revenue from the historic low caused by the pandemic as well as the new ambulance program.



General Fund Expenditure Highlights

General Fund expenditures are broken into two distinct types- operating and capital. Operating expenses are those required to support the day-to-day operations of the City including personnel expenses, professional services, maintenance expenses and the purchase of needed equipment and are supported by revenue generated in the fiscal year the expenses occur. Capital expenses are one-time expenditures that are funded through the capital reserve, where funds have been set aside from savings over multiple fiscal years and/or one-time funding sources such as reimbursements and development agreements.

The Proposed FY 2021/22 General Fund Budget includes \$58.0 Million in operating expenses and \$9.1 million in capital expenditures for the General Fund. These totals incorporate the reinstatement of \$1.0 million in departmental reductions made in FY 2020/21 in response to covid and sufficient funding to continue to provide exemplary services and amenities to the residents of Fountain Valley. In addition, \$3.0 million in additional payments to CalPERS to pay down the City's unfunded actuarial liability (UAL) is included in the Proposed Budget in accordance with the Measure HH Responsible Spending Pledge.

Proposed General Fund budgets for the respective departments are listed below:

Departments	FY 2020/21 Adopted Budget	FY 2021/22 Proposed Budget	Variance
Administration	1,523,414	1,513,619	(9,795)
Finance	1,352,459	1,401,895	49,436
Fire	10,978,743	12,937,797	1,959,054
Human Resources	823,429	883,199	59,770
Planning & Building	1,371,074	1,679,746	308,672
Police	16,255,074	16,990,093	735,019
Public Works	7,198,027	7,579,935	381,908
Recreation & Community Services	2,466,866	2,877,791	410,925
Debt Service	1,093,922	1,092,491	(1,431)
Non-Departmental	1,171,000	1,182,000	11,000
Transfers	9,063,191	9,819,622	756,431
Totals	\$53,297,199	\$57,958,188	\$4,660,989

Staffing

The 2021/22 fiscal year's Proposed Budget includes 233.5 authorized full-time equivalent (FTE) positions. This figure reflects a net increase of five (5) positions from the prior fiscal year as all services previously provided by an outside contractor in the Building & Planning Department will now be done by in-house city staff. This change will allow for enhanced customer service, cross training between Building and Planning staff and a more efficient development process for the community.

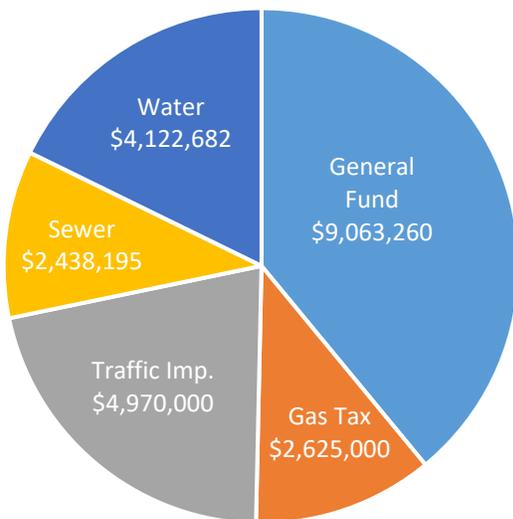
Significant Changes

Changes in the proposed FY 2021/22 budget from the prior fiscal year are significant in that they represent an emergence from the panic and uncertainty caused by the pandemic and a return to normalcy, in whatever form that takes going forward. Funding that was reduced last year in response to covid has been returned, and programs and services have been reimaged to incorporate both lessons learned from the pandemic and new ways to serve the community.

As previously mentioned, the proposed budget includes \$3.0 million in additional payments to CalPERS to help pay down the City’s unfunded actuarial liability (UAL). The City’s current unfunded actuarial liability is approximately \$88 million and the City is committed to paying down this debt as quickly as possible by making payments in addition to the normal and amortized UAL costs mandated by CalPERS. Doing so will save a significant amount in interest over the twenty-year amortization period and complies with one of the primary goals of Measure HH to “pay down unfunded liabilities”.

Capital Improvement Program

The City’s Capital Improvement Program (CIP) identifies major public improvements to the City’s infrastructure over the next ten years and includes new projects, upgrades to existing facilities as well as rehabilitation of streets and roadways. Funding for projects scheduled for FY 2021/22 are included in the proposed budget, with the majority of the scheduled projects funded by the General Fund Capital Reserve, the Water and Sewer Funds, Gas Tax, Measure M2, grants and other reimbursements. The proposed CIP for FY 2021/22 includes 44 projects for a combined total of \$23.2 million.



FY 2021/22 Proposed CIP by Funding Source

Major projects scheduled include: design work for the complete rebuild of Fire Station No. 1, residential road rehabilitation, the renovation of the Police Department locker rooms to meet the changing needs of the department and allow for increased gender diversity, traffic signal synchronization on several arterial streets citywide, as well as continued partnership with the Orange County Transportation Authority (OCTA) for the I-405 project.

Measure HH and the 20-Year Financial Plan

On November 8, 2016, the residents of Fountain Valley approved Measure HH, a one-percent transactions and use (i.e. “sales”) tax. The use of Measure HH funds is guided by the City’s Responsible Spending Pledge (*see appendix*) and the 20-Year Financial Plan, where the goal is to pay off debt and eliminate the structural deficit projected when Measure HH sunsets in 2037. The Proposed FY 2021/22 Budget allocates \$7.8 million in Measure HH funding to support essential city services such as public safety and senior and youth programs and the \$3.0 million additional UAL payment to CalPERS. In addition, \$375,000 in Measure HH funds is allocated for residential road rehabilitation.

To ensure transparency, the Measure HH Oversight Committee meets throughout the year to review the planned use of Measure HH funds and confirm they adhere to the intent of the measure, and an independent auditor further reviews and attests that the use of funds adhere to the Responsible Spending Pledge.



The City’s 20-Year Financial Plan is a dynamic document that enables city leaders to forecast the impact of various financial decisions such as labor agreements, new development, capital projects, and fluctuations in the economy, on city finances over the long-term. This 20-year focus ensures the City’s financial

sustainability by understanding how short term decisions can have a substantial impact on the structural deficit/surplus when Measure HH sunsets in 2037.

This 20-Year Financial Plan is updated twice yearly, at budget preparation and as part of the mid-year budget review. The current update reflects an operating surplus of approximately \$680,000 when Measure HH sunsets. Included in the 20 Year forecast is the successful retirement of all debt, funding of the CalPERS unfunded actuarial liability (UAL), and the devotion of significant resources to improving and maintaining the City’s facilities and infrastructure by the time Measure HH sunsets.

Conclusion and Final Comments

In closing, I would like to express my sincere appreciation to the many City staff members across all of our departments for their active and thoughtful participation in developing this budget and the capital improvement program. Further, I want to thank every employee for their hard work

and ongoing dedication to the community this past year. Despite the many challenges 2020 presented, city staff never stopped providing high quality customer service, completing numerous capital projects, or supporting local businesses nor waived in their focus on the health and safety of our employees and residents.

I want to also thank the City Council for its effective policy leadership and support as we work together to ensure Fountain Valley's continued prominence as one of the safest and most desirable places to live and work. Working hand-in-hand, we will continue our commitment to ensuring public resources are managed as prudently and wisely as possible and will keep Fountain Valley *"A Nice Place to Live"*.

Respectfully submitted,

Rob Houston
City Manager

GENERAL FUND OPERATING REVENUE DETAIL

Revenue By Category	2020-21				2021-22		
	Budget	Estimate	+/- Budget	%	Budget	+/- Prior Year	%
Property Tax							
Secured	12,210,000	12,300,000	90,000	1%	12,735,000	525,000	4%
Residual	1,500,000	1,450,000	(50,000)	-3%	1,450,000	(50,000)	-3%
Unsecured	300,000	336,000	36,000	12%	336,000	36,000	12%
Prior Year	95,000	95,000	-	0%	69,000	(26,000)	-27%
Other	260,000	257,720	(2,280)	-1%	262,000	2,000	1%
Interest/Penalties	19,000	19,000	-	0%	19,000	-	0%
Homeowners	59,000	57,000	(2,000)	-3%	57,000	(2,000)	-3%
Property Transfer	200,000	257,000	57,000	29%	240,000	40,000	20%
MVLF	6,487,000	6,437,392	(49,608)	-1%	6,609,000	122,000	2%
Total Property Tax	21,130,000	21,209,112	79,112	0%	21,777,000	647,000	3%
Franchise Fees							
Waste	279,000	277,000	(2,000)	-1%	292,000	13,000	5%
Power	621,000	667,600	46,600	8%	668,000	47,000	8%
Gas	100,000	110,000	10,000	10%	110,000	10,000	10%
Rubbish	420,000	490,000	70,000	17%	500,000	80,000	19%
PCTV	478,000	525,000	47,000	10%	525,000	47,000	10%
Total Franchise Fees	1,898,000	2,069,600	171,600	9%	2,095,000	197,000	10%
Sales Tax							
Public Safety Sales Tax (Prop 172)	410,000	421,000	11,000	3%	421,000	11,000	3%
Sales & Use Tax	10,988,000	12,800,000	1,812,000	16%	13,180,000	2,192,000	20%
Sales Transaction Tax (Measure HH)	11,153,000	13,000,000	1,847,000	17%	13,380,000	2,227,000	20%
Total Sales Tax	22,551,000	26,221,000	3,670,000	16%	26,981,000	4,430,000	20%
Other Revenues							
Transient Occupancy Tax	937,000	937,000	-	0%	1,060,000	123,000	13%
Interest Income	520,000	520,000	-	0%	445,000	(75,000)	-14%
Interest Income - 115 Pension Trust	345,000	345,000	-	0%	515,000	170,000	49%
Interest Income (Water Fund Loan)	-	-	-	0%	-	-	0%
County Net Import Revenue (Landfill)	134,000	163,695	29,695	22%	164,000	30,000	22%
Building Rents	698,000	605,000	(93,000)	-13%	698,000	-	0%
Bench Ads	132,000	33,587	(98,413)	-75%	34,000	(98,000)	-74%
Administrative Citations	1,000	-	(1,000)	-100%	1,000	-	0%
Sale of Surplus Property	1,000	-	(1,000)	-100%	1,000	-	0%
Damage to City Property	25,000	133,280	108,280	433%	25,000	-	0%
Donations	-	-	-	0%	-	-	0%
Water Fund - Contribution In Lieu	1,835,061	1,830,098	(4,963)	0%	1,796,857	(38,204)	-2%
Miscellaneous Income	22,000	3,220,000	3,198,000	14536%	325,000	303,000	1377%
Federal Tax Credit (CREBS)	81,073	76,678	(4,395)	-5%	73,000	(8,073)	-10%
Vehicle Code Fines	180,000	168,000	(12,000)	-7%	180,000	-	0%
Total Other Revenue	4,911,134	8,032,338	3,121,204	64%	5,317,857	406,723	8%
Transfer In							
Gas Tax Fund	396,243	391,065	(5,178)	-1%	422,000	25,757	7%
Senior Transportation Transfer	77,000	19,831	(57,169)	-74%	78,449	1,449	2%
Other Funds	-	-	-	N/A	-	-	N/A

GENERAL FUND OPERATING REVENUE DETAIL

Revenue By Category	2020-21				2021-22		
	Budget	Estimate	+/- Budget	%	Budget	+/- Prior Year	%
Sewer Fund	54,356	54,356	-	0%	63,477	9,121	17%
Total Transfer In	527,599	465,252	(62,347)	-12%	563,926	36,327	7%
Other							
OCTA Reimbursement	1,490,000	580,840	(909,160)	-61%	-	(1,490,000)	-100%
Total Other	1,490,000	580,840	(909,160)	-61%	-	(1,490,000)	-100%
Total General Revenue:	52,507,733	58,578,142	6,070,409	12%	56,734,783	4,227,050	8%

Functional Revenue

Business License

Business License Tax	360,000	380,512	20,512	6%	385,000	25,000	7%
Permits/Fees	9,000	16,542	7,542	84%	15,000	6,000	67%
Penalties	16,000	16,265	265	2%	16,000	-	0%
Applications	-	256	256	N/A	-	-	N/A
Total Business License	385,000	413,575	28,575	7%	416,000	31,000	8%

Planning & Building

Zoning/Permits/V. Fees	252,375	437,750	185,375	73%	382,955	130,580	52%
Permits	688,000	688,000	-	0%	708,000	20,000	3%
Dev. Review/Plan Check/Insp.	249,650	329,650	80,000	32%	269,650	20,000	8%
Total Planning & Building	1,190,025	1,455,400	265,375	22%	1,360,605	170,580	14%

Police

P.O.S.T.	8,000	5,000	(3,000)	-38%	5,000	(3,000)	-38%
Recovery of Expense	4,000	1,500	(2,500)	-63%	2,000	(2,000)	-50%
City Code Fines	225,000	300,000	75,000	33%	300,000	75,000	33%
Tow Service	71,500	71,500	-	0%	81,500	10,000	14%
License/Permits & Penalties	86,000	80,000	(6,000)	-7%	83,000	(3,000)	-3%
Service & Other Fees	9,450	3,500	(5,950)	-63%	5,000	(4,450)	-47%
Police Auctions	1,000	300	(700)	-70%	1,000	-	0%
DEA TFO Reimbursement	11,000	11,000	-	0%	11,000	-	0%
Impounded Vehicle Records Fee	34,250	30,000	(4,250)	-12%	34,250	-	0%
Report Sales	18,000	10,000	(8,000)	-44%	18,000	-	0%
Total Police	468,200	512,800	44,600	10%	540,750	72,550	15%

Engineering

Permits	210,000	307,000	97,000	46%	210,000	-	0%
Engineering Fees	97,500	160,662	63,162	65%	96,540	(960)	-1%
Improvement Inspection Fee	10,000	200,000	190,000	1900%	10,000	-	0%
Landscape Inspection Fee	5,000	16,450	11,450	229%	5,000	-	0%
Total Engineering	322,500	684,112	361,612	112%	321,540	(960)	0%

Field Services

Median Fees	1,500	2,620	1,120	75%	1,500	-	0%
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GENERAL FUND OPERATING REVENUE DETAIL

Revenue By Category	2020-21				2021-22		
	Budget	Estimate	+/- Budget	%	Budget	+/- Prior Year	%
Tree Removal Fees	10,000	15,000	5,000	50%	13,500	3,500	35%
Storm Water Prevention Fee	124,500	122,744	(1,756)	-1%	122,000	(2,500)	-2%
Total Field Services	136,000	140,364	4,364	3%	137,000	1,000	1%
Fire							
Other Fire Services	19,000	19,000	-	0%	19,000	-	0%
False Alarm & Report Fees	7,500	2,500	(5,000)	-67%	7,500	-	0%
Emergency Response Fees	36,000	478,000	442,000	1228%	36,000	-	0%
Paramedic Subscription Fee	130,000	115,000	(15,000)	-12%	130,000	-	0%
Paramedic Non-Member	245,000	87,000	(158,000)	-64%	-	(245,000)	-100%
Paramedic Impact	203,000	203,000	-	0%	203,000	-	0%
Medical Supply Reimbursement	60,000	25,000	(35,000)	-58%	-	(60,000)	-100%
Paramedic Response Fee	200,000	47,000	(153,000)	-77%	-	(200,000)	-100%
ALS Fees	230,000	57,000	(173,000)	-75%	-	(230,000)	-100%
EMS Revenue	-	962,999	962,999	N/A	2,435,997	2,435,997	N/A
QAF Revenue	-	54,450	54,450	N/A	132,000	132,000	N/A
Fire Inspection / Plan Check Fee	190,000	125,000	(65,000)	-34%	190,000	-	0%
Fire Permit to Operate	105,000	105,000	-	0%	105,000	-	0%
Hazardous Materials Fee	58,000	58,000	-	0%	58,000	-	0%
Total Fire	1,483,500	2,338,949	855,449	58%	3,316,497	1,832,997	124%
Community Services							
Athletic Fees	90,000	10,000	(80,000)	-89%	75,000	(15,000)	-17%
Field Rentals	215,000	33,160	(181,840)	-85%	155,000	(60,000)	-28%
Other Concessions	15,000	-	(15,000)	-100%	9,000	(6,000)	-40%
Donations Summerfest	60,000	-	(60,000)	-100%	60,000	-	0%
Donations Campout	1,000	875	(125)	-13%	-	(1,000)	-100%
Residual Receipts	10,000	-	(10,000)	-100%	10,000	-	0%
FV Community Foundation	15,000	-	(15,000)	-100%	15,000	-	0%
Aquatics	-	-	-	N/A	-	-	N/A
Mile Square Rec. Room Rentals	50,000	390	(49,610)	-99%	38,000	(12,000)	-24%
Community Center Rents	60,000	-	(60,000)	-100%	30,000	(30,000)	-50%
Drop In Senior Center/Recreation	2,000	-	(2,000)	-100%	1,000	(1,000)	-50%
Newsletter Senior	11,500	2,500	(9,000)	-78%	8,500	(3,000)	-26%
Donations Center Operations	67,000	7,500	(59,500)	-89%	67,000	-	0%
Contract Classes	243,000	36,125	(206,875)	-85%	103,000	(140,000)	-58%
Special Events	15,000	19,831	4,831	32%	50,250	35,250	235%
Senior Transportation Contrib.	71,669	28,334	(43,335)	-60%	49,000	(22,669)	-32%
Total Community Services	926,169	138,715	(787,454)	-85%	670,750	(255,419)	-28%
Total Functional Revenues	4,911,394	5,683,915	772,521	16%	6,763,142	1,851,748	38%
Total General Fund Revenues	57,419,127	64,262,057	6,842,930	12%	63,497,925	6,078,798	11%

GENERAL FUND OPERATING EXPENDITURES

Department	Personnel Expense	Internal Service Allocation	Operating Expense	Total
Administration				
City Council	80,943	36,000	12,600	129,543
City Manager	206,148	52,747	467,430	726,325
Administrative Services	293,724	40,793	112,000	446,517
Total Administration	580,815	129,540	592,030	1,302,385
City Clerk				
Records Management	136,495	52,874	14,500	203,869
Elections	-	7,365	-	7,365
Total City Clerk	136,495	60,239	14,500	211,234
Finance				
Financial Plan/Control	722,609	212,085	356,200	1,290,894
Business License	24,022	7,379	79,600	111,001
Total Finance	746,631	219,464	435,800	1,401,895
Human Resources				
Employee Relations	597,534	54,265	231,400	883,199
Total Human Resources	597,534	54,265	231,400	883,199
Planning/Building				
Planning	473,324	96,064	291,563	860,951
Building	680,253	46,667	91,875	818,795
Total Planning/Building	1,153,577	142,731	383,438	1,679,746
Public Works				
Engineering	339,098	186,868	67,658	593,624
Traffic Engineering	227,697	82,591	4,495	314,783
Construction Inspection	121,009	57,831	380	179,220
Street Lighting	14,696	8,598	430,000	453,294
Total Public Works	702,500	335,888	502,533	1,540,921
Field Services				
Right of Way	144,582	86,396	457,010	687,988
Tree Maintenance	91,481	78,781	349,530	519,792
Park Maintenance	168,156	89,328	636,902	894,386
Concrete Maintenance	348,735	146,088	26,600	521,423
Pavement Maintenance	358,096	152,499	90,300	600,895
Storm Drain Maintenance	429,834	56,078	98,600	584,512
Traffic Control Maintenance	182,578	135,000	272,300	589,878
Street Sweeping	18,825	12,816	383,285	414,926
Recreation Center	171,192	233,178	617,555	1,021,925
Graffiti Removal	111,660	81,429	10,200	203,289
Total Field Services	2,025,139	1,071,593	2,942,282	6,039,014
Fire				
Fire Suppression	5,113,648	698,868	720,219	6,532,735
Paramedics	3,165,806	277,416	24,420	3,467,642
Fire Prevention	673,122	64,849	60,700	798,671
Fire Reserves	33,868	574	9,485	43,927

GENERAL FUND OPERATING EXPENDITURES

Department	Personnel Expense	Internal Service Allocation	Operating Expense	Total
Disaster Prep	123,431	22,092	9,710	155,233
Hazardous Materials	118,361	16,229	9,135	143,725
F.I.R.S.T.	17,457	4,937	3,540	25,934
Ambulance	44,842	1,725,088	-	1,769,930
Total Fire	9,290,535	2,810,053	837,209	12,937,797
Police				
Patrol	7,936,888	1,231,232	224,110	9,392,230
S.W.A.T.	96,635	16,375	11,000	124,010
Canine	351,738	81,014	19,620	452,372
Traffic	722,877	177,637	270,150	1,170,664
Investigation	2,946,896	433,383	113,635	3,493,914
Communications	1,149,759	109,975	23,500	1,283,234
Records Management	532,471	280,192	20,000	832,663
Range	7,215	3,527	48,018	58,760
Crime Prevention	145,042	21,674	15,530	182,246
Total Police	13,889,521	2,355,009	745,563	16,990,093
Community Services				
Athletics	174,988	199,087	89,155	463,230
Field Operations	165,695	99,632	16,630	281,957
Annual Festivals	33,450	-	50,000	83,450
Aquatics	-	-	-	-
Park Patrol	87,159	29,820	2,500	119,479
Recreation Center	217,671	240,019	19,465	477,155
Community & Senior Center	376,309	236,440	96,640	709,389
Contract Classes	169,124	101,841	49,040	320,005
Special Events	135,998	109,429	50,250	295,677
Senior Transportation	24,949	-	102,500	127,449
Total Community Services	1,385,343	1,016,268	476,180	2,877,791
Non Departmental				
Non Departmental	-	-	1,182,000	1,182,000
Total Non Departmental	-	-	1,182,000	1,182,000
Grand Total	30,508,090	8,195,050	8,342,935	47,046,075

GENERAL FUND & INTERNAL SERVICE FUND BALANCE SUMMARY

	General Fund		Information Services		Government Buildings		Fleet Management	
	2020-21 Estimate	2021-22 Budget	2020-21 Estimate	2021-22 Budget	2020-21 Estimate	2021-22 Budget	2020-21 Estimate	2021-22 Budget
Beginning Fund Balance	46,879,152	53,315,170	1,673,750	1,833,370	2,758,458	2,400,084	3,922,994	3,013,231
Revenues								
Operating Revenue	63,215,965	62,933,999						
Charges to Departments (ISF)	-	-	1,587,993	1,691,423	1,697,419	2,094,090	2,191,418	1,831,331
Grants/Other	1,943,502	-					55,056	25,000
OCTA Reimbursement	924,000	976,265						
Donations	-	-						
Developer Impact Payments		780,000						
Transfers In	465,252	563,926		-				-
Total Revenues	66,548,719	65,254,190	1,587,993	1,691,423	1,697,419	2,094,090	2,246,474	1,856,331
Expenditures								
Operating	43,677,906	47,046,077	1,257,373	1,370,689	1,560,791	1,916,895	927,737	1,053,745
Capital (Inc. OCTA Reimbursable)	2,600,563	9,063,260	171,000	657,976	495,002	807,900	2,228,500	1,027,500
Operating/Grant (CA)	1,673,569	-						
CalPERS UAL Funding/OPEB Trust	2,000,000	3,000,000						
Debt Service	1,097,472	1,092,491						
Transfer Out - Emp. Benefit	8,409,191	9,152,622						
Transfer Out - Gas Tax/Other	654,000	817,000				-		
Sub Total Expenditures	60,112,701	70,171,450	1,428,373	2,028,665	2,055,793	2,724,795	3,156,237	2,081,245
Other								
ERP Project/Records Storage	-	-	-	710,000	-	-	-	-
Retrospective Payments								
Sub Total Other	-	-	-	710,000	-	-	-	-
Fire Apparatus Reserve	-	-	-	-	-	-	1,082,773	777,949
Ending Fund Balance	53,315,170	48,397,910	1,833,370	786,128	2,400,084	1,769,379	1,930,458	2,010,368
Desired Reserve			\$800,000		\$1,750,000		\$2,000,000	

GENERAL FUND & INTERNAL SERVICE FUND BALANCE SUMMARY

	Capital Equipment		Self Insurance		Employee Benefits		All Funds	
	2020-21 Estimate	2021-22 Budget	2020-21 Estimate	2021-22 Budget	2020-21 Estimate	2021-22 Budget	2020-21 Estimate	2021-22 Budget
Beginning Fund Balance	1,264,448	1,004,763	4,120,669	4,323,802	1,586,817	2,382,299	62,206,287	68,272,719
Revenues								
Operating Revenue							63,215,965	62,933,999
Charges to Departments (ISF)	231,299	161,243	2,828,771	2,559,288	20,092,049	10,676,366	28,628,949	19,013,741
Grants/Other			8,200		-		2,006,758	25,000
OCTA Reimbursement							924,000	976,265
Donations							-	-
Developer Impact Payments							-	780,000
Transfers In		-			-	9,963,750	465,252	10,527,676
Total Revenues	231,299	161,243	2,836,971	2,559,288	20,092,049	20,640,116	95,240,924	94,256,681
Expenditures								
Operating			2,633,838	2,558,688	19,296,567	20,820,117	69,354,212	74,766,211
Capital (Inc. OCTA Reimbursable)	490,984	415,244					5,986,049	11,971,880
Operating/Grant (CA)							1,673,569	-
CalPERS UAL Funding/OPEB Trust							2,000,000	3,000,000
Debt Service							1,097,472	1,092,491
Transfer Out - Emp. Benefit				-			8,409,191	9,152,622
Transfer Out - Gas Tax/Other		-					654,000	817,000
Sub Total Expenditures	490,984	415,244	2,633,838	2,558,688	19,296,567	20,820,117	89,174,493	100,800,204
Other								
ERP Project/Records Storage	-	-	-	-	-	-	-	710,000
Retrospective Payments								-
Sub Total Other	-	-	-	-	-	-	-	710,000
Fire Apparatus Reserve	-	-	-	-	-	-	1,082,773	777,949
Ending Fund Balance	1,004,763	750,762	4,323,802	4,324,402	2,382,299	2,202,299	67,189,946	60,241,247
Desired Reserve	\$800,000		\$3,000,000		\$2,000,000			

FUND TRANSFERS IN & OUT DETAIL

	Transfers In							Total
	Transfers Out	General Fund (11)	Gas Tax (23)	Traffic Improv. (24)	Drainage	ISF Benefits (66)		
<u>General Fund (11)</u>								
Gas Tax Fund	667,000		667,000					
IS - Employee Benefit Fund	9,152,622					9,152,622		
Drainage Fund	150,000				150,000			
Total General Fund	9,969,622	-	667,000	-	150,000	9,152,622		9,969,622
<u>Road Maintenance & Rehabilitation (22)</u>								
Traffic Improvement Fund	1,107,246			1,107,246				
Total Road Maintenance & Rehabilitation	1,107,246	-	-	1,107,246	-	-		1,107,246
<u>Gas Tax Fund (23)</u>								
General Fund	422,000	422,000						
Total Gas Tax Fund	422,000	422,000	-	-	-	-		422,000
<u>Measure M2 Fund (25)</u>								
General Fund	78,449	78,449						
Traffic Improvement Fund	2,189,545			2,189,545				
Total Measure M2 Fund	2,267,994	78,449	-	2,189,545	-	-		2,267,994
<u>Sewer Assessment Fund (32)</u>								
General Fund	63,477	63,477						
Gas Tax Fund	40,000		40,000					
Traffic Improvement	30,000			30,000				
IS - Employee Benefit Fund	139,030					139,030		
Total Sewer Assessment Fund	272,507	63,477	40,000	30,000	-	139,030		272,507
<u>Water Utility Fund (71)</u>								
Gas Tax Fund	50,000		50,000					
Traffic Improvement	25,000			25,000				
IS - Employee Benefit Fund	672,098					672,098		
Total Water Utility Fund	747,098	-	50,000	25,000	-	672,098		747,098
Total All Funds	14,786,467	563,926	757,000	3,351,791	150,000	9,963,750		14,786,467

ESTIMATED CONTINUING APPROPRIATIONS

Fund		FY 2020-2021	FY 2020-2021	FY 2021-2022
Account No.	Account Description	Budget	Estimated Actual (Rev)/Exp.	Estimated Cont. Approp.
11	General Fund			
11.4.GF335.3.4413	General Plan Update	1,184,058	163,608	1,020,450
11.4.GF336.3.4413	General Plan Update - SB2 Planning Grant	160,000	85,000	75,000
11.3.GF336.2.3421	State Grant - SB2	(160,000)	(85,000)	(75,000)
11.4.GF336.3.4413	General Plan Update - LEAP Grant	150,000	45,000	105,000
11.3.GF338.2.3421	State Grant - LEAP	(150,000)	(45,000)	(105,000)
11.4.GF341.4.4929	Recreation Center Interior Remodel	1,100,000	440,000	660,000
11.4.GF794.4.4929	Police Locker Room/Shower Remodel	26,545	-	26,545
11.3.GF915.0.3413	I-405 Improvement	(1,526,265)	(550,000)	(976,265)
11.4.GF915.3.4413	I-405 Improvement	1,526,265	550,000	976,265
Total General Fund		2,310,603	603,608	1,706,995
15	Criminal Diversion			
15.3.71785.2.3422	Federal Grant - 20/21 OTS Step	(53,000)	(5,300)	(47,700)
15.4.71785.1.4323	Overtime - Sworn	40,300	5,300	35,000
15.4.71785.3.4463	Educational Meeting	2,910	-	2,910
15.4.71785.5.4849	Misc. Equipment	9,790	-	9,790
Total Criminal Diversion Fund		-	-	-
32	Sewer Utility			
32.3.SF935.0.3413	OCTA Utilities Relocation Agreement	(23,195)	-	(23,195)
32.4.SF935.1.4311	I-405 Utilities Facilities Relocation	23,195	-	23,195
Total Sewer Fund		-	-	-
61	Information Processing ISF			
61.4.DP027.4.4979	ERP System Replacement	885,000	175,000	710,000
Total Information Processing ISF		885,000	175,000	710,000
63	Fleet ISF			
63.9.51287.4.4963	Peterbuilt, 15ft Dump Truck	197,478	-	197,478
63.9.59021.4.4952	Peterbuilt, 10ft Dump Truck	132,474	-	132,474
63.9.61394.4.4954	Pierce Engine	1,574,131	-	1,574,131
Total Fleet ISF		1,904,083	-	1,904,083
71	Water Utility			
71.4.WU846.4.4942	Reservoirs - Res No. 2	2,114,040	2,114,040	-
71.4.WU716.4.4413	Hydrogeological/Well Rehabilitation Consulta	150,000	50,000	100,000
71.4.WU715.4.4943	OCTA Bridge Pipeline	750,000	400,000	350,000
71.3.WU9xx.0.3413	OCTA Utilities Relocation Agreement	(358,682)	(68,000)	(290,682)
71.4.WU9xx.1.4311	I-405 Utilities Facilities Relocation	358,682	68,000	290,682
Total Water Fund		3,014,040	2,564,040	450,000
Total All Funds		8,113,726	3,342,648	4,771,078
Total All Funds (Adjusted)		8,113,726	3,342,648	2,771,078

ESTIMATED FUND BALANCE

Fund No.	Fund Description	Estimated Fund Balance 7/1/2021	Estimated Continuing Approp.	Projected Revenue 2021-22	Total Available	Transfer In	Transfer Out	Adopted Approp. 2021-22	Estimated Fund Balance 6/30/2022
11	General Fund	53,315,170	1,706,995	64,690,264	116,298,439	563,926	9,969,622	58,494,832.98	48,397,910
Total General Fund		53,315,170	1,706,995	64,690,264	116,298,439	563,926	9,969,622	58,494,833	48,397,910
15	Criminal Diversion	397,459	-	7,100	404,559			32,000	372,559
16	COPS/Supplemental Law	164,738		153,000	317,738			121,947	195,791
22	Road Maintenance & Rehabilitation	79,659		1,108,246	1,187,905		1,107,246	-	80,659
23	Gas Tax/Street Imp	1,881,594		1,695,467	3,577,061	757,000	422,000	2,711,000	1,201,061
24	Traffic Improvement	1,112,350		1,703,209	2,815,559	3,351,791		5,055,000	1,112,350
25	Measure M2	2,078,940		1,174,855	3,253,795		2,267,994	-	985,801
26	Pollution Reduction	503,385		79,000	582,385			2,140	580,245
31	Drainage Fund	18,452		1,000	19,452	150,000		160,000	9,452
34	Abandoned Vehicle Abatement	15,127			15,127			10,909	4,218
85	Housing Authority	18,443,306		216,500	18,659,806			381,047	18,278,759
86	Home Grant	327,000			327,000				327,000
87	Community Dev/HUD	200,265		504,109	704,374			504,109	200,265
Total Special Revenue Funds		25,222,275	-	6,642,486	31,864,761	4,258,791	3,797,240	8,978,152	23,348,160
32	Sewer Assessment	6,129,154		2,497,595	8,626,749		272,507	3,474,238	4,880,004
71	Water Utility (Cash Balance)	12,843,365	450,000	20,070,179	32,463,544		747,098	17,465,579	14,250,867
73	Solid Waste	1,027,021		4,209,000	5,236,021			4,242,000	994,021
Total Enterprise Funds		19,999,540	450,000	26,776,774	46,326,314	-	1,019,605	25,181,817	20,124,892
84/91/92	Successor Agency	501,419		-	501,419			120,000	381,419
Total Successor Agency		501,419	-	-	501,419	-	-	120,000	381,419
Subtotal		99,038,404	2,156,995	98,109,524	194,990,933	4,822,717	14,786,467	92,774,802	92,252,381
61	Information Technology	1,833,370	710,000	1,691,423	2,814,793			2,028,665	786,128
62	Government Buildings	2,400,084		2,094,090	4,494,174			2,724,795	1,769,379
63	Fleet Services	4,917,314	1,904,083	1,856,331	4,869,562			2,081,245	2,788,317
64	Capital Equipment	1,004,763		161,243	1,166,006			415,244	750,762
65	Self Insurance	4,323,802		2,559,288	6,883,090			2,558,688	4,324,402
66	Employee Benefits	2,382,299		10,676,366	13,058,665	9,963,750		20,820,117	2,202,298
Total Internal Service Funds		16,861,632	2,614,083	19,038,741	33,286,290	9,963,750	-	30,628,754	12,621,285
98	OPEB Trust Fund	13,630,954		627,024	14,257,978			-	14,257,978
Total Fiduciary Funds		13,630,954	-	627,024	14,257,978	-	-	-	14,257,978
46	F.V.P.F.A Capital Projects	-		-	-			-	-
47	F.V.P.F.A Debt Service *	59		1,092,492	1,092,551			1,092,492	59
Total Others		59	-	1,092,492	1,092,551	-	-	1,092,492	59
Total All Funds		129,531,049	4,771,078	118,867,780	243,627,751	14,786,467	14,786,467	124,496,048	119,131,703

GENERAL FUND BALANCE DESIGNATIONS (PROJECTED)

General Fund Balance Analysis 2021-2022

Estimated Beginning Fund Balance 7/1/21		53,315,170
Revenues		
Operating Revenues	62,933,999	
Miscellaneous Reimbursements/Grants	1,756,265	
Transfers-In	563,926	
Total Revenues		65,254,190
Expenditures		
Operating	47,046,077	
Debt Service	1,092,491	
Transfers Out	9,969,622	
CalPERS UAL - Additional Funding	3,000,000	
Capital (includes Continuing Appropriations)	9,063,260	
Total Expenditures		70,171,450
Budget Position		(4,917,261)
Fund Balance 6/30/22		48,397,910

GENERAL FUND OPERATING REVENUE & EXPENSE ANALYSIS

General Fund Operating Budget

Revenues

General Revenues	56,170,857	
Functional Revenues	6,763,142	
Transfers In	563,926	
Total Operating Revenues	63,497,925	63,497,925

Expenditures

Salaries & Benefits	30,508,090	
Internal Service Charges	6,469,962	
Maintenance & Operations	10,068,023	
Debt Service	1,092,491	
Transfers-Out	9,819,622	
Total Operating Expenditures	57,958,188	57,958,188

Operating Income/(Deficit) All Operating	5,539,737	5,539,737
---	------------------	------------------

2021/22 General Fund Capital Activity

Capital Reserves Analysis

Beg Balance 7/1/21	20,366,939
21/22 Capital Projects	(5,568,513)
21/22 Reserve Replenish	1,582,235
Ending Balance 6/30/22	16,380,661

GF Capital Reserve Funding

Police Locker Rooms	2,800,000
Fire Station #1 Remodel	1,000,000
Sports Park (All)	1,550,000
GPlan Update/Talbert Drain	176,164
City Hall Interior Remodel	42,349
Total	5,568,513

GENERAL FUND BALANCE DESIGNATIONS- DEFINITIONS

Restricted Fund Balance

This is the portion of fund balance that is subject to externally enforceable legal requirements or limitations.

Pension Trust	12,615,000	
Developer Mitigation Fees	2,060,041	
Park Impact Fees	0	
Other Restricted Amounts	401,208	
Total Restricted Fund Balance		15,076,249

Committed for Emergencies

15,001,000

This is the portion of fund balance that is committed for natural disasters or financial emergencies. A financial emergency is considered when annual General Fund operating revenues decrease by 5% or more or when annual General Fund operating expenditures increase by 5% or more. The reserve level equates to approximately 55.5% of total sales tax revenue for the fiscal period.

Assigned Fund Balance

This is the portion of fund balance that is intended to be used for specific purposes based on City Council designations.

Economic Development	1,440,000	
Capital Reserves	16,380,661	
Contingency Reserves	500,000	
Total Restricted Fund Balance		18,320,661
Total Projected Fund Balance at 6/30/22		48,397,910

Note:

Contingency Reserves includes amounts not otherwise restricted, committed or assigned and is intended to be used for expenses that surface after the end of the traditional budgeting process. Contingency reserves in excess of \$500,000 are assigned to General Fund Capital Reserves.

CITY OF FOUNTAIN VALLEY
 SCHEDULE OF MEASURE HH REVENUES AND EXPENDITURES
 Fiscal Year Ended June 30, 2022

Measure HH Revenues	\$ 13,380,000
Measure HH Expenditures:	
Reoccurring Expenses Incurred on Essential City Services	7,840,265
One-Time Expenses (Additional Pension Paydown)	3,000,000
Financial Stewardship: Reserves Set-Aside in 21-22	\$ 2,539,735

Measure HH provided necessary funding in Fiscal Year 2021/22 that was used for the following in accordance with the **Responsible Spending Pledge**:

Reoccurring Expenses Incurred on Essential City Services:	
Public Safety	
Maintain 911 Emergency Response Times & Keep Fire Station No. 2 open ¹	1,336,000
Police and Fire Pension Costs that are Legally Required to be Paid to CalPERS and Principal and Interest on the Safety Pension Obligation Bonds ²	1,900,000
Total Public Safety	3,236,000
Senior & Youth Programs	
Amount associated with the cost to keep the Recreation Center, Community Center & Senior Center open ³	1,307,265
Employee Retention	
Salary and benefit increases ⁴	2,922,000
Capital Improvements	
Includes \$375,000 for residential road rehabilitation	375,000
Total Reoccurring Expenses⁵	7,840,265

One-Time Expenses:	
Additional Payment to CalPERS towards unfunded pension liabilities	3,000,000

Reserves Set-Aside in 21-22:	
Pension Reserves	
2021-22 Contribution to Pension Trust Fund	-
Increase in Reserves	
	2,174,735
Capital Reserves - Transfer to Fleet Management Internal Service Fund	
Set-aside for Fire Apparatus	365,000
Total Reserves Set-Aside in 21-22	2,539,735

- ¹ - Without Measure HH, staff would have faced the challenge of closing Fire Station No. 2, which would have been a gradual process spanning multiple years. The total cost attributable to 14-full-time equivalents (FTEs) within various classifications assigned to Fire Station No. 2 is \$2,174,551. Approximately 61.4% of the staffing cost attributable to Fire Station No. 2 has been identified as being funded from Measure HH, which equates to \$1,336,000.
- ² - Historically, pensions were funded over a rolling 30 year period in accordance with CalPERS funding policy. In 2013 CalPERS approved a change to pension funding, which resulted in shorter amortizations and significant increases in amounts required to be paid to CalPERS beginning in Fiscal Year 2015-16. The City's annual pension expense was approximately \$5 million through Fiscal Year 2015-16, which included \$1,606,319 paid for police and fire pension costs for services rendered in prior years (excluding "normal cost" related to the accrual of benefits earned in the current year). In 2021-22, the projected expense for police and fire pension costs for services rendered in prior years is \$4,699,135, which includes principal and interest expense paid on Pension Obligation Bonds attributable to police and fire. Approximately 61.4% of the increase (\$3,092,816) in pension expense over the base year equates to \$1,900,000, which has been attributed to Measure HH.
- ³ - The Recreation and Community Services Department generally provides services that benefit the community as whole. Therefore, user fees and revenues generated by the Recreation and Community Services Department generally do not cover the full cost of programs. Therefore, the General Fund subsidizes the difference. The General Fund subsidy is estimated at approximately \$2,128,592 in Fiscal Year 2021-22. Approximately 61.4% of the General Fund subsidy has been identified as being funded from Measure HH, which equates to approximately \$1,307,265.
- ⁴ - Measure HH was approved by the community to allow for continuous operating and improvement of essential City services. In response to the community needs, the City Council approved negotiated adjustments to salaries and benefits for various classifications. The increase in salary and benefit costs amounted to \$4,756,788 in 2021-22, of which approximately 61.4% has been identified as being funded from Measure HH and equates to \$2,922,000.
- ⁵ - General Fund operating revenues are projected to be \$63,497,925 and operating expenditures are projected at \$57,958,190 (excluding Pension Trust contributions and additional payments to CalPERS). The net operating surplus is projected to be \$5,539,735. Without Measure HH, the General Fund would have had an operating deficit of \$7,840,265. Therefore, this amount has been identified as being funded from Measure HH, which has been used for reoccurring essential City services.

	Cumulative Measure HH Reserves Set-Aside	Reserves at 6/30/22*	Short-Term/ Long-Term Targeted Reserve	% Funded by Measure HH
OPEB Trust Reserves	1,892,540	14,257,978	\$10-30 Million	13%
Pension Trust Reserves	12,615,000	12,615,000	\$10-30 Million	100%
Emergency Reserves	4,903,421	15,001,000	\$14.2 Million	33%
Capital Reserves	15,376,201	16,380,661	\$10-15 Million	94%
Fire Apparatus Reserves	730,000	730,000	\$2 Million	100%
	35,517,162			

* Including Measure HH and non-HH reserves set-aside and related investment income.

DEBT SERVICE ADMINISTRATION

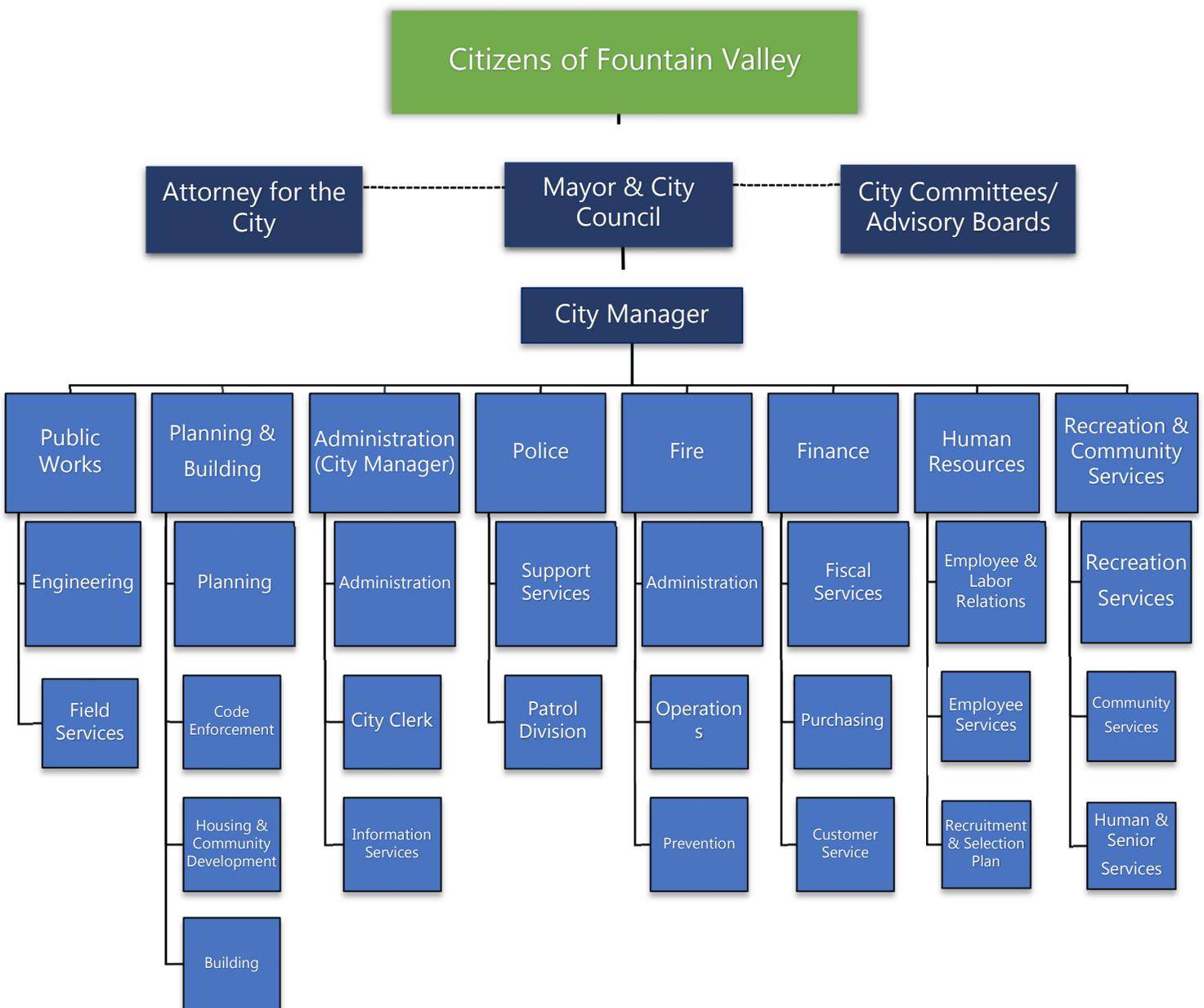
As of June 30th, 2021 The City of Fountain Valley and the Successor Agency had a combined total of \$37,873,871 of outstanding Long Term Debt. The debt covers Governmental Activities and Business-Type Activities, which includes Revenue Bonds, Pension Obligation Bonds, Certificates of Participation and Clean Renewable Energy Bonds. A schedule of each outstanding long-term debt, as of June 30th, 2021 is listed below.

Issuance Date	Type of Long Term Debt	Total Outstanding Debt as of 06/30/21
2014	Series 2014A Revenue Bonds - Water Enterprise Fund	10,555,000
2015	Series 2015A Taxable Pension Obligation Bonds	14,285,000
2016	Series 2016A Lease Revenue Bonds	10,640,000
2017	Clean Renewable Energy Bonds	2,393,871
Total Outstanding City Long Term Debt		\$37,873,871

Mission Statement

The City of Fountain Valley delivers cost-effective quality public services to provide a safe and desirable community that enriches its residents and businesses.

