

AGENDA

Meeting of the San Marcos Budget Review Committee

Meeting Date: March 13, 2019 | **Meeting Time:** 6:00 PM

Location: San Marcos Room, 1 Civic Center Drive, San Marcos CA 92069

Americans with Disabilities Act: If you need special assistance to participate in this meeting, please contact the City Clerk Department at (760) 744-1050, ext. 3105. Notification 48 hours in advance will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Assisted listening devices are available for the hearing impaired. Please see the City Clerk if you wish to use this device.

Agendas: Agenda packets are available for public inspection 72 hours prior to scheduled meetings at the Information Desk counter located on the first floor of City Hall, 1 Civic Center Drive, San Marcos, during normal business hours or online at www.san-marcos.net.

Agenda-related writings or documents provided to a majority of the Commission after distribution of the agenda packet will be available for public inspection at the time of distribution at the Information Desk counter located on the first floor of City Hall, 1 Civic Center Drive, San Marcos, CA, during normal business hours.

1. **CALL TO ORDER - 6:00 P.M.**
2. **STAFF INTRODUCTIONS**
3. **INTRODUCTION OF NEW COMMITTEE MEMBERS**

New Committee Member

- Chris Freeman

New Alternate

- Rosario Jennings

4. **ROLL CALL**
5. **SELECTION OF NEW CHAIR AND VICE CHAIR**
6. **APPROVAL OF MINUTES**

May 29, 2018

7. **OLD BUSINESS**

- a. None

8. NEW BUSINESS

- a. None

9. REPORTS AND INFORMATION ITEMS

- a. Kick-off meeting presentation

Attachments: Budget in Brief – FY 2018-19

Quarterly Financial Status Report – FY 2018-19 as of December 31, 2018

BRC Budget Cycle Schedule – FY 2019-20

10. BUDGET REVIEW COMMITTEE COMMENTARY

11. ORAL COMMUNICATIONS

Persons wishing to speak on a matter not on the agenda may be heard at this time; however, no action will be taken until placed on a future agenda.

12. ADJOURNMENT

AFFIDAVIT OF POSTING

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss.
CITY OF SAN MARCOS)

I, Denise Avila, Secretary, San Marcos Budget Review Committee, hereby certify that I caused the posting on March 7, 2019 of this agenda in the glass display case at the north entrance of City Hall.

DATED: March 7, 2019



Denise Avila,
Budget Review Committee Secretary

MINUTES

Meeting of the San Marcos Budget Review Committee

MONDAY, MAY 29, 2018 | 6:00 PM

San Marcos Room, 1 Civic Center Drive, San Marcos, CA 92069

1. **CALL TO ORDER:** Vice Chairperson Martinez called the Budget Review Committee Meeting to order at 6:02 p.m.

2. **ROLL CALL:**

PRESENT: KNOWLTON, KRAMER, MARTINEZ, RICE, WINN, ZAHL

ABSENT: CARROLL

ALSO PRESENT: City Manager, Jack Griffin; Finance Director, Laura Rocha; and Budget and Revenue Officer, Alan Stutler.

3. **ORAL COMMUNICATIONS**

There were no oral communications to report.

4. **APPROVAL OF MINUTES**

May 14, 2018

5. **OLD BUSINESS**

- a. None.

6. **NEW BUSINESS**

- a. FY 2018-19 BUDGET UPDATE – Finance Director Laura Rocha and City Manager Jack Griffin discussed the use of the projected FY 2017-18 year end surplus that will be presented to

City Council at the June 12, 2018 meeting. A general update was provided on the City Manager budget to be presented to City Council.

7. REPORTS AND INFORMATION ITEMS

- a. Budget Review Committee Commentary
- b. Staff Commentary
- c. Miscellaneous items for the good of the order

It was decided that no further BRC meetings are needed before the City Council meeting on June 12, 2018. David Lopez, the newly appointed BRC member whose term begins July 1, 2018, was welcomed and introduced to the committee.

8. ADJOURNMENT: Chairperson Zahl adjourned the meeting at 6:51 pm.

Charles Zahl, Chairperson
Budget Review Committee

ATTEST:

Denise Avila, Secretary
Budget Review Committee

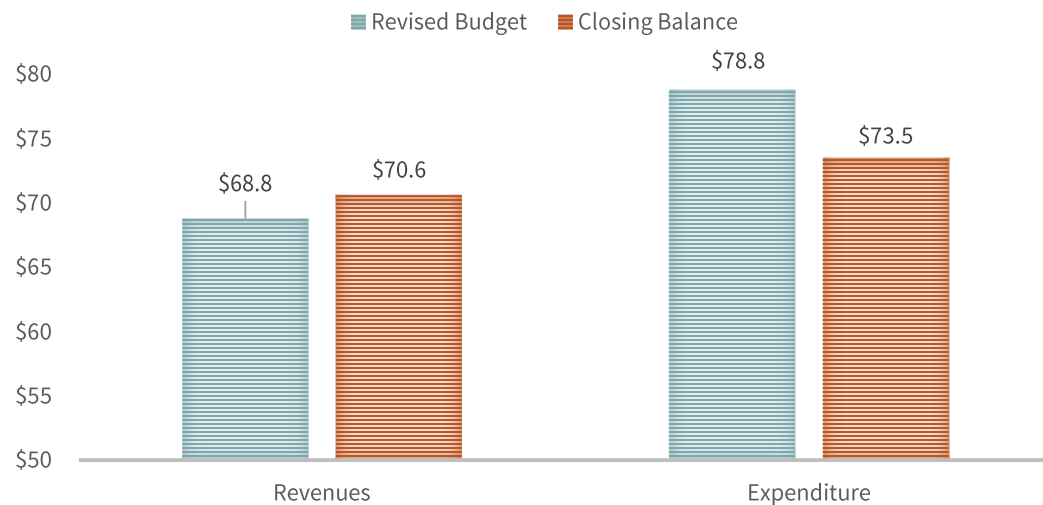


BUDGET REVIEW COMMITTEE
KICKOFF MEETING | March 13, 2019

SAN MARCOS
DISCOVER LIFE'S POSSIBILITIES

LOOKING BACK: FY 2017-18 AUDIT RESULTS

FY 2017-18 GENERAL FUND (IN MILLIONS)



COMPREHENSIVE ANNUAL FINANCIAL REPORTING HIGHLIGHTS:

- Department Expenditures came in \$5M lower than budgeted
- Department Revenues came in \$2M higher than budgeted
- Assets exceed liabilities by \$1 billion at close of fiscal year
- At close of year, unrestricted fund balances for the General Fund was almost \$40M, 54.2% of Expense Budget- an increase of \$1.1M over last year

LOOKING BACK: FY 2017-18 ECONOMIC OUTLOOK

- Education & Employment:
 - Approximately 40,000 jobs; 4,000 businesses; approx. \$8 Billion GDP
- Real Estate:
 - Despite leveling home prices, construction of housing stock was projected to grow by 2020
- Local Trends:
 - Property tax was stable and sales tax revenue increased by 5.2% during the 2017 calendar year
- CIP Budget:
 - Appropriated \$32.6 mil over the next 4 years with the majority of the budget focused on the Creek District Projects

LOOKING BACK: EXCITING FY 2017-18 ACHIEVEMENTS

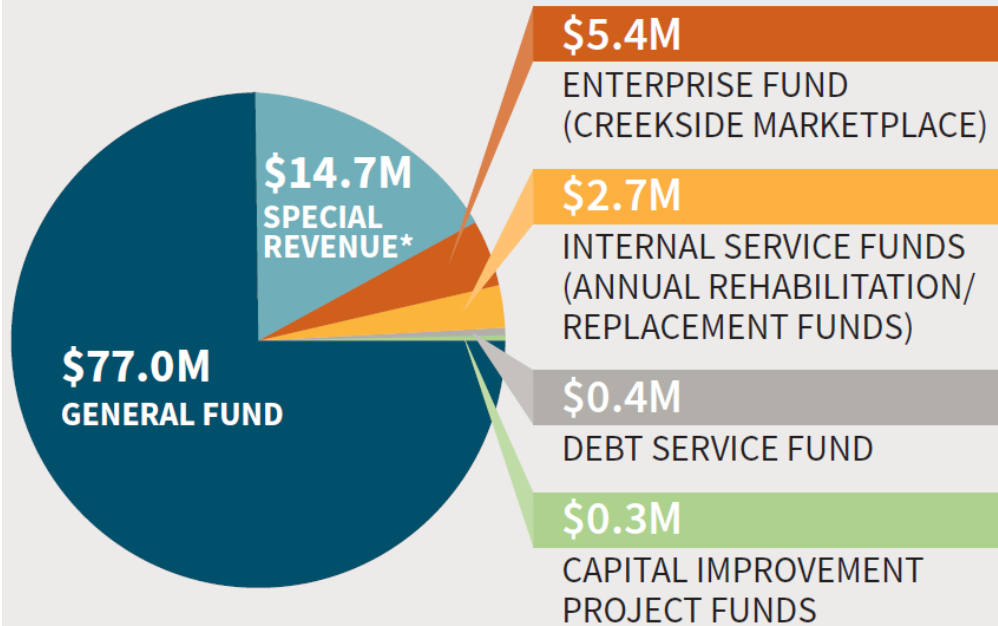
- “Discover San Marcos Economic Development Public Outreach Campaign” received ***Award of Merit*** from the ***California Association for Local Economic Development***
- Parks & Recreation and Public Works Department received an ***Event Achievement Award*** from the ***California Park & Recreation Society***
- Reach Agreements on Redevelopment of 2 key properties- ***My Yard Live & Area of the Arts***



SAN MARCOS
DISCOVER LIFE'S POSSIBILITIES

WHERE WE ARE NOW: FY 18-19 BUDGET IN BRIEF

BUDGETED EXPENSES BY FUND