Organizational Chart



AUTHORIZED PERSONNEL LIST

FTE by Department/Division	FY18/19 Actual	FY19/20 Actual	FY20/21 Revised	FY21/22 Adopted
Administration	8.5	8.5	8.5	8.0
Finance	9.75	9.75	9.75	9.75
Fire Department	46.0	46.0	46.0	46.0
Human Resources	4.50	4.50	4.75	4.75
Planning & Building	8.0	8.0	8.0	13.0
Police Department	86.0	87.0	87.0	87.0
Public Works (All)	58.0	59.0	59.0	59.0
Recreation & Community Services	6.0	6.0	6.0	6.0
Total FTE by Department/Division	226.75	228.75	229.0	233.5

Administration

City Manager	1.0	1.0	1.0	1.0
Deputy City Manager	0.0	0.0	1.0	1.0
Assistant to the City Manager	1.0	1.0	0.0	0.0
Management Aide	0.5	0.5	0.5	1.0
Executive Assistant to CM	1.0	1.0	1.0	0.0
City Clerk Administrator	1.0	1.0	1.0	1.0
Information Systems Manager	1.0	1.0	1.0	1.0
Lead Information Systems Technician	0.0	0.0	1.0	1.0
Information Systems Technicians	3.0	3.0	2.0	2.0
Total Administration	8.5	8.5	8.5	8.0

Finance

Finance Director	1.0	1.0	1.0	1.0
Accounting Manager	1.0	1.0	1.0	1.0
Budget Analyst	1.0	1.0	1.0	1.0
Management Analyst	1.0	1.0	1.0	1.0
Accountant	0.75	0.75	0.75	0.75
Accounting Technician II/ CSR Lead	1.0	1.0	1.0	1.0
Accounting Technician II/ CSR	2.0	2.0	2.0	2.0
Accounting Technician I	1.0	1.0	1.0	1.0
Secretary	1.0	1.0	1.0	1.0
Total Finance	9.75	9.75	9.75	9.75

Fire

Fire Chief	1.0	1.0	1.0	1.0
Division Chief	0.0	0.0	0.0	1.0
Battalion Chief	3.0	3.0	3.0	2.0
Administrative Assistant	1.0	0.0	0.0	1.0
Fire Marshal/ Deputy Fire Marshal	1.0	1.0	1.0	1.0
Emergency Services Manager	1.0	1.0	1.0	1.0
Administrative Training Captain	1.0	1.0	1.0	1.0
Fire Captain	9.0	9.0	9.0	9.0
Fire Engineer	9.0	9.0	9.0	9.0

AUTHORIZED PERSONNEL LIST

FTE by Department/Division	FY18/19 Actual	FY19/20 Actual	FY20/21 Revised	FY21/22 Adopted
Firefighter/ Paramedic	18.0	18.0	18.0	18.0
Management Aide	1.0	2.0	2.0	1.0
Fire Prevention Analyst	1.0	1.0	1.0	1.0
Total Fire	46.0	46.0	46.0	46.0

Human Resources

Human Resources Director	1.0	1.0	1.0	1.0
Senior Human Resources Analyst	1.0	1.0	1.0	1.0
Human Resources Technician	0.00	0.00	0.75	0.75
Safety & HR Specialist	1.0	1.0	1.0	1.0
Department Secretary	1.0	1.0	0.0	0.0
Management Aide	0.5	0.5	1.0	1.0
Total Human Resources	4.50	4.50	4.75	4.75

Planning & Building

Planning & Building Manager	1.0	1.0	1.0	1.0
Planner	1.0	1.0	1.0	1.0
Administrative Assistant/ Secretary	1.0	1.0	1.0	1.0
Code Enforcement Officer	1.0	1.0	1.0	1.0
Housing Coordinator	1.0	1.0	1.0	1.0
Housing Analyst/ Technician	1.0	1.0	1.0	1.0
Assistant Planner	1.0	1.0	1.0	1.0
Senior Planner	1.0	1.0	1.0	1.0
Building Official	0.0	0.0	0.0	1.0
Building Inspector	0.0	0.0	0.0	2.0
Permit Technicians	0.0	0.0	0.0	2.0
Total Planning & Building	8.00	8.00	8.00	13.00

Police

Police Chief	1.0	1.0	1.0	1.0
Secretary	2.0	2.0	2.0	2.0
Crime Analyst	1.0	1.0	1.0	1.0
Captain	2.0	2.0	2.0	2.0
Lieutenant	3.0	3.0	3.0	3.0
Sergeant	10.0	10.0	10.0	10.0
Senior Police Officer	9.0	9.0	9.0	9.0
Police Officer	39.0	39.0	39.0	39.0
Laboratory	1.0	1.0	1.0	1.0
Support Services Manager	1.0	1.0	1.0	1.0
Support Services Supervisor	1.0	1.0	1.0	1.0
Police Records	3.5	3.5	3.5	3.5
Police Dispatch	8.5	9.5	9.5	9.5
Community Services Officer	4.0	4.0	4.0	4.0
Total Police	86.0	87.0	87.0	87.0

AUTHORIZED PERSONNEL LIST

FTE by Department/Division	FY18/19 Actual	FY19/20 Actual	FY20/21 Revised	FY21/22 Adopted
Public Works				
Director of Public Works	1.0	1.0	1.0	1.0
Administrative Assist./ Secretary	1.0	1.0	1.0	1.0
Deputy Director of PW/ City Engineer	1.0	1.0	1.0	1.0
Management Aide	0.0	1.0	1.0	1.0
Environmental Services Administrator	1.0	1.0	1.0	1.0
Engineering Associate	2.0	2.0	2.0	2.0
Engineering Techn III	2.0	2.0	2.0	2.0
Public Works Inspector	1.0	1.0	1.0	1.0
Field Services Manager	1.0	1.0	1.0	1.0
Administrative Specialist	1.0	1.0	1.0	1.0
Management Analyst	1.0	1.0	1.0	1.0
Internal Services Supervisor	1.0	1.0	1.0	1.0
Public Services Supervisor	1.0	1.0	1.0	1.0
Landscape Inspector	1.0	1.0	1.0	1.0
Foreman	4.0	4.0	4.0	4.0
Equipment Operator I & II	1.0	1.0	1.0	1.0
Irrigation Technician	2.0	2.0	2.0	2.0
Maintenance Worker II	11.0	11.0	11.0	11.0
Mechanic	3.0	3.0	3.0	3.0
Water Supervisor	2.0	2.0	2.0	2.0
Foreman	1.0	1.0	1.0	1.0
Water Quality Technician	1.0	1.0	1.0	1.0
Equipment Operator Non-Certified	1.0	1.0	1.0	1.0
Water Systems Operator	3.0	3.0	3.0	3.0
Maintenance Worker II	8.0	8.0	8.0	8.0
Maintenance Worker II Non-Certified	1.0	1.0	1.0	1.0
Sewer/ Storm Drain Supervisor	1.0	1.0	1.0	1.0
Equipment Operator- Storm Drains	1.0	1.0	1.0	1.0
Equipment Operator- Sewer	1.0	1.0	1.0	1.0
Maintenance Worker II- Sewers/ Storm	2.0	2.0	2.0	2.0
Total Public Works	58.0	59.0	59.0	59.0

Recreation & Community Services				
Community Services Director	1.0	1.0	1.0	1.0
Community Services Manager	2.0	2.0	2.0	2.0
Community Services Supervisor	1.0	1.0	1.0	1.0
Recreation Supervisor	0.0	0.0	0.0	1.0
Recreation Coordinator	2.0	2.0	2.0	1.0
Total Recreation & Community Services	6.0	6.0	6.0	6.0

Mission Statement

The mission of the City Manager’s Office is to support and enhance the high quality of living in Fountain Valley. This is accomplished through the implementation of City Council Policies, investing in appropriate level of cost effective services and exercising innovation while respecting the community’s traditional values of our business and residents.

Organizational Chart



The City of Fountain Valley's Administration Department is comprised of the legislative and administrative branches of City government. The City Council is elected at large by the citizens of Fountain Valley and functions as the legislative branch of the City by developing public policies, approving programs and allocating financial resources to meet the needs of the City.



The City Manager is the chief administrative officer of the City and is responsible for the day-to-day activities of all City departments. He interacts with the City Council on matters of policy and procedure, and responds to local issues concerning public safety, community service, transportation, economic development, and other issues that affect quality of life for the citizens of Fountain Valley.



The Administration Department also includes Economic Development, Information Services and the Office of the City Clerk. Economic Development is responsible for promoting local businesses, intergovernmental relations, and public information. Information Services manages all computer, telephone, website and video surveillance systems utilized by the City. The Office of the City Clerk serves as the primary custodian of records for the City, coordinates the agenda and public noticing of all public meetings, administers

the election process in accordance with statutory regulations and serves as the City's Risk Manager.

FY 2020/21 ACCOMPLISHMENTS

- ✓ Assisted with General Plan Update outreach and General Plan Advisory Committee.
- ✓ Distributed \$1,517,421 in CARES Act grants to 278 local small businesses negatively impacted by COVID-19.
- ✓ Partnered with 360 Clinic to offer COVID-19 tests at Fountain Valley Sports Park.
- ✓ Assisted with Fountain Valley Chamber of Commerce with Coupon Book to support and promote local businesses.
- ✓ Maintained ongoing communications related to COVID-19 pandemic and circulated up to date information to the community and businesses via newsletter, website, and social media platforms including Nextdoor.
- ✓ Reconfigured City facilities to better serve the public safely during COVID-19 pandemic.

- ✓ Assisted businesses with grants at local, state and federal levels with constant communications via email, telephone and website.
- ✓ Educated the community on coyotes do's and don'ts with increased coyote sightings with flyers and magazine ad in the Fountain Valley Living Magazine.
- ✓ Created and educated businesses on Temporary Use Permit, Temporary Public Park and Open Space User Permit, RV to be used as temporary shelter for emergency responders and waiving of Banner Permit.
- ✓ Eliminated the need for a conditional use permit for small format restaurants with 50 seats or less.
- ✓ Completed ribbon cutting for Bushard Bridge and Cordata Park Pump and Walnut Booster Station Project.
- ✓ Negotiated \$2.9 million dollar deal for Orange County Sanitation District Headquarters Building.
- ✓ Coordinated groundbreaking for the Related Housing Project (PRADO) for 50 units of low-income housing.
- ✓ Prepared 12 digital Fountain Valley Newsletters to keep the community informed on city programs, events, and up to date information on COVID-19 and vaccine allocation/distribution.
- ✓ Processed 26 Claims Against the City and completed over 130 Public Records Requests.
- ✓ Successfully installed and trained all Staff on the new Hyland Agenda Software.
- ✓ Onboarded two new City Council members.
- ✓ Administered the 2020 election including filing all required candidate statements from City Council candidates.

FY 2021-22 Goals

Goals stated support the City's Strategic Plan goals to: Maintain the culture and environment of "A Nice Place to Live", Attract and Retain Revenue Producing Businesses, Attract and Retain Quality Staff and Achieve Fiscal Stability in Accordance with the 20-Year Financial Plan

- Continue to focus on transparent governance to build trust, gain new ideas, increase community engagement, understand community's needs better, empower citizens, showcase reform, attract citizens to government, boost economy, foster a local government with professionalism, and educate citizens.
- Continue to build on existing Strategic Plan to guide the organization to support community goals.
- Focus on social media to enhance community outreach and engagement as part of the City's strategic goals.
- Focus on economic development to promote small businesses, the approved Fountain Valley Crossings Specific Plan, under-utilized commercial centers and attract new restaurants and retailers.

- Continue to have ongoing dialogue with hotel developers for opportunity sites in the Fountain Valley Crossings Specific Plan and former Boomers site and Spec Services building.
- Continue to have discussions with property owners at Harbor Boulevard and Edinger Avenue to revitalize and attract new tenants.
- Successfully negotiate Memoranda of Understandings with all seven labor groups.
- Assist with the implementation of the citywide Enterprise Resource Program (ERP).
- Assist with General Plan Update Project.
- Evaluate the best use for City properties at City Hall, which is currently lease to the Boys and Girls Club of Huntington Valley.
- Continue to support OCTA 405 Freeways Projects.Support nonprofit organizations in the community.
- Continue to support businesses as they recover from the COVID-19 pandemic.
- Work closely with local legislators on proposed bills in Sacramento.

	FY 18/19 Actual	FY19/20 Actual	FY20/21 Estimated	FY21/22 Adopted	Percent Change
EXPENSES BY DEPARTMENT					
<i>ALL Funds</i>					
Salaries & Benefits	\$ 1,072,376	\$ 1,035,077	\$ 897,883	\$ 1,145,381	28%
Internal Service Charges	\$ 210,812	\$ 191,820	\$ 181,113	\$ 189,779	5%
Operating Expense	\$ 1,180,366	\$ 1,096,414	\$ 1,170,950	\$ 1,306,720	12%
Total Expenses by Department	\$ 2,463,554	\$ 2,323,311	\$ 2,249,946	\$ 2,641,880	17%

EXPENSES BY DIVISION*General Fund***City Council**

Salaries & Benefits	\$ 68,778	\$ 71,916	\$ 72,569	\$ 80,943	12%
Internal Service Charges	\$ 39,725	\$ 39,926	\$ 34,543	\$ 36,000	4%
Operating Expense	\$ 24,634	\$ 9,091	\$ 7,500	\$ 12,600	68%
Total City Council	\$ 133,137	\$ 120,933	\$ 114,612	\$ 129,543	13%

City Manager

Salaries & Benefits	\$ 200,288	\$ 185,755	\$ 163,734	\$ 206,148	26%
Internal Service Charges	\$ 65,992	\$ 52,512	\$ 50,586	\$ 52,747	4%
Operating Expense	\$ 469,560	\$ 418,141	\$ 445,000	\$ 467,430	5%
Total City Manager	\$ 735,840	\$ 656,408	\$ 659,320	\$ 726,325	10%

Administrative Services

Salaries & Benefits	\$ 269,089	\$ 256,310	\$ 220,266	\$ 293,724	33%
Internal Service Charges	\$ 46,384	\$ 39,861	\$ 38,282	\$ 40,793	7%
Operating Expense	\$ 87,257	\$ 36,009	\$ 46,900	\$ 112,000	139%
Total Administrative Services	\$ 402,730	\$ 332,180	\$ 305,448	\$ 446,517	46%

Records Management

Salaries & Benefits	\$ 100,340	\$ 113,537	\$ 110,854	\$ 136,495	23%
Internal Service Charges	\$ 51,003	\$ 52,709	\$ 50,882	\$ 52,874	4%
Operating Expense	\$ 17,181	\$ 6,569	\$ 11,050	\$ 14,500	31%
Total Records Management	\$ 168,524	\$ 172,815	\$ 172,786	\$ 203,869	18%

Elections

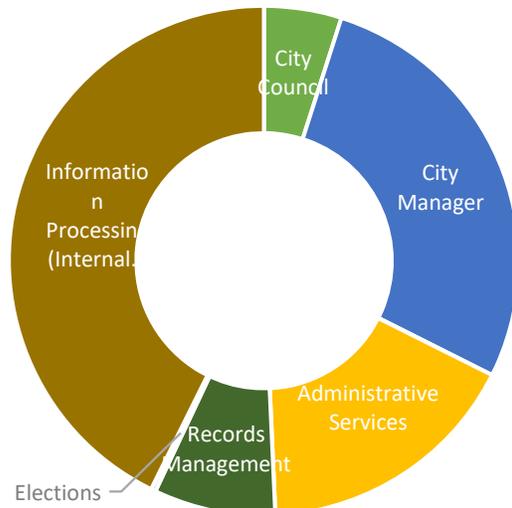
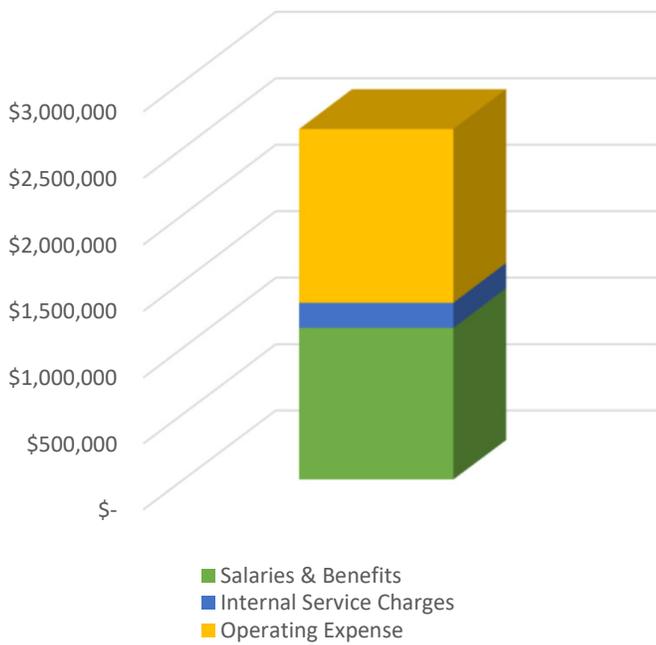
Salaries & Benefits	\$ 748	\$ 873	\$ 11,136	\$ -	-100%
Internal Service Charges	\$ 7,708	\$ 6,812	\$ 6,820	\$ 7,365	8%
Operating Expense	\$ 36,334	\$ -	\$ 35,000	\$ -	-100%
Total Elections	\$ 44,790	\$ 7,685	\$ 52,956	\$ 7,365	-86%

Total General Fund	\$ 1,485,021	\$ 1,290,021	\$ 1,305,122	\$ 1,513,619	16%
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EXPENSES BY DIVISION*All Other Funds***Information Processing (Internal Service)**

Salaries & Benefits	\$ 433,133	\$ 406,686	\$ 319,324	\$ 428,071	34%
Internal Service Charges	\$ -	\$ -	\$ -	\$ -	0%
Operating Expense	\$ 545,400	\$ 626,604	\$ 625,500	\$ 700,190	12%
Total Information Processing	\$ 978,533	\$ 1,033,290	\$ 944,824	\$ 1,128,261	19%

Total Other Funds	\$ 978,533	\$ 1,033,290	\$ 944,824	\$ 1,128,261	19%
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	FY 18/19 Actual	FY19/20 Actual	FY20/21 Adopted	FY21/22 Adopted	FTE Change
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STAFFING

City Manager	1.0	1.0	1.0	1.0	0.0
Deputy City Manager	0.0	0.0	0.0	1.0	1.0
Assistant to the City Manager	1.0	1.0	1.0	0.0	(1.0)
Management Aide	0.5	0.5	0.5	1.0	0.5
Executive Assist. to the City Manage	1.0	1.0	1.0	0.0	(1.0)
City Clerk Administrator	1.0	1.0	1.0	1.0	0.0
Information Systems Manager	1.0	1.0	1.0	1.0	0.0
Lead Information Systems Tech.	0.0	0.0	0.0	1.0	1.0
Information Systems Technician	3.0	3.0	3.0	2.0	(1.0)
Total FTE by Department	8.50	8.50	8.50	8.00	(0.5)

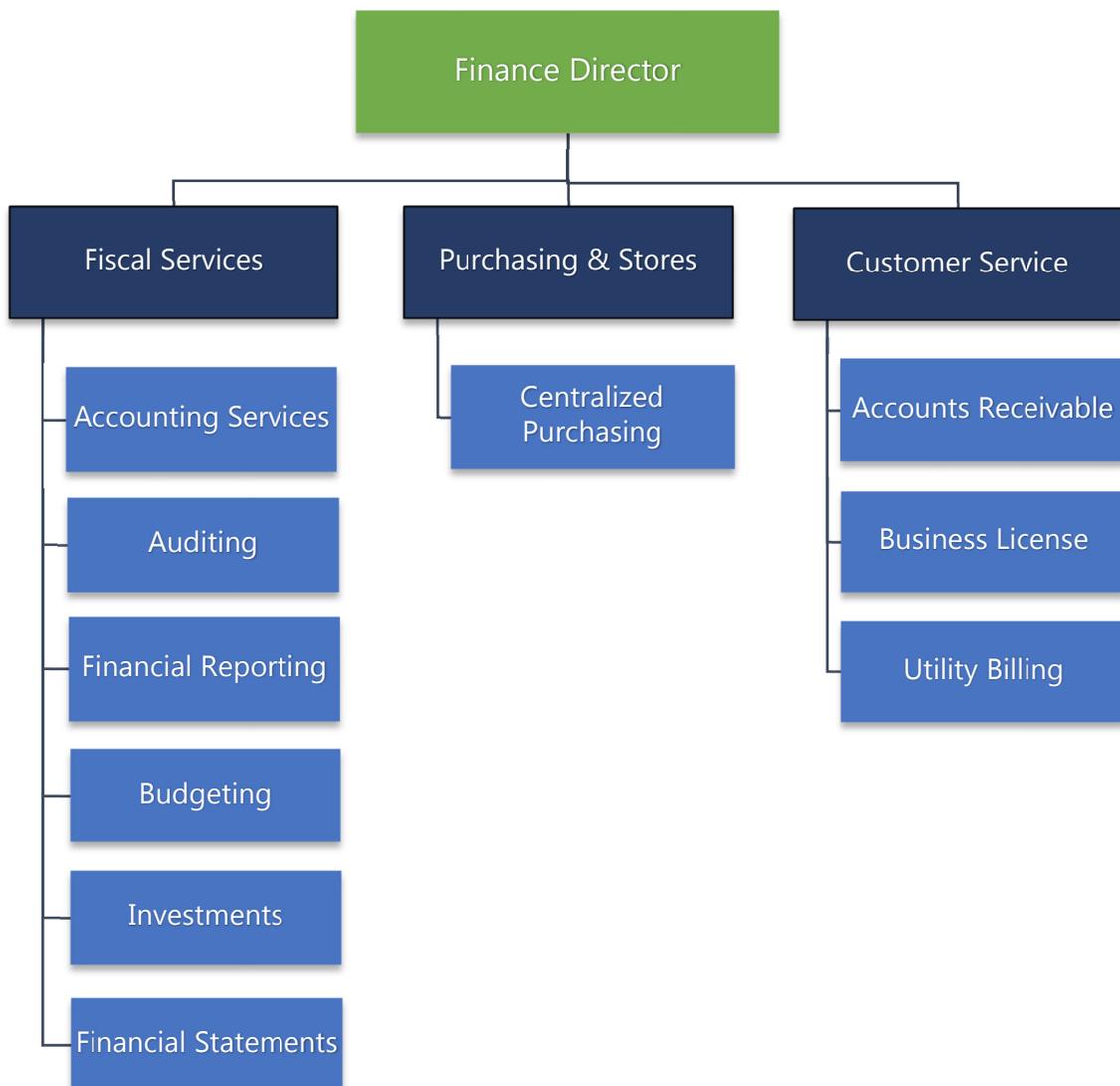
SIGNIFICANT CHANGES

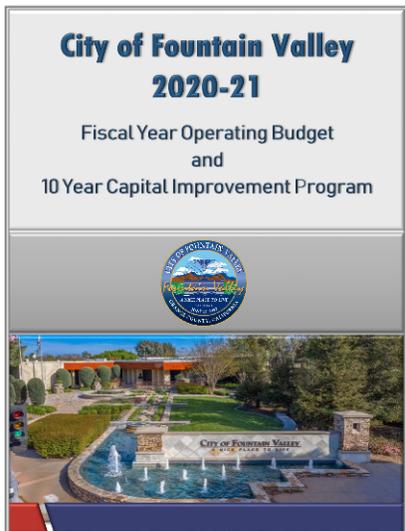
The City Council approved a minor reorganization in FY20/21 reclassifying the Assistant to the City Manager to Deputy City Manager, one Information Systems Technician to Lead Information Systems Technician, eliminating the Executive Assistant to the City Manager and incorporating those duties into a full-time Management Aide position. Fluctuations in the Elections budget are due to the cost to administer elections and do not occur in every fiscal year.

Mission Statement

The Finance Department is dedicated to sustaining financial strength & viability through fiscally sound financial management; ensuring the highest level of customer service while providing efficient, value added services that maximize the City's financial resources and public trust.

Organizational Chart





The Finance Department manages the fiscal operations of the City and maintains financial records in conformance with generally accepted accounting principles and in compliance with State and Federal laws. The Department's primary functions include maintaining effective systems for financial planning, revenue administration, accounting and reporting, cash management, long-term debt administration, purchasing, payroll, investing and utility billing.

The Department's Fiscal Services division is responsible for developing and managing the City's Annual Operating Budget, preparing the Comprehensive Annual Financial Report (CAFR) as well as citywide payroll functions.

Purchasing manages the formal bidding and procurement process for goods and services needed by all departments and manages the City's procurement card program.

The Customer Services division manages the accounts payable and receivable functions, oversees the business license process and is responsible for utility billing for all residential and commercial water accounts in the City.

FY 2020/21 ACCOMPLISHMENTS

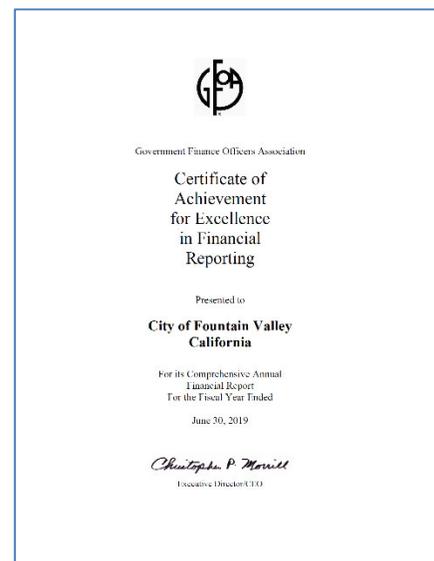
- ✓ Selected vendor for new Enterprise Resource Planning (ERP) System and began system implementation process.
- ✓ Supported the meet and confer process by providing financial cost information for all bargaining agreements.
- ✓ Managed budget and reporting requirements resulting from the COVID-19 pandemic and various allocations from the CARES Act.
- ✓ Earned the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY 2019/20 Comprehensive Annual Financial Report.
- ✓ Completed Development Impact Fee Study and implemented recommended changes to the citywide fee schedule.
- ✓ Provided staff support to Measure HH Oversight Committee.
- ✓ Managed the city's 20 Year Long Term Financial Plan.
- ✓ Implemented PlanetBids electronic bid management software and began the conversion to an electronic bidding process.

- ✓ Oversee and provide guidance to departments in the procurement of goods and services to ensure compliance with City Purchasing Policies and ensure competitive bidding.
- ✓ Managed procurement card program citywide.
- ✓ Processed approximately 103,000 bills for water, sewer and trash/ recycling services.
- ✓ Managed 3,011 business licenses citywide.

FY 2021/22 GOALS

All goals support the City's Strategic Plan Goal to "Achieve Fiscal Stability in Accordance with 20-Year Financial Plan".

- Develop a City budget document that would be eligible for the CSMFO and/or GFOA Budget Awards Program.
- Continue project management and ensure successful implementation of new ERP system.
- Implement a Pension Funding Policy that sets forth a comprehensive long-term fiscal strategy designed to mitigate against risk exposure and with the goal of paying off all pension debt by 2037, when Measure HH sunsets.
- Adhere to all reporting requirements and maximize the value of funding from the American Rescue Plan and/or any other stimulus programs providing aid to local government.
- Complete a Comprehensive Fee Study to review and update citywide fees as needed. Implement procurement module in new ERP system.
- Update Purchasing Policy to streamline processes, safeguard city resources and maximize competitive bidding and transparency.
- Assess opportunities for cost savings, revenue opportunities and/or efficiencies while considering the effects on customer services.



	FY 18/19 Actual	FY19/20 Actual	FY20/21 Adopted	FY21/22 Adopted	Percent Change
EXPENSES BY DEPARTMENT					
<i>All Funds</i>					
Salaries & Benefits	\$ 968,835	\$ 1,103,445	\$ 1,172,085	\$ 1,244,779	6%
Internal Service Charges	\$ 226,164	\$ 223,127	\$ 217,417	\$ 235,529	8%
Operating Expense	\$ 579,488	\$ 579,675	\$ 646,861	\$ 702,085	9%
Total Expenses by Department	\$ 1,774,487	\$ 1,906,247	\$ 2,036,363	\$ 2,182,393	7%

EXPENSES BY DIVISION*General Fund***Financial Services**

Salaries & Benefits	\$ 583,885	\$ 640,611	\$ 682,983	\$ 722,609	6%
Internal Service Charges	\$ 208,860	\$ 205,228	\$ 198,947	\$ 212,085	7%
Operating Expense	\$ 315,447	\$ 303,933	\$ 317,000	\$ 356,200	12%
Total Financial Services	\$ 1,108,192	\$ 1,149,772	\$ 1,198,930	\$ 1,290,894	8%

Business License

Salaries & Benefits	\$ 13,768	\$ 18,057	\$ 17,677	\$ 24,022	36%
Internal Service Charges	\$ 3,693	\$ 3,894	\$ 3,970	\$ 7,379	86%
Operating Expense	\$ 74,747	\$ 70,790	\$ 75,676	\$ 79,600	5%
Total Business License	\$ 92,208	\$ 92,741	\$ 97,323	\$ 111,001	14%

Total General Fund	\$ 1,200,400	\$ 1,242,513	\$ 1,296,253	\$ 1,401,895	8%
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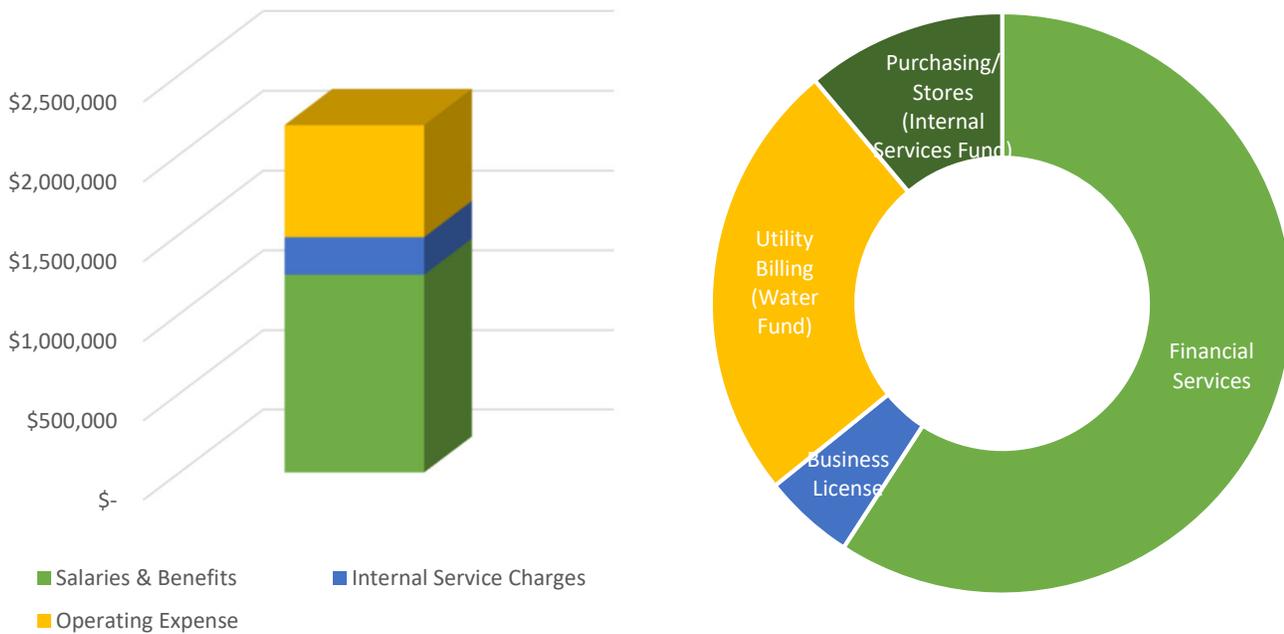
EXPENSES BY DIVISION*All Other Funds***Utility Billing (Water Fund)**

Salaries & Benefits	\$ 281,122	\$ 290,260	\$ 310,269	\$ 337,805	9%
Internal Service Charges	\$ 13,611	\$ 14,005	\$ 14,500	\$ 16,065	11%
Operating Expense	\$ 126,964	\$ 154,783	\$ 182,000	\$ 184,200	1%
Total Utility Billing	\$ 421,697	\$ 459,048	\$ 506,769	\$ 538,070	6%

Purchasing/ Stores (Internal Services Fund)

Salaries & Benefits	\$ 90,060	\$ 154,517	\$ 161,156	\$ 160,343	-1%
Internal Service Charges	\$ -	\$ -	\$ -	\$ -	0%
Operating Expense	\$ 62,330	\$ 50,169	\$ 72,185	\$ 82,085	14%
Total Purchasing/ Stores	\$ 152,390	\$ 204,686	\$ 233,341	\$ 242,428	4%

Total Other Funds	\$ 574,087	\$ 663,734	\$ 740,110	\$ 780,498	5%
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STAFFING

	FY 18/19 Actual	FY19/20 Actual	FY20/21 Adopted	FY21/22 Adopted	FTE Change
Finance Director	1.0	1.0	1.0	1.0	0.0
Accounting Manager	1.0	1.0	1.0	1.0	0.0
Budget Analyst	1.0	1.0	1.0	1.0	0.0
Management Analyst	1.0	1.0	1.0	1.0	0.0
Accountant	0.75	0.75	0.75	0.75	0.0
Accounting Technician II/ CSR Lead	1.0	1.0	1.0	1.0	0.0
Accounting Technician II/ CSR	2.0	2.0	2.0	2.0	0.0
Accounting Technician I	1.0	1.0	1.0	1.0	0.0
Secretary	1.0	1.0	1.0	1.0	0.0
Total FTE by Department	9.75	9.75	9.75	9.75	0.0

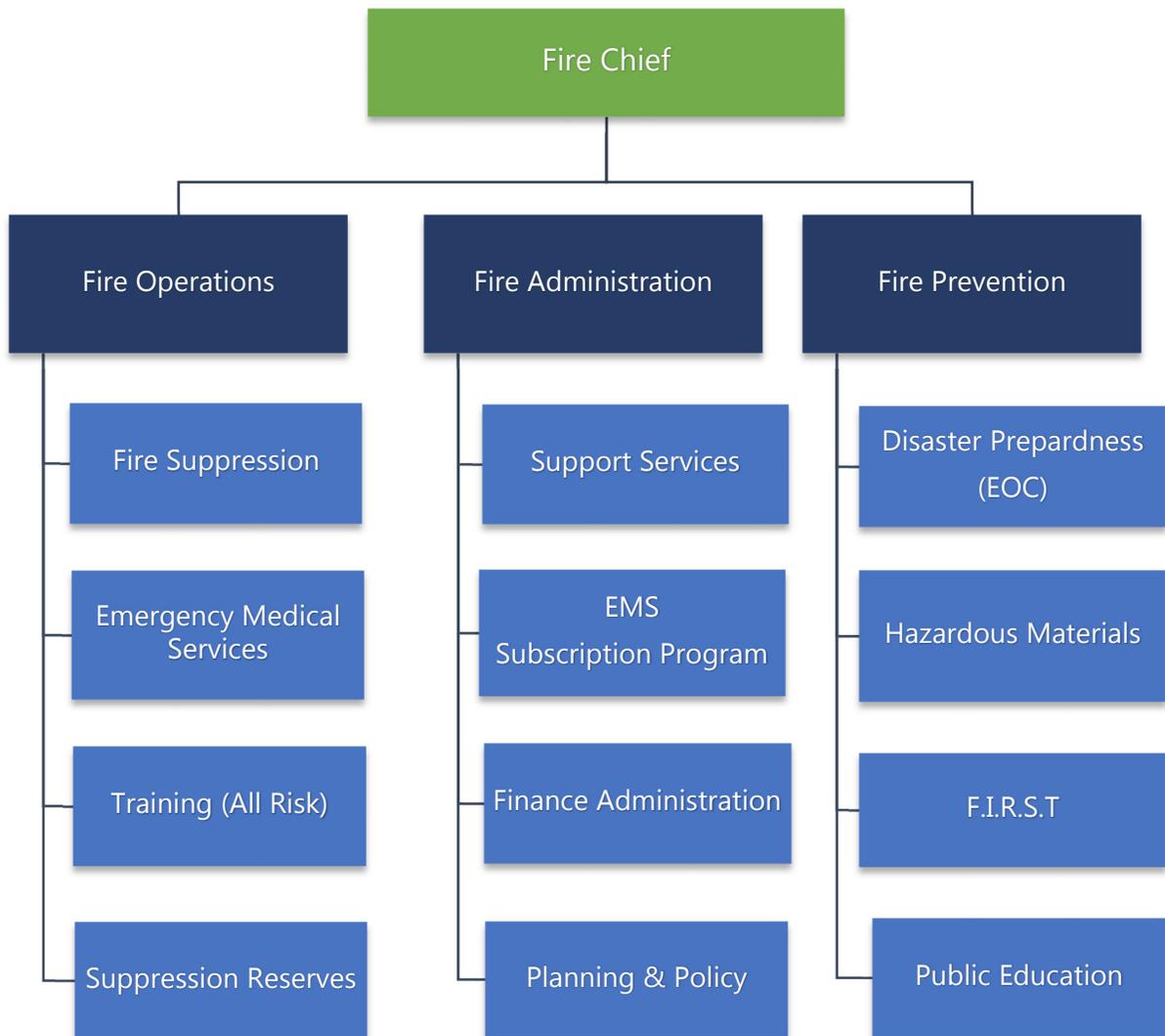
SIGNIFICANT CHANGES

Increases in Operating Expenses in Purchasing/ Stores is due to the implementation of the Planetbids purchasing software approved by the City Council in FY20/21. The software allows for a more seamless bidding process, enhanced competition amongst bidders and increased transparency.

Mission Statement

The Fountain Valley Fire Department is committed to providing the highest quality emergency response, fire prevention, education, and emergency medical services to the residents and visitors within the community.

Organizational Chart



The Fire Department provides outstanding service aimed to safeguard both the wellbeing and property of the citizens and visitors of Fountain Valley. The 46 full-time men and women and approximately 20 part-time and volunteer employees of the Fountain Valley Fire Department strive to deliver high quality emergency medical services, fire suppression, fire prevention, disaster preparedness and public safety education services. The fire department operates from two fire stations that collectively respond annually to over 7,000 emergency responses.

To maintain a constant state of readiness, the fire department staffs two advanced life support engine companies, one advanced life support ladder truck company, and one battalion commander 24 hours a day. These assets ensure that the fire department delivers fast and effective emergency response, as well as responsive and beneficial services to our customers in all non-emergency settings. Additionally, the department maintains automatic and mutual aid agreements with surrounding agencies, which provide both additional resources and maintains fiscal responsibility.



Fire suppression, emergency medical services, and fire prevention make up the core functions of the fire department. Fire suppression resources provide response to structure fires, emergency medical services, traffic collisions, wildland mutual aid, hazardous material calls, technical rescue operations, swift water rescue operations, and public service responses. To provide the community with the highest level of emergency medical services, all department personnel are trained to the level of basic life support providers, with two personnel on each apparatus trained



to the level of advanced life support (paramedic). Additionally, the department's paramedic program is supported by an Emergency Medical Services Manager that ensures all department personnel receive the required training and oversight needed to provide the highest level pre-hospital care to the community. Under the direction of the Fire Chief, the Fire Marshal manages all fire prevention activities. The fire prevention bureau is responsible for plan review and inspection of all new development in the city, and coordinates both annual fire inspections of

local businesses and the Hazardous Materials Disclosure/Business Emergency Plan Program. The bureau also manages citywide disaster preparedness, fire prevention education, the hazardous materials program, and the Fire Inspection Reserve Senior Taskforce (FIRST).

FY 2020/21 ACCOMPLISHMENTS

- ✓ Fire crews responded throughout the State of California on multiple mutual aid wildland fires.
- ✓ Hired two floor paramedics.
- ✓ Promoted one Firefighter/Paramedic to Engineer. Hired Emergency Medical Services (EMS) Manager.
- ✓ Purchased new tiller truck.
- ✓ Created Covid-19 General Order and provided testing and vaccination clinics.
- ✓ Hosted Disaster Preparedness Expo.
- ✓ Secured New Cardiac Monitors.
- ✓ Provided PPE and education to senior care facilities and residents.
- ✓ Finalize EVP Opticom transition for all traffic light intersections.

FY 2021/22 GOALS

All goals support the Strategic Plan Goals to "Maintain the culture and environment of "A Nice Place to Live" and "Achieve fiscal stability in accordance with the 20-Year Financial Plan".

- Continue to work with Care Ambulance, Wittman, and department personnel to monitor and provide the highest level of service with the new Fire Department ambulance program.
- Continue to research the possibility of upgrades to both fire stations within the city. Remodels would provide for a multi-purpose space for training, meetings, project collaboration and a more efficient call alert system. Additionally, the upgrades would accommodate a gender diverse workforce.
- Further research the replacement and upgrade needs of the fire department fleet and develop plans to make recommendations to the City Council for consideration.
- Continue to explore and provide excellent communication and justification for intra-department position reorganizations such as: Division Chief and Administrative Aide.
- Foster relationships with surrounding agencies to expand and improve future collaborative training opportunities.
- Further develop the fire investigation program within the department.
- Conduct annual fire and life safety inspections for compliance with applicable building standards for structures specified in Senate Bill No. 1205.
- Provide excellent emergency and non-emergency services to the community, the visitors, and people outside of Fountain Valley during automatic/mutual aid responses by ensuring our staff has the knowledge and equipment required to complete their mission. Furthermore, staff is dedicated to promoting excellence by embracing challenges of the future and progressing the people and the standard operating procedures within the fire department to adapt to future demands.

	FY 18/19 Actual	FY19/20 Actual	FY20/21 Adopted	FY21/22 Adopted	Percent Change
EXPENSES BY DEPARTMENT					
<i>All Funds</i>					
Salaries & Benefits	\$ 8,869,809	\$ 10,112,153	\$ 8,682,070	\$ 9,290,535	7%
Internal Service Charges	\$ 970,418	\$ 1,115,955	\$ 1,147,529	\$ 2,810,053	145%
Operating Expense	\$ 658,818	\$ 732,519	\$ 797,295	\$ 837,209	5%
Total Expenses by Department	\$ 10,499,045	\$ 11,960,627	\$ 10,626,894	\$ 12,937,797	22%

EXPENSES BY DIVISION*General Fund***Suppression**

Salaries & Benefits	\$ 5,028,774	\$ 5,740,859	\$ 4,818,691	\$ 5,113,648	6%
Internal Service Charges	\$ 625,406	\$ 721,934	\$ 745,725	\$ 698,868	-6%
Operating Expense	\$ 546,021	\$ 596,523	\$ 625,161	\$ 720,219	15%
Total Suppression	\$ 6,200,201	\$ 7,059,316	\$ 6,189,577	\$ 6,532,735	6%

Paramedics

Salaries & Benefits	\$ 2,962,861	\$ 3,380,616	\$ 2,928,057	\$ 3,165,806	8%
Internal Service Charges	\$ 252,993	\$ 278,812	\$ 286,871	\$ 277,416	-3%
Operating Expense	\$ 80,737	\$ 83,446	\$ 84,120	\$ 24,420	-71%
Total Paramedics	\$ 3,296,591	\$ 3,742,874	\$ 3,299,048	\$ 3,467,642	5%

Prevention

Salaries & Benefits	\$ 643,308	\$ 691,602	\$ 624,554	\$ 673,122	8%
Internal Service Charges	\$ 54,142	\$ 65,880	\$ 66,388	\$ 64,849	-2%
Operating Expense	\$ 11,185	\$ 31,791	\$ 59,920	\$ 60,700	1%
Total Prevention	\$ 708,635	\$ 789,273	\$ 750,862	\$ 798,671	6%

Reserves

Salaries & Benefits	\$ 23,611	\$ 30,221	\$ 37,250	\$ 33,868	-9%
Internal Service Charges	\$ 463	\$ 407	\$ 503	\$ 574	14%
Operating Expense	\$ 5,220	\$ 5,874	\$ 7,845	\$ 9,485	21%
Total Reserves	\$ 29,294	\$ 36,502	\$ 45,598	\$ 43,927	-4%

Disaster Preparedness

Salaries & Benefits	\$ 99,013	\$ 126,899	\$ 131,311	\$ 123,431	-6%
Internal Service Charges	\$ 18,728	\$ 26,976	\$ 25,645	\$ 22,092	-14%
Operating Expense	\$ 5,305	\$ 5,119	\$ 9,559	\$ 9,710	2%
Total Disaster Preparedness	\$ 123,046	\$ 158,994	\$ 166,515	\$ 155,233	-7%

Hazardous Materials

Salaries & Benefits	\$ 94,015	\$ 122,241	\$ 125,293	\$ 118,361	-6%
Internal Service Charges	\$ 13,714	\$ 16,301	\$ 16,580	\$ 16,229	-2%
Operating Expense	\$ 7,041	\$ 6,859	\$ 7,610	\$ 9,135	20%
Total Hazardous Materials	\$ 114,770	\$ 145,401	\$ 149,483	\$ 143,725	-4%

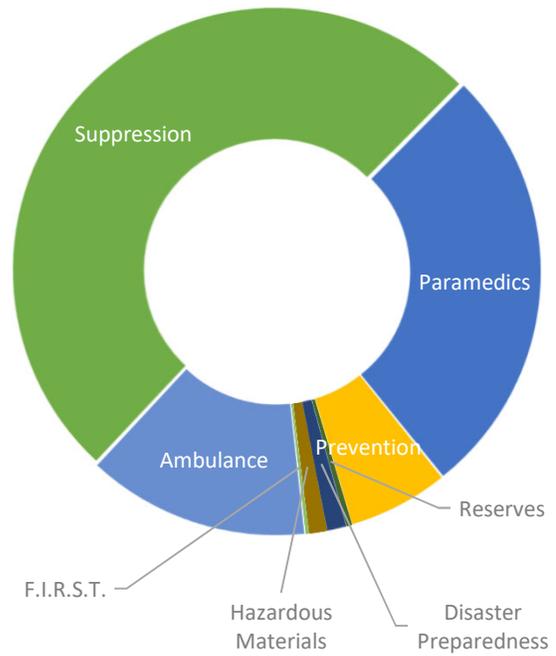
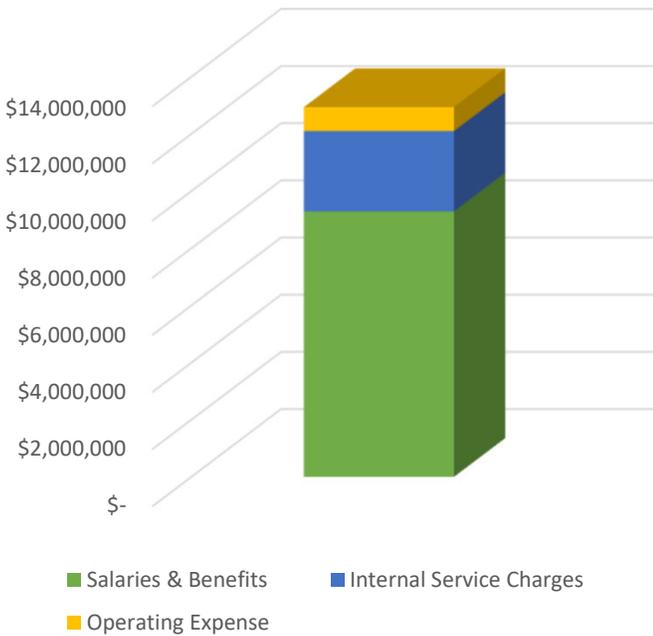
F.I.R.S.T.

Salaries & Benefits	\$ 18,227	\$ 19,715	\$ 16,914	\$ 17,457	3%
Internal Service Charges	\$ 4,972	\$ 5,645	\$ 5,817	\$ 4,937	-15%
Operating Expense	\$ 3,309	\$ 2,907	\$ 3,080	\$ 3,540	15%
Total F.I.R.S.T.	\$ 26,508	\$ 28,267	\$ 25,811	\$ 25,934	0%

Ambulance

Salaries & Benefits	\$ -	\$ -	\$ -	\$ 44,842	100%
Internal Service Charges	\$ -	\$ -	\$ -	\$ 1,725,088	100%
Operating Expense	\$ -	\$ -	\$ -	\$ -	100%
Total Ambulance	\$ -	\$ -	\$ -	\$ 1,769,930	100%

Total General Fund	\$ 10,499,045	\$ 11,960,627	\$ 10,626,894	\$ 12,937,797	100%
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	FY 18/19 Actual	FY19/20 Actual	FY20/21 Adopted	FY21/22 Adopted	FTE Change
STAFFING					
Fire Chief	1.0	1.0	1.0	1.0	0.0
Division Chief	0.0	0.0	0.0	1.0	1.0
Battalion Chief	3.0	3.0	3.0	2.0	(1.0)
Administrative Assistant	1.0	0.0	0.0	1.0	1.0
Fire Marshal/ Deputy Fire Marshal	1.0	1.0	1.0	1.0	0.0
Emergency Services Manager	1.0	1.0	1.0	1.0	0.0
Administrative Training Captain	1.0	1.0	1.0	1.0	0.0
Fire Captain	9.0	9.0	9.0	9.0	0.0
Fire Engineer	9.0	9.0	9.0	9.0	0.0
Firefighter/ Paramedic	18.0	18.0	18.0	18.0	0.0
Management Aide	1.0	2.0	2.0	1.0	(1.0)
Fire Prevention Analyst	1.0	1.0	1.0	1.0	0.0
Total FTE by Department	46.0	46.0	46.0	46.0	0.0

SIGNIFICANT CHANGES

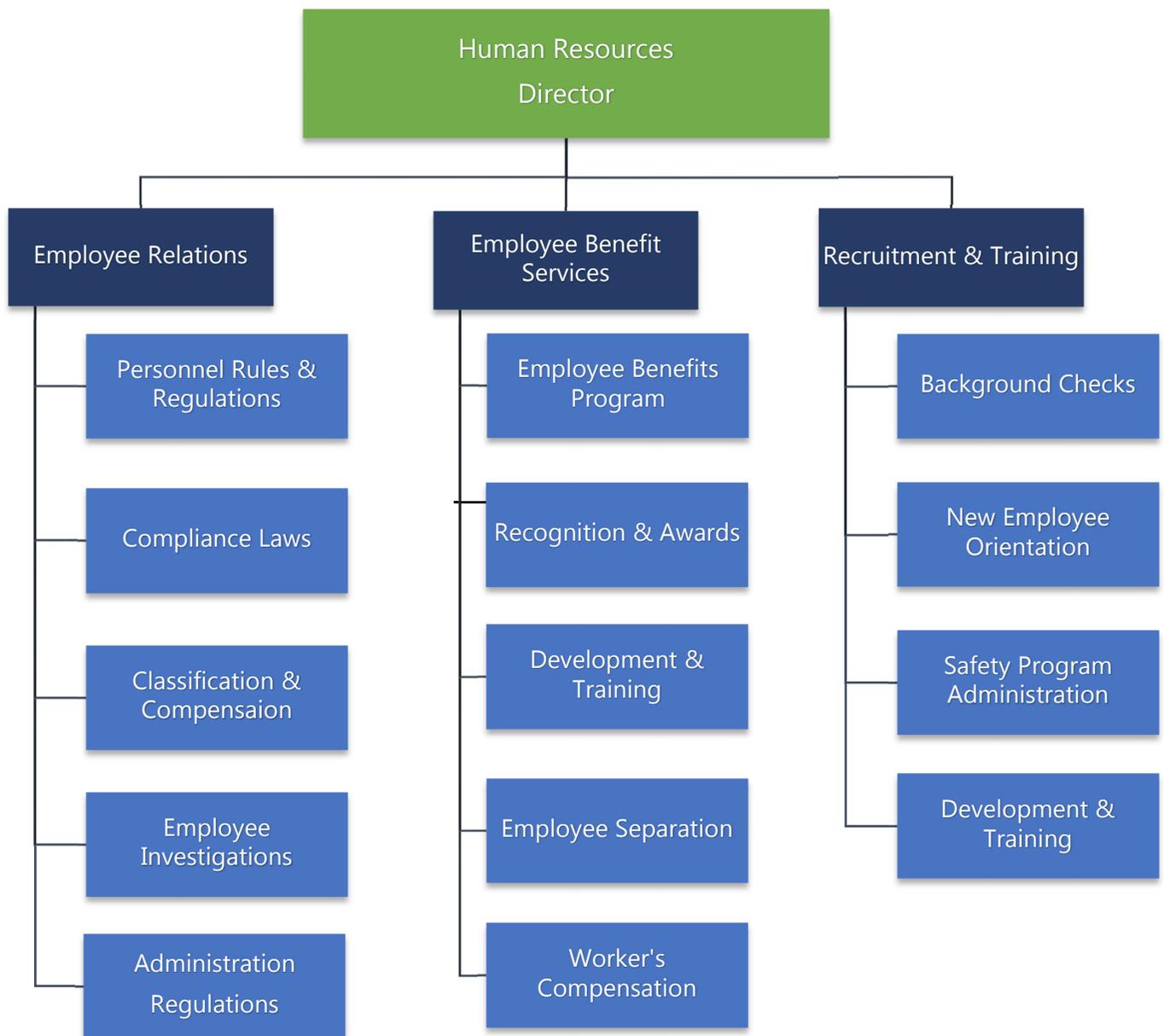
In FY20/21 the City Council approved a new Ambulance Program within the Fire Department bringing the billing responsibility and corresponding revenue into the City. The City continues contracting with CARE Ambulance for ambulance transport services, but should see greater cost recovery once the program is completely operational. December 2021 will mark the first full year of the program.

In March 2021 the City Council approved the reclassification of the Division Chief position from a Battalion Chief position. To offset costs, the action included the reclassification of a Management Aide position into an Administrative Assistant.

Mission Statement

To provide excellent and highly responsive professional services to all customers; sustain cooperative working relationships; provide accurate and timely information; deliver innovative and timely services and to provide leadership in all personnel and employment matters; attract and retain a highly talented and qualified workforce to meet the needs of the organization and help to provide a safe work environment.

Organizational Chart



The Human Resources Department's primary role is to provide responsive, knowledgeable, and professional human resources management assistance to all City staff. The Human Resources Department administers the employee relations process including performance evaluations, grievance resolution, and discipline and



ensures the City complies with applicable Federal, State and local laws. Through labor and employee relations functions, the Department also oversees the City's seven recognized bargaining units and non-represented employees.

In the area of Employee Services, the Human Resources Department provides a variety of employee services including, but not limited to, the following:

- Maintenance of the City's classification and compensation plan,
- Administration of the employee benefit programs providing health, life insurance and long-term disability benefits,
- Administration of the Workers' Compensation program providing injured employees with timely and quality medical care and treatment to facilitate an early recovery and return to work,
- Providing an extensive employee training program tailored to meet the needs of the employees,
- Administration of the employee performance evaluation program,
- Oversight of the employee safety program ensuring the safety and well-being of City employees and,
- Coordination of the employee recognition program including service milestones and exceptional performance awards.

The Human Resources Department takes the lead in the recruitment process to administer the application, testing, and pre-employment processes. Working in conjunction with other departments, Human Resources strives to attract, hire and retain qualified individuals and place them in positions with responsibilities that allow them to maximize their skills, knowledge and talents.

FY 2020/21 ACCOMPLISHMENTS

- ✓ Provided on-going support and resources to City Departments on personnel matters including employee coaching, discipline, conflict, injuries, etc.
- ✓ Successfully completed the reporting requirements under the Affordable Care Act.
- ✓ Completed open enrollment and implemented all changes. With region, dental, health, vision and dependent changes, approximately 100 changes were processed.
- ✓ Processed and hired 3 part-time and 6 full-time employees and 6 promotions.
- ✓ Drafted and implemented School Closure Leave Programs and Telework programs to assist staff during COVID-19.
- ✓ Continued maintenance of the City's classification and compensation system, including reclassification studies, creation of new positions, etc.
- ✓ Revised and enacted leaves of absence changes as provided under the Federal CARES Act and the California COVID-19 Supplemental Leave Act Implemented and administered oversight of the City's telework policy and program.

FY 2021-22 GOALS

All goals support the City's Strategic Plan Goal to "Attract and Retain Quality Staff".

- Continue to deliver prompt and effective Human Resources services and programs that add value for our prospective employees, active employees and retirees.
- Continue efforts to expand our social media presence in order to attract qualified, diverse and talented individuals to the City.
- Continue improving employee retention by leading efforts to create a great work climate with improved morale, and supporting the professional development of employees.
- Continued assessment and evaluation of the City's safety program needs and draft and/or update policies and procedures as needed to ensure compliance with applicable laws.

- Continue to provide a variety of relevant training programs with a variety of modalities to continue to encourage and prepare for promotional opportunities and succession planning.
- Maintain the City's health benefits program, including a robust employee assistance program (EAP), and ensure that benefits are meeting employee needs and providing quality and value.

HUMAN RESOURCES

	FY 18/19 Actual	FY19/20 Actual	FY20/21 Estimated	FY21/22 Adopted	Percent Change
EXPENSES BY DEPARTMENT					
<i>ALL Funds</i>					
Salaries & Benefits	\$ 452,057	\$ 496,700	\$ 473,976	\$ 597,534	26%
Internal Service Charges	\$ 55,545	\$ 54,102	\$ 50,567	\$ 54,265	7%
Operating Expense	\$ 94,291	\$ 135,986	\$ 160,250	\$ 231,400	44%
Total Expenses by Department	\$ 601,893	\$ 686,788	\$ 684,793	\$ 883,199	29%

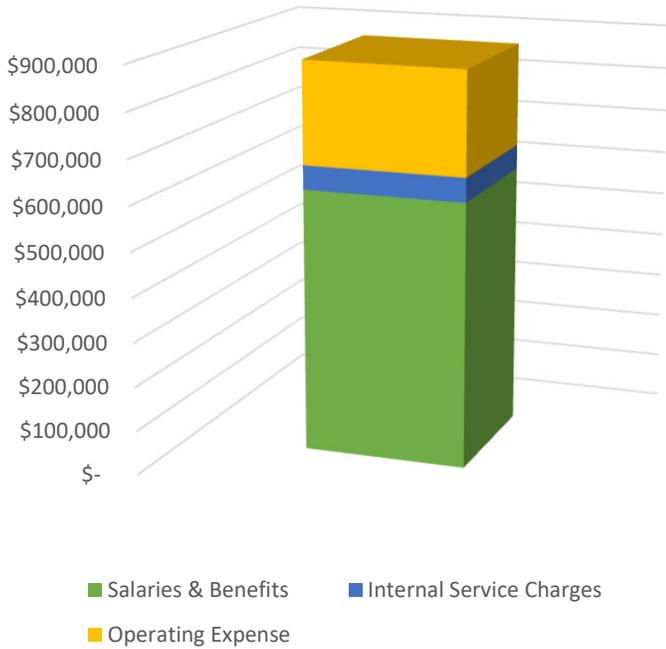
EXPENSES BY DIVISION

General Fund

Employee Relations

Salaries, Permanent	\$ 452,057	\$ 496,700	\$ 473,976	\$ 597,534	26%
Salaries, Part-Time	\$ 55,545	\$ 54,102	\$ 50,567	\$ 54,265	7%
Self Insurance- Personnel	\$ 94,291	\$ 135,986	\$ 160,250	\$ 231,400	44%
Total Employee Relations	\$ 601,893	\$ 686,788	\$ 684,793	\$ 883,199	29%

Total General Fund	\$ 601,893	\$ 686,788	\$ 684,793	\$ 883,199	29%
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	FY 18/19 Actual	FY19/20 Actual	FY20/21 Adopted	FY21/22 Adopted	FTE Change
STAFFING					
Human Resources Director	1.0	1.0	1.0	1.0	0.0
Senior Human Resources Analyst	1.0	1.0	1.0	1.0	0.0
Human Resources Technician	0.00	0.00	0.75	0.75	0.0
Safety & HR Specialist	1.0	1.0	1.0	1.0	0.0
Department Secretary	1.0	1.0	0.0	0.0	0.0
Management Aide	0.5	0.5	1.0	1.0	0.0
Total FTE by Department	4.50	4.50	4.75	4.75	0.0

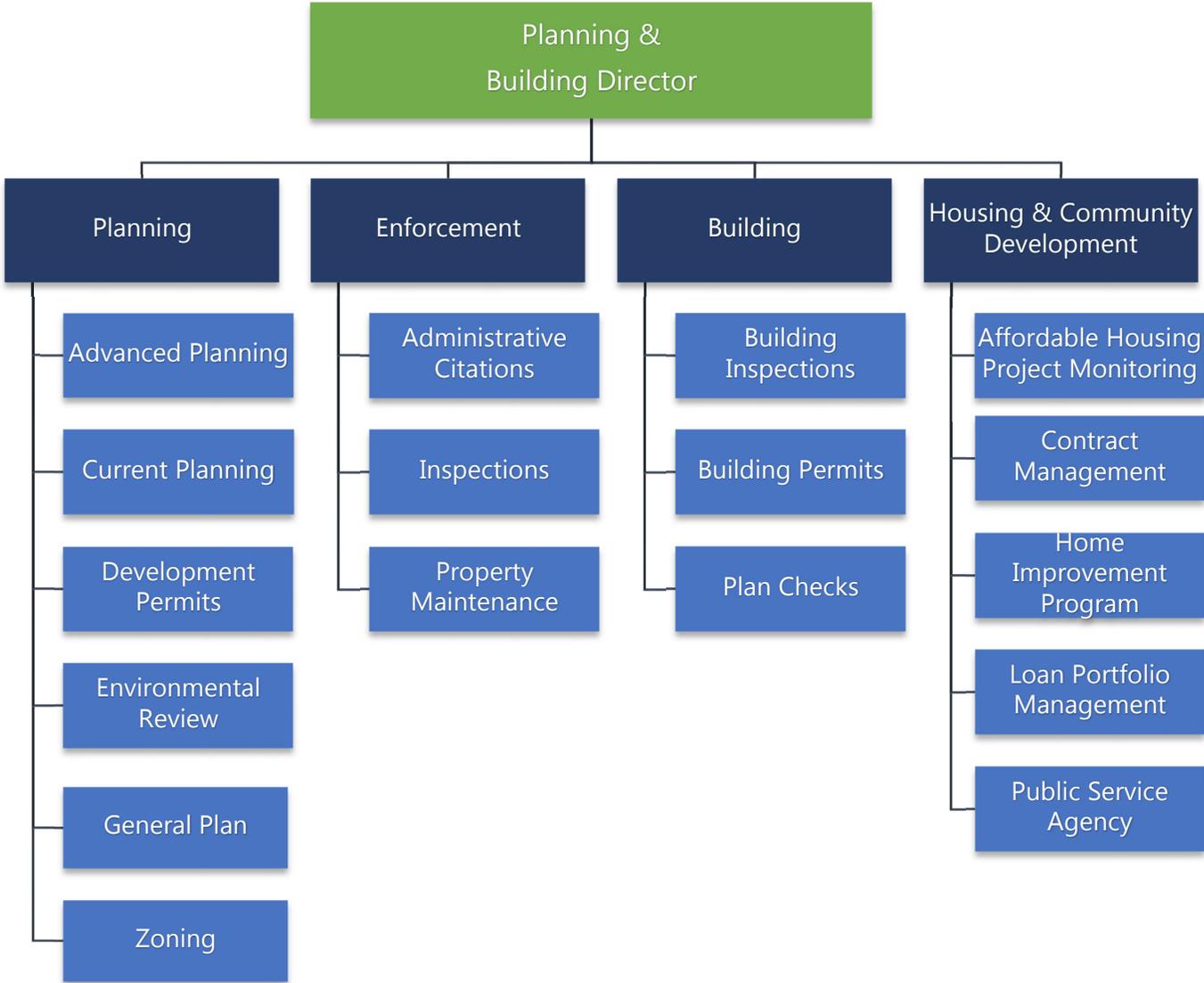
SIGNIFICANT CHANGES

Increases in Salaries & Benefits reflects the reinstatement of vacant positions that were unfunded in the prior year's budget due to Covid-19. The Operating expense increase is due to the need to hire a consultant to complete a planned classification & compensation study.

Mission Statement

The Planning and Building Department promotes high quality development, economic vitality, neighborhood preservation and the protection of the public health, safety and welfare. To fulfill this mission, department staff provides professional guidance and technical assistance to the residential, business and development community.

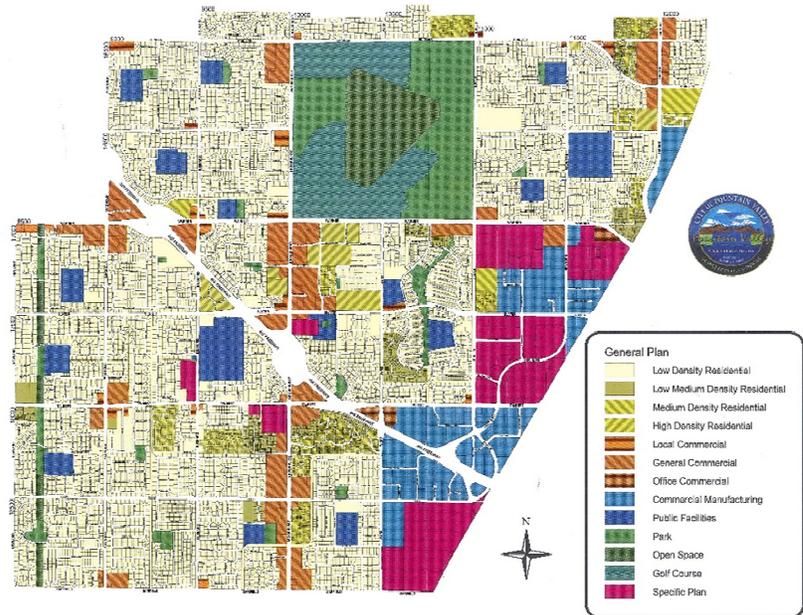
Organizational Chart



The Planning and Building Department enhances and protects the public’s health, safety, and welfare through the built environment of the City, while also providing for fair housing, public service funding, neighborhood enhancement and affordable housing opportunities. The Department is comprised of the Planning, Building, Code Enforcement, and Housing Divisions.

The Planning Division provides support to the City Council and Planning Commission. In this role, Planning Staff processes applications through compiling background data, providing municipal code and policy review, documenting environmental compliance, providing staff recommendations, and preparing conditions of approval for proposed projects.

This Division is also responsible for zoning code administration and ensuring that all proposed projects comply with local, state and federal laws and are consistent with the General Plan. This Division also coordinates the long-range planning and development of the City through the maintenance of the General Plan, specific plans, and environmental documentation. This function also includes the monitoring of local and regional programs and ensures the City complies with Federal, State, and local legislation. Finally, this Division provides development project coordination between City departments and assists project applicants with navigating the permit and entitlement process.



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Under the direction of the Planning and Building Director, the Building Division ensures that the construction of all buildings and structures within the City are built in compliance with applicable codes and standards. This division is responsible for permit issuance, plan review, and inspections.

The Code Enforcement Division ensures compliance with municipal codes for issues such as property maintenance, public nuisances, abandoned vehicles, and business license. This function of the Department achieves compliance through identifying code violations, working with violators to correct infractions, issuing citations and assisting the City Attorney in prosecutions when necessary.

The Housing Division includes the administration of the City’s Community Development Block Grant (CDBG) Program and Housing Authority functions. Responsibilities of the CDBG Program include administering a contract for Fair Housing Services, oversight of Public Service Agency Grant recipients, code enforcement in low/moderate income census tracts of the City, the Neighborhood Revitalization Program, a Lead Based Paint Hazard abatement program, and

preparing the City’s Five-Year Consolidated Plan and annual Action Plans. The Housing Authority programs of the Department include the affordable housing loan administration, affordable housing development, and administration of the City’s affordable housing monies.

The U.S. Department of Housing and Community Development (HUD) has allocated \$343,968 in Community Development Block Grant (CDBG) funds to the City to be used for projects and activities that primarily benefit low and moderate-income households/persons in the community. The annual allocation plus an estimated \$135,485 in un-obligated carryover and program income, combined with the remaining \$20,547 in CARES Act Round 1 funding, will provide a budget of \$500,000 for the program. The CARES Act provides funding for programs that prevent, prepare for, or respond to the pandemic.

The following projects will be funded with the CDBG allocation and are consistent with the Five Year Consolidated Plan approved by HUD.

Administration

Up to twenty percent (20%) of a given entitlement may be allocated to fund administrative costs. The management and coordination of the CDBG entitlement program including preparation of required HUD reports, such as the Consolidated Plan, fall under the category of administrative costs. Fair Housing Services and preparing the Analysis of Impediments to Fair Housing Choice 5-Year Plan are also part of Administration of the grant.

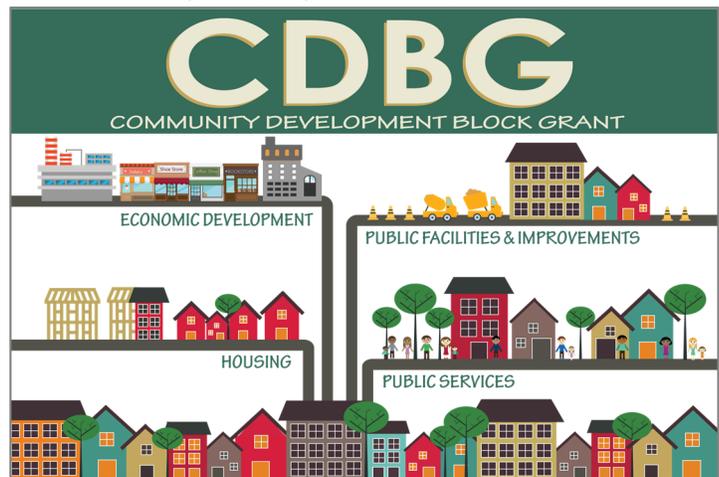
Fair Housing Services

CDBG funding requires a grantee to provide its low and moderate-income households with fair housing services. The City contracts with Fair Housing Council of Orange County (FHCO) to provide services that include landlord/tenant dispute resolution, housing discrimination, fair housing education, etc. CDBG regulations require that the cost of fair housing services be paid from the Administration budget.

Analysis of Impediments

Every five years CDBG regulations require that cities prepare an Analysis of Impediments to Fair Housing Choice (AI) as part of their Consolidated Plan. The next update of the AI will be due with the FY 2025-29 Consolidated Plan. Funding will be required in fiscal year 2024-25 to prepare the AI for the next consolidated plan cycle.

Public Service Agency Grant Program



CDBG regulations allow cities to use up to 15% of their yearly CDBG allocation to fund non-profit public service agencies that assist low-income households/persons. For fiscal year 2021-22, the City of Fountain Valley will allocate the full 15% allowable of the entitlement to the Public Service Agency (PSA) Grant Program. PSA's that provide childcare scholarships, meal programs for seniors, case management for disabled adults, battered women's shelter and education and juvenile diversion programs will be assisted. In addition to the public service agencies funded by the annual allocation, the City will allocate the remaining Round 1 CARES Act funding to fund the second year of the Senior Social Services Outreach Program that was developed in response to the pandemic. The CARES Act allows additional funding to public service agencies for programs that prevent, prepare for, or respond to the pandemic.



Code Enforcement Program

The City of Fountain Valley Code Enforcement Program provides code enforcement services in CDBG eligible low/moderate income areas. Code enforcement violations are identified and abated in an effort to instill pride of ownership in the neighborhoods. Residents with violations are provided information regarding low interest, deferred payment loans, grants, and rebates that are available to qualified low-income homeowners for housing rehabilitation and repair that may assist them in resolving code enforcement violations on their properties.

Neighborhood Revitalization Program

The City's traditional Neighborhood Revitalization Program has been temporarily suspended due to COVID-19. In order to continue to provide services to qualified households during the pandemic, a Home Exterior Grant (HEG) was developed that provides a maximum of \$10,000 to qualified homeowners for exterior improvements such as termite treatment and repair, and exterior paint. This new grant allowed staff, applicants and contactors to maintain social distancing while continuing to provide home improvement services to qualified residents. The HEG is a one-time only grant to both single family and mobile home owners. Approval of the grant does not affect future Home Improvement Program applications. Once the coronavirus crisis has passed, the City will return to the traditional Home Improvement Program options specified below.

The Neighborhood Revitalization Program provides qualified low-income single-family homeowners with financial assistance in the form of grants for up to \$14,000, rebates up to \$7,500, disability modification grants up to \$5,000 and/or up to \$50,000 in low interest, deferred payment loans for eligible repairs to their home. Recipients of grants are not required to pay back any

portion of the financial assistance received. The rebates will reimburse the homeowner for 50% of the total cost of repairs up to a maximum of \$7,500. Rebates are disbursed to the homeowner after they have paid for the costs of the repairs/improvements in full. The loans allow deferred payment for up to 25 years. Homeowner's may receive the disability modification grant, along with any two of the other forms of available funding.

The City of Fountain Valley also offers financial assistance to qualified low-income mobile home owners for the repair/rehabilitation of their mobile homes. Qualified participants can receive up to \$11,000 in financial assistance in the form of a grant for such items as plumbing repairs, electrical repairs, code violations, etc. If a roof replacement is needed to grant can be increased to \$13,500. Owners may additionally receive a rebate up to \$5,000 for eligible repairs and up to \$5,000 in the form of a disability grant for ADA compliant upgrades. The rebates are for 50% of the total cost of repairs, with a maximum rebate of \$5,000. Rebates are done on a reimbursement basis and are disbursed after the homeowner has paid for the costs of the repairs/improvements in full.



Lead Based Paint Hazard Grant Program

The City of Fountain Valley has instituted a Lead Based Paint Hazard Reduction Grant program to comply with the HUD Title X Regulations that went into effect in 2001. The grant funds are to be used to test for lead based paint hazards and to control or abate any hazards found in the course of the City of Fountain Valley Rehabilitation Program projects.

CARES Act funding for COVID-19 Response

HUD allocated \$211,789 in Round 1 CARES Act funding to the City of Fountain Valley in April 2020 that is required to be used in response to the COVID-19 pandemic. The City used the Round 1 CARES Act funding to develop an emergency Small Business Employee Retention Grant (SBERG) for businesses in Fountain Valley that provides short- term working capital for businesses that retain their low and moderate-income workers during the crisis. The remaining \$20,547 of Round 1 CARES Act funding will fund the second year of the Senior Social Services Outreach Program that was developed to prevent, prepare for, or respond to the coronavirus.

The City has also been awarded \$404,765 in Round 3 CARES Act funding which is required to be used in response to the coronavirus.

The Fountain Valley Housing Authority (FVHA) was named the "Housing Successor" to the dissolved Fountain Valley Agency for Community Development.

Strict state regulations and lack of state funding have required the FVHA to discontinue the affordable housing programs previously offered to City residents. The FVHA currently monitors the asset portfolio from past programs, administers all the statutory requirements of the portfolio, and manages the limited funds available for affordable housing development. The FVHA currently has a current portfolio of 20 First-Time Homebuyer and Rehabilitation Loans with a principal balance totaling \$957,069.

FY 2020/21 ACCOMPLISHMENTS

- ✓ Continued to work with existing developers, commercial centers and other businesses to improve aesthetics and achieve high quality development through code enforcement and plan review
- ✓ Prosecuted public nuisance cases to gain compliance
- ✓ Addressed 1,187 property maintenance violations through code enforcement
- ✓ Assisted 14 households through the Home Improvement Program. This included the provision of nine single family residential grants, three single family residential rebates, and two lead based paint hazard testing grants
- ✓ Increased funding for Home Improvement Programs and modified the Home Improvement Program to include the Disability Grant Program and the Home Exterior Rehabilitation Grant
Continued the comprehensive General Plan Update
- ✓ Processed updates to modernize the City’s zoning code, including:
 - ✓ Created the small format restaurant permit, which is an administrative permits for restaurants with less than 50 seats
 - ✓ Reduced the 20-day appeal period to a 10-day appeal period
 - ✓ Created a process to allow permanent outdoor display for big box stores and super markets (> 14,000 sf)
- ✓ Amended the FV Crossing Specific Plan to eliminate the special open space provisions, re-craft the open space provisions, address office parking ratios, and modify several other provisions to help spur redevelopment of the area
Created the RV parking program for emergency workers
- ✓ Created the free Emergency Temporary Use Permits to allow businesses to be conducted outdoors
- ✓ Waived Banner Permit fees
- ✓ Conducted virtual inspections and socially distanced inspections



- ✓ Increased use of electronic plan checks (EPlan), remote meetings, etc.



- ✓ Created the Small Business Employee Retention Grant (SBERG) to assist small business owners that were impacted by Covid to retain low and moderate-income employees
- ✓ Approved and broke ground on Prado, a 50 affordable unit affordable housing project, including eight (8) permanent supportive housing units as well as social services geared to the needs of all residents

- ✓ Took in applications for approximately 40 Accessory Dwelling Units (ADU) in 2020
- ✓ Continued to collaborate with Related California as they obtained financing, obtained building permits and broke ground on the Prado Family Homes affordable housing apartment complex in the Harbor Blvd South Island Specific Plan
- ✓ Worked with other City Departments to make sure all accounting and reporting is compliant under new State Regulation
- ✓ Provided loan administration tasks such as loan payoffs or loan subordination agreements to current affordable housing loan customers
- ✓ Educated staff regarding ongoing changes in State Law regarding the dissolution of redevelopment agencies as it refers to affordable housing
- ✓ Monitored all "Successor Agency" housing assets to ensure compliance with State Law
- ✓ Held community meetings regarding topics such as ADUs, RHNA, the permit process, conditions of approval, and development highlights
- ✓ Continued to enhance the Department's webpages and utilize interactive features of the new City website
- ✓ Attended Chamber of Commerce and other community events to distribute information on Planning Department Projects
- ✓ Continued the General Plan Advisory Committee (GPAC) efforts

FY 2021-2022 Goals

All goals support the City's Strategic Planning goals to "Maintain the culture and environment of a "Nice Place to Live", "Attract and retain revenue producing businesses" and "Achieve fiscal stability in accordance with the 20-year financial plan".

- Continue to work with existing commercial centers and other businesses to improve aesthetics and achieve a high quality, professional appearance
- Prosecute public nuisance cases to gain compliance
- Abate property maintenance violations through code enforcement efforts

- Continue to market and grow the City's Home Improvement Program
Continue efforts on the comprehensive General Plan Update
- Identify and address opportunities for the modernization of the zoning code
- Help the community recover from the Covid-19 pandemic
Continue to promote the Accessory Dwelling Unit (ADU) opportunity and the Home Improvement Program
- Prepare the Housing Element and work with the GPAC to accommodate the 6th Cycle RHNA allocation
Hold community meetings to educate residents and businesses on topics of interest
- Continue to enhance the Department's webpages and utilize interactive features of the new City website
- Attend community events to distribute information on Planning Department Projects
- Continue to engage the General Plan Advisory Committee (GPAC), stakeholders, and the community in the General Plan update process
- Manage city interest in the development of the Prado Family Homes affordable housing project in Harbor Boulevard South Island from planning stage to occupancy.
- Monitor all "Successor Agency" housing assets to ensure compliance with State Law.
- Perform loan administration tasks such as loan payoffs or loan subordination agreements to current affordable housing loan customers.
- Determine eligibility and process affordable housing documents for persons purchasing in City's "for sale" affordable housing developments.
- Educate staff regarding ongoing changes in State Law regarding the dissolution of redevelopment agencies as it refers to affordable housing.
- Educate staff on new housing regulations and new reporting requirements that began in 2020.
- Work with other City Departments to make sure all accounting and reporting is compliant under new State Regulation.
- Determine the best utilization of the funds of the FVHA to provide additional affordable housing.

	FY 18/19 Actual	FY19/20 Actual	FY20/21 Estimated	FY21/22 Adopted	Percent Change
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EXPENSES BY DEPARTMENT

ALL Funds

Salaries & Benefits	\$ 1,427,464	\$ 878,303	\$ 790,423	\$ 1,481,920	87%
Internal Service Charges	\$ 166,629	\$ 151,600	\$ 146,055	\$ 150,249	3%
Operating Expense	\$ 400,685	\$ 961,414	\$ 1,531,457	\$ 943,642	-38%
Total Expenses by Department	\$ 1,994,777	\$ 1,991,317	\$ 2,467,935	\$ 2,575,811	4%

EXPENSES BY DIVISION

General Fund

Planning

Salaries & Benefits	\$ 380,444	\$ 488,596	\$ 350,048	\$ 473,324	35%
Internal Service Charges	\$ 109,348	\$ 98,586	\$ 94,253	\$ 96,064	2%
Operating Expense	\$ 64,826	\$ 106,734	\$ 280,563	\$ 291,563	4%
Total Planning	\$ 554,618	\$ 693,916	\$ 724,864	\$ 860,951	19%

Building

Salaries & Benefits	\$ 781,235	\$ 167,281	\$ 160,713	\$ 680,253	323%
Internal Service Charges	\$ 50,663	\$ 46,241	\$ 44,582	\$ 46,667	5%
Operating Expense	\$ 30,287	\$ 637,775	\$ 758,375	\$ 91,875	-88%
Total Building	\$ 862,185	\$ 851,297	\$ 963,670	\$ 818,795	-15%

Total General Fund	\$ 1,416,803	\$ 1,545,213	\$ 1,688,534	\$ 1,679,746	-1%
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EXPENSES BY DIVISION

All Other Funds

Abandoned Vehicle

Salaries & Benefits	\$ 6,711	\$ 3,097	\$ 9,327	\$ 10,909	17%
Internal Service Charges	\$ -	\$ -	\$ -	\$ -	0%
Operating Expense	\$ -	\$ -	\$ -	\$ -	0%
Total Abandoned Vehicle	\$ 6,711	\$ 3,097	\$ 9,327	\$ 10,909	0%

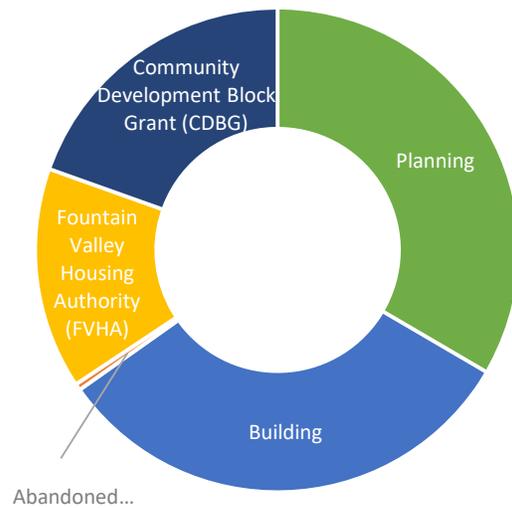
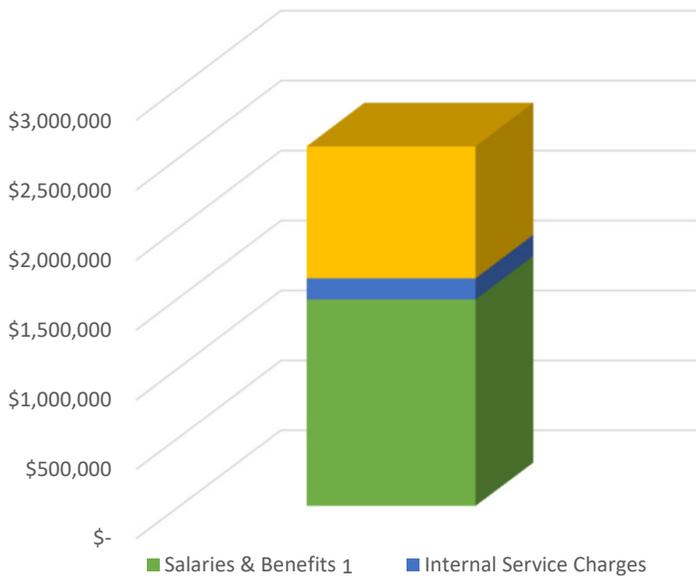
Fountain Valley Housing Authority (FVHA)

Salaries & Benefits	\$ 107,352	\$ 100,925	\$ 113,414	\$ 133,004	17%
Internal Service Charges	\$ 6,618	\$ 6,773	\$ 7,220	\$ 7,518	4%
Operating Expense	\$ 162,696	\$ 38,961	\$ 126,806	\$ 240,525	90%
Total Fountain Valley Housing Authority	\$ 276,665	\$ 146,659	\$ 247,440	\$ 381,047	54%

Community Development Block Grant (CDBG)

Salaries & Benefits	\$ 151,722	\$ 118,404	\$ 156,921	\$ 184,430	18%
Internal Service Charges	\$ -	\$ -	\$ -	\$ -	0%
Operating Expense	\$ 142,876	\$ 177,944	\$ 365,713	\$ 319,679	-13%
Total CDBG	\$ 294,598	\$ 296,348	\$ 522,634	\$ 504,109	-4%

Total Other Funds	\$ 577,974	\$ 446,104	\$ 779,401	\$ 896,065	15%
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	FY 18/19 Actual	FY19/20 Actual	FY20/21 Adopted	FY21/22 Adopted	FTE Change
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STAFFING

Planning & Building Manager	1.0	1.0	1.0	1.0	0.0
Planner	1.0	1.0	1.0	1.0	0.0
Administrative Assistant/ Secretary	1.0	1.0	1.0	1.0	0.0
Code Enforcement Officer	1.0	1.0	1.0	1.0	0.0
Housing Coordinator	1.0	1.0	1.0	1.0	0.0
Housing Analyst/ Technician	1.00	1.00	1.00	1.00	0.0
Assistant Planner	1.00	1.00	1.00	1.00	0.0
Senior Planner	1.00	1.00	1.00	1.00	0.0
Building Official	0.00	0.00	0.00	1.00	1.0
Building Inspector	0.00	0.00	0.00	2.00	2.0
Permit Technicians	0.00	0.00	0.00	2.00	2.0
Total FTE by Department	8.0	8.0	8.0	13.0	5.0

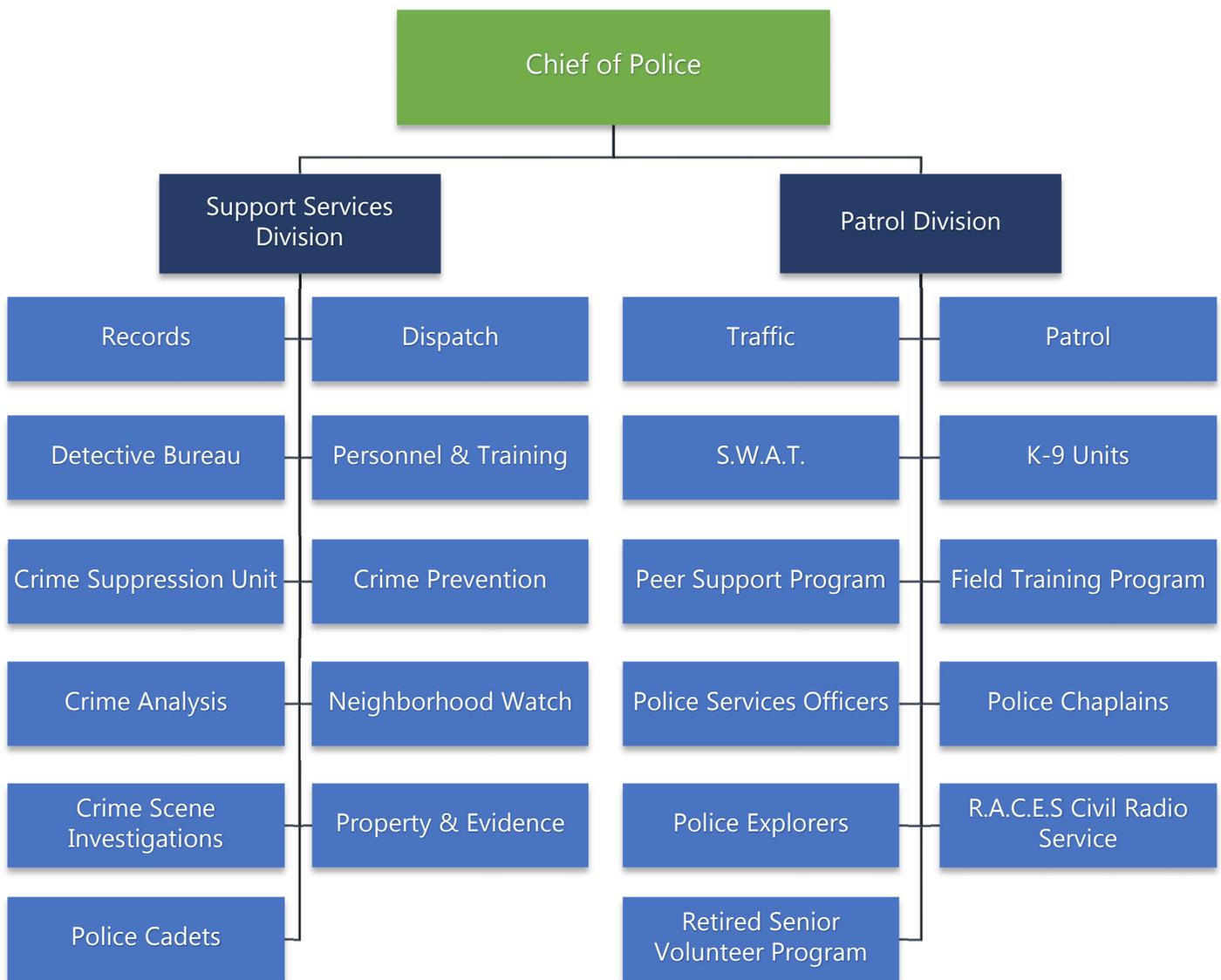
SIGNIFICANT CHANGES

The City has contracted out the duties of the Building Division for several years. To streamline operations and improve customer service the City is proposing to bring these responsibilities and corresponding staff in house beginning with the FY2021/22 budget.

Mission Statement

The members of the Fountain Valley Police Department will demonstrate the Courage to protect life and property in our community. Our Duty is to provide the highest quality of service in a fair, impartial and ethical manner. Our Commitment is to take a leadership role in providing for public safety and quality of life in a manner that will preserve the public trust.

Organizational Chart



The Fountain Valley Police Department partners with the community to promote public safety to the residents, businesses and visitors of the City. Headed by the Police Chief, the Department is organized into two divisions: the Patrol Division and the Support Services Division. Both Divisions share the responsibility for the prevention, detection and investigations of crime.

The Patrol Division includes uniformed Patrol Officers, Traffic Officers, Police Services Officers, K-9 Officers, S.W.A.T. Team Members, Field Training Program and the Peer Support Program.

The Patrol Division consists of 30 uniformed Police Officers, 6 Sergeants and 2 Lieutenants who provide service to the community 24 hours a day, 365 days a year. Uniformed Patrol Officers are first responders and as such are the City's first line of defense against the criminal element. Using a data-driven approach to crime and traffic safety, or COMPSTAT, Patrol personnel focus on locations and times where crime is likely to occur. By analyzing crime data and identifying emerging crime and traffic safety trends, Officers are better positioned to focus our crime-fighting and safety-promoting efforts.



The Traffic Bureau consists of 1 Sergeant, 2 Motor Officers and 1 Traffic Investigator who are committed to promoting the safest and most efficient traffic flow throughout our City. Traffic Officers regularly conduct DUI checkpoints and saturation patrols throughout the year to keep our streets safe.

The Police Services Officers (PSOs) are non-sworn employees who assist Patrol and Traffic Officers in the field. PSO's duties include taking crime and traffic collision reports, traffic control, conducting CSI and issuing parking citations. This way, PSOs free up sworn personnel to concentrate on response to priority calls, crime fighting and traffic safety.



Two K-9 Officers and their partners undergo extensive training prior to being assigned to Patrol. K-9 Officers and their partners are used to track and locate hidden suspects, apprehend fleeing felons or locate hidden firearms and narcotics.

We are members of the West County Special Weapons and Tactics (SWAT) Team, a regional effort serving the cities of Cypress, Los Alamitos, Westminster, Seal Beach and Fountain

Valley. West County SWAT consists of Tactical Officers, Crisis Negotiators and Tactical Dispatchers. The Tactical Officers Unit is comprised of tactical paramedics, containment, react/entry and long-range marksmen. This group of specially trained and highly skilled personnel are utilized where needed to deal with high-risk incidents, such as barricaded suspects, active shooters, hostage situations and to serve high-risk search and/or arrest warrants. The goal of the Team is to resolve these incidents peacefully.



Field Training Officers provide the primary training for newly hired Officers. This intensive four-month process prepares the trainee to work as a solo beat Officer.

Our Corporal program is designed to provide assistance for Sergeants in front line supervision and to develop these experienced Officers for future leadership positions within the organization.

The Support Services Division includes the Records Bureau, Dispatch Center, Detective Bureau, Crime Suppression Unit, CSI Unit, Crime Analyst, Property and Evidence Unit, Personnel and Training, and Crime Prevention.

The Records Bureau consists of 4 Records Specialists, 5 Cadets and 1 Community Services Officer. These personnel are responsible for maintaining arrest records, crime reports, traffic citations and collision reports, electronically filing arrest reports for court, complying with Public Records Act requests, transmitting required crime reporting to the Department of Justice and assisting the public.

Our Dispatch Center consists of 10 Dispatchers and is staffed 24 hours a day, 365 days per year. Police Dispatchers are the first person one speaks to when dialing or texting 911. We annually



process over 72,000 phone calls and approximately 49,000 incidents. These incidents include Officer-initiated activities, responding to public requests for assistance and other activities entered into our Computer Aided Dispatch system. Dispatchers frequently provide referrals, offer solutions or educate the caller, which alleviates the need for Police response.

The Detective Bureau is led by a Lieutenant and consists of General Investigations, Crime Suppression Unit, Crime Analysis, Court Liaison, Crime Scene Investigations and Property and Evidence.

General Investigations is staffed by 1 Sergeant, a Court Liaison and 5 Detectives assigned to conduct secondary investigations involving crimes against people, property crimes, fraud and sex

crimes. The Detectives solve crimes through crime analysis, the use of crime databases, follow-up interviews and the results of CSI. The Court Liaison assists as the communication link between the Department and Courts.

The Crime Suppression Unit (CSU) is staffed by 1 Sergeant and 3 Detectives. CSU's responsibilities include surveillance and tracking repeat offenders, impacting emerging crime trends such as narcotics violations, vice, gang, and graffiti crimes.

The Crime Analyst identifies emerging crime patterns and trends, conducting in-depth crime trend analysis and tracking repeat offenders that live in or frequent the City. The Crime Analyst develops intelligence information to assist Patrol Officers and Detectives in identifying crime suspects and helps Police supervision identify where Police resources should be focused to apprehend or thwart criminals.

The Crime Scene Investigations Technician responds to crime scenes and documents, collects and conducts forensic analysis of evidence needed to solve crimes.

The Property and Evidence Clerk maintains the integrity of approximately 5,000 pieces of new evidence each year. This evidence is used to assist in the prosecution of criminal cases.

The Personnel and Training Sergeant is responsible for the recruitment and hiring of Department personnel, and managing the extensive background investigation, polygraph, psychological and medical screening processes. The Personnel and Training Sergeant is responsible for ensuring our personnel maintain State-mandated training and supervises Crime Prevention, which includes our volunteer programs, Neighborhood Watch and Retired Senior Volunteers.

Other volunteer programs include Police Chaplains, Radio Amateur Civil Emergency Service (R.A.C.E.S.), and Police Explorers. Together all of these volunteers play a vital role, providing a way for the Department to connect with the community.

The different attributes of these Divisions are designed to complement and strengthen the capabilities of the entire Department team, as they work together to fulfill the Police Department Mission of protecting life and safeguarding property.

FY 2020-21 ACCOMPLISHMENTS

- ✓ Body Worn Cameras issued to, and worn by, all field personnel.
- ✓ Updated our Traffic Safety Plan.
- ✓ Trained and developed recently hired and promoted personnel.

- ✓ Contract in place with Geographic Information Systems company to improve mapping in Dispatch center and reduce Police response time.
- ✓ Successfully reached agreements on contracts with towing companies.
- ✓ Answered over 60,000 telephone calls at the front desk and dispatch.
- ✓ Responded to over 16,000 9-1-1 calls for service.
- ✓ Averaged 3 minutes, 40 seconds response time for priority one calls.
- ✓ Sent 775 cases to the District Attorney for criminal filing.
- ✓ Entered approximately 28,000 Police Incidents into Computer Aided Dispatch (CAD).
- ✓ Made over 1,400 arrests, both juvenile and adults.

FY 2021-2022 GOALS

Goals outlined support the City's Strategic Plan Goal to "Maintain the culture and environment of "A Nice Place to Live" and "Attract and retain quality staff."

- Begin fleet transition to Ford platform vehicles.
- Have all Police Officers attend de-escalation and crisis intervention training.
- Prepare for AB 953/Racial Profiling Act implementation.
- Restroom and locker room remodel.

	FY 18/19 Actual	FY19/20 Actual	FY20/21 Estimated	FY21/22 Adopted	Percent Change
EXPENSES BY DEPARTMENT					
<i>All Funds</i>					
Salaries & Benefits	\$ 12,610,737	\$ 13,542,203	\$ 12,892,815	\$ 14,011,468	9%
Internal Service Charges	\$ 2,366,010	\$ 2,169,266	\$ 2,338,671	\$ 2,355,009	1%
Operating Expense	\$ 737,777	\$ 577,927	\$ 919,025	\$ 777,563	-15%
Total Expenses by Department	\$ 15,714,524	\$ 16,289,396	\$ 16,150,511	\$ 17,144,040	6%

EXPENSES BY DIVISION*General Fund***Patrol**

Salaries & Benefits	\$ 7,474,848	\$ 7,880,499	\$ 7,335,385	\$ 7,936,888	8%
Internal Service Charges	\$ 1,229,456	\$ 1,108,091	\$ 1,235,488	\$ 1,231,232	-0.3%
Operating Expense	\$ 212,674	\$ 201,879	\$ 160,250	\$ 224,110	40%
Total Patrol	\$ 8,916,978	\$ 9,190,469	\$ 8,731,123	\$ 9,392,230	8%

S.W.A.T.

Salaries & Benefits	\$ 75,928	\$ 65,045	\$ 69,784	\$ 96,635	38%
Internal Service Charges	\$ 16,987	\$ 15,644	\$ 16,797	\$ 16,375	-3%
Operating Expense	\$ 4,797	\$ 10,231	\$ 11,000	\$ 11,000	0%
Total S.W.A.T.	\$ 97,712	\$ 90,920	\$ 97,581	\$ 124,010	27%

Canine

Salaries & Benefits	\$ 403,236	\$ 255,779	\$ 336,756	\$ 351,738	4%
Internal Service Charges	\$ 77,273	\$ 68,973	\$ 85,097	\$ 81,014	-5%
Operating Expense	\$ 19,846	\$ 15,063	\$ 14,620	\$ 19,620	34%
Total Canine	\$ 500,355	\$ 339,815	\$ 436,473	\$ 452,372	4%

Traffic

Salaries & Benefits	\$ 467,469	\$ 675,812	\$ 548,184	\$ 722,877	32%
Internal Service Charges	\$ 174,013	\$ 162,404	\$ 175,189	\$ 177,637	1%
Operating Expense	\$ 260,679	\$ 161,892	\$ 267,450	\$ 270,150	1%
Total Traffic	\$ 902,161	\$ 1,000,108	\$ 990,823	\$ 1,170,664	18%

Investigation

Salaries & Benefits	\$ 2,498,051	\$ 2,917,996	\$ 2,789,106	\$ 2,946,896	6%
Internal Service Charges	\$ 442,605	\$ 410,766	\$ 427,669	\$ 433,383	1%
Operating Expense	\$ 101,671	\$ 117,880	\$ 103,450	\$ 113,635	10%
Total Investigation	\$ 3,042,327	\$ 3,446,642	\$ 3,320,225	\$ 3,493,914	5%

Communication

Salaries & Benefits	\$ 902,289	\$ 1,024,096	\$ 1,108,193	\$ 1,149,759	4%
Internal Service Charges	\$ 115,898	\$ 107,979	\$ 105,240	\$ 109,975	4%
Operating Expense	\$ 13,957	\$ 9,798	\$ 24,700	\$ 23,500	-5%
Total Communication	\$ 1,032,144	\$ 1,141,873	\$ 1,238,133	\$ 1,283,234	4%

Records

Salaries & Benefits	\$ 495,620	\$ 451,876	\$ 451,759	\$ 532,471	18%
Internal Service Charges	\$ 281,954	\$ 269,543	\$ 268,496	\$ 280,192	4%
Operating Expense	\$ -	\$ -	\$ -	\$ 20,000	100%
Total Records	\$ 777,574	\$ 721,419	\$ 720,255	\$ 832,663	16%

Crime Prevention

Salaries & Benefits	\$ 149,447	\$ 129,225	\$ 131,322	\$ 145,042	10%
Internal Service Charges	\$ 22,808	\$ 21,535	\$ 20,902	\$ 21,674	4%
Operating Expense	\$ 10,075	\$ 10,399	\$ 8,530	\$ 15,530	82%
Total Crime Prevention	\$ 182,330	\$ 161,159	\$ 160,754	\$ 182,246	13%

Range

Salaries & Benefits	\$ 9,244	\$ 5,150	\$ 6,517	\$ 7,215	11%
Internal Service Charges	\$ 5,016	\$ 4,331	\$ 3,793	\$ 3,527	-7%
Operating Expense	\$ 41,713	\$ 48,095	\$ 30,000	\$ 48,018	60%
Total Range	\$ 55,973	\$ 57,576	\$ 40,310	\$ 58,760	46%

Total General Fund	\$ 15,507,554	\$ 16,149,981	\$ 15,735,677	\$ 16,990,093	8%
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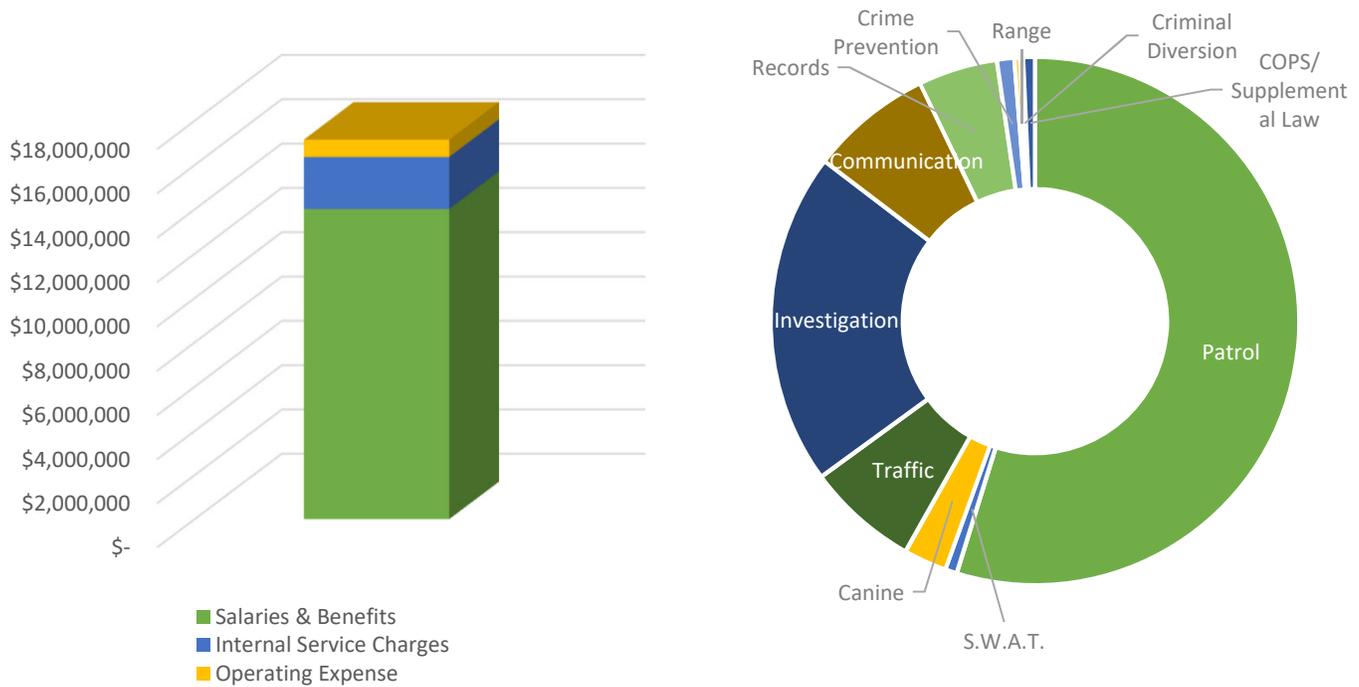
EXPENSES BY DIVISION*All Other Funds***Criminal Diversion**

Salaries & Benefits	\$ 31,770	\$ 28,997	\$ 14,148	\$ -	-100%
Internal Service Charges	\$ -	\$ -	\$ -	\$ -	0%
Operating Expense	\$ 72,365	\$ 2,690	\$ 299,025	\$ 32,000	-89%
Total Criminal Diversion	\$ 104,135	\$ 31,687	\$ 313,173	\$ 32,000	-90%

COPS/ Supplemental Law

Salaries & Benefits	\$ 102,835	\$ 107,728	\$ 101,661	\$ 121,947	20%
Internal Service Charges	\$ -	\$ -	\$ -	\$ -	0%
Operating Expense	\$ -	\$ -	\$ -	\$ -	0%
Total Criminal Diversion	\$ 102,835	\$ 107,728	\$ 101,661	\$ 121,947	20%

Total All Other Funds	\$ 206,970	\$ 139,415	\$ 414,834	\$ 153,947	-63%
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	FY 18/19 Actual	FY19/20 Actual	FY20/21 Adopted	FY21/22 Adopted	FTE Change
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STAFFING

Police Chief	1.0	1.0	1.0	1.0	0.0
Secretary	2.0	2.0	2.0	2.0	0.0
Crime Analyst	1.0	1.0	1.0	1.0	0.0
Captain	2.0	2.0	2.0	2.0	0.0
Lieutenant	3.0	3.0	3.0	3.0	0.0
Sergeant	10.0	10.0	10.0	10.0	0.0
Corporal	9.0	9.0	9.0	9.0	0.0
Police Officer	39.0	39.0	39.0	39.0	0.0
Laboratory	1.0	1.0	1.0	1.0	0.0
Support Services Manager	1.0	1.0	1.0	1.0	0.0
Support Services Supervisor	1.0	1.0	1.0	1.0	0.0
Police Records	3.5	3.5	3.5	3.5	0.0
Police Dispatch	8.5	9.5	9.5	9.5	0.0
Community Services Officer	4.0	4.0	4.0	4.0	0.0
Total FTE by Department	86.0	87.0	87.0	87.0	0.0

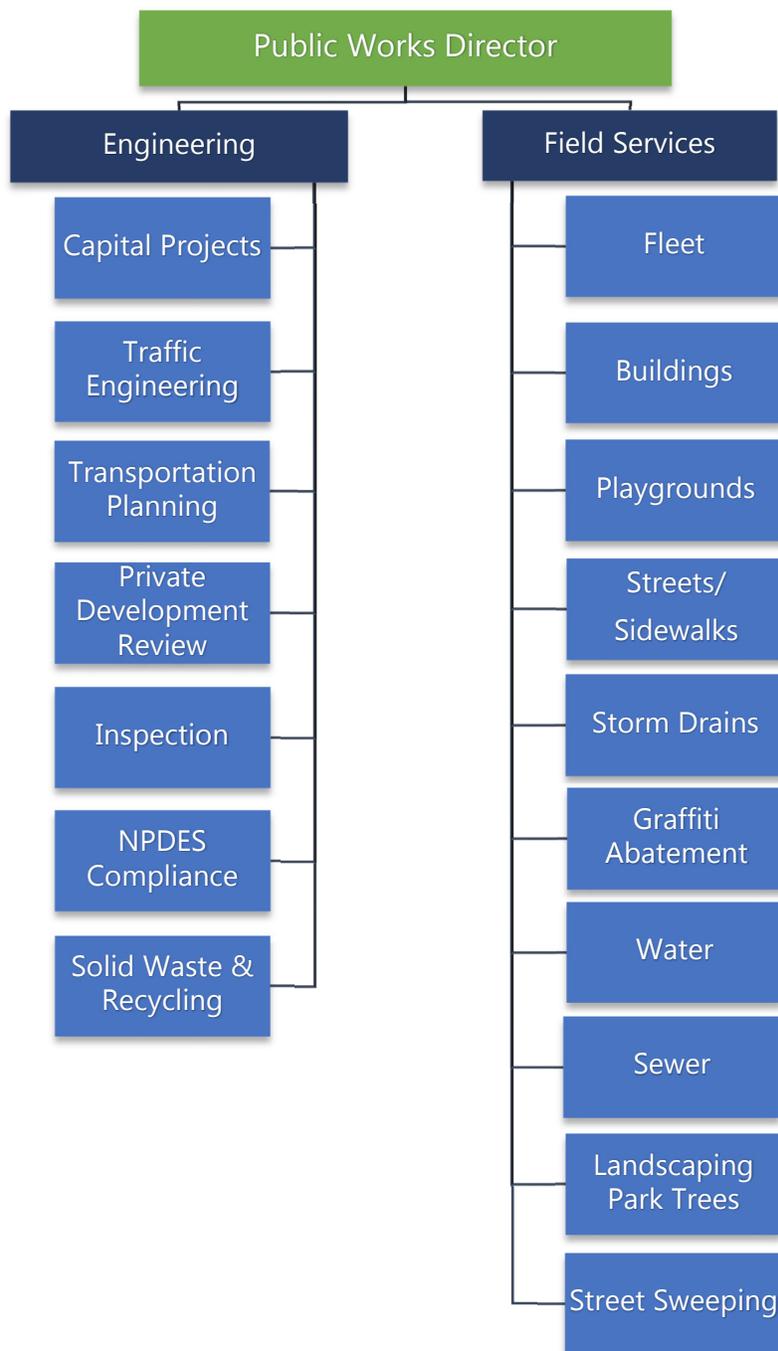
SIGNIFICANT CHANGES

Increases in Operating Expenses in Records is due to the need for as-needed video editing services relating to the body worn camera program.

Mission Statement

Enriching Quality of Life and Building a Stronger Community through Clean Water, Safe Roads, Beautiful Parks and Accessible Public Features.

Organizational Chart



The Public Works Department provides a wide range of services essential to the community including the funding, planning, design, construction, operation and maintenance of:

Roads	Parks	Trees
Playgrounds	Landscape	Sidewalks
Water	Trails	Bikeways
Traffic Signals	Drainage	Sewer
Trash	Streetscapes	Public Buildings

Public Works also provides support to many internal City Departments and plays an integral part in a variety of community activities.

The Public Works Department employs 63 dedicated professionals in two (2) Department Divisions under the general direction of the Director of Public Works, including the Engineering Division & Field Services Division.

The Public Works Engineering Division is led by the Deputy Public Works Director/City Engineer and is comprised of a dedicated staff of seven engineering and inspection professionals, which manage, operate and facilitate the City's multi-million dollar Capital Improvement Program (CIP), Traffic Engineering Program, Environmental Services, Development Review, permitting and Plan Check, ADA Coordination and Grant Fund Management.



The Engineering Division is responsible for the planning, grant funding, design and construction of the City's CIP which includes arterial roadway rehabilitation, residential roadway rehabilitation, collector streets and industrial streets rehabilitation, sewer pipe rehabilitation, sewer lift station rehabilitation, water well rehabilitation, water reservoir rehabilitation, storm drain pump station rehabilitation, sidewalk improvements, public building facility improvements, road way intersection and roadway capacity improvements, landscape/hardscape beautification, neighborhood park and playground equipment improvements and traffic engineering improvements.

Engineering manages the development review and transportation planning efforts to ensure compliance with local, State and Federal engineering standards. This year, projects included the City's General Plan update and it's EIR and Traffic Study, Orange County Sanitation District Head Quarters Offices and Pedestrian Bridge, Harbor Blvd Assisted Living, Moiola 81

Residential Home Development, Slater/San Mateo Residential Development Project, Coastal Church Residential Development Project, Coastline Community College Campus Improvements and several Accessible Dwelling Unit Improvement projects.

The Engineering Division also manages and serves as the lead in the management of all improvements related to the multi-billion dollar I-405 freeway improvement project being constructed within the city limits of Fountain Valley.

The Engineering Division manages Environmental Services, which safeguards the community's environmental resources and ensures compliance with state and federal regulatory mandates for controlling water pollution, resource management, and energy efficiency.

Programs administered include:



- The Federal Clean Water Act for water pollution prevention and protection of local water resources (National Pollutant Discharge Elimination System – NPDES)
- The California Global Warming Solutions Act (AB 32) for reduction of greenhouse gas emissions
- Resource management (AB 939, AB 341, AB 1826, and AB 1521) for material reuse, recycling, and disposal
- State General Waste Discharge Requirements (GWDR) for sewer maintenance, overflow response, and reporting; and
- Administration of Air Quality Management District (AQMD) requirements for airborne pollutant regulations/clean air mandates, public education and regulatory compliance

Environmental Services also manages special contracts and programs including the City's waste disposal and recycling contract, bus shelter maintenance, used oil collection program, beverage container recycling grant, and Neighborhood Cleanup events.

The Field Services Division is led by the Field Services Manager and is comprised of a dedicated staff of 52 operations and maintenance and administrative professionals in the Utilities Division and the General Services Division. The Utilities Division includes the Water and Sewer/Storm Drain Divisions and is comprised of a dedicated staff of twenty-four water and sewer/storm drain professionals, which manage and facilitate the City's multi-million dollar Water Fund, Water Capital Improvement Program, Sewer Fund and Storm Drain Maintenance Program.

The Water Division is responsible for maintaining the City's potable water system to ensure the safe and effective delivery of water to the City's residential and commercial customers. The division's programs include Water Distribution System Maintenance & Construction, Water Meter Maintenance & Repair, Water Meter Reading, Customer Service, Water Conservation, Cross Connection Control Program, Water Quality & Treatment, and Water Production Operations.



The Water Division also maintains a reclaimed water distribution system as part of the Green Acres Project (GAP) from OCWD.

The Sewer/Storm Drain Division is responsible for providing sewer and storm water collection service to all areas within the City boundaries. The division's programs include Sewer Maintenance & Construction, CCTV Inspections and Storm Drain Maintenance & Construction. The proper maintenance of these important City infrastructure components is a significant part of the City's public safety responsibility. The division is also responsible for providing services to maintain compliance with State required NPDES storm water regulations.

The General Services Division includes the Internal Services Division and Public Services Division and consists of a staff of twenty-six dedicated maintenance professionals that provide street, sidewalk, park, playground, public landscape, facilities and fleet maintenance services to the City of Fountain Valley.



The Internal Services Division is responsible for fleet and equipment maintenance and repair, vehicle, fuel and oil procurement, government building facility maintenance and repair, playground inspection, maintenance and repair, indoor and outdoor lighting maintenance and repair, HVAC maintenance and repair and custodial maintenance.

The Public Services Division is responsible for street and sidewalk asphalt and concrete maintenance and repair, street sweeping, street sign maintenance and repair, graffiti removal program, parks and civic facilities landscape maintenance, Fountain Valley Sports Park landscape maintenance, median, right-of-way and open space landscape maintenance, arterial sidewalk sweeping and weed removal, and tree trimming and urban forest management.

FY 2020-21 ACCOMPLISHMENTS

- ✓ Provided quality drinking water to the community.
- ✓ Maintained safe roads for the community and motoring public.
- ✓ Provided and maintained beautiful parks for the community.
- ✓ Maintained all City sidewalks, pathways and trails for the community.
- ✓ Maintained and operated the City's vast sewer network.
- ✓ Maintained and operated the City's vast drainage network.
- ✓ Maintained the City's fleet of vehicles including Public Works, Fire, Police, Administration, Community Services, Planning and Pool vehicles.
- ✓ Completed the City's CIP Management Yearly Planning.
- ✓ Managed and operated all 54 traffic signals citywide via the Traffic Management Center.
- ✓ Maintained all City Buildings.
- ✓ Completed the Construction of Sewer Structural Improvements in various locations.
- ✓ Completed the construction for Reservoir No. 2 Rehabilitation Project.
- ✓ Completed Phase IV of Pipeline Condition Assessments.
- ✓ Continued the Regional Traffic Signal Synchronization along Harbor Blvd.
- ✓ Continued the Regional Traffic Signal Synchronization along Brookhurst St.
- ✓ Continued the Regional Traffic Signal Synchronization along Magnolia St.
- ✓ Continued the Regional Traffic Signal Synchronization along Edinger Ave.
- ✓ Continued the Regional Traffic Signal Synchronization along Warner Ave.
- ✓ Continued the Regional Traffic Signal Synchronization along Talbert Ave.
- ✓ Continued the Regional Traffic Signal Synchronization along Slater Ave.
- ✓ Completed the construction for the Talbert-Mt. Washington Traffic Signal.
- ✓ Completed construction for the Arterial Pavement Rehabilitation Improvements on Warner Ave from Brookhurst St. to Euclid St.
- ✓ Completed the construction of the Residential Paving Project in the area of D7, E1 & F1.
- ✓ Completed the design of the pavement improvement project on Euclid Street from Edinger Ave. to Warner Ave.
- ✓ Completed the design of the Residential Paving Project in the area of D2.
- ✓ Complete restriping in various locations.



- ✓ Completed the construction of the Fire Apparatus Butler Building.
- ✓ Completed the design plans and awarded a construction contract for the Interior Improvements to the Recreation Center Project.
- ✓ Completed 95% design plans for the Police Department Restroom and Lockers Improvement Project.
- ✓ Completed the Design of the School Area ADA Pedestrian Ramps and put out to bid.
- ✓ Completed the Design of the Citywide Protected Permissive Left Turn traffic signal project and received E-76 Federal Authorization for Construction.
- ✓ Completed the Construction of the new traffic signal at Warner/Greenleaf.
- ✓ Completed the Construction of the new traffic signal at Talbert/Mt. Washington.
- ✓ Continued to be the lead in managing and protecting the City's interest in regards to OCTA's & Caltrans (\$2B) I-405 widening project.

FY 2021-22 GOALS

All goals support the Strategic Plan Goal to Maintain the culture and environment of "A Nice Place to Live."

- Provide quality drinking water to the community.
- Maintain safe roads for the community and motoring public.
- Provide and maintain beautiful parks for the community.
- Maintain all City sidewalks, pathways and trails for the community.
- Maintain and operated the City's vast sewer network.
- Maintain and operated the City's vast drainage network.
- Maintain the City's fleet of vehicles including Public Works, Fire, Police, Administration, Community Services, Planning and Pool vehicles.
- Manage and operated all 54 traffic signals citywide via the Traffic Management Center.
- Maintain all City Buildings.
- Complete the Construction of Sewer Structural Improvements in various locations.
- Complete Phase V of Pipeline Condition Assessments.
- Continue the Regional Traffic Signal Synchronization along Harbor Blvd.
- Continue the Regional Traffic Signal Synchronization along Brookhurst St.



- Continue the Regional Traffic Signal Synchronization along Magnolia St.
- Continue the Regional Traffic Signal Synchronization along Edinger Ave.
- Continue the Regional Traffic Signal Synchronization along Warner Ave.
- Continue the Regional Traffic Signal Synchronization along Talbert Ave.
- Continue the Regional Traffic Signal Synchronization along Slater Ave.
- Complete the construction of the School Area ADA Pedestrian Ramps.
- Complete the construction of the Residential Roadway Rehabilitation in the area of D2.
- Complete the City's Yearly CIP Management Planning.
- Installation of one Audible Pedestrian Signal.
- Complete the construction of eight (8) traffic signal modification plans.
- Complete the construction of the Pavement Rehabilitation Improvements on Euclid Street from Edinger to Warner.
- Continue work on the City's Drainage GIS mapping.
- Continue work on the City's Water GIS mapping.
- Continue work on the City's Sewer GIS mapping.
- Complete the construction of the Improvements to the City's Recreation Center Interior Project.
- Complete the Construction of City's Sewer Structural Improvement Project in Various areas SF620-5.
- Complete the City's Annual Fire Hydrant Replacement Project.
- Complete the design of the PD Restrooms/Shower Facilities Project.
- Award a construction Contract for the PD Restrooms/Shower Facilities Project.
- Complete the design for Well No. 6 Rehabilitation Project WU703.
- Complete the design for Well No. 8 Rehabilitation Project WU806.
- Complete the design for Well No. 10 Rehabilitation Project WU862.
- Complete the design for Well No. 11 Rehabilitation Project WU807.
- Complete the installation of Chlorine Generators for Project WU825.
- Solicit and award consultant contract for the Update of Water Master Plan.
- Solicit and award consultant contract for Sewer Master Plan.
- Solicit and award consultant contract for water rate study.
- Solicit and award consultant contract for sewer rate study.
- Continue to manage and protect the City's interest in regards to OCTA's & Caltrans I-405 widening project.

	FY 18/19 Actual	FY19/20 Actual	FY20/21 Adopted	FY21/22 Adopted	Percent Change
EXPENSES BY DEPARTMENT					
<i>All Funds</i>					
Salaries & Benefits	\$ 5,841,575	\$ 6,286,623	\$ 5,781,256	\$ 6,742,832	17%
Internal Service Charges	\$ 2,233,280	\$ 2,031,302	\$ 2,270,148	\$ 2,156,158	-5%
Operating Expense	\$ 13,352,059	\$ 14,582,704	\$ 13,783,136	\$ 15,634,889	13%
Total Expenses by Department	\$ 21,426,914	\$ 22,900,629	\$ 21,834,540	\$ 24,533,879	12%

EXPENSES BY DIVISION*General Fund***Engineering**

Salaries & Benefits	\$ 262,579	\$ 317,944	\$ 297,897	\$ 339,098	14%
Internal Service Charges	\$ 188,883	\$ 177,345	\$ 176,250	\$ 186,868	6%
Operating Expense	\$ 40,779	\$ 21,201	\$ 42,790	\$ 67,658	58%
Total Engineering	\$ 492,241	\$ 516,490	\$ 516,937	\$ 593,624	15%

Traffic Engineering

Salaries & Benefits	\$ 224,369	\$ 224,785	\$ 211,051	\$ 227,697	8%
Internal Service Charges	\$ 84,752	\$ 80,605	\$ 79,196	\$ 82,591	4%
Operating Expense	\$ 1,914	\$ 2,049	\$ 2,695	\$ 4,495	67%
Total Traffic Engineering	\$ 311,035	\$ 307,439	\$ 292,942	\$ 314,783	7%

Construction Inspection

Salaries & Benefits	\$ 117,800	\$ 134,064	\$ 129,847	\$ 121,009	-7%
Internal Service Charges	\$ 63,416	\$ 57,744	\$ 56,672	\$ 57,831	2%
Operating Expense	\$ 1,078	\$ 299	\$ 380	\$ 380	0%
Total Construction Inspection	\$ 182,294	\$ 192,107	\$ 186,899	\$ 179,220	-4%

Street Lighting

Salaries & Benefits	\$ 14,093	\$ 14,777	\$ 14,120	\$ 14,696	4%
Internal Service Charges	\$ 8,713	\$ 7,844	\$ 8,282	\$ 8,598	4%
Operating Expense	\$ 271,047	\$ 370,375	\$ 393,880	\$ 430,000	9%
Total Street Lighting	\$ 293,853	\$ 392,996	\$ 416,282	\$ 453,294	9%

Rights of Ways

Salaries & Benefits	\$ 139,947	\$ 159,012	\$ 123,975	\$ 144,582	17%
Internal Service Charges	\$ 95,730	\$ 84,937	\$ 82,274	\$ 86,396	5%
Operating Expense	\$ 283,313	\$ 309,973	\$ 384,647	\$ 457,010	19%
Total Rights of Ways	\$ 518,990	\$ 553,922	\$ 590,896	\$ 687,988	16%

Tree Maintenance

Salaries & Benefits	\$ 87,213	\$ 96,878	\$ 86,689	\$ 91,481	6%
Internal Service Charges	\$ 92,297	\$ 79,889	\$ 76,905	\$ 78,781	2%
Operating Expense	\$ 276,026	\$ 290,619	\$ 302,425	\$ 349,530	16%
Total Tree Maintenance	\$ 455,536	\$ 467,386	\$ 466,019	\$ 519,792	12%

PUBLIC WORKS

Park Maintenance									
Salaries & Benefits	\$	171,212	\$	188,659	\$	143,256	\$	168,156	17%
Internal Service Charges	\$	91,224	\$	83,308	\$	94,636	\$	89,328	-6%
Operating Expense	\$	524,651	\$	618,359	\$	628,941	\$	636,902	1%
Total Park Maintenance	\$	787,087	\$	890,326	\$	866,833	\$	894,386	3%

Concrete Maintenance									
Salaries & Benefits	\$	294,724	\$	303,917	\$	321,633	\$	348,735	8%
Internal Service Charges	\$	153,703	\$	137,130	\$	151,792	\$	146,088	-4%
Operating Expense	\$	24,179	\$	21,998	\$	26,745	\$	26,600	-1%
Total Concrete Maintenance	\$	472,606	\$	463,045	\$	500,170	\$	521,423	4%

Pavement Maintenance									
Salaries & Benefits	\$	313,326	\$	308,190	\$	329,095	\$	358,096	9%
Internal Service Charges	\$	157,894	\$	140,317	\$	159,582	\$	152,499	-4%
Operating Expense	\$	86,432	\$	71,862	\$	89,550	\$	90,300	1%
Total Pavement Maintenance	\$	557,652	\$	520,369	\$	578,227	\$	600,895	4%

Storm Drain Maintenance									
Salaries & Benefits	\$	324,697	\$	399,231	\$	394,635	\$	429,834	9%
Internal Service Charges	\$	64,830	\$	57,018	\$	56,819	\$	56,078	-1%
Operating Expense	\$	112,545	\$	103,323	\$	116,300	\$	98,600	-15%
Total Storm Drain Maintenance	\$	502,072	\$	559,572	\$	567,754	\$	584,512	3%

Traffic Control									
Salaries & Benefits	\$	204,834	\$	145,164	\$	144,605	\$	182,578	26%
Internal Service Charges	\$	142,611	\$	126,055	\$	143,203	\$	135,000	-6%
Operating Expense	\$	191,927	\$	201,542	\$	267,000	\$	272,300	2%
Total Traffic Control	\$	539,372	\$	472,761	\$	554,808	\$	589,878	6%

Street Sweeping									
Salaries & Benefits	\$	13,892	\$	19,085	\$	12,964	\$	18,825	45%
Internal Service Charges	\$	12,455	\$	11,839	\$	10,685	\$	12,816	20%
Operating Expense	\$	328,087	\$	314,899	\$	383,285	\$	383,285	0%
Total Street Sweeping	\$	354,434	\$	345,823	\$	406,934	\$	414,926	2%

Recreation Center									
Salaries & Benefits	\$	168,787	\$	200,420	\$	148,439	\$	171,192	15%
Internal Service Charges	\$	219,464	\$	201,271	\$	255,344	\$	233,178	-9%
Operating Expense	\$	538,393	\$	590,992	\$	611,555	\$	617,555	1%
Total Recreation Center	\$	926,644	\$	992,683	\$	1,015,338	\$	1,021,925	1%

Graffiti Removal									
Salaries & Benefits	\$	84,792	\$	79,821	\$	38,336	\$	111,660	191%
Internal Service Charges	\$	73,135	\$	66,388	\$	91,528	\$	81,429	-11%
Operating Expense	\$	4,934	\$	7,260	\$	8,700	\$	10,200	17%
Total Graffiti Removal	\$	162,861	\$	153,469	\$	138,564	\$	203,289	47%

Total General Fund	\$	6,556,677	\$	6,828,388	\$	7,098,603	\$	7,579,935	7%
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EXPENSES BY DIVISION

*All Other Funds***Pollution Reduction**

Salaries & Benefits	\$ 450	\$ -	\$ 1,109	\$ 1,249	13%
Internal Service Charges	\$ -	\$ -	\$ -	\$ -	0%
Operating Expense	\$ -	\$ -	\$ -	\$ 891	100%
Total Pollution Reduction	\$ 450	\$ -	\$ 1,109	\$ 2,140	93%

Government Buildings (ISF)

Salaries & Benefits	\$ 536,795	\$ 562,006	\$ 546,169	\$ 595,327	9%
Internal Service Charges	\$ -	\$ -	\$ -	\$ -	0%
Operating Expense	\$ 849,348	\$ 1,003,991	\$ 1,132,896	\$ 1,321,568	17%
Total Government Buildings	\$ 1,386,143	\$ 1,565,997	\$ 1,679,065	\$ 1,916,895	14%

Fleet Management (ISF)

Salaries & Benefits	\$ 443,680	\$ 499,450	\$ 475,300	\$ 507,563	7%
Internal Service Charges	\$ 20,437	\$ 26,660	\$ 13,762	\$ 9,594	-30%
Operating Expense	\$ 505,384	\$ 492,526	\$ 438,675	\$ 536,200	22%
Total Fleet Management	\$ 969,501	\$ 1,018,636	\$ 927,737	\$ 1,053,357	14%

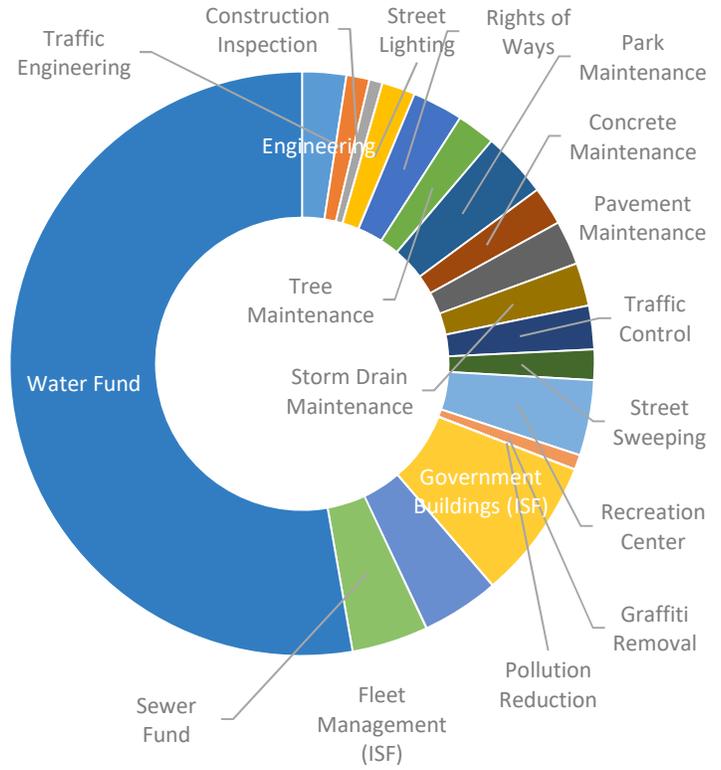
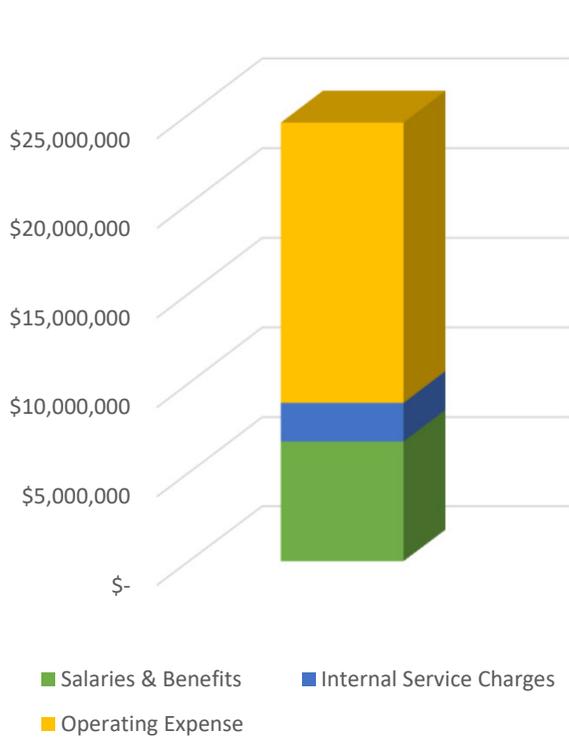
Sewer Fund

Salaries & Benefits	\$ 518,348	\$ 541,254	\$ 512,947	\$ 574,755	12%
Internal Service Charges	\$ 213,227	\$ 193,951	\$ 301,980	\$ 228,504	-24%
Operating Expense	\$ 77,061	\$ 100,261	\$ 99,152	\$ 232,784	135%
Total Sewer Fund	\$ 808,636	\$ 835,466	\$ 914,079	\$ 1,036,043	13%

Water Fund

Salaries & Benefits	\$ 1,920,037	\$ 2,091,966	\$ 1,849,189	\$ 2,336,299	26%
Internal Service Charges	\$ 550,509	\$ 499,001	\$ 511,238	\$ 510,579	0%
Operating Expense	\$ 9,234,961	\$ 10,061,175	\$ 8,853,520	\$ 10,098,631	14%
Total Water Fund	\$ 11,705,507	\$ 12,652,142	\$ 11,213,947	\$ 12,945,509	15%

Total Other Funds	\$ 14,870,237	\$ 16,072,241	\$ 14,735,937	\$ 16,953,944	15%
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	FY 18/19 Actual	FY19/20 Actual	FY20/21 Adopted	FY21/22 Adopted	FTE Change
STAFFING					
Director of Public Works	1.0	1.0	1.0	1.0	0.0
Administrative Assist./ Secretary	1.0	1.0	1.0	1.0	0.0
Deputy Director of PW/ City Engineer	1.0	1.0	1.0	1.0	0.0
Management Aide	0.0	1.0	1.0	1.0	0.0
Environmental Services Administrator	1.0	1.0	1.0	1.0	0.0
Engineering Associate	2.0	2.0	2.0	2.0	0.0
Engineering Techn III	2.0	2.0	2.0	2.0	0.0
Public Works Inspector	1.0	1.0	1.0	1.0	0.0
Field Services Manager	1.0	1.0	1.0	1.0	0.0
Administrative Specialist	1.0	1.0	1.0	1.0	0.0
Management Analyst	1.0	1.0	1.0	1.0	0.0
Internal Services Supervisor	1.0	1.0	1.0	1.0	0.0
Public Services Supervisor	1.0	1.0	1.0	1.0	0.0
Landscape Inspector	1.0	1.0	1.0	1.0	0.0
Foreman	4.0	4.0	4.0	4.0	0.0
Equipment Operator I & II	1.0	1.0	1.0	1.0	0.0
Irrigation Technician	2.0	2.0	2.0	2.0	0.0
Maintenance Worker II	11.0	11.0	11.0	11.0	0.0
Mechanic	3.0	3.0	3.0	3.0	0.0
Water Supervisor	2.0	2.0	2.0	2.0	0.0
Foreman	1.0	1.0	1.0	1.0	0.0
Water Quality Technician	1.0	1.0	1.0	1.0	0.0
Equipment Operator Non-Certified	1.0	1.0	1.0	1.0	0.0
Water Systems Operator	3.0	3.0	3.0	3.0	0.0
Maintenance Worker II	8.0	8.0	8.0	8.0	0.0
Maintenance Worker II Non-Certified	1.0	1.0	1.0	1.0	0.0
Sewer/ Storm Drain Supervisor	1.0	1.0	1.0	1.0	0.0
Equipment Operator- Storm Drains	1.0	1.0	1.0	1.0	0.0
Equipment Operator- Sewer	1.0	1.0	1.0	1.0	0.0
Maintenance Worker II- Sewers/ Storm	2.0	2.0	2.0	2.0	0.0
Total FTE by Department	58.0	59.0	59.0	59.0	0.0

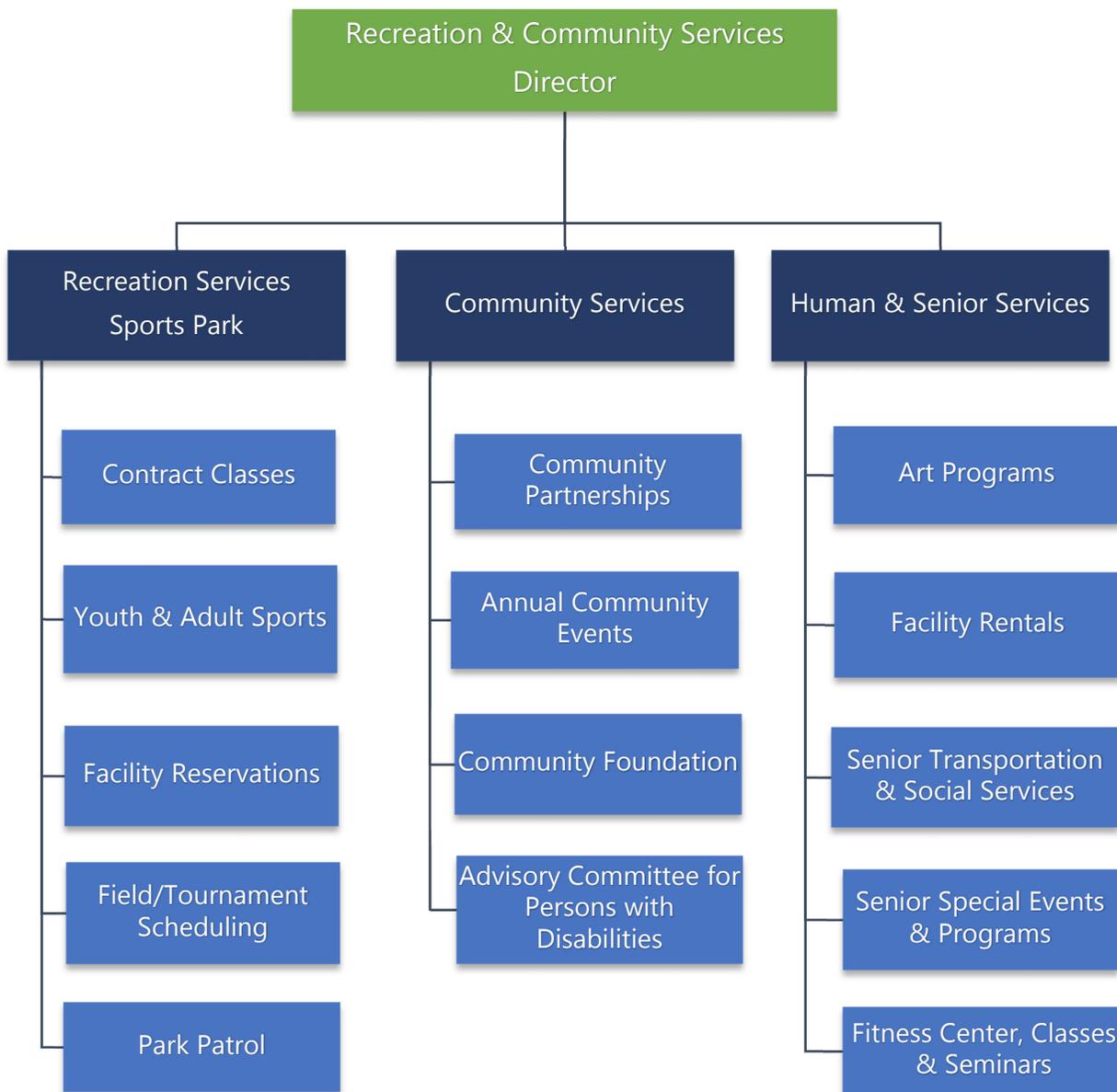
SIGNIFICANT CHANGES

Increases in Operating Expenses reflect an increase in contract costs for services such as street sweeping, tree and landscape maintenance

Mission Statement

The Fountain Valley Recreation and Community Services Department, in collaboration with our community partners, enriches lives by providing quality programs, human services and recreational opportunities that create positive and memorable experiences.

Organizational Chart



The Recreation & Community Services Department facilitates community enrichment by providing quality programs, services, and recreation opportunities that create positive and memorable experiences. The Department heightens the quality of life and sense of place for



Fountain Valley residents and the greater community by organizing and implementing more than 18 major community events while also promoting health and wellness through a variety of athletic leagues and programs. In addition to physical benefits, the Recreation and Community Services Department fosters human development with its summer programs and camps, Human and Senior Services, and recreational opportunities.

The Department operates the City of Fountain Valley Recreation Center and Sports Park and The Center at Founders Village Senior and Community Center. These facilities service more than 400,000 visitors annually, support

economic, and community development by hosting regional and national community events and athletic tournaments.

In Fiscal Year 2020/21, the Community Services Department has amended its focus and program delivery models to assist, support and educate our community through the COVID-19 pandemic. With an unwavering commitment to quality of life, staff have worked to develop and deliver programs and services providing direct and immediate support to our residents and business community.

Parks Make Life Better in Fountain Valley!

FY 2020-21 ACCOMPLISHMENTS

- ✓ Provided the community a comprehensive sponsorship opportunity in collaboration with the Fountain Valley Community Foundation (FVCF) promoting progressive collaborations between public, private and nonprofit organizations.
- ✓ With support from the Recreation Center Interior Committee, collaborated with the Public Works Department to renovate the interior of the Recreation Center to enhance facility accessibility and "rentability".
- ✓ Facilitated in-person COVID-19 testing 4 days per week at the Fountain Valley Sports Park in partnership with 360 Clinics.

- ✓ Developed a temporary (no fee) park permit program to support businesses and organizations affected by the State and Local health occupancy guidelines.
- ✓ Received grant appropriation from Prop. 68, State of California Office of Grants and Local Services (OGALS).
- ✓ Developed online and hybrid programming for annual contract classes, camps and senior groups.
- ✓ Collaborated with OC Meals on Wheels to provide 1000's of meals every week to food insecure seniors.
- ✓ Created a Park Patrol program to support and educate the community related to the local and state health guidelines. Staff visited all Fountain Valley parks 7 days per week, and assisted FVPD in responding to community inquires, and support calls.
- ✓ Maintained professional collaborations with Fountain Valley Regional Hospital, Orange Coast Memorial Medical Center, and other local health care agencies to provide educational and health related services and education to the senior community.
- ✓ Provided affordable transportation to more than 500 seniors living in Fountain Valley who have limited or no access to other transportation.
- ✓ Created a new Senior Social Services program through a collaborative partnership with Fresh Beginnings Ministries in response to the COVID-19 pandemic.
- ✓ Established the inaugural "Art on a Box" program to promote the arts on utility boxes through a partnership effort with Public Works.



- ✓ Created a networking forum for senior service providers to share, promote, and collaborate resources and information as a vehicle to get information to seniors in response to the COVID-19 pandemic.
- ✓ Provided the community with annual events through alternative delivery models including; Drive-In Movies, Self-Directed Holiday light Show and Virtual Great Fountain Valley Camp Out.
- ✓ Collaborated with the FV Community Foundation and the FVFD PREP program to create a senior call tree and deliver care packages to senior living facilities.
- ✓ Created the FV Fun at Home virtual activities the community could enjoy doing while at home.
- ✓ Provided Wednesday Water Tips for the community as an alternative to our traditional aquatics program.

FY 2021-2022 Goals

Goals outlined support the City's Strategic Plan Goals to "Maintain the culture and environment of "A Nice Place to Live" and "Achieve fiscal stability in accordance with the 20-Year Financial Plan."

- Continue to explore public/private partnerships to expand the recreational portfolio of the City of Fountain Valley.
- Facilitate funding in collaboration with Prop 68 grant opportunities to build the City's first All Abilities Inclusive Playground at the FV Sports Park.
- Work with the County of Orange and OC Parks to assist, when applicable, in regards to the Mile Square Regional Park Expansion Project.
- Continue to facilitate a professional relationship with the Fountain Valley Community Foundation through collaboration on select special events, class scholarships and as a Board of Directors representative. - Annually
- Provide to the community a wide variety of Recreational and Human Service programs/classes for all ages. - Annually
- Continue to collaborate with local hospitals and medical centers to provide educational and health related programs to our senior community. - Annually
- Create a new rental program for the Recreation and Community Centers focused on community accessibility and flexible use for the community.
- Complete renovation of the Recreation Center Interior.




**FV VIRTUAL
5K WALK/RUN**
Saturday, Feb 20th to 27th



RECREATION & COMMUNITY SERVICES

	FY 18/19 Actual	FY19/20 Actual	FY20/21 Estimated	FY21/22 Adopted	Percent Change
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EXPENSES BY DEPARTMENT

All Funds

Salaries & Benefits	\$ 1,295,545	\$ 1,212,267	\$ 980,435	\$ 1,385,343	41%
Internal Service Charges	\$ 1,024,849	\$ 893,650	\$ 848,296	\$ 1,016,268	20%
Operating Expense	\$ 538,742	\$ 316,006	\$ 172,118	\$ 476,180	177%
Total Expenses by Department	\$ 2,320,394	\$ 2,105,917	\$ 1,828,731	\$ 2,401,611	31%

EXPENSES BY DIVISION

General Fund

Athletics

Salaries & Benefits	\$ 149,302	\$ 134,489	\$ 129,383	\$ 174,988	35%
Internal Service Charges	\$ 201,199	\$ 171,839	\$ 164,988	\$ 199,087	21%
Operating Expense	\$ 60,355	\$ 39,613	\$ 19,350	\$ 89,155	361%
Total Athletics	\$ 410,856	\$ 345,941	\$ 313,721	\$ 463,230	48%

Field Operations

Salaries & Benefits	\$ 124,666	\$ 139,168	\$ 133,273	\$ 165,695	24%
Internal Service Charges	\$ 99,060	\$ 88,780	\$ 83,417	\$ 99,632	19%
Operating Expense	\$ 11,710	\$ 12,112	\$ 6,252	\$ 16,630	166%
Total Field Operations	\$ 235,436	\$ 240,060	\$ 222,942	\$ 281,957	26%

Annual Festivals

Salaries & Benefits	\$ 18,733	\$ 21,245	\$ 11,606	\$ 33,450	188%
Internal Service Charges	\$ -	\$ -	\$ -	\$ -	0%
Operating Expense	\$ 69,182	\$ 9,731	\$ 25,000	\$ 50,000	100%
Total Annual Festivals	\$ 87,915	\$ 30,976	\$ 36,606	\$ 83,450	128%

Park Patrol- New Program in FY21/22

Salaries & Benefits	\$ -	\$ 21,245	\$ 11,606	\$ 87,159	651%
Internal Service Charges	\$ -	\$ -	\$ -	\$ 29,820	100%
Operating Expense	\$ -	\$ -	\$ -	\$ 2,500	100%
Total Park Patrol	\$ -	\$ 21,245	\$ 11,606	\$ 119,479	929%

Aquatics- Program Eliminated in FY21/22

Salaries & Benefits	\$ 56,675	\$ 59,342	\$ -	\$ -	0%
Internal Service Charges	\$ 36,202	\$ 32,106	\$ -	\$ -	0%
Operating Expense	\$ 18,459	\$ 13,576	\$ -	\$ -	0%
Total Aquatics	\$ 111,336	\$ 105,024	\$ -	\$ -	0%

Recreation & Tennis Center

Salaries & Benefits	\$ 172,991	\$ 181,795	\$ 199,650	\$ 217,671	9%
Internal Service Charges	\$ 240,208	\$ 209,026	\$ 228,303	\$ 240,019	5%
Operating Expense	\$ 17,478	\$ 9,096	\$ 12,247	\$ 19,465	59%
Total Recreation & Tennis Ctr	\$ 430,677	\$ 399,917	\$ 440,200	\$ 477,155	8%

RECREATION & COMMUNITY SERVICES

Community & Senior Center

Salaries & Benefits	\$ 259,948	\$ 268,706	\$ 262,186	\$ 376,309	44%
Internal Service Charges	\$ 239,912	\$ 210,170	\$ 198,778	\$ 236,440	19%
Operating Expense	\$ 95,774	\$ 73,772	\$ 31,190	\$ 96,640	210%
Total Community & Senior Ctr	\$ 595,634	\$ 552,648	\$ 492,154	\$ 709,389	44%

Contract Classes

Salaries & Benefits	\$ 374,677	\$ 291,787	\$ 138,864	\$ 169,124	22%
Internal Service Charges	\$ 100,531	\$ 87,525	\$ 83,446	\$ 101,841	22%
Operating Expense	\$ 35,740	\$ 32,300	\$ 24,694	\$ 49,040	99%
Total Contract Classes	\$ 510,948	\$ 411,612	\$ 247,004	\$ 320,005	30%

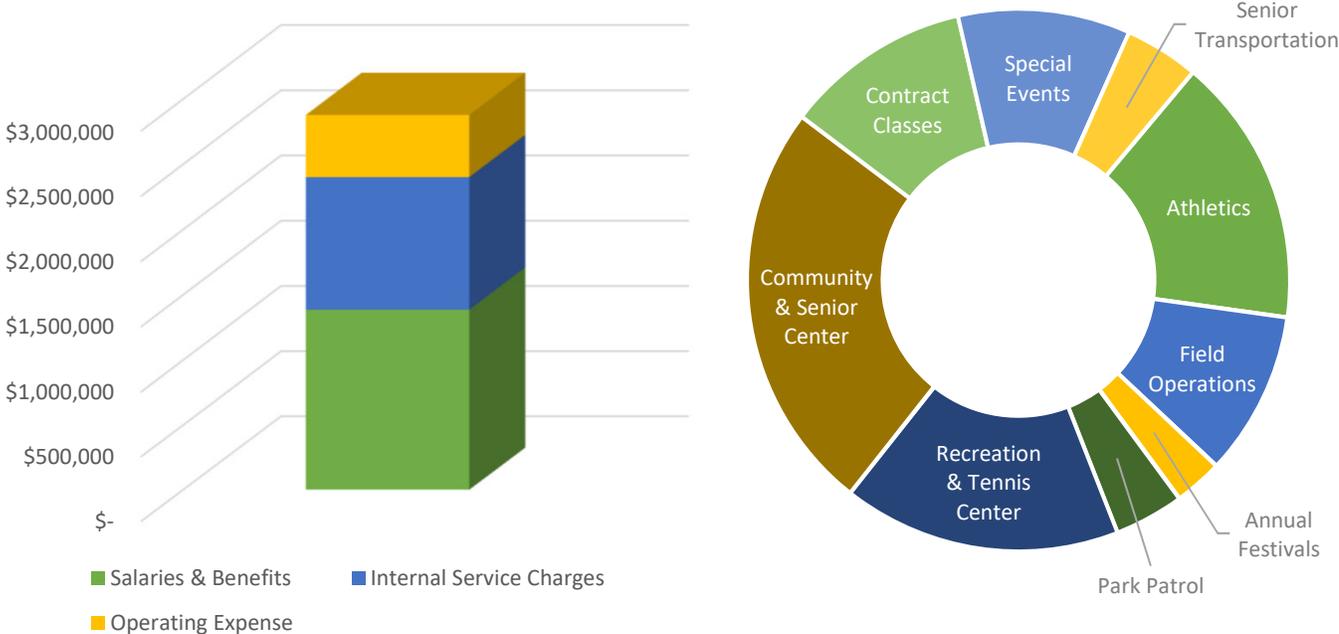
Special Events

Salaries & Benefits	\$ 117,284	\$ 96,689	\$ 87,225	\$ 135,998	56%
Internal Service Charges	\$ 107,737	\$ 94,204	\$ 89,364	\$ 109,429	22%
Operating Expense	\$ 45,925	\$ 43,984	\$ 17,574	\$ 50,250	186%
Total Special Events	\$ 270,946	\$ 234,877	\$ 194,163	\$ 295,677	52%

Senior Transportation

Salaries & Benefits	\$ 21,269	\$ 19,046	\$ 18,248	\$ 24,949	37%
Internal Service Charges	\$ -	\$ -	\$ -	\$ -	0%
Operating Expense	\$ 184,119	\$ 81,822	\$ 35,811	\$ 102,500	186%
Total Senior Transportation	\$ 205,388	\$ 100,868	\$ 54,059	\$ 127,449	136%

Total General Fund	\$ 2,859,136	\$ 2,443,168	\$ 2,012,455	\$ 2,877,791	43%
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	FY 18/19 Actual	FY19/20 Actual	FY20/21 Adopted	FY21/22 Adopted	FTE Change
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STAFFING

Community Services Director	1.0	1.0	1.0	1.0	0.0
Community Services Manager	2.0	2.0	2.0	2.0	0.0
Community Services Supervisor	1.0	1.0	1.0	2.0	1.0
Recreation Coordinator	2.0	2.0	2.0	1.0	(1.0)
Total FTE by Department	6.0	6.0	6.0	6.0	0.0

SIGNIFICANT CHANGES

In FY 2020/21 the City Council approved the reclassification of a Recreation Coordinator to a Recreation Supervisor to better align with the duties required of the position.

After reviewing the Aquatics program costs and participation levels, the program was not sustainable or competitive with private aquatic programs and is proposed to be eliminated in FY2021/22. Staff previously working with the aquatics program will now be working with the new Park Patrol program. The program began in FY20/21 to assist in the response to Covid-19, it will continue going forward working directly with the community in parks as well as in partnership with the Police Department to assist with response to the needs of the homeless.

The Capital Improvement Program (CIP) identifies major public improvements to the City's infrastructure over the next ten years and includes new projects, upgrades to existing facilities as well as rehabilitation of streets and roadways. Projects included in the CIP reflect Strategic Plan Goals adopted by the City Council including: Maintain the culture and environment of "A Nice Place to Live", Attract and retain revenue producing businesses, and Achieve fiscal stability in accordance with the 20-Year Financial Plan.

Capital Projects

Each year as part of the budget process, the CIP is reviewed and updated to ensure the City's priorities and needs have not changed from the prior year, and to confirm there is sufficient revenue to support the projects planned.

Funding for capital projects is appropriated within the current fiscal year budget. For any multi-year projects that are not completed at fiscal year-end, a continuing appropriation for the unspent balance will be carried over into the following year's budget. In general, the CIP budget provides funding for infrastructure construction and rehabilitation, while the operating budget and other special funds provide funding for routine infrastructure maintenance.



Capital projects planned for FY 2021/22 are outlined in detail in the following pages.

FY 2021/22 Capital Replacement Expenditures

In addition to capital projects identified in the Capital Improvement Program, all city assets related to government buildings; equipment, tools, office furniture; information technology; and rolling fleet are listed in a ten-year replacement or maintenance schedule utilizing Internal Service Funds for each asset category. An annual review and update of the City's needs has been completed and the Fiscal Year 2021-22 budget includes funding for those capital replacement items that need to be purchased.

The Fiscal Year 2021-22 budget continues to carry out the ten-year replacement program. *Capital Equipment* includes FD cardiac monitors, ballistic vests, turn-out gear, 800 MHz radio replacement, a concrete saw, and other smaller items citywide. Included in *Information technology* will be the regular change out of older computer workstations, printers; and iPads for fire personnel. *Fleet services* will replace several trucks, four police cars, two police motorcycles, an aerial truck, and other related equipment. *Government building* rehabilitation includes roofing repairs at the corporate yard, upgrades to the telephone and alarm systems, and painting.

CAPITAL IMPROVEMENT PROGRAM

Capital Replacement Expenditures - Internal Service Funds	
Capital Equipment – (Office Furniture / Tools / Other)	415,244
Information Technology (Computers / Servers)	643,476
Fleet (Vehicles)	1,027,500
Government Buildings	807,900
Routine Capital Expenditures Total	\$2,894,120

FY 2021/22 CAPITAL PROJECTS BY FUNDING SOURCE

Proj #	Project Name		Total	General Fund Capital	Measure HH	General Plan Maint.	Economic Dev.	98 TAB Proceeds	OCTA Rmb.	Sewer Fund	Water Fund	RMRA (SB1)	Gas Tax Fund	Other Grant	Measure M2
General Fund 11															
GF335	General Plan Update	Y	1,020,450	26,164		40,000	954,286								
GF336	General Plan Update - SB2 Planning Grant	Y	75,000											75,000	
GF338	General Plan Update - LEAP Grant	Y	105,000											105,000	
GF341	Recreation Center Interior Improvements	Y	660,000					660,000							
GF348	Sports Park All Accessible Playground Equipment		1,000,000	400,000										600,000	
GF350	Sports Park Outbuildings (Interior ADA/Renovation)		500,000	500,000											
GF351	Sports Park Road Network Rehabilitation		650,000	650,000											
GF794	Police Locker Room/Showers Remodel	Y	26,545					26,545							
GF794	Police Locker Room/Showers Remodel		2,800,000	2,800,000											
GF793	Fire Station No. 1 Remodel		1,000,000	1,000,000											
GF795	City Hall Interior Remodel		250,000	42,349											
GF915	I-405 Improvement	Y	976,265					207,651				976,265			
General Fund Projects			9,063,260	5,418,513	-	40,000	954,286	894,196	976,265	-	-	-	-	780,000	-
Gas Tax 23															
GT010	Citywide Restriping		50,000										50,000		
GT228	ADA Compliant Curb Ramps (School Area)		575,000										349,000	226,000	
GT229	Residential Roadway Rehabilitation		2,000,000		375,000					40,000	50,000		1,535,000		
Gas Tax Projects			2,625,000	-	375,000	-	-	-	-	40,000	50,000	-	1,934,000	226,000	-
Traffic Imp 24															
TI152	Bus Shelter at Harbor		35,000											35,000	-
TI155	Brookhurst Traffic Signal Synchronization		100,000												100,000
TI156	Magnolia Traffic Signal Synchronization		50,000												50,000
TI266	Traffic Signal Controllers Citywide		400,000												400,000
TI268	Euclid/Condor & Talbert/Bushard Signal Mod.		80,000												80,000
TI276	Euclid - Heil/Warner		1,800,000							30,000	25,000	1,107,246			637,754
TI277	Heil - Euclid/Harbor & Ward		120,000												120,000
TI285	Talbert Traffic Signal Synchronization		85,000												85,000
TI286	Warner Traffic Signal Synchronization		85,000												85,000
TI287	Edinger Traffic Signal Synchronization		65,000												65,000
TI289	Slater Traffic Signal Synchronization		150,000												150,000
TI288	Traffic Signal Modification Improvments (8)		2,000,000											1,682,209	317,791
Traffic Improvement Fund Projects			4,970,000	-	-	-	-	-	-	30,000	25,000	1,107,246	-	1,717,209	2,090,545
Sewer 31															
DF997	Talbert Channel Strom Drain		150,000	150,000											
Drainage Fund Projects			150,000	150,000	-	-	-	-	-	-	-	-	-	-	-
Sewer 32															
SF615	Sewer Master Plan		350,000							350,000					
SF617	Sewer Manhole Rehab		65,000							65,000					
SF627	Sewer Improvements Annual 620.-5		2,000,000							2,000,000					
SF935	I-405 Utility Faciliites Relocation		23,195							23,195					
Sewer Fund Projects			2,438,195	-	-	-	-	-	23,195	2,415,000	-	-	-	-	-

FY 2021/22 CAPITAL PROJECTS BY FUNDING SOURCE

Proj #	Project Name	Total	General Fund Capital	Measure HH	General Plan Maint.	Economic Dev.	98 TAB Proceeds	OCTA Rmb.	Sewer Fund	Water Fund	RMRA (SB1)	Gas Tax Fund	Other Grant	Measure M2
Water 71														
WU703	Well Site No. 6	300,000								300,000				
WU806	Well Site No. 8	800,000								800,000				
WU805	Well Site No. 10	300,000								300,000				
WU807	Well Site No. 11	900,000								900,000				
WU716	Hydrogeological/Well Rehabilitation Consultant	100,000								100,000				
				Y										
WU709	Pipeline Condition Assessment	300,000								300,000				
WU928	Mt Baldy/Euclid Pipeline Replacement	282,000						282,000						
WU715	OCTA Bridge Pipeline Replacement	350,000								350,000				
				Y										
WU825	Chlorine Generators	150,000								150,000				
WU800	Master Plan	350,000								350,000				
WU9XX	I-405 Utility Facilities Relocation	290,682									290,682			
				Y										
Water Fund Projects		4,122,682	-	-	-	-	-	572,682	-	3,550,000	-	-	-	-
Total Projects		23,219,137	5,568,513	375,000	40,000	954,286	894,196	1,572,142	2,485,000	3,625,000	1,107,246	1,934,000	2,723,209	2,090,545

CAPITAL IMPROVEMENT TEN YEAR PLAN - GENERAL FUND

				2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031
Project	Proj #	%	Reserve/Source										
General Fund Projects													
General Plan Update	GF335	Varied	Economic Dvlp/General Plan Fee	1,020,450	-	-	-	-	-	-	-	-	-
General Plan Update - SB2 Planning Grant	GF336	100%	Grant Funding	75,000	-	-	-	-	-	-	-	-	-
General Plan Update - LEAP Grant	GF338	100%	Grant Funding	105,000	-	-	-	-	-	-	-	-	-
Recreation Center Interior Improvements	GF341	100%	OCTA Reimbursement	660,000	-	-	-	-	-	-	-	-	-
Sports Park All Accessible Playground Equipmer	GF348	Varied	General Fund Capital/Grant/Donations	1,000,000	-	-	-	-	-	-	-	-	-
Sports Park Outbuildings (Interior ADA/Renovat	GF350	100%	General Fund Capital	500,000	-	-	-	-	-	-	-	-	-
Sports Park Road Network Rehabilitation	GF351	100%	General Fund Capital	650,000	-	-	-	-	-	-	-	-	-
Police Locker Room/Showers Remodel	GF794	100%	98 TAB	26,545	-	-	-	-	-	-	-	-	-
Police Locker Room/Showers Remodel	GF794	100%	General Fund Capital	2,800,000	-	-	-	-	-	-	-	-	-
Fire Station No. 1 Remodel	GF793	100%	General Fund Capital	1,000,000	8,800,000	-	-	-	-	-	-	-	-
City Hall Interior Remodel	GF795	100%	General Fund Capital	250,000	-	-	-	-	-	-	-	-	-
I-405 Improvement	GF915	100%	OCTA Reimbursement	976,265	-	-	-	-	-	-	-	-	-
Total General Fund Projects				9,063,260	8,800,000	-	-	-	-	-	-	-	-
Non-Departmental													
Park Improvements	GF403	100%	Operating	-	-	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Total Non-Departmental				-	-	200,000							
Total				9,063,260	8,800,000	200,000							

CAPITAL IMPROVEMENT TEN YEAR PLAN - GAS TAX

		2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2020-2031
Project	Project #										
Residential Roadway Rehabilitation											
Residential Roadway Rehabilitation	229	2,000,000	1,500,000	1,500,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Total Residential Rehabilitation		2,000,000	1,500,000	1,500,000	1,400,000						
Traffic Control											
Restriping-Various Locations	010	50,000	-	25,000	-	-	25,000	-	-	25,000	-
Total Traffic Control		50,000	-	25,000	-	-	25,000	-	-	25,000	-
Arterial Roadway Rehabilitation											
Heil-Magnolia/Brookhurst	999	-	-	-	-	-	-	500,000	-	-	-
Collector Streets	999	-	-	-	350,000	-	-	-	-	-	-
Industrial Streets	999	-	-	-	350,000	-	-	-	-	-	-
Total Arterial Roadway Rehabilitation		-	-	-	700,000	-	-	500,000	-	-	-
ADA Projects											
School Area ADA Pedestrian Ramps	228	575,000	-	-	-	-	-	-	-	-	-
Total ADA Project		575,000	-								
Total Gas Tax Projects		2,625,000	1,500,000	1,525,000	2,100,000	1,400,000	1,425,000	1,900,000	1,400,000	1,425,000	1,400,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - TRAFFIC IMPROVEMENT

			2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2020-2031
Project	Proj #	Type										
Pavement Rehabilitation												
Heil - Euclid/Harbor	277	Rehab.	120,000	1,500,000	-	-	-	-	-	-	-	-
Euclid - Edinger/Warner	276	Rehab.	1,800,000	-	-	-	-	-	-	-	-	-
Arterial Rehabilitation Project	999	Rehab.	-	-	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Total Pavement Rehabilitation			\$ 1,920,000	\$ 1,500,000	\$ 1,700,000							
Signal & Signage												
Citywide Signal Retiming	029	SIG	-	175,000	-	-	175,000	-	-	-	175,000	-
PPLT Traffic Signal Improvements	999	SIG	2,000,000	-	-	-	-	-	-	-	-	-
Traffic Signal System Equipment Improvements	999	SIG	400,000	-	-	-	-	-	-	-	-	-
Euclid/Condor & Talbert/Bushard Sig MOD	999	SIG	80,000	-	-	-	-	-	-	-	-	-
Brookhurst Street Signal Synchronization	155	TSSP	100,000	-	-	-	-	-	-	-	-	-
Magnolia Avenue Signal Synchronization	156	TSSP	50,000	-	-	-	-	-	-	-	-	-
Slater Avenue Signal Synchronization	999	TSSP	150,000	-	-	-	-	-	-	-	-	-
Edinger Avenue Traffic Signal Synchronization	999	TSSP	65,000	-	-	-	-	-	-	-	-	-
Warner Avenue Traffic Signal Synchronization	999	TSSP	85,000	-	-	-	-	-	-	-	-	-
Talbert Avenue Traffic Signal Synchronization	999	TSSP	85,000	-	-	-	-	-	-	-	-	-
Bus Shelter at Harbor & Edinger	152	SIG	35,000	-	-	-	-	-	-	-	-	-
Total Signal & Signage			\$ 3,050,000	\$ 175,000	\$ -	\$ -	\$ 175,000	\$ -	\$ -	\$ -	\$ 175,000	\$ -
Total Traffic Improvement Projects			\$ 4,970,000	\$ 1,675,000	\$ 1,700,000	\$ 1,700,000	\$ 1,875,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 1,875,000	\$ 1,700,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - POLLUTION REDUCTION

		2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2020-2031
Project	Proj # Type										
AQMD Mechanic Training		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Total Pollution Reduction		\$ 2,000									

CAPITAL IMPROVEMENT TEN YEAR PLAN - DRAINAGE

			2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2020-2031
Project	Proj #	Source										
Drainage Master Plan Update	995	GF	-	250,000	-	-	-	-	-	-	-	-
NPDES Consulting Service	999	GF	-	-	-	-	-	-	-	-	-	-
Talbert Channel Repair Construction	999	GF	150,000									
Drainage GIS Mapping	657	GF	10,000	-	10,000	-	10,000	-	10,000	-	10,000	-
Total Drainage Projects			160,000	250,000	10,000	-	10,000	-	10,000	-	10,000	-

CAPITAL IMPROVEMENT TEN YEAR PLAN - SEWER

			2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2020-2031
Project	Proj #	Source										
Sewer Manhole Rehabilitation	617	SF	65,000	65,000	-	65,000	-	65,000	-	65,000	-	-
Sewer Master Plan	615	SF	350,000	-	-	-	-	-	-	-	-	-
I-405 Utility Facilities Relocation	XXX	SF	23,195	-	-	-	-	-	-	-	-	-
Structural Improvements	627	SF	2,000,000	-	-	-	-	-	-	-	-	-
Annual Structural Improvements	620	SF	-	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Total Sewer Projects			2,438,195	1,565,000	1,500,000	1,565,000	1,500,000	1,565,000	1,500,000	1,565,000	1,500,000	1,500,000

CAPITAL IMPROVEMENT TEN YEAR PLAN - WATER

	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2020-2031
Projects										
Rehabilitation Projects										
Well Site No. 6	300,000	-	-	-	-	-	250,000	-	-	-
Well Site No. 8	800,000	-	-	-	-	-	-	-	-	550,000
Well Site No. 9	-	250,000	-	-	-	300,000	-	-	-	-
Well Site No. 10	300,000	-	-	-	-	-	-	-	550,000	-
Well Site No. 11	900,000	-	-	-	-	-	-	-	-	300,000
Well Site No. 12	-	-	-	-	-	-	550,000	-	-	-
Reservoir No. 1 VFD Replacement	-	-	-	-	1,000,000	-	-	-	-	-
Reservoir No. 1 Exterior Painting	-	-	1,000,000	-	-	-	-	-	-	-
Reservoir No. 2	-	-	1,000,000	-	-	-	-	-	-	-
MWD Connection	-	300,000	3,000,000	-	-	-	-	-	-	-
Condition Assessment	300,000	300,000	-	-	-	-	-	-	-	-
Pipeline Replacement	-	-	-	-	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
OCTA Pipeline Replacement Agreement	350,000	-	-	-	-	-	-	-	-	-
Annual Meter Replacement	-	-	-	-	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Hydrant Replacement	-	-	-	-	-	-	-	-	-	-
Chlorine Generators	150,000	150,000	150,000	150,000	-	-	-	-	-	-
Mt Baldy/Euclid Pipeline Replacement	282,000	-	-	-	-	-	-	-	-	-
Other Programs/Projects										
Water Conservation	-	-	-	-	-	-	-	-	-	-
Hydrogeologist/Well Rehab. Consultant	100,000	-	-	-	-	-	-	-	-	-
GIS Update	-	-	-	-	-	-	-	-	-	-
Rate Study	-	-	-	-	-	-	-	-	-	-
Nobel Geoviewer	-	-	-	-	-	-	-	-	-	-
Water Delivery (SCADA)	-	-	-	100,000	-	-	-	-	-	-
AMI Software/License Fees	-	-	85,000	87,550	90,177	92,882	95,668	98,538	101,494	104,539
Master Plan	350,000	-	-	-	-	-	-	-	-	-
Vulnerability Assesment/Emergency Response Plan	-	-	-	175,000	-	-	-	-	175,000	175,000
Urban Water Management Plan	-	-	-	-	70,000	-	-	-	-	70,000
I-405 Utility Coop Agreement	290,682	-	-	-	-	-	-	-	-	-
Total Water Projects	4,122,682	1,000,000	5,235,000	512,550	5,160,177	4,392,882	4,895,668	4,098,538	4,826,494	5,199,539

CAPITAL PURCHASE PLAN TEN YEAR - BY ISF FUND

Fund	Description	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2020-2031
61	Information Processing	643,476	88,850	225,778	207,656	360,458	213,450	313,062	115,072	316,200	267,204
62	Government Buildings	807,900	892,000	115,500	1,164,850	1,479,000	47,500	533,920	182,100	235,100	230,500
63	Fleet Management	1,027,500	1,551,000	704,500	1,313,000	300,000	755,000	836,000	579,500	948,000	565,700
64	Capital Equipment	415,244	292,750	199,150	485,190	442,210	122,250	1,690,880	180,100	517,850	222,400
Total ISF Capital Purchase Plan		2,894,120	2,824,600	1,244,928	3,170,696	2,581,668	1,138,200	3,373,862	1,056,772	2,017,150	1,285,804

Project Number: DF997

Project Description: This project is for the repair of a 27" Storm Drain Outlet at the Talbert Channel located at Walnut Street in Fountain Valley.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

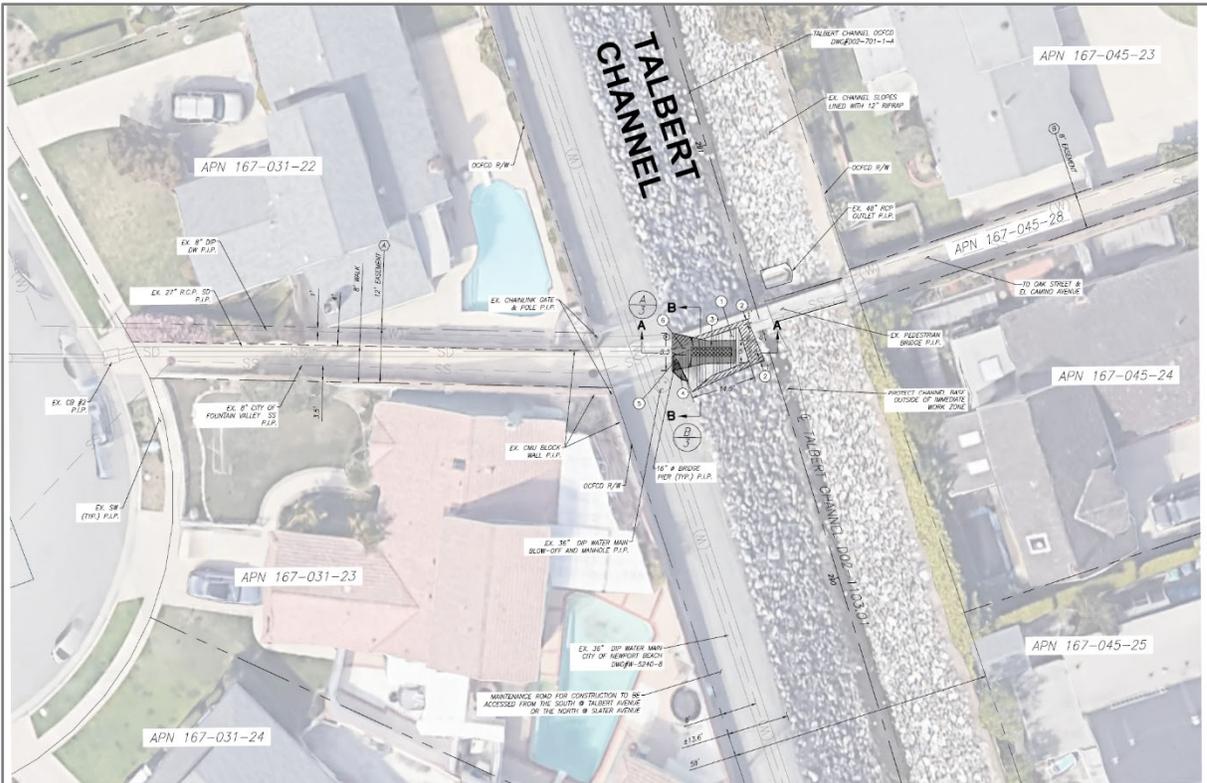
Estimated Start Date: 2020/2021

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$179,995

Budgeted Funding Sources: General Fund

Project Budget							
Funding Source(s)	Prior Year(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
General Fund	29,995	150,000					179,995
Total	\$29,995	\$150,000					\$179,995



FIRE STATION NO. 1 REMODEL

Project Number: GF793

Project Description: This is for architectural design services to develop plans, specifications, and construction bid documents for the remodel of Fire Station No. 1. Interior improvements are needed to modernize the living quarters for employees who staff the station twenty-four hours per day and to accommodate different genders not accommodated in the original design and construction.

Strategic Plan Goal: Attract and retain quality staff, Maintain the culture and environment of "A Nice Place to Live"

Estimated Start Date: 2021/2022

Estimated Completion Date: 2022/2023

Budgeted Projected Costs: \$2,900,000

Budgeted Funding Sources: General Fund

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
General Fund	1,000,000	8,800,000				9,800,000
Total	\$1,000,000	\$8,800,000				\$9,800,000



Project Number: GF348

Project Description: The City is excited to propose building its first Universally Accessible playground at the Fountain Valley Sports Park in collaboration with grant funding (Prop. 68) from the State of California Office of Grants and Local Services (OGALS). The proposed playground, located within Mile Square Regional Park, will focus on encouraging and providing inclusive play opportunities through various active and passive play elements for children and participants of all abilities.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

Estimated Start Date: 2021/2022

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$1,000,000

Budgeted Funding Sources: General Fund, Grants

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
General Fund	400,000					400,000
Grants	600,000					600,000
Total	\$1,000,000					\$1,000,000



SPORTS PARK ROAD NETWORK REHAB

Project Number: GF351

Project Description: This project will provide roadway pavement improvements to the roadway network for the City’s Recreation Center and Sports Park Facility.

Strategic Plan Goal: Maintain the culture and environment of “A Nice Place to Live”

Estimated Start Date: 2021/2022

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$650,000

Budgeted Funding Sources: General Fund

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
General Fund	650,000					650,000
Total	\$650,000					\$650,000



POLICE LOCKER ROOM REMODEL

Project Number: GF794

Project Description: The Police Department locker rooms no longer meet the needs of the department and need to be remodeled to accommodate gender diversity and equality as well as storage of increased equipment currently worn and utilized by current Police Officers. Improvements included in this project are restrooms, showers, and lockers in both the men’s’ and women’s’ locker rooms. Costs include construction, construction management and inspection.

Strategic Plan Goal: Attract and retain quality staff, Maintain the culture and environment of “A Nice Place to Live”

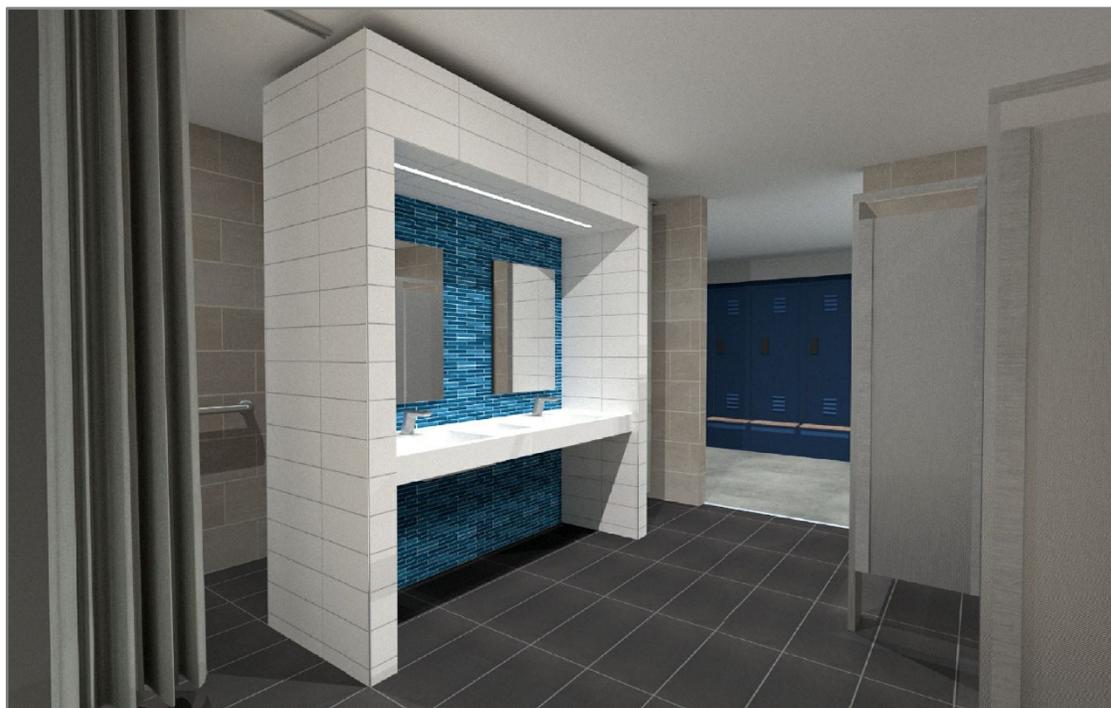
Estimated Start Date: 2020/2021

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$2,800,000

Budgeted Funding Sources: General Fund, 98 TAB Proceeds

Project Budget							
Funding Source(s)	Prior Year (s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
General Fund	309,782	2,800,000					3,109,782
98 TAB Proceeds		26,545					26,545
Total	\$309,782	\$2,826,545					\$3,136,782



Project Number: GF795

Project Description: This project is for the construction of a minor remodel of various areas in City Hall including the reception area, the front counter, the conference room, and small adjustments near the corridors of Human Resources and the Finance Department. Improvements are necessary to streamline operations and improve customer service at the front permit counters, increase confidentiality in sensitive areas and modernize aging facilities.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

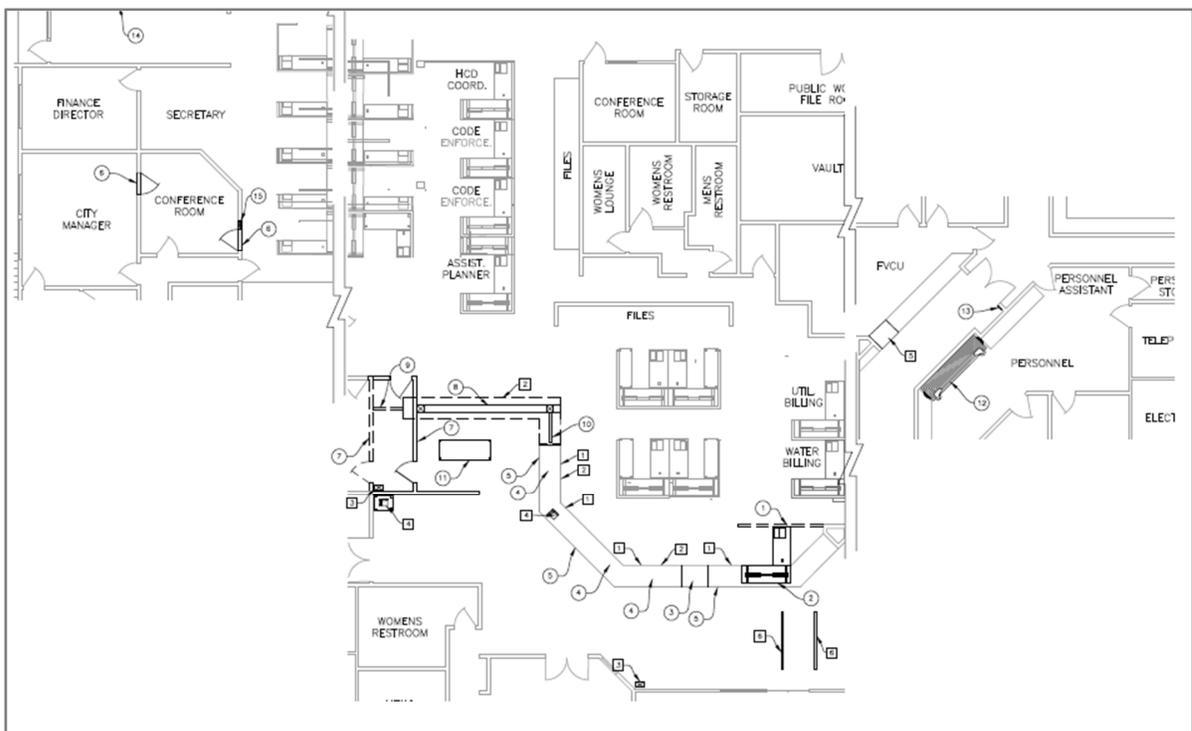
Estimated Start Date: 2021/2022

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$250,000

Budgeted Funding Sources: General Fund, 98 TAB Proceeds

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
General Fund	42,349					42,349
98 TAB Proceeds	207,651					207,651
Total	\$250,000					\$250,000



Project Number: GF915

Project Description: Through the course of the I-405 Improvement Project, Public Works Engineering Staff, professional consultants and Police Department Staff will be involved in reviewing plans, construction work on City facilities, evaluating and adjusting signal timing and traffic detours, and providing additional surveillance and enforcement. The City has entered into a Cooperative Agreement with OCTA, which provides for reimbursement of funds for City engineering and police staff costs for the duration of the project. Professional consulting services will be retained to assist city engineering staff in ensuring city compliance with all aspects of the I-405 Improvement Project.

Strategic Plan Goal: Maintain the culture and environment of “A Nice Place to Live”

Estimated Start Date: 2021/2022

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$976,265

Budgeted Funding Sources: OCTA Reimbursement

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
OCTA Reimbursement	976,265					976,265
Total	\$976,265					\$976,265



Project Number: GT010

Project Description: This project provides re-striping in various areas citywide where roadway lane striping show signs of wear and fading.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

Estimated Start Date: 2021/22

Estimated Completion Date: 2021/22

Budgeted Projected Costs: \$50,000

Budgeted Funding Sources: Gas Tax Fund

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Gas Tax Fund	50,000		25,000			75,000
Total	\$50,000		\$25,000			\$75,000



SEWER MANHOLE REHABILITATION

Project Number: SF617

Project Description: This project will provide sewer manhole improvements at various locations throughout the City.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

Estimated Start Date: Periodic

Estimated Completion Date: Continuous

Budgeted Projected Costs: \$65,000

Budgeted Funding Sources: Sewer Fund

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Sewer Fund	65,000	65,000		65,000		195,000
Total	\$65,000	\$65,000		\$65,000		\$195,000



SEWER STRUCTURAL IMPROVEMENTS

Project Number: SF627

Project Description: This project will provide sewer line improvements at various locations throughout the City. These improvements will result in the reduction of potential sewage overflows.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

Estimated Start Date: 2021/2022

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$2,000,000

Budgeted Funding Sources: Sewer Fund

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Sewer Fund	2,000,000	1,500,000	1,500,000	1,500,000	1,500,000	8,000,000
Total	\$2,000,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$8,000,000



BROOKHURST STREET TRAFFIC SIGNAL SYNCHRONIZATION

Project Number: TI155

Project Description: This project is to synchronize countywide traffic signals throughout the County. The Orange County Transportation Authority (OCTA) has identified Brookhurst Street as an approved project under OCTA Measure M2 Regional Traffic Signal Synchronization Program (TSSP).

Strategic Plan Goal: Maintain the culture and environment of “A Nice Place to Live”

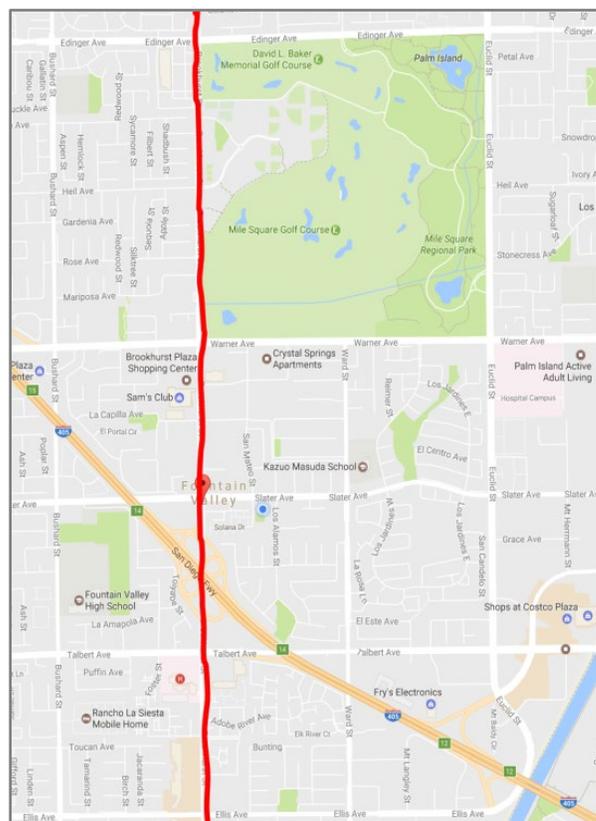
Estimated Start Date: 2021/22

Estimated Completion Date: 2021/22

Budgeted Projected Costs: \$100,000

Budgeted Funding Sources: Measure M2

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Measure M2	100,000					100,000
Total	\$100,000					\$100,000



MAGNOLIA STREET TRAFFIC SIGNAL SYNCHRONIZATION

Project Number: TI156

Project Description: This project is to synchronize countywide traffic signals throughout the County. The Orange County Transportation Authority (OCTA) has identified Magnolia Street as an approved project under OCTA Measure M2 Regional Traffic Signal Synchronization Program (TSSP). This project will also provide regional traffic signal coordination timing, Closed Circuit Pan Tilt Zoom observation Camera upgrades, traffic signal battery back-up systems and traffic signal equipment upgrades at all traffic signals along Magnolia Street. This project also includes three years of post-project traffic signal coordination timing maintenance.

Strategic Plan Goal: Maintain the culture and environment of “A Nice Place to Live”

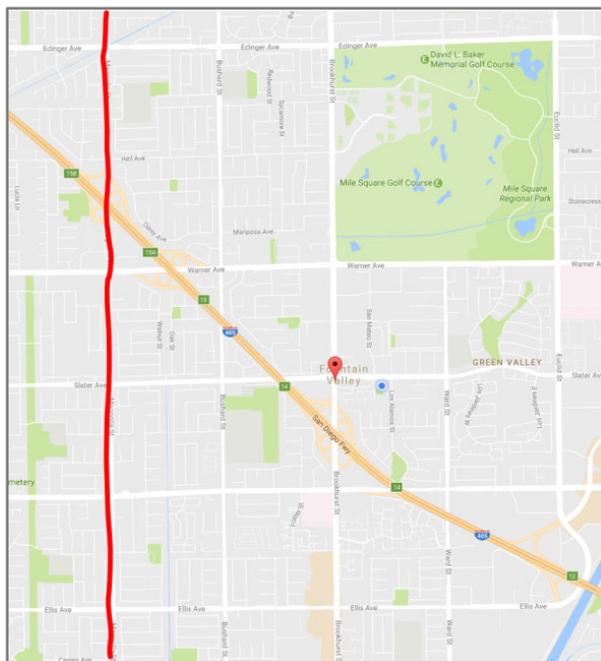
Estimated Start Date: 2021/22

Estimated Completion Date: 2021/22

Budgeted Projected Costs: \$50,000

Budgeted Funding Sources: Measure M2

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Measure M2	50,000					50,000
Total	\$50,000					\$50,000



TRAFFIC SIGNAL SYSTEM EQUIPMENT IMPROVEMENTS

Project Number: TI266

Project Description: This project will provide and install traffic signal equipment at various locations citywide. Traffic signal equipment to be installed includes traffic controller units, CCTV cameras, Ethernet switches, and related equipment and cables.

Strategic Plan Goal: Maintain the culture and environment of “A Nice Place to Live”

Estimated Start Date: 2021/22

Estimated Completion Date: 2021/22

Budgeted Projected Costs: \$400,000

Budgeted Funding Sources: Measure M2

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Measure M2	400,000					400,000
Total	\$400,000					\$400,000



SIGNAL MODIFICATIONS- EUCLID/ CONDOR & TALBERT/ BUSHARD

Project Number: TI268

Project Description: Improve existing traffic signal conditions at the Euclid/Condor and Talbert/Bushard intersections.

Strategic Plan Goal: Maintain the culture and environment of “A Nice Place to Live”

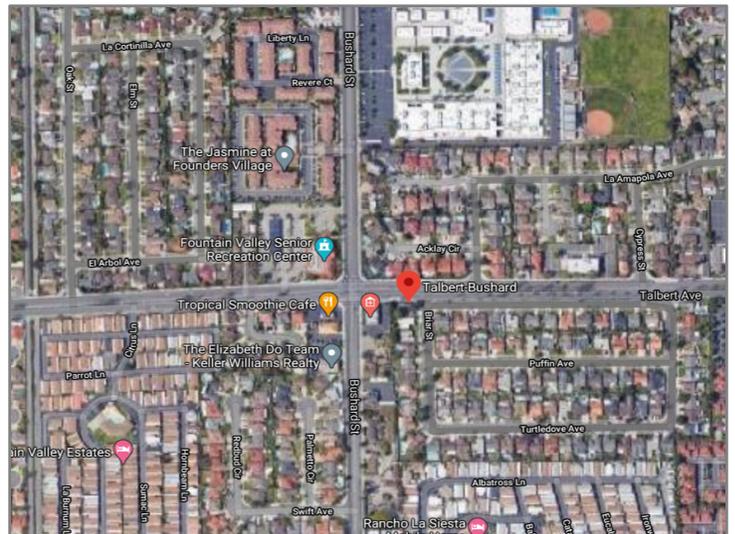
Estimated Start Date: 2021/2022

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$80,000

Budgeted Funding Sources: Measure M2

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Measure M2	80,000					80,000
Total	\$80,000					\$80,000



Project Number: TI276

Project Description: This project will improve the arterial by resurfacing the street with asphalt concrete from curb to curb. This project will also replace curb & gutter, bus pads, pedestrian ramps and sidewalk panels that are damaged or are not ADA compliant.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

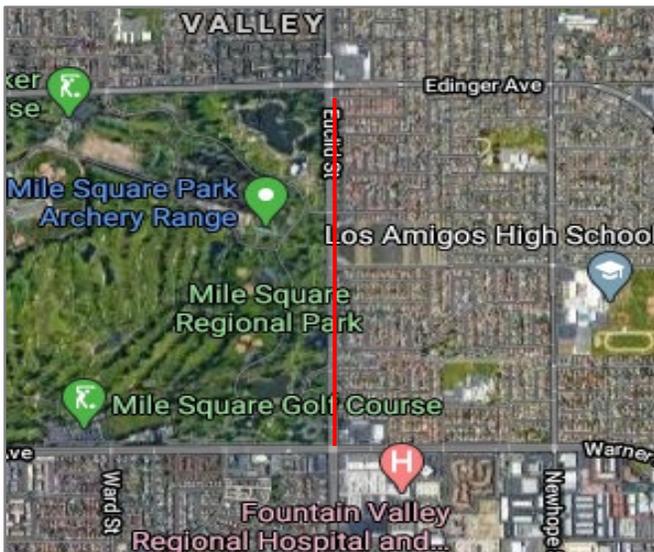
Estimated Start Date: 2021/22

Estimated Completion Date: 2021/22

Budgeted Projected Costs: \$1,800,000

Budgeted Funding Sources: Measure M2, SB1, Water Fund, Sewer Fund

Project Budget							
Funding Source(s)	Prior Year(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Measure M2	69,980	637,754					707,734
SB1		1,107,246					1,107,246
Sewer Fund		30,000					30,000
Water Fund		25,000					25,000
Total	\$69,980	\$1,800,000					\$1,869,980



Project Number: TI277

Project Description: This project will improve the arterial by resurfacing the street with asphalt concrete from curb to curb. This project will also replace curb & gutter, bus pads, pedestrian ramps and sidewalk panels that are damaged or are not ADA compliant. The design phase of the project is budgeted in FY 2021-22 with construction scheduled for FY 2022-23.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

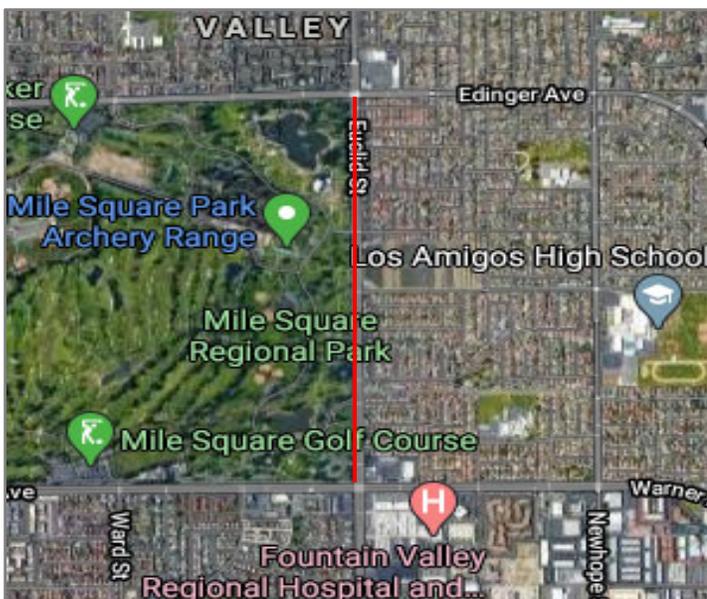
Estimated Start Date: 2021/2022

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$120,000

Budgeted Funding Sources: Measure M, Water Fund, Sewer Fund

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Measure M	120,000	1,445,000				1,565,000
Sewer Fund		30,000				30,000
Water Fund		25,000				25,000
Total	\$120,000	\$1,500,000				\$1,620,000



TALBERT AVE TRAFFIC SIGNAL SYNCHRONIZATION

Project Number: TI285

Project Description: This project is to synchronize countywide traffic signals throughout the County. The Orange County Transportation Authority (OCTA) has identified Talbert Avenue as an approved project under OCTA Measure M2 Regional Traffic Signal Synchronization Program (TSSP).

Strategic Plan Goal: Maintain the culture and environment of “A Nice Place to Live”

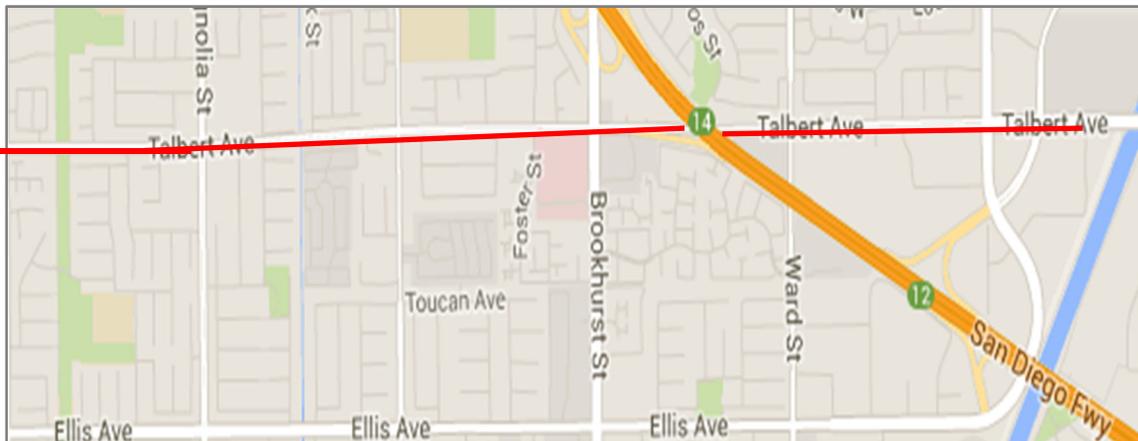
Estimated Start Date: 2021/22

Estimated Completion Date: 2021/22

Budgeted Projected Costs: \$85,000

Budgeted Funding Sources: Measure M2

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Measure M2	85,000					85,000
Total	\$85,000					\$85,000



WARNER AVE TRAFFIC SIGNAL SYNCHRONIZATION

Project Number: TI286

Project Description: This project is to synchronize countywide traffic signals throughout the County. The Orange County Transportation Authority (OCTA) has identified Warner Avenue as an approved project under OCTA Measure M2 Regional Traffic Signal Synchronization Program (TSSP).

Strategic Plan Goal: Maintain the culture and environment of “A Nice Place to Live”

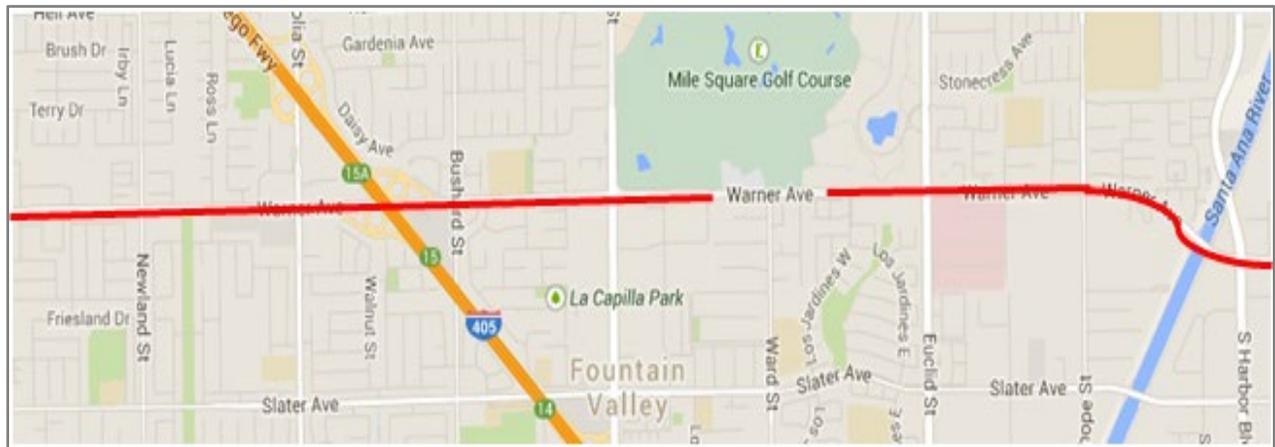
Estimated Start Date: 2021/22

Estimated Completion Date: 2021/22

Budgeted Projected Costs: \$85,000

Budgeted Funding Sources: Measure M2

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Measure M2	85,000					85,000
Total	\$85,000					\$85,000



EDINGER AVE TRAFFIC SIGNAL SYNCHRONIZATION

Project Number: TI287

Project Description: This project is to synchronize countywide traffic signals throughout the County. The Orange County Transportation Authority (OCTA) has identified Edinger Avenue as an approved project under OCTA Measure M2 Regional Traffic Signal Synchronization Program (TSSP).

Strategic Plan Goal: Maintain the culture and environment of “A Nice Place to Live”

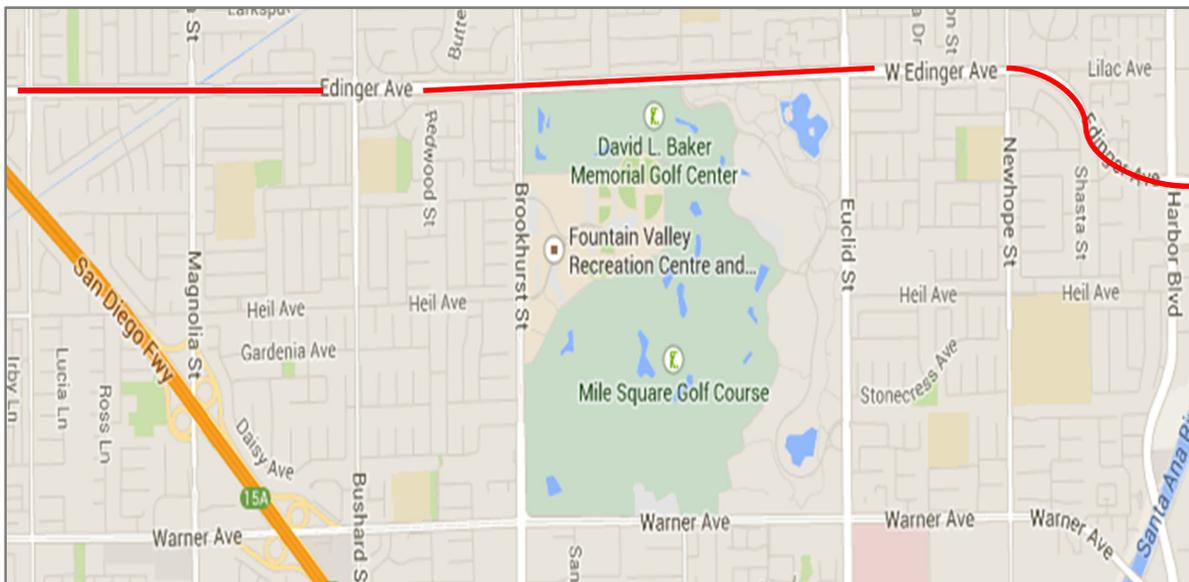
Estimated Start Date: 2021/22

Estimated Completion Date: 2021/22

Budgeted Projected Costs: \$65,000

Budgeted Funding Sources: Measure M2

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Measure M2	65,000					65,000
Total	\$65,000					\$65,000



PROTECTED PERMISSIVE TRAFFIC SIGNAL IMPROVEMENTS

Project Number: TI288

Project Description: This project will provide for traffic signal improvements for eight (8) of the city's existing protected permissive traffic signals including Edinger Ave at Ward St, Brookhurst St at Heil Ave, Harbor Blvd at Lilac Ave, Magnolia St at Slater Ave, Euclid St at Slater Ave, Warner Ave at Los Jardines West, Ellis Ave at Bushard St, and Ellis Ave at Ward St.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

Estimated Start Date: 2021/22

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$2,201,853

Budgeted Funding Sources: HSIP Grant, Measure M2

Project Budget							
Funding Source(s)	Prior Year(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
HSIP Grant	201,853	1,682,209					1,884,062
Measure M		317,791					317,791
Total	\$201,853	\$2,000,000					\$2,201,853



SLATER TRAFFIC SIGNAL SYNCHRONIZATION

Project Number: TI289

Project Description: This project is to synchronize countywide traffic signals throughout the County. The Orange County Transportation Authority (OCTA) has identified Slater Street as an approved project under OCTA Measure M2 Regional Traffic Signal Synchronization Program (TSSP).

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

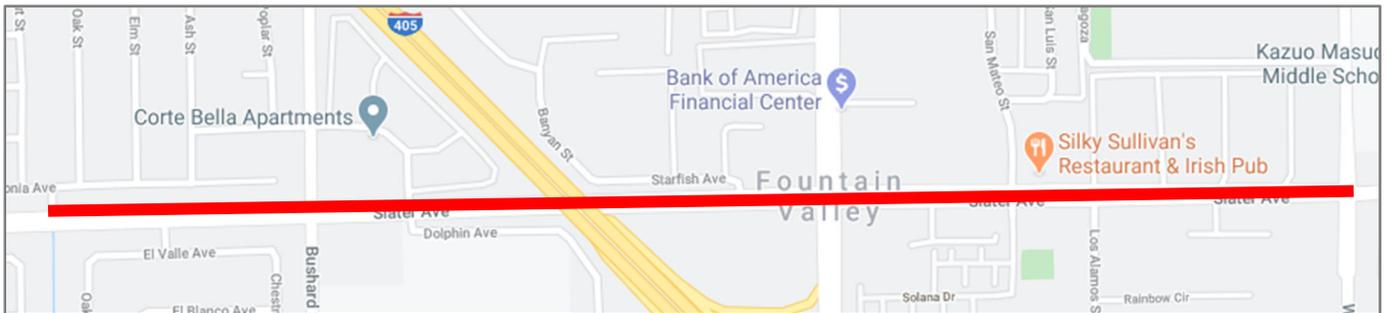
Estimated Start Date: 2021/2022

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$150,000

Budgeted Funding Sources: Measure M2

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Measure M2	150,000					150,000
Total	\$150,000					\$150,000



Project Number: WU703

Project Description: As a water well ages, the rate at which water is pumped tends to decrease. Water wells require regular maintenance to ensure adequate water flow and continued drinking water safety. In FY 17/18 emergency repair work was done on the top portion of the well pump (above ground) in an effort to bring the well back into operational condition after it had completely failed. This work was an interim condition improvement to get it back into operation and this well now requires a more comprehensive long-term rehabilitation so that the city can realize longevity. The improvements required as part of this project include dislodging the pump and replacement of the entire pump, shaft and full casing rehabilitation to allow for long-term reliable use.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

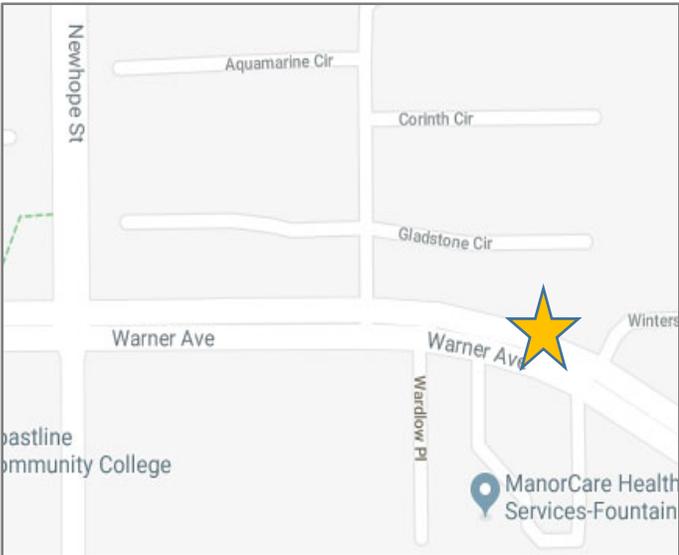
Estimated Start Date: 2021/2022

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$300,000

Budgeted Funding Sources: Water Fund

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Water Fund	300,000					300,000
Total	\$300,000					\$300,000



Project Number: WU709

Project Description: The water main replacement project is an annual program to replace aging water mains that are at the end of their lifecycle and require upgrades. The existing mains will be abandoned and replaced resulting in improved reliability of water service (including reducing the number of costly water main breaks), improved water quality and more responsive fire protection. To first set the replacement schedule, a series of condition assessments are conducted on the water mains in representative samples. The City’s water distribution system consists of approximately 140 miles of predominately 40 to 60 year old Asbestos Cement Pipe. With the average life-cycle of AC pipe estimated to range from 70 – 130 years, the potential replacement of the AC pipeline may have a dramatic impact on the City’s CIP depending on the existing condition of the pipelines. Due to the uncertainty of the pipeline conditions and potential for significant budget impacts, a condition assessment program is used to better define near and long term financial impacts.



The condition assessment program includes a prioritization step to identify the most critical pipelines and to obtain a reasonable cross section of conditions throughout the City. The prioritization process utilizes likelihood and consequence factors to determine an initial sample size of pipelines for inspection. Following prioritization, inspection is used to estimate the remaining useful life of the sample pipelines. The results will be used to infer the remaining useful lives of other pipelines not inspected. This program will continue through identified phases until the City has a high degree of confidence in the replacement schedule.

Strategic Plan Goal: Maintain the culture and environment of “A Nice Place to Live”

Estimated Start Date: 2016/2017

Estimated Completion Date: 2022/2023

Budgeted Projected Costs: \$300,000 annually

Budgeted Funding Sources: Water Fund

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Water Fund	300,000	300,000				600,000
Total	\$300,000	\$300,000				\$600,000

WELL NO. 8 REHABILITATION

Project Number: WU806

Project Description: As a water well ages, the rate at which water is pumped tends to decrease. Water wells require regular maintenance to ensure adequate water flow and continued drinking water safety. This project consists of rehabilitation of the below ground well casing and replacement of the well pump and motor. In addition to the well pump and motor at well 8, it will also include the installation of an emergency backup generator and a variable frequency drive (VFD) for energy efficiency.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

Estimated Start Date: 2021/2022

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$800,000

Budgeted Funding Sources: Water Fund

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Water Fund	800,000					800,000
Total	\$800,000					\$800,000



WELL NO. 10 REHABILITATION

Project Number: WU805

Project Description: As a water well ages, the rate at which water is pumped tends to decrease. Water wells require regular maintenance to ensure adequate water flow and continued drinking water safety. In 2018, rehabilitation and emergency repair work to re-line the well casing were completed in an effort to bring the well back into operational condition after it had begun to fail. Packing material that meant to filter the water is now being drawn from the well and the well has subsequently been shut down in order to complete more substantial investigatory work including dynamic test pumping to determine where the packing material is entering the well. After the additional investigatory work, a plan for repairs will be completed so that the city can realize longevity from this well.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

Estimated Start Date: 2021/2022

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$300,000

Budgeted Funding Sources: Water Fund

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Water Fund	300,000					300,000
Total	\$300,000					\$300,000



WELL NO. 11 REHABILITATION

Project Number: WU807

Project Description: As a water well ages, the rate at which water is pumped tends to decrease. Water wells require regular maintenance to ensure adequate water flow and continued drinking water safety. In FY 19/20 the well had the above ground head shaft rebuilt and the below ground pump pulled in order to check the condition to verify for the future rehab project. Through CCTV footage of the well, it was found that there is some possible casing failure and an unknown blockage in the well. This project consists of removing the blockage, rehabilitation of the well casing, the possible re-lining of the casing, and replacement of the well pump and motor.

Strategic Plan Goal: Maintain the culture and environment of "A Nice Place to Live"

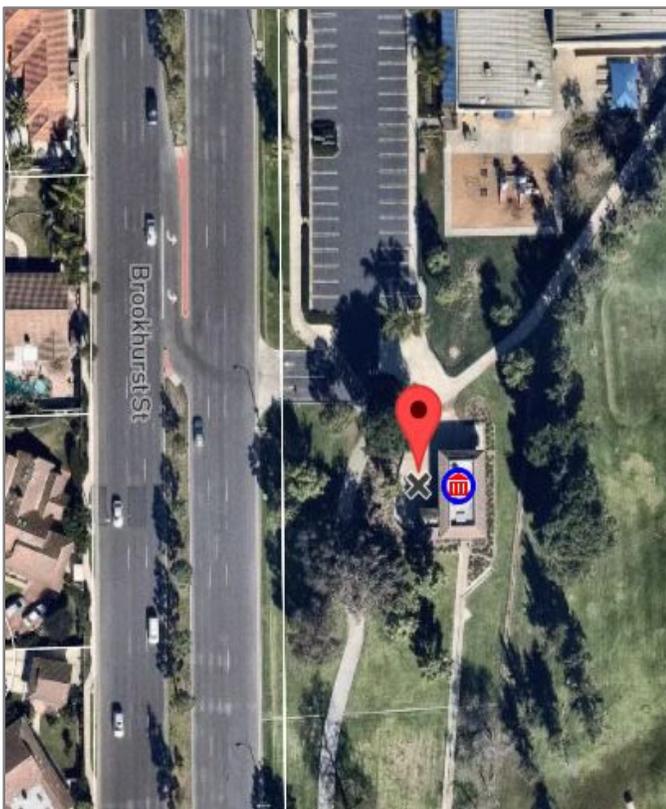
Estimated Start Date: 2021/2022

Estimated Completion Date: 2021/2022

Budgeted Projected Costs: \$900,000

Budgeted Funding Sources: Water Fund

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Water Fund	900,000					900,000
Total	\$900,000					\$900,000



Project Number: WU825

Project Description: Each of the City’s six wells utilizes On-Site Sodium Hypochlorite Generation Systems (OSHGS) to provide disinfection for the potable water system. This project will replace the OSHGS at one well per year as they have exceeded their life expectancy of ten years and are requiring additional maintenance as well as producing a lower strength solution.

Strategic Plan Goal: Maintain the culture and environment of “A Nice Place to Live”

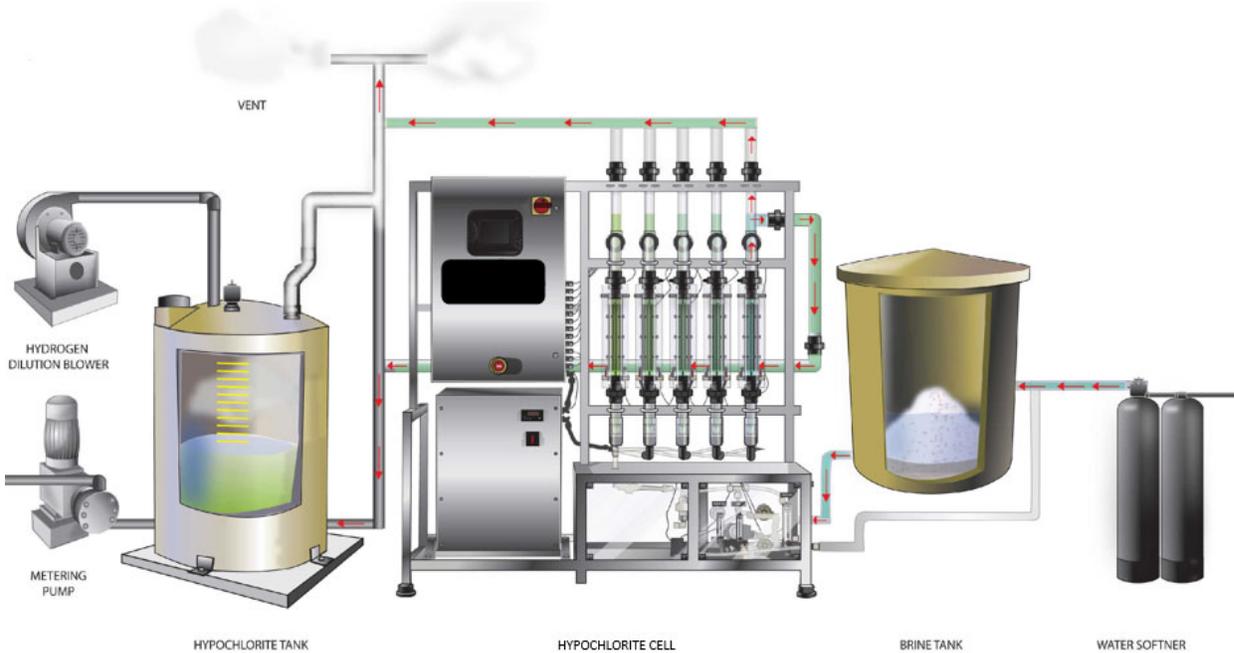
Estimated Start Date: 2021/22

Estimated Completion Date: 2024/2025

Budgeted Projected Costs: \$150,000

Budgeted Funding Sources: Water Fund

Project Budget						
Funding Source(s)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Water Fund	150,000	150,000	150,000	150,000		600,000
Total	\$150,000	\$150,000	\$150,000	\$150,000		\$600,000



TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

General Fund	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Beginning Fund Balance	53,315,170	48,397,910	50,290,983	47,577,885	49,777,198	52,717,143	56,035,554	60,333,804	60,830,151	65,273,326
Revenues										
Operating Revenues										
General Revenues	56,170,857	51,479,747	52,402,973	53,815,975	55,279,930	56,793,022	58,096,440	59,164,389	59,916,978	60,819,671
Functional Revenues	6,763,142	5,106,000	5,243,000	5,243,000	5,243,000	5,243,000	5,243,000	5,243,000	5,243,000	5,243,000
Total Operating Revenues	62,933,999	56,585,747	57,645,973	59,058,975	60,522,930	62,036,022	63,339,440	64,407,389	65,159,978	66,062,671
Other Revenues										
Miscellaneous Reimbursements	976,265	-	-	-	-	-	-	-	-	-
Grants	780,000	-	-	-	-	-	-	-	-	-
Total Other Revenues	1,756,265	-								
Transfers In										
Gas Tax Fund	422,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Other Transfers	-	-	-	-	-	-	-	-	-	-
Measure M2	78,449	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Sewer Fund	63,477	60,330	60,330	60,330	60,330	60,330	60,330	60,330	60,330	60,330
Total Transfers In	563,926	590,330								
Total Revenues	65,254,190	57,176,077	58,236,303	59,649,305	61,113,260	62,626,352	63,929,770	64,997,719	65,750,308	66,653,001
Expenditures										
Wages/Benefits/Insurance										
Wages	17,741,034	18,741,172	19,115,401	19,497,115	19,886,464	20,283,599	20,688,677	21,101,856	21,523,299	21,953,171
Other Wages (Overtime/Special Pays)	2,871,351	4,034,314	4,074,657	4,115,403	4,156,557	4,198,123	4,240,104	4,282,505	4,325,330	4,368,584
Benefits	8,962,075	6,229,253	6,235,428	6,243,427	6,253,245	6,302,884	6,315,143	6,366,810	6,381,583	6,435,358
Insurance	933,630	1,295,074	1,165,566	1,107,288	1,051,924	1,072,962	1,094,421	1,116,310	1,138,636	1,161,409
Total Wages/Benefits/Insurance	30,508,090	30,299,812	30,591,052	30,963,234	31,348,189	31,857,568	32,338,345	32,867,482	33,368,849	33,918,522
Internal Services										
.9323 Information Services	1,576,033	1,463,647	1,736,030	1,241,674	1,390,644	1,392,728	1,565,825	1,453,364	1,571,320	1,412,323
.9503 Government Buildings	1,975,079	2,004,404	1,741,608	1,780,794	1,820,862	1,861,831	1,903,722	1,946,556	1,990,353	2,035,136
.8304 Fleet Services	1,513,189	630,411	1,790,631	1,701,100	1,735,122	1,769,824	1,628,238	1,660,803	1,577,763	1,845,983
.8736 Capital Equipment	140,862	174,720	199,779	316,461	193,629	436,079	192,637	399,755	294,862	101,774
.8638 Self Insurance	1,264,801	993,370	1,013,237	1,033,502	1,054,172	1,075,256	1,096,761	1,118,696	1,141,070	1,163,891
Total Internal Services	6,469,964	5,266,551	6,481,285	6,073,531	6,194,429	6,535,718	6,387,183	6,579,174	6,575,368	6,559,108
Operations & Maintenance										
Departmental	8,886,023	6,570,043	6,560,394	6,635,696	6,626,374	6,702,006	6,693,016	6,768,981	6,760,326	6,836,628
Non-Departmental	1,182,000	1,206,740	1,042,689	1,053,851	1,065,229	1,076,830	999,656	1,011,713	1,024,004	1,036,536
Total Operations & Maintenance	10,068,023	7,776,783	7,603,082	7,689,546	7,691,603	7,778,836	7,692,672	7,780,694	7,784,330	7,873,163
Debt Service										
2016A Lease Revenue Bonds	867,750	867,750	872,650	871,650	864,950	862,550	864,250	864,950	864,650	868,250
2017 CREBS	224,741	224,742	225,178	225,554	225,866	226,113	226,290	226,395	226,424	226,375
Total Debt Service	1,092,491	1,092,492	1,097,828	1,097,204	1,090,816	1,088,663	1,090,540	1,091,345	1,091,074	1,094,625

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

General Fund	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Capital/CA (Operating)										
Capital (OCTA Reimbursement)	9,063,260	-	4,000,000	-	-	-	-	4,000,000	-	-
Continuing Appropriations (Operating)	-	-	-	-	-	-	-	-	-	-
Total Capital	9,063,260	-	4,000,000	-	-	-	-	4,000,000	-	-
Payoffs										
OPEB ARC Funding	-	-	-	-	-	-	-	-	2,000,000	2,000,000
CalPERS UAL Additional Funding	3,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-	-
Total Capital	3,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Transfers Out										
Gas Tax	667,000	653,100	661,443	670,036	678,887	688,004	697,394	707,066	717,028	727,289
Traffic Improvement	-	-	-	-	-	-	-	-	-	-
Drainage Fund	150,000	250,000	-	-	10,000	-	10,000	-	10,000	-
Equipment Fund	-	-	-	-	-	-	-	-	-	-
Employee Benefit Fund	9,152,622	7,944,265	8,514,710	8,956,441	9,159,389	9,359,153	9,415,386	9,475,611	9,760,484	10,053,513
Total Transfers Out	9,969,622	8,847,365	9,176,153	9,626,478	9,848,277	10,047,157	10,122,780	10,182,677	10,487,512	10,780,802
Total Expenditures	70,171,450	55,283,004	60,949,401	57,449,992	58,173,315	59,307,941	59,631,521	64,501,372	61,307,133	62,226,220
Surplus/(Deficit)	(4,917,260)	1,893,073	(2,713,098)	2,199,313	2,939,945	3,318,410	4,298,250	496,347	4,443,175	4,426,781
Reserves										
Restricted	2,461,249	2,555,854	2,555,854	2,555,854	2,555,854	2,555,854	2,555,854	2,555,854	2,555,854	2,555,854
Committed for Emergencies	15,001,000	12,881,000	13,139,000	13,664,000	14,211,000	14,780,000	15,223,000	15,528,000	15,683,000	15,996,000
Pension Reserves	12,615,000	12,877,575	14,819,943	16,851,661	18,976,837	21,199,772	23,524,961	24,607,109	25,739,036	26,923,032
Economic Development Reserves	1,440,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Capital Reserves	16,380,661	19,976,554	15,063,088	14,705,684	14,973,453	15,499,929	17,029,989	16,139,188	19,295,436	22,225,221
Contingency Reserve	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Fund Balance	48,397,910	50,290,983	47,577,885	49,777,198	52,717,143	56,035,554	60,333,804	60,830,151	65,273,326	69,700,107

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Water Fund	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Beginning Balance	12,843,365	13,054,010	17,472,948	17,950,298	23,439,678	23,729,954	25,042,949	26,101,314	28,154,772	29,756,759
Revenues										
Water Revenue										
Operating Revenue	20,070,179	21,122,755	22,022,928	22,961,711	23,995,229	25,022,149	26,106,213	27,243,315	28,439,553	29,667,040
Total Water Revenue	20,070,179	21,122,755	22,022,928	22,961,711	23,995,229	25,022,149	26,106,213	27,243,315	28,439,553	29,667,040
Other Revenue										
Water Revenue Bonds	-	-	-	-	-	-	-	-	-	-
Government Agencies (OCTA)	-	-	-	-	-	-	-	-	-	-
Total Other Revenue	-									
Total Revenues	20,070,179	21,122,755	22,022,928	22,961,711	23,995,229	25,022,149	26,106,213	27,243,315	28,439,553	29,667,040
Expenditures										
Operating										
Operating	12,883,579	12,443,113	13,049,590	13,631,743	15,147,837	15,843,485	16,601,505	17,455,609	18,293,077	19,213,602
Total Operating	12,883,579	12,443,113	13,049,590	13,631,743	15,147,837	15,843,485	16,601,505	17,455,609	18,293,077	19,213,602
Capital										
Capital	3,832,000	1,000,000	5,235,000	512,550	5,160,177	4,392,882	4,895,668	4,098,538	4,826,494	5,199,539
OCTA Capital (Reimbursable)	-	-	-	-	-	-	-	-	-	-
Total Capital	3,832,000	1,000,000	5,235,000	512,550	5,160,177	4,392,882	4,895,668	4,098,538	4,826,494	5,199,539
Debt Service										
Principal Loan Payment	-	-	-	-	-	-	-	-	-	-
Principal Debt Service (FVPFA)	600,000	630,000	595,000	625,000	655,000	690,000	725,000	765,000	800,000	800,000
Total Debt Service	600,000	630,000	595,000	625,000	655,000	690,000	725,000	765,000	800,000	800,000
Transfers Out										
Employee Benefit Fund (OPEB)	1,796,857	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000	1,860,000
Section 115 Trust	672,098	705,703	740,988	778,037	816,939	857,786	900,676	945,709	992,995	1,042,645
Gas Tax Fund	50,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Traffic Improvement Fund	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Total Transfers Out	2,543,955	2,630,703	2,665,988	2,703,037	2,741,939	2,782,786	2,825,676	2,870,709	2,917,995	2,967,645
Total Expenditures	19,859,534	16,703,816	21,545,578	17,472,331	23,704,953	23,709,154	25,047,848	25,189,857	26,837,565	28,180,786
Fund Balance	13,054,010	17,472,948	17,950,298	23,439,678	23,729,954	25,042,949	26,101,314	28,154,772	29,756,759	31,243,014

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Refuse Fund	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Beginning Balance	1,027,021	994,021								
Revenues										
Refuse Revenues										
Refuse Billing	4,209,000	3,950,000	3,950,000	3,950,000	3,950,000	3,950,000	3,950,000	3,950,000	3,950,000	3,950,000
Total Refuse Revenues	4,209,000	3,950,000								
Total Revenues	4,209,000	3,950,000								
Expenditures										
Operating										
Operating	4,242,000	3,950,000	3,950,000	3,950,000	3,950,000	3,950,000	3,950,000	3,950,000	3,950,000	3,950,000
Total Operating	4,242,000	3,950,000								
Total Expenditures	4,242,000	3,950,000								
Fund Balance	994,021									

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Road Maintenance & Rehabilitation (SB1)	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Beginning Balance	79,659	80,659	81,659	82,659	83,659	84,659	85,659	86,659	87,659	88,659
Revenues										
Special Revenues										
Road Maintenance & Rehabilitation Allocation	1,107,246	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-
Total Special Revenues	1,107,246	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-
Other Revenues										
Interest	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Other Revenues	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Revenues	1,108,246	1,001,000	1,001,000	1,001,000	1,001,000	1,001,000	1,000	1,000	1,000	1,000
Expenditures										
Transfers Out										
Gas Tax Fund	-	-	-	-	-	-	-	-	-	-
Traffic Improvement Fund	1,107,246	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-
Total Transfers Out	1,107,246	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-
Total Expenditures	1,107,246	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-
Fund Balance	80,659	81,659	82,659	83,659	84,659	85,659	86,659	87,659	88,659	89,659

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Gas Tax Fund	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Beginning Balance	1,881,594	1,201,061	1,187,401	1,124,698	522,071	589,641	669,532	251,872	366,788	434,413
Revenues										
HUT Allocation										
Gas Tax - Section 2103	500,458	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Gas Tax - Section 2105	326,101	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000
Gas Tax - Section 2106	201,420	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Gas Tax - Section 2107	422,488	425,000	425,000	425,000	425,000	425,000	425,000	425,000	425,000	425,000
Total HUT Allocation	1,450,467	1,200,000								
Other Income										
Interest / Other	19,000	12,000	12,000	11,000	5,000	6,000	7,000	3,000	4,000	4,000
SB1 Loan Repayment	-	-	-	-	-	-	-	-	-	-
Recovery of Expense	226,000	-	-	-	-	-	-	-	-	-
Total Other Income	245,000	12,000	12,000	11,000	5,000	6,000	7,000	3,000	4,000	4,000
Transfers In										
Road Maint & Rehab (SB1)	-	-	-	-	-	-	-	-	-	-
Sewer Fund	40,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Water Fund	50,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
General Fund	667,000	672,840	678,797	684,873	691,070	697,392	703,839	710,416	717,125	723,967
Total Transfers In	757,000	742,840	748,797	754,873	761,070	767,392	773,839	780,416	787,125	793,967
Total Revenues	2,452,467	1,954,840	1,960,797	1,965,873	1,966,070	1,973,392	1,980,839	1,983,416	1,991,125	1,997,967
Expenditures										
Operation and Maintenance	86,000	43,500	73,500	43,500	73,500	43,500	73,500	43,500	73,500	43,500
Capital Projects	2,625,000	1,500,000	1,525,000	2,100,000	1,400,000	1,425,000	1,900,000	1,400,000	1,425,000	1,400,000
Total Capital	2,711,000	1,543,500	1,598,500	2,143,500	1,473,500	1,468,500	1,973,500	1,443,500	1,498,500	1,443,500
Transfers Out										
General Fund	422,000	425,000	425,000	425,000	425,000	425,000	425,000	425,000	425,000	425,000
Total Transfers Out	422,000	425,000								
Total Expenses	3,133,000	1,968,500	2,023,500	2,568,500	1,898,500	1,893,500	2,398,500	1,868,500	1,923,500	1,868,500
Fund Balance	1,201,061	1,187,401	1,124,698	522,071	589,641	669,532	251,872	366,788	434,413	563,880

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Traffic Improvement Fund	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Beginning Balance	1,112,350									
Revenues										
Special Revenues										
Other	1,682,209	-	-	-	-	-	-	-	-	-
Grants/Other	-	-	-	-	-	-	-	-	-	-
Total Special Revenues	1,682,209	-								
Other Revenues										
Transportation Impact Fee	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Interest	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Total Other Revenues	21,000									
Transfers In										
General Fund	-	-	-	-	-	-	-	-	-	-
Road Maint & Rehab. Allocation	1,107,246	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-
Measure M2	2,189,545	489,000	689,000	689,000	689,000	689,000	1,689,000	1,689,000	1,514,000	1,689,000
Pollution Reduction Fund	-	175,000	-	-	175,000	-	-	-	175,000	-
Sewer Fund	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Water Fund	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Total Transfers In	3,351,791	1,719,000	1,744,000	1,744,000	1,919,000	1,744,000	1,744,000	1,744,000	1,744,000	1,744,000
Total Revenues	5,055,000	1,740,000	1,765,000	1,765,000	1,940,000	1,765,000	1,765,000	1,765,000	1,765,000	1,765,000
Expenditures										
Operations & Maintenance	85,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Capital Projects	4,970,000	1,675,000	1,700,000	1,700,000	1,875,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Total Capital Projects	5,055,000	1,740,000	1,765,000	1,765,000	1,940,000	1,765,000	1,765,000	1,765,000	1,765,000	1,765,000
Total Expenditures	5,055,000	1,740,000	1,765,000	1,765,000	1,940,000	1,765,000	1,765,000	1,765,000	1,765,000	1,765,000
Fund Balance	1,112,350									

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Measure M2 Fund	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Beginning Balance	2,078,940	985,801	1,571,120	1,996,684	2,455,182	2,960,174	3,401,174	2,846,174	2,285,174	1,894,174
Revenues										
Special Revenues										
Measure M2 Fairshare	1,032,855	1,064,319	1,098,564	1,127,498	1,168,992	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Measure M2 Competitive/Regional	-	-	-	-	-	-	-	-	-	-
Measure M2 Environmental	-	-	-	-	-	-	-	-	-	-
Measure M2 Senior Transportation	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000
Total Special Revenues	1,118,855	1,150,319	1,184,564	1,213,498	1,254,992	1,186,000	1,186,000	1,186,000	1,186,000	1,186,000
Other Revenues										
Interest/Other	56,000	10,000	16,000	20,000	25,000	30,000	34,000	28,000	23,000	19,000
Total Other Revenues	56,000	10,000	16,000	20,000	25,000	30,000	34,000	28,000	23,000	19,000
Total Revenues	1,174,855	1,160,319	1,200,564	1,233,498	1,279,992	1,216,000	1,220,000	1,214,000	1,209,000	1,205,000
Expenditures										
Transfers Out										
Traffic Improvement	2,189,545	489,000	689,000	689,000	689,000	689,000	1,689,000	1,689,000	1,514,000	1,689,000
General Fund - Senior Mobility	78,449	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000
Total Transfers Out	2,267,994	575,000	775,000	775,000	775,000	775,000	1,775,000	1,775,000	1,600,000	1,775,000
Total Expenditures	2,267,994	575,000	775,000	775,000	775,000	775,000	1,775,000	1,775,000	1,600,000	1,775,000
Fund Balance	985,801	1,571,120	1,996,684	2,455,182	2,960,174	3,401,174	2,846,174	2,285,174	1,894,174	1,324,174

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Pollution Reduction	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Beginning Balance	503,385	580,245	417,245	495,245	571,245	473,245	490,745	442,745	480,745	342,745
Revenues										
Special Revenues										
SCAQMD	74,000	74,000	74,000	74,000	74,000	74,000	74,000	74,000	74,000	74,000
Grants - EV Charging Stations	-	-	-	-	-	-	-	-	-	-
Total Special Revenues	74,000									
Other Revenues										
Interest	5,000	5,000	6,000	4,000	5,000	6,000	5,000	5,000	4,000	5,000
Total Other Revenues	5,000	5,000	6,000	4,000	5,000	6,000	5,000	5,000	4,000	5,000
Total Revenues	79,000	79,000	80,000	78,000	79,000	80,000	79,000	79,000	78,000	79,000
Expenditures										
Operating										
Operating	1,249	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Training & Website Updates	891	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Operating	2,140	2,000								
Capital										
Capital Projects (CA)	-	-	-	-	-	-	-	-	-	-
Total Capital	-									
Transfers Out										
Transfer Out (OPEB)	-	-	-	-	-	-	-	-	-	-
Transfer Out (Traffic Improvement)	-	175,000	-	-	175,000	-	-	-	175,000	-
Transfer Out (Fleet)	-	65,000	-	-	-	60,500	125,000	39,000	39,000	39,000
Total Transfers Out	-	240,000	-	-	175,000	60,500	125,000	39,000	214,000	39,000
Total Expenditures	2,140	242,000	2,000	2,000	177,000	62,500	127,000	41,000	216,000	41,000
Fund Balance	580,245	417,245	495,245	571,245	473,245	490,745	442,745	480,745	342,745	380,745

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Drainage Fund	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Beginning Balance	18,452	9,452	10,452	1,452	2,452	3,452	4,452	5,452	6,452	7,452
Revenues										
Development Fees										
Development Fees	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Development Fees	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other Revenues										
Interest	-	-	-	-	-	-	-	-	-	-
Total Other Revenues	-	-	-	-	-	-	-	-	-	-
Transfers In										
General Fund (Capital Reserves)	150,000	250,000	-	-	10,000	-	10,000	-	10,000	-
Transfers In-(FVPFA)	-	-	-	-	-	-	-	-	-	-
Total Transfers In	150,000	250,000	-	-	10,000	-	10,000	-	10,000	-
Total Revenues	151,000	251,000	1,000	1,000	11,000	1,000	11,000	1,000	11,000	1,000
Expenditures										
Capital										
Drainage GIS Mapping	10,000	-	10,000	-	10,000	-	10,000	-	10,000	-
Talbert Channel Repair Construction	150,000	-	-	-	-	-	-	-	-	-
Drainage Master Plan Update	-	250,000	-	-	-	-	-	-	-	-
Total Capital	160,000	250,000	10,000	-	10,000	-	10,000	-	10,000	-
Total Expenditures	160,000	250,000	10,000	-	10,000	-	10,000	-	10,000	-
Fund Balance	9,452	10,452	1,452	2,452	3,452	4,452	5,452	6,452	7,452	8,452

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

Sewer Fund	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Beginning Balance	6,129,154	4,880,004	4,445,320	4,100,876	3,719,424	3,430,728	3,106,567	2,877,735	2,616,041	2,451,312
Revenues										
Sewer Revenues										
Sewer Fee	2,303,000	2,395,120	2,466,974	2,540,983	2,617,212	2,695,729	2,776,601	2,859,899	2,945,695	3,034,066
Late Charges/Penalties	8,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,001	14,001
Sewer Assessments	20,400	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Sewer Connection	82,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Total Sewer Revenues	2,413,400	2,420,120	2,491,974	2,565,983	2,642,212	2,720,729	2,801,601	2,884,899	2,970,696	3,059,067
Other Revenues										
OCTA Utility Agreements	23,195	-	-	-	-	-	-	-	-	-
Interest	61,000	49,000	44,000	41,000	37,000	34,000	31,000	29,000	26,000	25,000
Total Other Revenues	84,195	49,000	44,000	41,000	37,000	34,000	31,000	29,000	26,000	25,000
Total Revenues	2,497,595	2,469,120	2,535,974	2,606,983	2,679,212	2,754,729	2,832,601	2,913,899	2,996,696	3,084,067
Expenditures										
Operating										
Operating	1,036,043	1,067,124	1,099,138	1,132,112	1,166,076	1,201,058	1,237,090	1,274,202	1,312,428	1,351,801
Total Operating	1,036,043	1,067,124	1,099,138	1,132,112	1,166,076	1,201,058	1,237,090	1,274,202	1,312,428	1,351,801
Capital										
Capital Projects	2,415,000	1,565,000	1,500,000	1,565,000	1,500,000	1,565,000	1,500,000	1,565,000	1,500,000	1,500,000
OCTA Capital (Reimbursable)	23,195	-	-	-	-	-	-	-	-	-
Total Capital	2,438,195	1,565,000	1,500,000	1,565,000	1,500,000	1,565,000	1,500,000	1,565,000	1,500,000	1,500,000
Transfers Out										
General Fund	63,477	65,699	67,998	70,378	72,841	75,391	78,029	80,760	83,587	86,513
Employee Benefit Fund	139,030	145,982	153,281	160,945	168,992	177,441	186,313	195,629	205,411	215,681
Gas Tax Fund	40,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Traffic Improvement Fund	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Total Transfers Out	272,507	271,680	281,279	291,323	301,833	312,832	324,343	336,390	348,998	362,194
Total Expenditures	3,746,745	2,903,804	2,880,417	2,988,435	2,967,909	3,078,890	3,061,432	3,175,592	3,161,426	3,213,995
Fund Balance	4,880,004	4,445,320	4,100,876	3,719,424	3,430,728	3,106,567	2,877,735	2,616,041	2,451,312	2,321,384

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

FV Housing Authority Fund	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Beginning Balance	18,443,306	18,278,759	18,078,759	17,878,759	17,678,759	17,478,759	17,278,759	17,078,759	16,878,759	16,678,759
Revenues										
Loan Revenues										
Loan Proceeds	-	-	-	-	-	-	-	-	-	-
Total Loan Revenues	-									
Other Revenues										
Interest	216,500	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Total Other Revenues	216,500	200,000								
Total Revenues	216,500	200,000								
Expenditures										
Operating										
Operating (Housing Programs)	381,047	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Deferred Payment Loan	-	-	-	-	-	-	-	-	-	-
Total Operating	381,047	400,000								
Transfers Out										
Employee Benefit Fund (OPEB)	-	-	-	-	-	-	-	-	-	-
Total Transfers Out	-									
Total Expenditures	381,047	400,000								
Fund Balance	18,278,759	18,078,759	17,878,759	17,678,759	17,478,759	17,278,759	17,078,759	16,878,759	16,678,759	16,478,759

TEN YEAR REVENUE, EXPENSE & FUND BALANCE PROJECTIONS

FV Successor for the FVACD	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-30	2030-31
Beginning Balance	501,419	381,419	281,419	181,419	175,549	191,549	206,549	206,549	206,549	206,549
Revenues										
Property Tax Revenues										
Property Tax Trust Funds	-	-	-	94,130	116,000	115,000	-	-	-	-
Total Property Tax Revenues	-	-	-	94,130	116,000	115,000	-	-	-	-
Total Revenues	-	-	-	94,130	116,000	115,000	-	-	-	-
Expenditures										
Operating										
Operating	-	-	-	-	-	-	-	-	-	-
Palm Island	100,000	100,000	100,000	100,000	100,000	100,000	-	-	-	-
Fry's OPA	20,000	-	-	-	-	-	-	-	-	-
Total Operating	120,000	100,000	100,000	100,000	100,000	100,000	-	-	-	-
Total Expenditures	120,000	100,000	100,000	100,000	100,000	100,000	-	-	-	-
Fund Balance	381,419	281,419	181,419	175,549	191,549	206,549	206,549	206,549	206,549	206,549

CITY OF FOUNTAIN VALLEY

RESPONSIBLE SPENDING PLEDGE

The City of Fountain Valley's mission is to deliver cost-effective quality public services to provide a safe and desirable community that enriches its residents and businesses.

The City goals are to:

- Enhance economic development
- Achieve financial stability
- Attract, develop and retain quality staff within financial constraints
 - Maintain and enhance infrastructure and facilities
 - Enhance community outreach and engagement

The Pledge: The City of Fountain Valley is committed to sound financial policies that maximize the highest level of City services for the people of Fountain Valley. The City Council recognizes the need to protect the City's assets and to ensure long-term financial sustainability.

The City of Fountain Valley, like many cities in California, is experiencing significant financial challenges. This is due to the continued state revenue take-away; dissolution of redevelopment and increased costs which are out of the City's control. The City has taken significant steps to cut costs including permanent staff reductions, reduced benefits, employee pickup of costs, and contracting out services. The City of Fountain Valley is a built out bedroom community, which has limited ability to generate significant new revenues, to cover the cost of a growing structural budget deficit. This has impacted City services.

Therefore, in the event there are any significant increases in the City of Fountain Valley's revenues, we believe that the majority of this money should be used to maintain:

- Essential City services including public safety / 911 emergency response;
- Keep Fire Station 2 open and maintain firefighter / paramedics;
- Police Station and Police officers; restore anti-gang / drug programs;
- Senior and youth programs;
- Streets / sidewalks / roadways and repair storm water systems
- Parks and play equipment; and
- Provide other essential City services.

We also believe, that whenever additional revenue gains are realized, City leadership should seek opportunities to:

- Pay off, pay down, consolidate or refinance the City's outstanding debt;
- Pay down unfunded liabilities; and
- Rebuild and maintain the City's established reserves levels. (Such reserve policies have been adopted to protect the residents of Fountain Valley in the event of a natural disaster or severe economic downturn and for working cash flow and to fund "pay-go" capital projects.)

Finally, the City Council believes this pledge is a clear guide to helping keep Fountain Valley a "Nice Place to Live".

Adopted by the City Council on October 18, 2016. **Ayes:** Nagel, Vo, Collins, Brothers **Noes:** McCurdy

One of the chief responsibilities of the City of Fountain Valley to its residents is the care of public funds. These budget and financial management policies are designed to ensure the fiscal stability of the City of Fountain Valley and guide the development and administration of the annual operating and capital improvement budgets through wise and prudent management of municipal finances, while providing for the adequate funding of the services desired by the public and the maintenance of public facilities.

Objectives

The City's financial objectives address revenues, cash management, expenditures, debt and risk management, capital needs, budgeting and management. Specific objectives are:

- To protect the policy-making ability of the City Council by ensuring important policy decisions are not dictated by financial problems or emergencies.
- To assist City management by providing accurate and timely information on financial conditions.
- To provide sound principles to guide the fiscal decisions of the City Council and City management.
- To provide essential public and capital facilities and prevent their deterioration.
- To set forth operational principles that minimize the cost of government and financial risk, to the extent consistent with services desired by the public.
- To enhance the policy-making ability of the City Council by providing accurate information on program costs.
- To employ revenue policies that seek to prevent undue or unbalanced reliance on one or a relatively few revenue sources; and,
- To implement a system of internal controls that ensures the legal and appropriate use of all City funds.

LONG RANGE FINANCIAL PLANNING POLICIES

The City's fiscal policy is guided by the 20-Year Financial Plan, which is a comprehensive plan that encompasses the long-term operating and capital needs of the General Fund. The long-term goal is to achieve fiscal sustainability with a balanced operating budget when Measure HH sunsets in 2037. In 2037/38, the City strives to be debt free with the City's unfunded actuarial pension liability (UAL), Pension Obligation Bonds and Lease Revenue Bonds completely paid off.

The twenty-year forecast is updated during the budget preparation process as well as in the Fall after preliminary fiscal year-end figures are calculated. Incorporating the Proposed FY 2021/22 budget, all known information and assumptions for growth into the twenty-year plan shows an annual operating surplus of approximately \$680,000 when Measure HH sunsets in 2037. This surplus will be maintained through active management of expenses, new revenue sources from economic development, and consistent action to pay down debt. Due to Measure HH and strong fiscal stewardship, the City is on a solid path towards long-term fiscal sustainability.

BUDGET POLICIES

The City develops an annual Operating Budget which:

- Establishes budgets for all funds of the City
- Is balanced as to resources and appropriations
- Does not exceed state constitutional limits
- Is adopted prior to the beginning of the fiscal year in which they are to take effect
- Allows adjustments to the budget with proper approvals
- Utilizes encumbrances of appropriations as a budgetary control technique
- Is adopted by resolution of the City Council
- Exercises budget controls at the department level

Balanced Budget

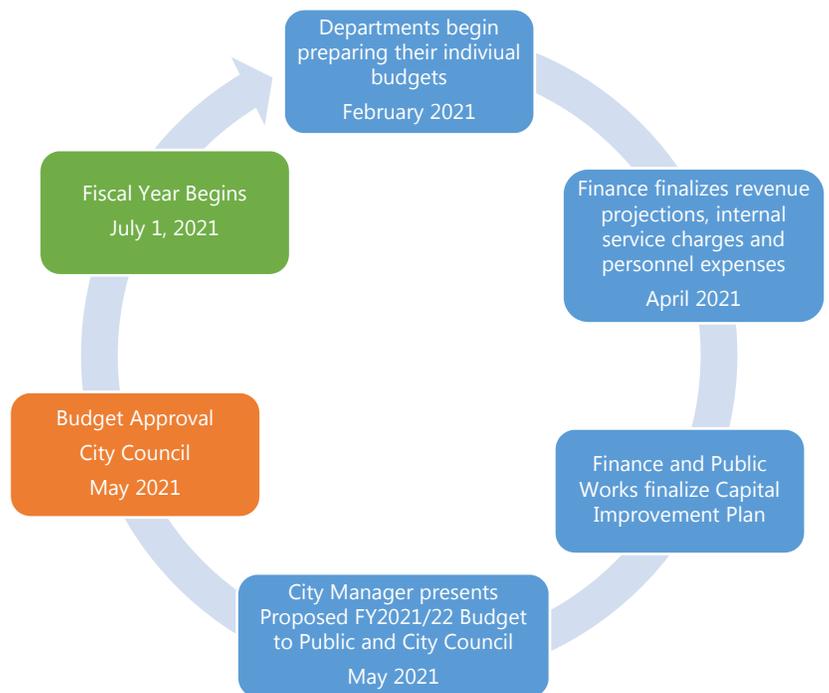
The City Manager will present a balanced budget for adoption by the City Council prior to the beginning of the fiscal year. A balanced budget is defined as operating revenues equal to or greater than operating expenditures, including any debt service obligations. In some years, it is allowable for total expenditures to exceed revenues with the difference supported by fund balance, if necessary to fund capital improvements projects or other one-time, non-recurring expenditures.

Budget Process & Calendar

The City of Fountain Valley operates on a fiscal year basis, starting July 1 and ending June 30. The budget is prepared by the Finance Department with the support of each operating department under the direct supervision of the City Manager.

The Finance Department is responsible for coordinating all revenue estimates contained in the budget. Estimates are reached by analyzing revenue history; national and local economic trends and indices; and development patterns in our

local economy. Revenue projections used in the context of the annual budget are based on conservative assumptions to assure the City has adequate financial resources to meet its



obligations and complete all programs approved by the City Council within the course of the fiscal year. When appropriate, these assumptions and specific program allocations are adjusted during the fiscal year.

The Finance Department coordinates the development of the expenditure and internal service budgets with the support of each operating department and the City Manager.

The proposed budget is then presented to the City Council and the community in public workshop meetings in May and June for review, public input, and deliberation. After providing opportunities for public review and discussion at City Council workshops and City Council meetings, the budget is adopted by the City Council prior to June 30 at either a regular or special City Council meeting. After adoption, the budget may be amended by the City Council.

Budget Structure:

The General Fund budget, typically referred to as the operating budget, is the City's annual fiscal blueprint. The General Fund is a guide for the receipt and disbursement of funds used to provide daily, routine public services to the community. The General Fund outlines the many municipal services, programs and projects provided by the City during the fiscal year..

Special Funds are used to account for revenues and expenditures that are restricted by law or set aside for a special purpose. Each fund can be classified into one of six categories: Committed or Assigned General Fund Reserve, Special (Restricted), Capital Project, Debt Service, Enterprise, Internal Service, or Trust and Agency Funds.

The Capital Improvement Program (CIP) budget details the acquisition, construction or rehabilitation of major capital facilities and infrastructure within the current fiscal year. The CIP budget is used to account for the receipt and disbursement of funds for specific CIP projects. For many projects, revenue resources and expenditures may extend over several years and continuing appropriations will be a part of the annual budget to track multi-year capital projects. In addition, the City will update the ten-year Capital Improvement Plan each budget year. However, the adoption of the plan does not authorize the funding for projects beyond the current fiscal year.

Budget Administration

The Council may amend or supplement the budget at any time after its adoption by majority vote of the Council members. The City Manager has the authority to make administrative adjustments to the budget as long as those changes will not have a significant policy impact nor affect authorized year-end fund balances.

Each operating department will be responsible for the bottom-line budget within each department/ fund. In addition, each department will insure that adequate funds are available within each expenditure line item before a purchase is made. Departments are required to complete a budget transfer form and get approval to move budgeted money from one operating line item to another within the same fund. Only the City Manager is authorized to transfer budgeted money from/to salaries, internal service or capital line items within the same fund.

Financial Reporting

On a regular basis, the Finance Department will evaluate financial performance relative to the adopted and adjusted budget, and prepare and present reports to the City Manager, City Department Directors and Managers. The purpose of these reports is as follows:

- Provide an early warning of potential concerns and problems
- Identify, investigate and correct accounting errors
- Evaluate and explain significance of on-going variances
- Give decision makers time to consider actions that may be needed if major deviations in budget-to-actual expenditures or revenues become evident

General Fund Budgeting

The basic format of the budget shall identify programs within organizational structures. Programs are defined as specific services provided to the public, other departments, or other organizations. All assumptions, transfers and other relevant budget data shall be clearly stated.

The City will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses, such as postponing expenditures, accruing future years' revenues, or rolling over short-term debt. Where possible, the budget and subsequent status reports will integrate performance measurement and productivity indicators.

In instances where specific activities/purchases are authorized by the City Council in a certain fiscal year and remain incomplete and/or unexpended, revenues and/or fund balance may be carried forward, at City Council's discretion, into the next fiscal year to support such activities/purchases through the continuing appropriation authorization.

Provisions will be made for adequate maintenance of capital and equipment and for orderly rehabilitation and replacement within available revenue and budgetary limits. To show true cost of services, revenues and expenditures will be budgeted and accounted for directly in the appropriate fund. Costs for services provided by Special Funds to General Fund activities will be budgeted as an expense in the General Fund and as revenue to the Special Fund.

Budgetary and accounting procedures will conform to Generally Accepted Accounting Principles (GAAP) for governmental agencies.

Special Fund Budgeting

The term "Special Funds" shall be used to identify all funds other than the General Fund (011), inclusive of the following fund types: General Reserve, Special Revenue, Capital Projects, Debt Service, Enterprise, and Internal Service Funds. Special Funds shall be created when legally required, requested by the City Council, or to facilitate internal accounting and financial reporting procedures.

The annual budget for each Special Fund shall be prepared in conjunction with the General Fund budget and shall be submitted to the City Council for adoption prior to the beginning of the fiscal year. Special Funds budgetary and accounting procedures will conform to GAAP.

Activities of the Special Funds shall be reported to the City Council on a regular basis consistent with General Fund reporting responsibilities. To show true cost of services, revenues and expenditures will be budgeted and accounted for directly in the appropriate fund. Costs for services provided between funds will be budgeted as an expense in the fund receiving the services and as revenue to the fund providing the services.

REVENUE MANAGEMENT POLICIES

Sources of Revenue

The City will strive to maintain a diversified and stable revenue system to provide protection from short-run fluctuations in any single revenue source to promote consistent service levels.

Intergovernmental assistance shall be used to finance only those capital improvements that are consistent with the capital improvement plan and local government priorities, and whose operation and maintenance costs have been included in Operating Budget forecasts.

Programs and services funded by restricted revenue will be clearly designated as such. Restricted revenue shall only be used for the purposes legally permissible and in a fiscally responsible manner. Restricted revenues shall be used prior to unrestricted revenue as legally permissible.

The City shall develop and maintain methods of forecasting future revenues and expenditures. These methods shall project the City's future revenues and expenditures through a variety of methods including, but not limited to, forecasts of the economy and future development of the City.

Revenue Collection

The City shall strive to improve its tax collection rate through legislative initiative and advocacy at the state level and cooperative effort at the county level.

Revenue Projection

The City will estimate General Fund revenues using an objective and analytical process, as well as documenting and maintaining specific assumptions. In instances where there is uncertainty as to assumptions, conservative revenue projections shall be provided.

Fees and Cost Recovery

User fees and charges shall be established at a level related to the direct and indirect cost of providing the service, wherever possible. The City will recalculate the full cost of activities supported by user fees to identify the impact of inflation and other cost increases. Fees shall be adjusted where appropriate to reflect these increases.

Development process costs and related administrative expense shall be totally offset by development fees, wherever possible.

In setting user fees and cost recovery levels, the following factors will be considered:

Community-Wide versus Special Benefit: The level of user fee cost recovery should consider the community-wide versus special service nature of the program or activity. The use of general-purpose revenues is appropriate for community-wide services, while user fees are appropriate for services that are of special benefit to easily identified individuals or groups.

Service Recipient versus Service Driver: After considering community-wide versus special benefit of the service, the concept of service recipient versus service driver should also be considered. For example, it could be argued that the applicant is not the beneficiary of the City's development review efforts: the community is the primary beneficiary; however, the applicant is the driver of development review costs, and as such, cost recovery from the applicant is appropriate.

Effect of Pricing on the Demand for Services: The level of cost recovery and related pricing of services can significantly affect the demand and subsequent level of services provided. At full cost recovery, this has the specific advantage of ensuring that the City is providing services for which there is genuinely a market that is not overly-stimulated by artificially low prices.

Conversely, high levels of cost recovery will negatively impact the delivery of services to lower income groups. This negative feature is especially pronounced, and works against public policy, if the services are specifically targeted to low income groups.

Feasibility of Collection and Recovery: Although it may be determined that a high level of cost recovery may be appropriate for specific services, it may be impractical or too costly to establish a system to identify and charge the user. Accordingly, the feasibility of assessing and collecting charges should also be considered in developing user fees, especially if significant program costs are intended to be financed from that source.

Grants and Federal Funds

The City shall aggressively pursue all grant opportunities; however, before accepting grants, the City will consider the current and future implications of both accepting and rejecting the monies, including:



- The amount of matching funds required
- In-kind services needed to be provided
- Requirements for reporting, earmarking and level of effort requirements
- The related operating expenses; and
- Length of grant and consequential disposition of service (i.e. is the City obliged to continue the services after the grant has ended)

Gifts, Bequests and Donations to the City

Gifts and donations to the City will be evaluated to determine what, if any, obligations are to be placed upon the City. Gifts and bequests will be considered as "over and above" basic City appropriations and recorded in accordance with the Generally Accepted Accounting Principles.

Any gift, donation and/or bequest given shall solely be used for the purpose intended by the donor. Unrestricted gifts will be expended in a manner deemed best by the City Council and/ or appropriate board or commission.

Development Fee Deferrals

Recognizing some fees are collected in advance of the work being performed and revenue collected in the prior year funding current expenses, a budget and accounting methodology for the recognition and deferral of development fees is necessary. By recognizing and deferring development fees on an established basis, the revenue activity will be more accurate relative to the revenue budget.

The development fee deferred revenues from the prior fiscal year will be recognized and posted to the appropriate current year revenue accounts during the new fiscal year. Beginning in April of each fiscal year, Planning and Public Works staff will provide an estimate by the tenth of the month to Finance for the fee amount and accounts collected during the month that should be deferred to the next fiscal year.

Finance will process journal entries recognizing prior year deferred revenues and deferring appropriate current year revenues as appropriate. At the end of each fiscal year, the total amount deferred will be reallocated to the next fiscal year based on this procedure.

The development revenue and deferral policies are recognized in the City's budget model.

EXPENDITURE POLICIES

The City will maintain a level of expenditures which will provide for the public well-being and safety of the residents of the community.

Council approval is required before expending General Fund or contingency reserves.

Unexpended expenditures budgeted in one fiscal year are not automatically carried over into the next budget year. In instances where the purpose for which the expenditure was budgeted has

not been completed by the end of the fiscal year, it may be reauthorized in the following fiscal year through the continuing appropriations process. Multi-year CIP projects that are under construction will be carried into the next fiscal year utilizing the continuing appropriations process.

Staffing

The annual Operating Budget will fully appropriate the resources needed for authorized regular staffing and will limit programs to the regular staffing authorized. The City Council will annually approve an Authorized Position Control Schedule. Operating expenditure budgets which have been changed solely as the result of Council approved labor agreements need not be re-approved by the Council.



Overtime Management

Overtime should be used only when necessary and when other alternatives are not feasible or cost effective.

All overtime must be pre-authorized by a department head or designee unless it is assumed pre-approved by its nature. For example, overtime that results when an employee must respond to an emergency and/or overtime automatically created as a result of a memoranda of understanding.

Department operating budgets should reflect anticipated annual overtime costs and departments will regularly monitor overtime use and expenditures and will be held accountable for such expenditures.

When considering the addition of regular or temporary staffing, the use of overtime as an alternative will be considered. The department will take into account:

- The duration that additional staff resources may be needed
- The cost of overtime versus the cost of additional staff
- The skills and abilities of current staff
- Training costs associated with hiring additional staff

Overtime which is reimbursable from another government agency such as Fire Strike Teams or mutual aid is not subject to the above requirements. However, such expenses and the resulting reimbursements require City Council approval.

Measure HH – Essential City Services – Responsible Spending Pledge

The City of Fountain Valley is committed to sound financial policies that maximize the highest level of City services for the people of Fountain Valley. The City Council recognizes the need to protect the City's assets and to ensure long-term financial sustainability.

On October 16, 2016, the City Council adopted the Responsible Spending Pledge. The commitment is to maintain essential city services including public safety; senior and youth programs; parks & roadways; other critical city services and paying down debt; and rebuilding reserves.

The Responsible Spending Pledge sets forth that in the event there are any significant increases in the City of Fountain Valley's revenues, we believe that the majority of this money should be used to maintain:

- Essential City services including public safety & 911 emergency response;
- Keep Fire Station 2 open and maintain firefighter & paramedics;
- Police Station and Police officers; restore anti-gang & drug programs;
- Senior and youth programs;
- Streets, sidewalks, & roadways and repair storm water systems;
- Parks and play equipment; and
- Provide other essential City services.

In addition, whenever additional revenue gains are realized, City leadership should seek opportunities to:

- Pay off, pay down, consolidate or refinance the City's outstanding debt;
- Pay down unfunded liabilities; and
- Rebuild and maintain the City's established reserves levels.



ACCOUNTING POLICIES

Accounting and Annual Reporting Policies

The City's Comprehensive Annual Financial Report (CAFR) presents the government and its component units' (entities for which the government is considered to be financially accountable) financial and operating activities. The City's blended component units, although legally separate entities, are, in substance, part of the City's operations and financial data from these units are combined with data of the City. The City's financial statements and accounting records are maintained in accordance with the recommendations of the Governmental Accounting Standards Board (GASB).

The government-wide financial statements report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, normally supported by taxes and inter-governmental revenues, are reported separately from business-type activities that rely, to a significant extent, on fees and charges for support.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Direct expenses have not been eliminated from the functional categories; indirect expenses and internal payments have been eliminated.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

Taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and are therefore recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered measurable and available only when the City receives cash.

The City reports the following governmental fund types:

- Special Revenue Funds account for proceeds of specific revenue sources that are legally restricted or otherwise designated for specific purposes
- Debt Service Funds account for the accumulation of resources for and the payment of principal and interest on general long-term debt
- Capital Projects Funds account for financial resources used for the acquisition or construction of infrastructure and major capital facilities

The City reports the following proprietary funds:

- The Water Utility Fund accounts for the activities of the City's water operations.
- The Sewer Utility Fund accounts for the fees and services for sewer activities.
- The Solid Waste Fund accounts for the fees and services for trash disposal.

Additionally, the City reports the following fund types:

- Internal Service Funds account for operations that provide services to other departments of the City on a cost reimbursement basis. These services include self-insurance (liability/workers compensation); acquisition, replacement and maintenance of the City's vehicle fleet & equipment; mail, telephone, duplicating & strategic IT technology equipment; government building maintenance and operations; and employee benefits.
- The Other Post-Employment Benefit (OPEB) Trust Fund accounts for the resources set-aside for pre-funding OPEB obligations.
- Agency Funds are used to account for various activities in which the City acts as an agent, not as a principal. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.
- Successor Agency activity is accounted for in a Private-Purpose Trust Fund.

Audit and Financial Reporting

Each year an audit will be conducted by an independent Certified Public Accountant Firm (CPA Firm). The selection of the independent CPA Firm shall be in conformance with the City's professional services bidding procedures. Generally, the City shall request bids for audit services no less frequently than every five years. The CPA Firm shall provide the City Council with an Audit Communication Letter addressing significant findings of the auditors in conjunction with their opinion on the City's Comprehensive Annual Financial Report. These reports shall be submitted to the City Council within sixty (60) days of receipt of the report.

During the annual budget process, the City will make available a preliminary year-end, unaudited, General Fund fund balance. It should be recognized, however, that the balance provided is subject to both unforeseen financial transactions of a material nature and subject to findings of the independent audit. An audit verified year-end balance will be available by the end of December and will be included within the year-end financial analysis report.

The City will use generally accepted accounting principles in preparing its annual financial statements, and will strive to meet the requirements of the GFOA's Award for Excellence.

INVESTMENT POLICIES

The City has adopted a formal Investment Policy that is reviewed annually and approved by the City Council. The City's Investment Policy is intended to provide specific criteria for the prudent investment of City funds with the goal to enhance the economic status of the City while protecting pooled funds and meeting daily cash flow demands.



The Investment Policy is in conformance with all federal, state and local laws governing the investment of monies under the control of the City Treasurer and applies to the City's Pooled Investment Portfolio. The portfolio includes the General Fund, Capital Project funds, Debt Service funds, Trust & Agency, Proprietary funds, Special Revenue funds, Reserve funds and Other funds as

created.

Financial assets held and invested by trustees or fiscal agents are subject to and governed according to the regulations established by the State of California pertaining to local agencies as well as any relative bond indentures or trust agreements.

Delegation of Authority

- The Fountain Valley Municipal Code and the authority granted by City Council assign the responsibility of investing unexpended cash to the City Treasurer, which is usually the Director of Finance.
- The City Treasurer may delegate daily investment activity, such as carrying out the treasurer's investment instructions, confirming treasury transactions and other routine activities.
- Investments with a maturity of greater than five years must be approved by the City Council.

Prudence

- The treasurer operates the City's pooled cash investment program under § 53600.3 of the California Government Code, applicable state laws, and a Prudent Investor Rule. This affords a broad spectrum of investment opportunities so long as the investment is deemed prudent and permissible by the State of California, various bond indentures and the City's Annual Investment Policy. The treasurer strives to invest 100% of idle funds.

Treasury Objectives

- The City will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities.

- The Treasurer maintains a diversified portfolio to accomplish the primary objectives in the following order of priority: safety, liquidity and yield.

Maximum Maturities

- Maturities of investments will be selected based on liquidity requirements to minimize interest rate risk and maximize earnings. Current and expected yield curve analysis will be monitored and the portfolio will be invested accordingly.
- The City will not invest in securities maturing more than five (5) years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment.

Portfolio Reporting

On a quarterly basis, or as otherwise requested by the City Manager, the City Treasurer shall provide to the City Council a report indicating each of the City's investments. The report shall include a statement certifying the ability of the City to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may not, be available. The investment portfolio report shall include market information for all investments.



Authorized Investments

The City is governed by the California Government Code, §§ 53600 et seq. Within the context of these limitations, and based on the cost at time of purchase. A more detailed list of authorized investments are in the adopted Investment Policy.

FUND BALANCE POLICY

To maintain the City's credit rating and meet seasonal cash flow shortfalls, economic downturns or a local disaster, the budget shall provide for an anticipated fund balance for general government and enterprise fund types. Fund balance shall be exclusive of all restrictions, commitments, and assignments not available for use in emergencies and contingencies.

There are almost always important limitations on the purpose for which all or a portion of the resources of a governmental fund can be used. The forces of these limitations can vary significantly, depending upon their source. Therefore, the various components of fund balance are designed to indicate, "...the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund can be spent." Fund balance is categorized in five classifications, depicting the relative strength of the spending constraints placed on the purposes for which the resources can be used. The five classifications are:

Non-spendable: amounts not in spendable form or are required to be maintained intact (inventories, prepaid items, endowment)

Restricted: portions of fund balance that reflect resources subject to externally enforceable legal restrictions. Amounts constrained to specific purposes by their providers, through constitutional provisions, or by enabling legislation (bond proceeds, Pension Trust Fund assets, Measure M, creditors, grantors, restricted donations or contributions)

Committed: amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority (City Council), and remains binding unless removed in the same manner

Assigned: amounts a government intends to use for a specific purpose; intent can be expressed by the governing body, or by an official or body to which the governing body delegates the authority (year-end encumbrances, infrastructure and rehabilitation funding)

Unassigned: amounts available for any purpose; reported only in the General Fund

The following sets forth the Fund Balance Policy for the General Fund, which is subject to periodic review by the City Council.

Pension Reserves– \$12,615,000

The City has established a Section 115 Pension Trust Fund to set aside pension reserves in an irrevocable trust fund. The Pension Trust Fund may be used to offset volatility in pension contributions. In Fiscal Year 2017/18, the City funded the Pension Trust with an initial contribution of \$2.8 million. The City contributed an additional \$4.5 and \$3.0 million in FY2018/19 & FY2019/20 respectively. The projected balance at June 30, 2022 is \$12,615,000, which includes estimated investment earnings.

Emergency Reserves – \$15,001,000

The reserve for emergencies shall be maintained at \$15.0 million unless the City Council declares an emergency for natural disasters or financial emergencies. A financial emergency is considered when annual General Fund operating revenues decrease by 5% or more or when annual General Fund operating expenditures increase by 5% or more. The targeted reserve level of \$15.0 million equates to approximately 55% of total sales tax revenue (inclusive of Measure HH) and is reviewed annually. This reserve addresses a number of risk factors including natural disasters, budget stabilization, revenue source stability, expenditure volatility and liquidity.

Economic Development Reserves – \$1,440,000

One of the City's 3-Year Strategic Plan Goals is to enhance economic development. In 2014 \$2.5 million was set-aside for Economic Development. \$1,000,000 has been budgeted in Fiscal Year

2019/20 to be spent on the General Plan update which is currently underway. The available unappropriated balance for Economic Development Reserves is \$1,440,000.

General Fund Capital Reserves – \$16,380,661

The City has significant capital improvement expenditures that can be funded on a pay-go basis without the issuance of debt. Specific projects will continue to be identified by staff and may be presented to the City Council during the budget process or throughout the year as capital needs arise. The estimated reserve balance at June 30, 2022 is \$16,380,661

Contingency Reserves – \$500,000

Contingency reserves includes spendable amounts not otherwise restricted, committed or assigned and is intended to be used for expenses that surface after the end of the traditional budgeting process. Contingency reserves in excess of \$500,000 are assigned to General Fund Capital Reserves.

Internal Service Funds

Fleet Management: The City has established and maintains a Fleet Management Fund to provide for the timely replacement of vehicles and related equipment with an individual replacement cost of \$15,000 or more. The amount retained in this fund, coupled with the annual contributions received by it from any source, shall be adequate to fully fund the replacements approved in the ten-year Financial Plan on any given year. Currently, the desired reserve fund balance is \$2,000,000. The projected Fleet Management Fund balance for 2021/22 is \$2,788,317. The planned increase in fund balance for 2021/22 includes additional funding for the replacement of a Fire Engine.

Information Services Fund: The City has established an Information Services Fund to provide for the timely replacement of information technology, both hardware and software. The amount retained in this fund, coupled with annual contributions received by it from any source, shall be adequate to fully fund the improvements included in the ten-year schedule. The City has a long term objective of maintaining a minimum reserve fund balance of at least \$800,000. The projected ending Information Service Fund balance for 2021/22 is \$800,628.

Government Buildings Fund: The City has established a Government Buildings fund for the purpose of financing the cost of improvements city-owned, general government building and structures. The amount retained in this fund, coupled with annual contributions received by it from any source, shall be adequate to fully fund the improvements included in the ten-year schedule. The City has a long term objective of maintaining a minimum reserve balance of \$1,750,000. The projected Government Building Fund balance for 2021/22 is \$1,769,379.

Capital Equipment Fund: The City has established a Capital Equipment Fund for the purpose of financing the replacement cost of equipment and furniture utilized by city departments. The amount retained in this fund, coupled with annual contributions received by it from any source, shall be adequate to fully fund the improvements included in the ten-year schedule. The City has a healthy fund balance derived with the long term objective of maintaining a minimum fund

balance of at least \$800,000. The projected Capital Equipment Fund balance for 2021/22 is \$750,762.

Employee Benefits: Reserves will be maintained at a level to cover the cost of ongoing employee benefits during each fiscal year. The City policy is to maintain \$2,000,000 reserve to cover long-term obligations. The projected Employee Benefits Fund balance for 2021/22 is \$2,202,299.

Self-Insurance: Reserves will be maintained at a level which, together with purchased insurance policies, adequately protect the City. The City will strive to maintain a reserve of \$3,000,000 to cover future obligations. The projected Self-Insurance Fund balance for 2021/22 is \$4,324,402. The planned increase in fund balance for 2021/22 addresses anticipated claims for the fiscal year.

CAPITAL IMPROVEMENT POLICIES

The City utilizes the following policies to govern its Capital Improvement Program and the use of special funds that address community capital project needs.

Ten-Year Capital Improvement Program

The City Manager shall develop and maintain a ten-year projection of capital improvement projects based on the General Plan, Specific Plans, and on City Council approved projects. The ten-year projection shall be presented as part of the proposed annual budget. The Capital Improvement Program (CIP) should be tied to projected revenue and expenditure constraints. Future planning should consider periods of revenue surplus and shortfall, and adjust projects and programs accordingly. The ten-year projection shall include new capital projects, rehabilitation needs and long-term maintenance.

Capital Improvement Program (CIP) -- Current Fiscal Year Appropriation

The current fiscal year CIP budget details the projected costs of acquisition, construction or rehabilitation of major capital facilities and infrastructure. The CIP Project Fund is used to track the receipt and disbursement of funds for specific CIP projects. For many projects, revenue resources and expenditures may extend over several years and continuing appropriations will be a part of the annual budget to track multi-year capital projects.

Accordingly, project appropriations are generally made when contracts are awarded. If project costs at the time of bid award are less than the budgeted amount, the balance will be unappropriated and returned to fund balance or allocated to another project. If project costs at the time of bid award are greater than budget amounts, five basic options are available:

- Eliminate the project.
- Defer the project for consideration to the next Financial Plan period.
- Re-scope or change the phasing of the project to meet the existing budget.
- Transfer funding from another specified, lower priority project.
- Appropriate additional resources as necessary from fund balance.

The City's CIP projects are budgeted on an annual basis. As a result, monies are allocated to projects in the fiscal year the funding sources are identified, available and approved by Council. Annual appropriations for capital projects are contained in the appropriate special funds budget.

Ten-Year Capital Improvement Plan

The City will update the ten-year Capital Improvement Plan each budget year. However, the adoption of the ten-year plan does not authorize the funding of projects identified within the ten-year plan beyond the current fiscal year.

The City's capital improvement plan will recognize the borrowing limitation of not only the City but also the debt tolerance (direct and overlapping debt) of the City as a whole. The adopted annual budget shall contain a ten-year summary projection of revenues and expenditures, which specifies the revenue sources and anticipated allocation schedule for the ten-year CIP. This multi-year plan shall be updated on an annual basis. Individual capital improvement projects shall include a projected cost amount for City administration, whereby project estimates reflect the total cost of the project.

Capital Improvement Funding

Within the limitation of existing law, various funding sources may be utilized for capital improvements. Capital projects shall not be dictated by the nature of funding available except to the extent that the projects meet an initial test required to achieve City goals and to the extent that projects must be placed in priority in order to utilize outside funding. The City shall actively pursue outside funding sources for all capital improvement projects.

CIP Budget Carryover

Unexpended project balances shall be carried forward to future fiscal years to complete the intent of the original budget, contingent upon approval by the City Council. The annual budget shall identify an estimated "Continuing Appropriation" balance that will be carried over to complete each specific multi-year project. The City Council will adopt by resolution all continuing appropriations after the fiscal year is closed and final numbers are known.

Upon completion of each capital project, unspent funds shall be reported to the City Council through the year-end budget report. The City Manager shall provide recommendations to redirect the use of unspent capital project funds in the year-end report and the annual budget.

CIP Funding Criteria

The City will use the following criteria to evaluate pay-as-you-go versus long-term financing (pay-as-you-use) in funding capital improvements:

Factors Favoring - Pay-As-You-Go Financing

- Current revenues and adequate fund balances are available or project phasing can be accomplished.
- Existing debt levels adversely affect the City's credit rating.
- Market conditions are unstable or present difficulties in marketing.

Factors Favoring - Long Term Financing (Pay-As-You-Use)

- Revenues available for debt service are deemed sufficient and reliable so that long-term financings can be marketed with investment grade credit ratings.
- The project securing the financing is of the type, which will support an investment grade credit rating.
- Market conditions present favorable interest rates and demand for City financings.
- A project is mandated by state or federal requirements, and resources are insufficient or unavailable.
- The project is immediately required to meet or relieve capacity needs and current resources are insufficient or unavailable.
- The life of the project or asset to be financed is ten (10) years or longer.
- Vehicle leasing when market conditions and operational circumstances present favorable opportunities.



In no case shall projects incur a funding deficit without the approval of the City Council.

ENTERPRISE FUND FEES AND RATE STRUCTURE

Water, Solid Waste and Sewer: The City will set fees and rates at levels which fully cover the total direct and indirect costs—including operations, capital outlay, and debt service—of the following enterprise programs: water, solid waste, and sewer.

Ongoing Rate Review: The City will review and adjust enterprise fees and rate structures as required to ensure that they remain appropriate and equitable.

City Services: In accordance with long-standing practices, the City will treat the water, solid waste and sewer funds in the same manner as if they were privately owned and operated. This means assessing reasonable charges that are reimbursed to the City for the use of City owned facilities, equipment, vehicles and other related services to fully recover these costs.

Enterprise Fund Debt Capacity: The City will set enterprise fund rates at levels needed to fully cover debt service requirements as well as operations, maintenance, administration and capital improvement costs. The ability to afford new debt for enterprise operations will be evaluated as an integral part of the City's rate review and setting process.

APPROPRIATIONS LIMIT

The Council will annually adopt a resolution establishing the City's appropriations limit calculated in accordance with Article XIII-B of the Constitution of the State of California, §7900 of the State of California Government Code, and any other voter approved amendments or state legislation that affect the City's appropriations limit.

The supporting documentation used in calculating the City's appropriations limit and projected appropriations subject to the limit will be available for public and Council review at least 10 days before Council consideration of a resolution to adopt an appropriations limit. The Council will generally consider this resolution in connection with final approval of the budget.

The City will strive to develop revenue sources, both new and existing, which are considered non-tax proceeds in calculating its appropriations subject to limitation.

The City will annually review user fees and charges and report to the Council the amount of program subsidy, if any, that is being provided by the General or Enterprise Funds.

The City will actively support legislation or initiatives sponsored or approved by League of California Cities which would modify Article XIII-B of the Constitution in a manner which would allow the City to retain projected tax revenues resulting from growth in the local economy for use as determined by the Council.

The City will seek voter approval to amend its appropriation limit at such time that tax proceeds are in excess of allowable limits.

DEBT POLICIES

Debt Financing

Debt financing shall generally be limited to one-time capital improvement projects and only under the following circumstances:

- When the project's useful life will exceed the term of the financing;
- When project revenue or resources will be sufficient to service the debt; and

- When the project will benefit the residents of Fountain Valley.

Debt financing shall not be considered appropriate for:

- Investment leveraging purposes,
- Current operating and maintenance expenses except for issuing short-term instruments such as revenue anticipation notes or tax anticipation notes; and
- Any recurring purpose (except as indicated above).

Debt Management

- The City will not obligate the General Fund to secure long-term financings except when marketability can be significantly enhanced.
- An internal feasibility analysis will be prepared for each long-term financing which analyzes the impact on current and future budgets for debt service and operations. This analysis will also address the reliability of revenues to support debt service.
- The City will generally conduct financings on a competitive basis. However, negotiated financings may be used due to market volatility or the use of an unusual or complex financing or security structure.
- The City will seek an investment grade rating (Baa/BBB or greater) on any direct debt and will seek credit enhancements such as letters of credit or insurance when necessary for marketing purposes, availability and cost-effectiveness.
- The City will monitor all forms of debt annually coincident with the City's Financial Plan preparation and review process and report concerns and remedies, if needed, to the Council.
- The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations.
- The City will maintain good, ongoing communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus (Official Statement).

Debt Refinancing

General Guidelines: Periodic reviews of all outstanding debt will be undertaken to determine refinancing opportunities. Refinancing will be considered (within federal tax law constraints) under the following conditions:

- There is a net economic benefit;
- It is needed to modernize covenants that are adversely affecting the City's financial position or operations; and
- The City wants to reduce the principal outstanding in order to achieve future debt service savings, and it has available working capital to do so from other sources.

Standards for Economic Savings: In general, refinancing for economic savings will be undertaken whenever net present value savings of at least five percent (5%) of the refunded debt can be achieved.

- Refinancing that produces net present value savings of less than five percent will be considered on a case-by-case basis, provided that the present value savings are at least three percent (3%) of the refunded debt.
- Refinancing with savings of less than three percent (3%), or with negative savings, will not be considered unless there is a compelling public policy objective.

Legal Debt Margin

Under state law, the City has a legal debt limitation not to exceed 15% of the total adjusted assessed valuation of taxable property within City boundaries. In accordance with California Government Code § 43605, only the City's general obligation bonds are subject to that legal debt limit. The City has no outstanding general obligation bonds.

CONTRACTING FOR SERVICES

General Policy Guidelines

Contracting with the private sector for the delivery of services provides the City with a significant opportunity for cost containment and productivity enhancements. As such, the City is committed to using private sector resources in delivering municipal services as a key element in our continuing efforts to provide cost-effective programs.

Private sector contracting approaches under this policy include construction projects, professional services, outside employment agencies and ongoing operating and maintenance services.

In evaluating the costs of private sector contracts compared with in-house performance of the service, indirect, direct, and contract administration costs of the City will be identified and considered.

Whenever private sector providers are available and can meet established service levels, they will be seriously considered as viable service delivery alternatives using the evaluation criteria outlined below.

For programs and activities currently provided by City employees, conversions to contract services will generally be made through attrition, reassignment or absorption by the contractor.

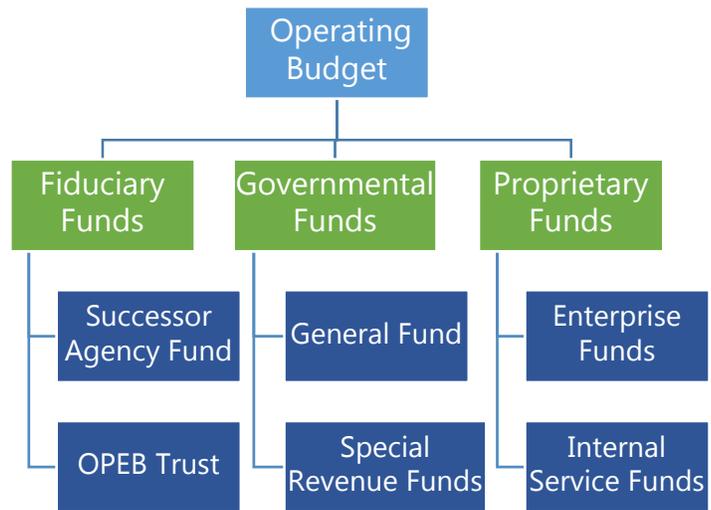
Evaluation Criteria

Within the general policy guidelines stated above, the cost-effectiveness of contract services in meeting established service levels will be determined on a case-by-case basis using the following criteria:

- Is a sufficient private sector market available to competitively deliver this service and assure a reasonable range of alternative service providers?
- Can the contract be effectively and efficiently administered?
- What are the consequences if the contractor fails to perform, and can the contract reasonably be written to compensate the City for any such damages?
- Can a private sector contractor better respond to expansions, contractions or special requirements of the service?
- Can the work scope be sufficiently defined to ensure that competing proposals can be fairly and fully evaluated, as well as the contractor's performance after bid award?
- Does the use of contract services provide us with an opportunity to redefine service levels?
- Will the contract limit our ability to deliver emergency or other high priority services?
- Overall, can the City successfully delegate the performance of the service and still retain accountability and responsibility for its delivery?

The City budget consist of a number of different funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, segregated for the purpose of carrying on specific activities, or complying with special regulations, restrictions, or limitations. The following provides a description of accounting funds used by the City of Fountain Valley.

Each distinct fund contains program expenditures and revenues that relate to the purpose of the fund. The three types of fund categories are governmental funds, proprietary funds and fiduciary funds and are defined in detail below.



GOVERNMENTAL FUNDS

The measurement focus for governmental funds is on current spendable resources, and as such, the balance sheets for these types of funds include only current assets and current liabilities. Governmental funds are accounted for on a modified accrual basis, thus revenues are recognized when measurable and available, (60 days) and expenditures are recorded when the related liability is incurred.

GENERAL FUND

The General Fund is the City’s single largest fund type and accounts for unrestricted revenues such as general taxes and intergovernmental revenue, user fees, fines, rents, and other miscellaneous general revenues. This fund supports basic services including Police, Fire, Building and Planning, Community Services and general administration

SPECIAL FUNDS (Restricted)

Special revenue funds are used to account for the proceeds from specific revenue sources that are legally or contractually restricted to expenditures for specific purposes.

AB2766 - Air Quality Improvement Fund

This fund accounts for the City's programs implementing Assembly Bill (AB) 2766, the California Clean Air Act of 1988. Under the provisions of AB 2766, 40% of the fees imposed by the South Coast Air Quality Management District (SCAQMD) are allocated to local jurisdictions to fund expenditures for the reduction of air pollution from motor vehicles. Past qualifying projects have

included the purchase of alternative fuel (CNG) vehicles, acquisition of emission credits pursuant to SCAQMD Rule 2202, and various educational and outreach programs to encourage commuter use of transit and rail systems.

Criminal Diversion (Federal & State Asset Forfeiture / Other Public Safety Grants)

The Asset Forfeiture fund is the depository for equitable sharing payments received from the Departments of Justice and US Department of the Treasury for assistance in forfeiture cases. Under state and federal statutes, the City of Fountain Valley receives an equitable share of seized drug funds and real property, along with reimbursement of related overtime expenses in exchange for participating in the program.

By law, these funds may only be spent for law enforcement purposes and are intended to supplement, not supplant, existing funds. Examples of uses of these funds include training, supplies, equipment, and ammunition. Due to the uncertain nature of the timing and amount of forfeitures, and in accordance with fund guidelines, revenues should not be budgeted until actually received.

This fund also accounts for federal, state and local grants and donations assigned for Public Safety activities. Previously awarded grants include the Urban Area Security Initiative, Avoid the 38, Justice Assistance Grant, Office of Traffic Safety STEP Grant, BSCC County Grant, Every 15 Minutes, and Sobriety Checkpoint Grants.

Citizen Options for Public Safety (COPS/SLESF) - Supplemental Law Enforcement Services Funds Grant

Assembly Bill 3229, Chapter 134, Statue of 1996, established the Citizen's Option for Public Safety (COPS) Program. Per Government Code §§ 30061-30065, compliant cities are allocated a proportionate share of COPS funds by the State, for the exclusive purpose of funding supplemental front line law enforcement services. Proportionate shares are based on population estimates determined by the California Department of Finance. Under the standard grant program allocation, the City of Fountain Valley is eligible to receive the minimum grant amount of \$100,000 each year. Funds from this program cannot supplant existing funding and are to be used for one-time items including equipment.

Community Development Block Grant (CDBG)

This fund was established to satisfy legal requirements that Community Development Block Grant (CDBG) funds be segregated from other funds. CDBG funds are used to provide a variety of public service programs throughout the community. A separate staff report is presented to the City Council for budgeting purposes for each Fiscal Year, which may include reprogramming of remaining unused budgeted funds from prior years, repayments to the CDBG Fund for loans previously made, and programming of the new grant revenue and related appropriations.

Gas Tax

The City receives Gas Tax funds per various sections of the Streets and Highways Code. State law requires these funds be utilized solely for street-related purposes such as new street construction, rehabilitation, and maintenance. Specific capital projects for street and traffic signal improvements and rehabilitation endeavors are identified in the Capital Improvement Program (CIP) budget.



Housing Authority Fund - *Former Community Development Housing (Redevelopment)*

In June 2011, the Redevelopment Dissolution Act, AB1x26, was signed by the Governor and later upheld by the California Supreme Court on December 29, 2011. As a result of the Court's ruling on the Dissolution Act, all redevelopment agencies in California were dissolved effective February 1, 2012. On January 10, 2012, the City opted out of being the Successor Agency for the Housing functions of the former agency and assigned the Fountain Valley Housing Authority as the successor to the housing assets and activities. The Fountain Valley Housing Authority Fund accounts for the City's Housing activities.

HOME Grant

This fund is used to account for federal HOME Investment Partnership Program Funds, which facilitate the development of affordable housing projects in the City.

Local Park Impact Fee

The Subdivision Map Act of the California Government Code requires developers to provide either land or fees to the local municipal government for the purpose of providing or improving recreational facilities in the area of the proposed developer improvements. This legislation is also known as the Quimby Act. The City allocates these funds to various parks and recreation projects in conjunction with the annual CIP budget.

Measure M Fairshare M2

This fund accounts for the City's share of the Measure M2 one-half cent sales tax approved by Orange County voters and administered by the Orange County Transportation Authority. Funding is allocated to the City for streets, roads and transit projects. Measure M also provides funds for the City's Senior Mobility program.

Road Maintenance & Rehabilitation Program (SB1)

This fund was created to account for the City's share of proceeds from SB 1, the Road Repair and Accountability Act of 2017. The City is scheduled to receive these funds for the next 10 years to assist in road maintenance & rehabilitation, congestion relief, and corridor improvements.

Fountain Valley Public Finance Authority

This fund is used to account for the debt service payments and construction of certain water improvements associated with the issuance of the 2014 Revenue Bonds, the 2016A Lease Revenue Bonds (Refinanced 2003 COP), and the Clean Energy Renewable Bonds (CREBS).

Drainage Fund

This fund was established in order to implement the goals and objectives of the master drainage plan and to mitigate water runoff impacts of new development in the drainage area. The Drainage Development Impact Fee is needed in order to finance drainage public improvements and to pay for the development's fair share of required improvements.

Traffic Improvement

This fund is used to account for various public roadway improvements. Revenues are received from transportation impact fees and grants or transfers in from Measure M, Gas Tax, Sewer, or Water funds.

PROPRIETARY FUNDS

Proprietary funds account for operations that are financed and operated in a manner similar to private sector enterprises, in that goods and services are provided to the general public (external users) or other City department (internal users), and the costs are financed or recovered primarily through fees and service charges charged directly to the users of the goods and services.

ENTERPRISE FUNDS

Enterprise funds are used to report activities for which service charges or fees are charged to external users. These funds are used to account for operations that are financed and operated in a manner similar to private sector enterprises wherein the cost of providing the goods and services to the general public (Utility Customers) is paid through a user rate structure that is appropriate, fair and equitable based on the cost of the commodity.

Water Fund



The City of Fountain Valley established its Municipal Water Department in April of 1962. Its goal is to provide safe, reliable, high quality water to City customers at a reasonable rate. The fund accounts for all the activities related to the water operations, including, but not limited to, administration, operations, maintenance, capital acquisition and contraction, financing and related debt service, production, distribution and storage

systems, SCADA, recycled water, capital improvements, meter reading and utility billing processes.

Solid Waste Fund

The City contracts with Republic Services to provide residential and commercial waste collection, and recycling. The City utilizes the Water billing process to include the waste collection charges owed to Republic Services. The City collects a fee for each bill sent for this service. Republic also pays the City an annual Road Rehabilitation fee to help the city pay for repairs to public roadway due to the heavy weight of the trash vehicles.

Sewer Fee and Connection Fund

This fund accounts for all activities related to the wastewater collection system serving Fountain Valley. There is an established sewer fee assessed to every water customer to cover the cost of maintaining, repairing and rehabilitation of the sewer collection system. This fund was also established to meet the goals and objectives of the master plan of sewers of the City and to mitigate wastewater impacts caused by new development within City limits. A Development Impact Fee is charged to finance the sewer public improvements and to pay for the development's fair share of the required sewer improvements. The City, as a condition to granting the application and furnishing sewer service to a parcel of land, shall charge and collect fees to support the cost of the system and future replacements and extensions.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to report activities for which service charges or fees are charged to internal users. These funds account for the financing of goods or services provided by one department to another on a cost reimbursement basis. These functions include information services, purchasing services, government buildings, equipment, fleet, self-insurance and employee services.

Information Technology / Purchasing & Duplication

This fund accounts for the capital acquisition and replacement cost of citywide computers, network equipment, printers, copiers, scanners, telephones, and duplication and mailing equipment. Operating costs include IT and Purchasing staffing and related maintenance and supplies. Funding is provided by charges back to user departments.

Government Buildings

The Government Buildings Fund includes all maintenance, custodial, staffing and equipment costs associated with the operation of City Hall, Recreation & Senior Center, City Yard, Fire and Police Stations. The expenses associated with facility maintenance and operations are recorded in this fund with supporting revenues from the General Fund and other funds that use this service. Revenues are allocated from the departments' budgets based on share of square footage. A portion of the fund balance is reserved to fund capital equipment necessary for the efficient operation of the various City buildings.

Capital Equipment Fund

The Equipment Fund administers the acquisition, replacement and maintenance of furniture, equipment, machines, large tools, other capital equipment not accounted for in

IT or government buildings. This fund is financed from charges paid by the departments.

Fleet Services Fund

The Fleet Services Fund is the operating fund that provides for the capital purchase, replacement and maintenance, and fueling for all city vehicles. The Public Works department manages all of the City's fleet vehicles. Rental rates are charged to the various user departments and those rates are designed to recover the associated acquisition, replacement, maintenance and fuel costs. Those rental rates, based on this fund's operating budget and costs, are included in each department's budgeted expenditures.



Self-Insurance Fund

The Self-Insurance Fund administers a loss prevention program that protects the City against financial loss from on-the-job injuries; administers the City's general liability risk, property insurance programs, and accounts for workers compensation, unemployment insurance, and long-term disability costs. This fund is financed from self-insurance premiums paid by the departments.

Employee Benefits Fund

The Employee Benefits Fund captures the cost associated with employee retirement (CalPERS); retiree medical (OPEB) held in trust with PARS; employee health and dental insurance programs; employer Medicare contributions; life insurance; employee assistance program (EAP); and uncompensated absence liability (employee vested vacation and sick leave).

FIDUCIARY FUNDS

Funds that account for resource held in a trustee, custodial or agency capacity for others.

Successor Agency Fund - *Former Community Development (Redevelopment)*

The Fountain Valley Agency for Community Development [Redevelopment Agency (RDA)] was established in 1976 to prepare a redevelopment project area and plan for two specific areas within the City called the City Center and the Industrial Area Redevelopment Projects. Funds were created to account for operations associated with these RDA activities.

In June 2011, the Redevelopment Dissolution Act, AB1x26, was signed by the Governor and later upheld by the California Supreme Court on December 29, 2011. As a result of the Court's ruling on the Dissolution Act, all redevelopment agencies in California were dissolved effective February 1, 2012. On January 10, 2012, the City elected to become the Successor Agency to the RDA to wind down its affairs. A new fund was created to account for the activities of the Successor Agency during the dissolution process.

Special Deposit Fund

This fund is a custodial fund used to account for Asset Seizure deposits that are to be disbursed upon legal order.

OPEB Trust Fund

This fund is used to account for deposits, interest, and withdrawals from the trust that the City established in 2011 to pay for Other Post-Employment Benefits (OPEB). This is a 115 Trust, which restricts use of these funds specifically for OPEB payments.



A Nice Place to Live...

The City of Fountain Valley is a well-planned, urban community, which includes a balance of land use and City services. It is located in the heart of Orange County just minutes from points of interest such as Disneyland, Knott's Berry Farm, the beach and world class shopping. The City is geographically located just north of Huntington Beach, Costa Mesa and Newport Beach, and is just south of Santa Ana and Anaheim. Fountain Valley is served by the San Diego (405) freeway and offers convenient access to three major airports.



The City of Fountain Valley was incorporated June 13, 1957, and became the 21st City in the County of Orange. Since its incorporation in 1957 and throughout its rich history, the City of Fountain Valley has been known as "A Nice Place to Live". Residents of the City have adopted this motto thanks to the well maintained streets and parkways, 18 parks, wide range of recreation programs for all ages, great weather and overall quality of life. Business also consider Fountain Valley to be a "Nice Place to do Business" as well.

The City is comprised of 9.8 square miles with vibrant commercial areas, neighboring residential communities, recreational facilities, beaches, high profile corporate headquarters and small entrepreneurial and retail businesses.



History

Long before the Santa Ana River banks were lined with concrete, the land that is now Fountain Valley was saturated with peat bogs and willow thickets. Early settlers dug deep wells at a distance from the banks of the unpredictable river to reach the water that was draining down from the higher ground above. The pressure of the water created an upward flow in these wells (known as Artesian Wells) and fountains of water spurted from the openings. Today a beautiful fountain in front of City Hall reminds us how Fountain Valley got its name.

The Tongva ("People of the Earth") were the first inhabitants of the land and it was Tongva Native Americans who paddled out from the shore of what is now San Pedro to greet explorer, Cabrillo, in 1542.

From the time of Cabrillo's arrival until 1822 California remained under Spanish rule. In 1797 Governor Pedro Fages gave an ex-soldier named Manuel Nietos a 29,000 acre land grant that encompassed today's cities of Fountain Valley, Westminster, Garden Grove, and northern Huntington Beach. The land became known as Las Bolsas ("The Pockets") because it was primarily marshland with just pockets of solid ground.



In 1834, after Mexico gained independence from Spain, Alta California governor, Jose Figueroa, gave the land to Nieto's heirs and a number of other groups and individuals. At the end of the Mexican-American War in 1848, Mexico ceded all of Alta California to the United States and Rancho Las Bolsas was sold at a public auction soon after California became the 31st U.S. state in 1850. Abel Stearns bought the entire parcel of land for \$15,000 and renamed it The Stearns Ranch Company. Stearns was a cattle rancher and as he bought more and more land, he became the



largest land owner in California. His fortune soon changed, however, when the Santa Ana River flood of 1861 wiped out his cattle industry. The great flood was followed by severe drought and in 1862 Stearns sold the Rancho to The Los Angeles and San Bernardino Land Company. Families moved in one by one which necessitated business and services. The first school house was near Garfield and Florida streets in the City of Huntington Beach and a large building named Sycamore Hall was built and utilized as a meeting place. Soon more and more buildings were erected as settlers migrated

to what was often referred to as the "Gospel Swamps" because of the lively spirituals held there.

With this pivotal series of events, the rapid development of the Santa Ana Valley began.

The fantastic growth rate which Fountain Valley experienced in the 1960's, which could easily have wreaked havoc with the planning of most cities, took place within the framework of a Master Plan adopted before any development had begun. Unlike many communities, Fountain Valley's Master Plan did not have to play "catch up" with existing developments. It is for this reason that Fountain Valley has often been referred to as Orange County's best-planned community.



Climate

Fountain Valley, CA climate is warm during summer when temperatures tend to be in the 70's and cool during winter when temperatures tend to be in the 50's. The warmest month of the year is August with an average maximum temperature of 84.20 degrees Fahrenheit, while the coldest month of the year is December with an average minimum temperature of 46.00 degrees Fahrenheit.

The annual average precipitation at Fountain Valley is 13.84 Inches. Rainfall in is fairly evenly distributed throughout the year. The wettest month of the year is January with an average rainfall of 3.18 Inches.



Population & Education

According to the 2019 United States Census, American Community Survey Department, the Fountain Valley's city population is 56,026.

Fountain Valley is also a well-educated population. According to the American Community Survey Department of the US Census bureau, of those over 25 years, 90.4% graduated from high school and 43.5% have a Bachelor's degree or higher with the median household income of \$93,075.



Community Services

On the Westside of Mile Square Park the City owns and operates a seventy-eight acre Recreation Center and Sports Park. This facility, expanded and renovated in 2009, contains a Recreation Center building with an indoor gymnasium, 2 indoor racquetball courts and 2 community rooms. Outdoors are 15 baseball/softball fields, 4 dedicated soccer fields, 11 lighted tennis courts, 4 pickleball courts and 2 hitting walls, 3 lighted racquetball courts, 6 outdoor lighted basketball courts. There is a 5/4 mile walking trail, a large playground for children, and a great lawn for community events such as the Annual Concerts in the Park, Summerfest, Movies in the Park, and the annual Tree Lighting Ceremony. The City also has a dedicated Senior Center known as "The Center at Founders Village" located on Bushard Street. The center offers an array of programs, Human and Social services and classes focused on the community's senior population.

The City of Fountain Valley has partnered with "The Fountain Valley Community Foundation", a



non-profit group, to help support many of the special events that are held by the City throughout the year. The Foundation also holds several events that are funded fully by the donations that are raised throughout the year from residents and business community members.

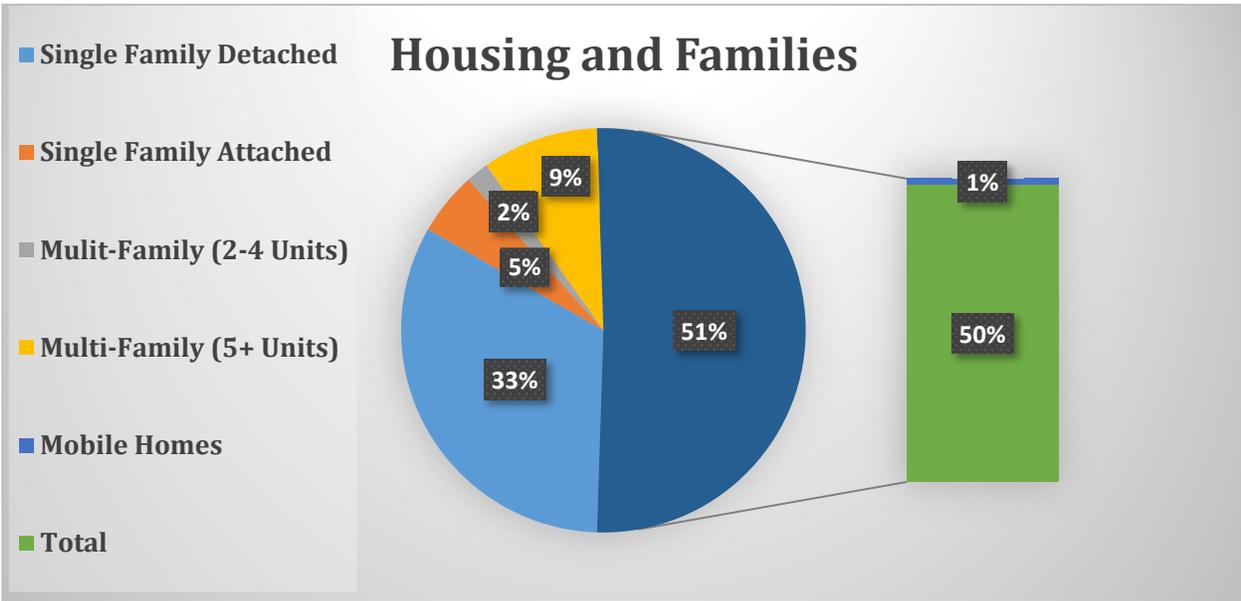
Housing and Families

There were 19,363 households in Fountain Valley according to the 2020 State of California Department of Finance Housing Estimate. Over 70% of the city’s housing units are owner occupied and 30% were renters. Vacancy rates are very low at less than 2.6% of the total households. More than three quarters of these households are family households.



The median sale price of a home in Fountain Valley is \$870,000. This represents a 6% increase over the prior year.

Sources: U.S. Census



Bureau

Education

Fountain Valley has excellent public and private schools. This is one of the reasons why families and businesses choose to live in the city. The Fountain Valley School District was founded around 1898 with the first school being Fountain Valley School on Bushard and Talbert. There are nine elementary schools, two middle schools (6-8), and one K-8 alternative school. Coastline Community College and three major universities are within 20 minutes of Fountain Valley.





Health Care

Fountain Valley is fortunate to have two fully accredited and respected health facilities within its city boundaries. Fountain Valley Regional Hospital with 400 beds and Orange Coast Memorial Hospital with 230 beds to provide the quality health care citizens need.

Places of Interest



Fountain Valley is located in Orange County and is 30 miles southeast of Los Angeles, 400 miles south of San Francisco and 90 miles northeast of San Diego.

Within our City limits there are many places of interest to visit. The City boasts of 20 neighborhood/community parks, a fifty-five acre recreation center with tennis, basketball and racquetball courts, a gymnasium, the Kingston Boys & Girls club, a public library, a bowling alley, miniature golf course, roller skating and a performing arts center. Fountain Valley also has beautiful Miles Square Park, with hiking trails, picnic areas and fishing along with three hole golf courses.

18-

One of the City's greatest amenities is Mile Square Regional Park. Miles Square is an urban park with a total of 640 acres of beautiful land. Within the park's boundaries are three regulation golf courses, two regulation soccer fields, baseball & softball diamonds, an archery range and a wilderness area. There are also two fishing lakes; concession operated bike and paddle boat operations, and a wide expanse of picnic areas as well as numerous picnic shelters. Within a driving distance of 30 minutes there are also many activities to enjoy.



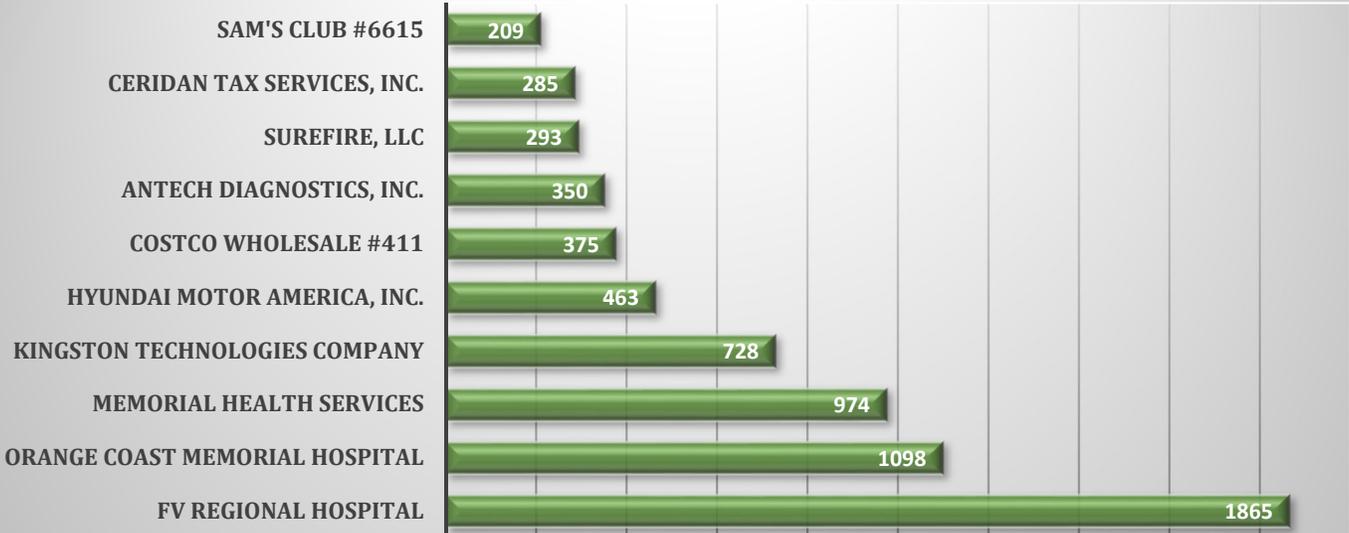
Major Employers

Fountain Valley’s strong economic climate is reflected in the fact that many companies have chosen to locate their business or headquarters here including Hyundai Motor America. Over 5,000 service, retail, and industrial businesses call the City “A Nice Place to do Business”.

In partnership with the Fountain Valley Chamber of Commerce and the Agency for Community Development, the City values a strong and varied business community. The City offers free Business Resources and Services to assist our businesses in realizing their highest potential in the good times and to assist them in the tough times.

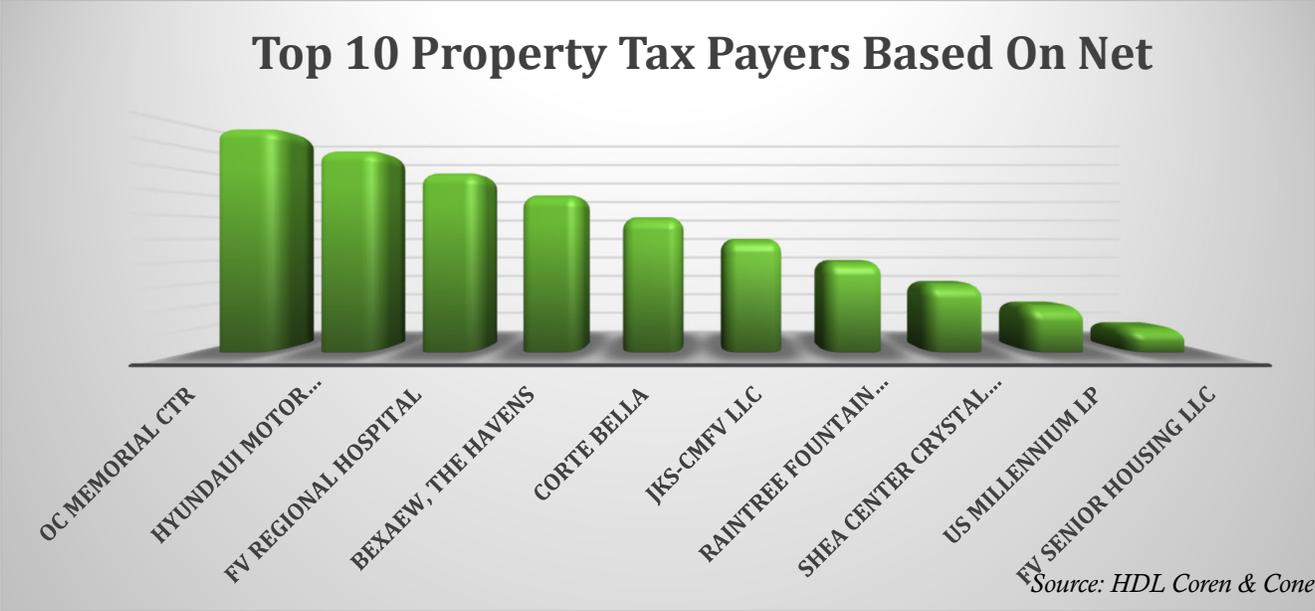


Top Ten Employers In Fountain Valley, California



Major Property Tax Payers

The City of Fountain Valley has a diverse property tax base with the 10 largest taxpayers constituting less than 11% of the total property tax revenues.

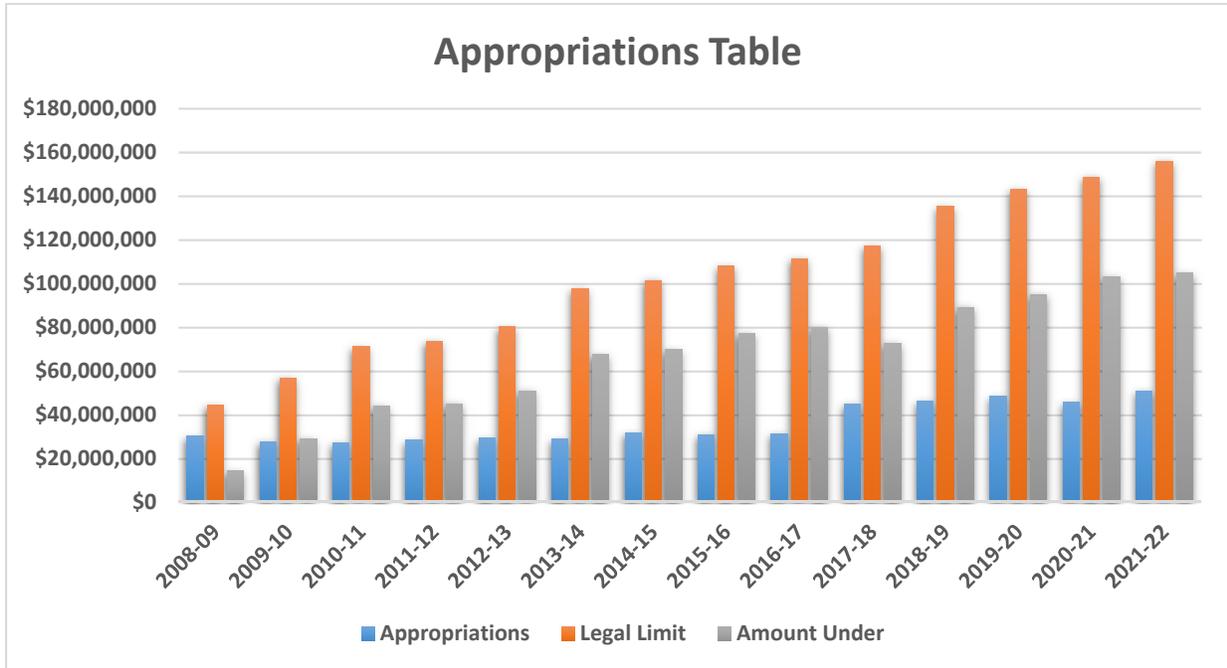


In November 1979 the voters of the State of California approved Proposition 4, commonly known as the “Gann Initiative” or “Gann Limit.” The Proposition created Article XIII B of the State Constitution placing limits on the amount of revenue which can be spent by all entities of government from the “proceeds of taxes.” Proposition 4 became effective for the 1980-81 fiscal year, but the formula for calculating the limit was based on the 1978-79 “base year” revenues, with adjustments being made annually to reflect increase in population and cost of living.

Section 9710 of the California Government Code, added in 1980 by the State Legislature, provides that “each year, the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following year.” In June of 1990 the California Voters approved Proposition 111. Among other things, Proposition 111 provided new adjustment formulas, which make the Appropriations Limit more responsive to local growth issues. Only tax proceeds are subject to the limit. Charges for services, regulatory fees, grants, loans, donations and other non-tax proceeds are not subject to the limit. Proposition 111 also established a requirement for an annual review of Limit calculations. Each year the City Council must adopt by resolution the City’s appropriations limit for the following year. The following is the calculation for the City’s Gann Appropriations Limit for FY2021-22.

Fountain Valley’s annual appropriation limit has been determined in accordance with Article XIII B of the California State Constitution and Section 7902 of the California Government Code. The City will be below its legal appropriations limit by \$104,790,241 using the per capita personal income growth and county population growth factors.

GANN APPROPRIATIONS LIMIT CALCULATION FY 2021-22	
FY 2020-21 Appropriations Limit	\$148,570,313
Population Growth (City or County) = (.84%)	0.9916
Cost of Living (Per Capita or Non-residential construction growth) = 5.73%	1.0573
FY 2021-22 Appropriations Limit (\$148,570,313 x 0.9916 x 1.0573)	\$155,763,891



RESOLUTION NO. 9792

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOUNTAIN VALLEY, CALIFORNIA APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2021/22

WHEREAS, the State Constitution Article XIII B restricts the appropriations growth rate for cities and other local jurisdictions; and

WHEREAS, the Article XIII B, as amended by Proposition 111, requires cities to calculate their annual appropriations limit by the percentage change in 1) City population growth or county population growth; and 2) California per capita personal income or the increase in non-residential assessed valuation due to new construction; and

WHEREAS, documentation used in the determination of the appropriations limit for fiscal year 2021/22 has been available to the public in the Finance Department for fifteen days prior to this meeting as required by Government Code Section 7910; and

WHEREAS, a summary of this computation is provided in Exhibit "A", which is incorporated by reference and attached hereto.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FOUNTAIN VALLEY, CALIFORNIA DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the Appropriations Limit for 2021/22 shall be \$155,763,891, as calculated in Exhibit A, and the Appropriations Subject to Limitation in Fiscal Year 2021/22 shall be \$50,973,650 and therefore is \$104,790,241 under the limit.

SECTION 2. That the City of Fountain Valley reserves the right to recalculate said limitation at a future time.

SECTION 3. That the City Clerk shall certify to the passage and adoption of this Resolution, and enter it into the book of original Resolutions.

PASSED and ADOPTED by the City Council of the City of Fountain Valley at a regular City Council meeting held on this 1st day of June, 2021 by the following vote:

AYES: Bui, Constantine, Grandis, Harper, Vo

NOES: None

ABSENT: None

ABSTAIN: None

EXHIBIT A

Appropriations Limit
City of Fountain Valley
Fiscal Year 2021-22

	<u>AMOUNT</u>
Last Year's Limit (2020-21)	\$148,570,313
Adjustment Factors	
1. Population ⁽¹⁾	0.9916
2. Inflation ⁽²⁾	<u>1.0573</u>
Total Adjustment Factor ⁽³⁾	<u>1.0484</u>
Total Adjustments	<u>7,193,578</u>
Appropriations Limit for Fiscal Year 2021-22	<u>\$155,763,891</u>
Appropriations Subject to Limit:	
Proceeds of Taxes	\$50,973,650
Minus Exclusions	<u> -</u>
Appropriations Subject to Limit	\$50,973,650
Fiscal Year 2021-22 Appropriations Limit	155,763,891
Less Appropriations Subject to the Limit	<u>50,973,650</u>
Difference Under the Limit	<u>\$104,790,241</u>

⁽¹⁾The population factor may be based on the change in population of 1) the City; or 2) the County of Orange, as provided by the State of California's Department of Finance. The population factor adopted by the City for the current year appropriation limit represents both the change in population of the County of Orange and the City of Fountain Valley as they were the same figure.

⁽²⁾The inflation factor may be based on 1) the change in per capita personal income for the State of California as provided by the State of California's Department of Finance; or 2) the change in assessed valuation due to new nonresidential construction within the City. The inflation factor adopted by the City for the current year appropriation limit represents the change in per capita personal income for the State of California as provided by the State of California Department of Finance.

⁽³⁾The total adjustment factor is calculated by multiplying the population factor by the inflation factor.

RESOLUTION NO. 9791

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOUNTAIN VALLEY, CALIFORNIA, ADOPTING AN ANNUAL BUDGET AND RELATED DOCUMENTS FOR THE CITY OF FOUNTAIN VALLEY, FOR FISCAL YEAR 2021/22

WHEREAS, the City Manager and Budget Analyst have, heretofore, presented to the City Council a Proposed Operating Budget for Fiscal Year 2021/22; and

WHEREAS, the Proposed Operating Budget includes the City of Fountain Valley, and information related to the Successor Agency, Housing Authority, and Public Financing Authority; and

WHEREAS, the City Council did hold a public workshop on May 18, 2021, in the Council Chambers of City Hall of said City, in order to review the proposed budget documents for Fiscal Year 2021/22; and

WHEREAS, the City Council did review proposed budget for the Fiscal Year 2021/22.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FOUNTAIN VALLEY, CALIFORNIA DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Said Proposed Operating Budget, as so amended, is hereby adopted as the Operating Budget for the City of Fountain Valley for the fiscal year commencing July 1, 2021 and ending June 30, 2022, and consists of estimated and anticipated expenditures and revenues for that fiscal year.

SECTION 2. The City Council does hereby approve and authorize the salary allocations as presented throughout the various departmental programs; the schedule of Inter-fund transfers, estimated continuing appropriations amounts; 2021/22 Capital Improvement Program expenditures along with the use of Capital Reserve Fund monies; and authorize the identified assigned or committed allocation of the General Fund cash balances.

SECTION 3. The City Council does hereby adopt the ten year Capital Improvement Plan which is consistent with the seven year CIP program submitted to the Orange County Transportation Authority (OCTA) as part of the annual Measure M2 Eligibility process.

SECTION 4. The City Manager or his/her designee, for purposes of administrative necessity in implementing the budget, is hereby authorized to transfer funds between accounts, programs and line item expenditures as long as the transfer does not exceed the total appropriation within a given fund or where such transfer is expressly prohibited in a resolution or ordinance approved by the City Council.

SECTION 5. The Fiscal Year 2021/22 Financial & Budget Policies as presented in the 2021/22 Annual Budget are hereby adopted by the City Council. The City Council does hereby adopt a budget that does meet the requirements of the Financial & Budget Policies related to the "Balanced Budget" section of the policies.

SECTION 6. That the City Clerk shall certify to the passage and adoption of this Resolution, and enter it into the book of original Resolutions.

PASSED, APPROVED and ADOPTED by the City Council of the City of Fountain Valley at a regular City Council meeting held on this 1st day of June, 2021 by the following vote:

Ayes: Bui, Constantine, Grandis, Harper, Vo
Nays: None
Absent: None
Abstain: None



Michael Vo, Mayor

ATTEST:



Rick Miller, City Clerk

APPROVED AS TO FORM:
HARPER & BURNS LLP



Colin Burns
Attorneys for the City

RESOLUTION NO. 9793

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF FOUNTAIN VALLEY, CALIFORNIA, ESTABLISHING PROPERTY RENTAL TERMS AND CHARGES FOR ADMINISTRATIVE SERVICES FOR THE MUNICIPAL WATER & SEWER UTILITIES.

WHEREAS, the proposed 2021/22 budget for the Water & Sewer Funds maintains funding for the operating and capital improvement expenditures of the Water & Sewer Utilities; and

WHEREAS, the City owns and maintains property at various locations throughout the city that are utilized by the Water Utility to locate reservoirs, wells, equipment and facilities; and

WHEREAS, the Water Utility is required to construct and maintain various pipelines and appurtenances for transmitting and distributing water for any and all purposes including mains, lines and pumps necessary or proper therefore, in, along, upon, and under the streets within the City of Fountain Valley; and

WHEREAS, the Water Utility, during the life thereof, will pay to the City an amount in the form of a right-of-way usage fee for the water mains located within the street right-of-way and related maintenance costs; and

WHEREAS, this administrative arrangement which has been in place since 1958 saves money and promises efficiency; and

WHEREAS, the Water Utility will also pay a charge for its use of land located within the City for other appurtenances such as water well pumps, reservoirs, and water operation facilities; and

WHEREAS, administrative services are also provided to the Water & Sewer Utilities; and

WHEREAS, the City has determined that it is in the best interest of the community to charge the Water & Sewer Utilities the amount of \$1,860,334 in 2021/22 for these rights and services; and

WHEREAS, the schedule attached "Exhibit A" is based on substantial evidence establishing that these allocations represent the costs of providing administrative services to the Water & Sewer Utilities.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of the City of Fountain Valley, California, that:

The Schedule attached hereto as Exhibit "A" is approved as the basis for allocating city property and service costs to the Water & Sewer Utilities.

PASSED, APPROVED, AND SIGNED this 1st day of June 2021, at a regular meeting of the City Council of the City of Fountain Valley.

Ayes: Bui, Constantine, Grandis, Harper, Vo

Nays: None

Absent: None

Abstain: None

1

Attest:



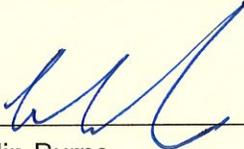
Rick Miller, City Clerk



Michael Vo, Mayor

APPROVED AS TO FORM:

HARPER & BURNS LLP



Colin Burns
Attorneys for the City

ATTACHMENT

Exhibit A

Accrual Basis of Accounting	A method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.
Adjusted / Amended Budget	The adopted budget plus any modifications (increases, decreases and transfers) approved by the City Council during the fiscal year.
Air Quality Management District (AQMD)	The air pollution control agency for the four-county region including Los Angeles and Orange counties, as well as parts of Riverside and San Bernardino counties (www.aqmd.gov).
Air Quality Management Plan (AQMP)	A plan developed by the AQMD that serves as the blueprint for all the future rules necessary to bring the area into compliance with federal and state clean air standards.
Allocation of Funds	Setting aside funds for a specific purpose or program. An allocation of funds makes them available for expenditure.
Appropriation	A specific amount of money authorized by the City Council for an approved work program.
Arterial Highway Financing Program (AHFP)	A Measure M funded program for pavement rehabilitation projects on arterial roadways in the county.
Assessed Property	The value set upon real estate or other property by the County Tax Assessor.
Assessed Valuation	A measure of the taxable value of property located within the City against which the tax rate is applied.
Assessed Valuation (Secured)	That part of the assessment roll containing state assessed property and property the taxes on which are a lien on real property sufficient to secure payment of taxes.
Assessed Valuation (Unsecured)	The remainder of the assessment roll that is not on the secured roll. The taxes on the unsecured roll are a personal liability of the assessed owner.
Assessment District (AD)	A separate unit of government that manages specific resources within defined boundaries. Through self-financing, it can raise predictable funds, such as taxes, user fees or bonds, directly from the people who benefit from the services.

Audit	Prepared by an independent certified public accountant (CPA), the primary objective of an audit is to determine if the City's financial statements fairly represent the City's financial position and results of operations in conformity with generally accepted accounting principles. In conjunction with performing an audit, independent auditors customarily issue a Management letter stating the adequacy of the City's internal controls as well as recommending improvements to the City's financial management practices.
Balanced Budget	A budget in which planned expenditures do not exceed planned revenues.
Bond Refinancing	The pay off and re-issuance of bonds to obtain better interest rates and/or bond conditions.
Bonds	A certificate of debt issued by an entity, guaranteeing payment of the original investments, plus interest.
Bradley Burns Uniform Local Sales & Use Tax	A 1% local sales tax is collected by the State of California as part of the larger sales and use tax levied on the total retail price of tangible personal property based on business location. Use Tax is the complement of sales tax and imposed on the purchaser, usually for goods purchased out-of-state for local use.
Budget Surplus	The difference between operating revenues and operating expenditures. The Budget Surplus may be used for ongoing expenses (as opposed to year-end balance, which may be used only for one-time expenses).
Budget Amendment	The Council has the sole responsibility for adopting the City's budget and may amend or supplement the budget at any time after adoption by majority vote. The City Manager has the authority to approve transfers within funds.
California Environmental Quality Act (CEQA)	A state statute enacted in 1970 that requires state and local agencies to identify the significant environmental impacts of their actions and to avoid or mitigate those impacts, if feasible (ceres.ca.gov/ceqa).
California Transportation Commission (CTC)	The agency responsible for programming and allocating funds for the construction of highway, passenger rail and transit improvements throughout California (www.catc.ca.gov)

Capital Equipment	Equipment (fixed assets) with an initial individual cost of \$5,000 or more and an expected useful life greater than two years, such as automobiles, microcomputers and furniture.
Capital Expenditure	Expenditure for tangible property with an initial individual cost of \$5,000 or more and an expected useful life greater than two years per item.
Capital Improvement Program Budget (CIP)	A multi-year financial plan for construction of infrastructure, facilities, and rehabilitation such as buildings, streets, storm drains, and recreational facilities with an initial individual cost of at least \$50,000 and an estimated useful life greater than two years.
Certificates of Participation (COPs)	Tax-exempt bonds issued by state entities usually secured with revenue from an equipment or facility lease. COPs enable governmental entities to finance capital projects without technically issuing long-term debt. This can be advantageous, as the issuance of long-term debt is commonly subject to voter approval and other state constitutional and statutory requirements. COPs have been used by municipalities to pay for prisons, office buildings, vehicles, and even parks.
City Council (CC)	Comprised of five City Councilmembers who are elected at large by registered voters of the City. Councilmembers each serve a four-year term. The mayor is selected by fellow councilmember and serves a one-year term. The City of Fountain Valley has a three-term limit for elected officials. The City Council adopts legislation, sets policy, adjudicates issues and establishes the budget of the City.
Community Development Block Grant (CDBG)	Provides eligible metropolitan cities and urban counties with annual direct grants to revitalize neighborhoods; expand affordable housing and economic opportunities; and/or improve community facilities and services, principally to benefit low- and moderate-income persons.
Community Facilities District (CFD)	A special district that can issue tax-exempt bonds as a mechanism by which public entities finance construction and/or acquisition of facilities and provide public services to the district.
Community Oriented Policing Services (COPS)	A grant program that provides partial funding of salaries for several front line law enforcement positions.
Comprehensive Annual Financial Report	The summarization of the City's financial activity for the previous fiscal year which also includes a summarization of significant milestones that were accomplished during the year by department, fiscal policies,

(CAFR)	and statistical information. The CAFR is prepared by December of each year.
Conditional Use Permit (CUP)	Allows a city or county to consider special uses which may be essential or desirable to a particular community, but which are not allowed as a matter of right within a zoning district, through a public hearing process.
Congestion Management Plan (CMP)	Defines a network of state highways and arterials, level of service standards and related procedures.
Consumer Price Index (CPI)	A statistical description of price levels provided by the U.S. Department of Labor. The change in this index from year to year is used to measure the cost of living and economic inflation.
Contingency Reserve	The City has established a policy to set aside a percentage of its General Fund operating expenditures as a contingency reserve.
Cost Allocated	A method used to charge General Fund costs budgeted in one department to another department or another fund.
Debt Service	The payment of principal and interest on borrowed funds such as bonds.
Department, (Function) Division	Section Organizational units within the Operations Budget that group resources together to provide related types of services.
Discretionary Funding Opportunities	Pertains to funds, grants or other resources that are not restricted as to use.
Drug Abuse Resistance Program	DARE – a police officer-led series of classroom lessons that teaches children from kindergarten through 12th grade how to resist peer pressure and live productive drug- and violence-free lives (www.dare.com).
Encumbrance	An encumbrance is not an expenditure, but a reservation of funds to be expended at a future date. A commitment is usually made through a purchase order for the future payment of goods and services not yet received or paid for.
Enterprise Fund	This fund type is used to account for operations that are: (a) financed and operated in a manner similar to private sector enterprises and it

	is the City's intent that the costs (including depreciation) of providing goods or services to the general public be financed or recovered primarily through user charges.
Environmental Enhancement and Mitigation Program (EEMP)	A state funded grant program for projects related to environmental enhancement or design, particularly of transportation facilities.
Environmental Impact Report (EIR)	A public document used by governmental agencies to analyze the significant environmental effects of a proposed project, to identify alternatives and disclose possible ways to reduce or avoid potential environmental damage. The California Environmental Quality Act requires an EIR whenever the initial study or other evidence in the record has produced substantial evidence that the proposed project might produce significant environmental effects.
Expenditure	The outflow of funds paid or to be paid for an asset, goods or services regardless of when the invoice is actually paid. This term applies to all funds.
Fair Housing Council of Orange County (FHOC)	A private non-profit organization which fosters diversity in housing through education and the enforcement of state and federal fair housing laws (www.fairhousingoc.org).
Fees	A general term used for any charge levied by government for providing a service or permitting an activity.
Fiscal Year (FY)	Any period of 12 consecutive months designated as the budget year. Fountain Valley's budget year begins on July 1 and ends on June 30.
Fixed Asset	Assets that are long-term in nature such as land, buildings, machinery, furniture and other equipment. The City has defined such assets as those with an expected life in excess of one year and an acquisition cost in excess of \$5,000.
Fountain Valley School District (FVSD)	An elementary school district serving Fountain Valley and Huntington Beach in Orange County, California. There are nine elementary schools, two middle schools (6-8), and one K-8 alternative school. (http://www.fvsd.us)
Franchise Tax	Revenue generated from taxes paid by a business that gave an exclusive contractual agreement to operate and use the public right-of-way in the City. Examples includes southern California Edison,

	Public Cable Television, Southern California Gas and Rainbow Disposal.
Fringe Benefits	These include retirement/pension; health, life, and disability insurance; workers' compensation; and vacation, administrative, medical and special leave of absence time.
Full-Time Equivalent (FTE)	Refers to part-time hours converted to one full-time equivalent position, which equals 40 hours per week, 52 weeks per year. (2080 hours per year)
Fund	A self-balancing set of accounts to record revenues and expenditures associated with a specific purpose.
Fund Balance	Within a specific fund, the funds remaining when all current and prior year liabilities (expenditures) are subtracted from current and prior year assets (revenues).
Gas Tax	State tax received from gasoline sales utilized solely for street related purposes, such as new construction, rehabilitation or maintenance.
General Fund	The primary operating fund of the City (as opposed to all other City funds, which are designated as "Special Funds").
General Plan	A comprehensive, long-range, policy document required by state law. The document establishes the City's overall spatial and temporal development pattern.
Geographical Information System (GIS)	A computer system capable of assembling, storing, manipulating and displaying geographically referenced information.
Goal	A time/phased strategy that will implement a specific course of action or plan, typically, a long-term process.
Government Finance Officers Association (GFOA)	A professional association of state/provincial and local finance officers in the United States and Canada (www.gfoa.org).
Governmental Accounting Standards Board (GASB)	Organized in 1984 by the Financial Accounting Foundation to establish standards of financial accounting and reporting for state and local governmental entities (www.gasb.org).

Grants	Contributions of cash or other assets from another governmental agency to be used or expended for a specified purpose, activity or facility.
Gross Domestic Product (Real) (GDP)	The total of the goods and services produced by labor and property located in the United States.
Gross State Product (GSP)	The total of the goods and services produced by labor and property located in the State of California.
Growth Management Area (GMA)	Inter-jurisdictional planning regions within Orange County.
Growth Management Program (GMP)	A Measure M funded program intended to address the cumulative regional traffic impacts of development not addressed by specific project mitigation and existing system deficiencies.
Hotel Tax (TOT)	Also known as the Transient Occupancy Tax (TOT) or bed tax – an 9% tax added to the cost of renting a hotel room within the City.
Infrastructure	Inputs Includes the City’s street, bridge, traffic signal, landscaping, and trail networks. To be capitalized as part of the City’s infrastructure network, a related component must have an initial individual cost of at least \$50,000 and an estimated useful life greater than two years. Resources (e.g. dollars, staff and other assets) required to accomplish a job or provide a service.
Integrated Financial Accounting System	InCode – Fountain Valley’s computerized accounting system used to coordinate the City’s general accounting, purchasing and utility billing processes.
Inter-Fund Transfers	Payments from one fund to another fund, primarily for work or services provided
Landscape, Lighting, and Park Maintenance (LLPM)	An assessment district to provide funds for park and parkway landscaping, lighting and park maintenance.
Lease-Purchase Agreement	Contractual agreements which are termed leases, but whose lease amount is applied to the purchase.

Level of Effort	Generally used to identify the number of staff providing a particular service. Level of Services Generally used to define the existing or current services, programs and facilities provided by government.
Levy	To impose taxes, special assessments or service charges for the support of governmental activities.
Local Agency Formation Commission (LAFCO)	Reviews proposals for the formation of new local governmental agencies and changes of organization in existing agencies (www.oclafco.org).
Local Agency Investment Fund (LAIF)	A voluntary program created by statute in 1977 in which participating agencies (local governments and special districts) invest public funds.
Long-Term Debt	Debt with a maturity of more than one year after issuance.
Major Fund	A fund that comprises more than 10% of total citywide budgeted revenues and transfers-in and/or 10% of total budgeted appropriations and transfers-out. Please see the "Major Funds – Summary by Budget Category" tables presented in the Budget Summary chapter.
Measure M	County-wide sales tax measure used to fund a variety of transportation related projects.
Measure M - Growth Management Area (M-GMA)	A county grant program that provides funding for projects that benefit the greatest number of jurisdictions within a designated growth management area (GMA) in Orange County. The primary objective of this program is to address current traffic deficiencies and the cumulative regional traffic impacts of development not addressed by specific project mitigation and existing system deficiencies.
Measure M – Turnback	The non-competitive portion of the sales tax revenue generated through Measure M that is "turned back" to the City. Funds are restricted to circulation related projects (street, traffic signal, etc.) and are received quarterly.
Memorandum of Understanding (MOU)	An agreement outlining the terms of employment entered into between the City and employees of various bargaining units.

Modified Accrual	Basis of Accounting Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, or measurable, except for un-matured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.
National Pollutant Discharge Elimination System	NPDES – a permit program authorized by the Clean Water Act that controls water pollution by regulating point sources that discharge pollutants into waters of the United States.
Objective	Describes an outcome to be accomplished in specific, well-defined and measurable terms and is achievable within a specific timeframe; generally, programs have objectives.
Operating Budget	A budget for General Fund department service delivery expenditures such as salaries, utilities and supplies. The day-to-day costs of delivering essential City services.
Orange County Fire Authority (OCFA)	An agency that provides fire prevention/suppression and emergency services to 22 cities and all the unincorporated areas in Orange County (www.ocfa.org).
Orange County Investment Pool (OCIP)	A pooling of cash by the county, local agencies and school districts for investment purposes run by the Orange County Treasurer.
Orange County Transportation Authority (OCTA)	A regional transportation agency formed in 1991 to develop and implement unified transportation programs and services for Orange County (www.octa.net).
Ordinances	A formal legislative enactment by the governing board (i.e. City Council) of a municipality. If it is not in conflict with any higher form of law, it has the full force and effect of law within the boundaries of the municipality to which it applies.
Outputs	The general results expected from programs and functions.
Part I Crimes	The most serious criminal offenses, including murder, rape, robbery, aggravated assault, burglary, larceny/theft, auto theft and arson.
Part II Crimes	All other criminal offenses not defined as Part I crimes.
Pavement Management System	

	PMS – a computer-assisted decision-making process designed to help cities and counties prevent pavement problems through maintenance and repair in a timely, cost-effective manner.
Pavement Quality Index (PQI)	A scale from 1 to 10 that measures the structure, surface condition and riding comfort of the roadway.
Performance Budget	A budget wherein expenditures are tied to the measurable performance of activities and work programs.
Performance Measurements	Statistical measures that are collected to show the impact of dollars spent on City services.
Personnel Expenses	Salaries and fringe benefits, such as pensions and insurance, for full-time and part-time employees of the City.
Priority E	Calls Refers to the most serious calls for emergency response for serious emergencies, in-progress calls and potentially life-threatening incidents that require a Code 3 (use of lights and siren) response.
Priority I Calls	Refers to calls for emergency response for serious emergencies, in progress calls and potentially life-threatening incidents that do not require a Code 3 (use of lights and siren) response.
Program	Represents major areas or support functions that can be defined as a service provided to citizens, other departments or other agencies.
Program Budget	A budget wherein expenditures are displayed primarily on programs of work and secondarily by the character and object class of the expenditure.
Property Tax	A tax levied on the assessed value of real property; also known as ad valorem tax. In California, this tax is limited to 1% with the exception of pre-Proposition 13 approved bond debt service. Proposition 13 On June 6, 1978, the California electorate approved Proposition 13, the "People's Initiative to Limit Property Taxation," which limited the tax rate for real estate as follows: the maximum amount of any tax on real property shall not exceed 1% of the full cash value of such property. The City of FV receives \$0.1287 cents per dollar of the Prop 13 tax.
Proposition 218	On November 5, 1996, the California electorate approved Proposition 218, the self-titled "Right to Vote on Taxes Act." Proposition 218 added articles XIII C and XIII D to the California Constitution and made

	numerous changes to local government finance law. Public officials are required to conduct the public’s business in compliance with Proposition 218.
Public Employees’ Retirement System (PERS)	Provides retirement and health benefit services to members from the state, school districts and local public agencies (www.calpers.ca.gov).
Ralph M. Brown Act	The Brown Act is a California law that insures the public can attend and participate in meetings of local government.
Redevelopment Agency (RDA)	Formerly charged with the oversight for the redevelopment process for the City of Fountain Valley. In June 2011, the Redevelopment Dissolution Act, AB1x26, was signed by the Governor and later upheld by the California Supreme Court. As a result, all redevelopment agencies in California were dissolved effective February 1, 2012.
Regional Surface Transportation Program (RSTP)	A federal and state funded grant program used for projects located on highway systems (classified higher than local roads or rural minor collectors), bridges on any public highway, and transit systems.
Reserve	A designated amount of funds set aside from a fund’s balance which is legally restricted for a specific purpose and is therefore not available for general appropriations.
Resolution	A special or temporary order of a legislative body (e.g. City Council or Planning Commission) requiring less formality than an ordinance.
Resources	Units of dollars or physical input, such as work years or work hours, and other assets used to support and attain program objectives.
Revenue	Annual income received by the City.
Right of Way	ROW – a strip of land occupied or intended to be occupied by a street, crosswalk, railroad, electric transmission line, oil or gas pipeline, water main, sanitary or storm sewer main, shade trees, or special use.
Service Center	Used for budgetary reporting, an organizational unit that provides a distinct and unique service. Various sections within a department that provide substantially similar services may be combined into one service center – for instance, the City Clerk’s Office and City Clerk Records are combined into one service center.

Southern California Association of Governments (SCAG)	The Metropolitan Planning Organization for Los Angeles, Orange, San Bernardino, Riverside, Ventura and Imperial counties, that is mandated by the federal government to research and draw up plans for transportation, growth management, hazardous waste management and air quality (www.scag.ca.gov).
Special Funds	The City's accounts are broken into distinct funds, each earmarked for a different purpose, with the principle and interest of the funds tracked separately. The City's main operating fund is its General Fund, while other City funds are designated as Special Funds. These funds are legally restricted for a specific purpose and is therefore not available for general use.
Strategic Plan	The City of Fountain Valley has a semi-annual strategic planning process. The strategic plan identifies the City's Mission Statement; Core Organizational Values; Three-Year Goals and six-month strategic objectives.
Strategic Financial Business Plan	SBP – a ten-year planning “blueprint,” updated annually, that evaluates the City's financial capability to achieve its goals; helps set priorities for City operations and the annual budget; and guides the City's capital improvement and rehabilitation program.
Traffic Enforcement Index	The number of moving citations divided by the number of injury accidents.
Transaction Sales Tax (District Tax)	Similar to the Bradley Burns Sales Tax, a transactions and use sales tax is allocated to the district where the tangible goods are delivered or placed into use. Voter approved district taxes are levied within incorporated city limits. Fountain Valley has a 1% transaction tax authorized from April 2017 to March 2037.
Transfers-In/Out	A transfer of resources between different City funds (see glossary definition of “Fund”). A transfer of cash from the City's General Fund to a City Special Fund, for example, would be designated as a transfer-out in the General Fund, and then a transfer-in in the receiving Special Fund.
Transient Occupancy Tax (TOT)	An 9% tax added to the cost of renting a hotel room within the City. Also known as the Hotel or Bed Tax.
Transportation Management Association (TMA)	An association comprised of employers and property owners that promotes the use of alternative forms of commuting to the single occupant vehicle. Traffic congestion relief and air quality benefits are the primary goals of TMA.

Transportation Management Plan (TMP)	A plan that promotes the reduction of single occupant vehicle use in order to improve air quality and relieve congestion. Transportation Subventions Funds from outside sources used to construct transportation improvements that must be used for specific projects.
TRIPS	A transit service for Fountain Valley seniors and persons with disabilities, providing pre-scheduled transportation and regular shuttle services.
Unencumbered Appropriation	That portion of an allocation not yet expended or committed to a specific purpose. Unexpended Appropriation is that portion of an allocation not yet actually paid.
Voice Over Internet Protocol (VoIP)	Used to manage the delivery of voice information over the Internet. Year-End Surplus Funds remaining at the end of a fiscal year that are available for allocation or for one-time purchases (not for on-going programs or services).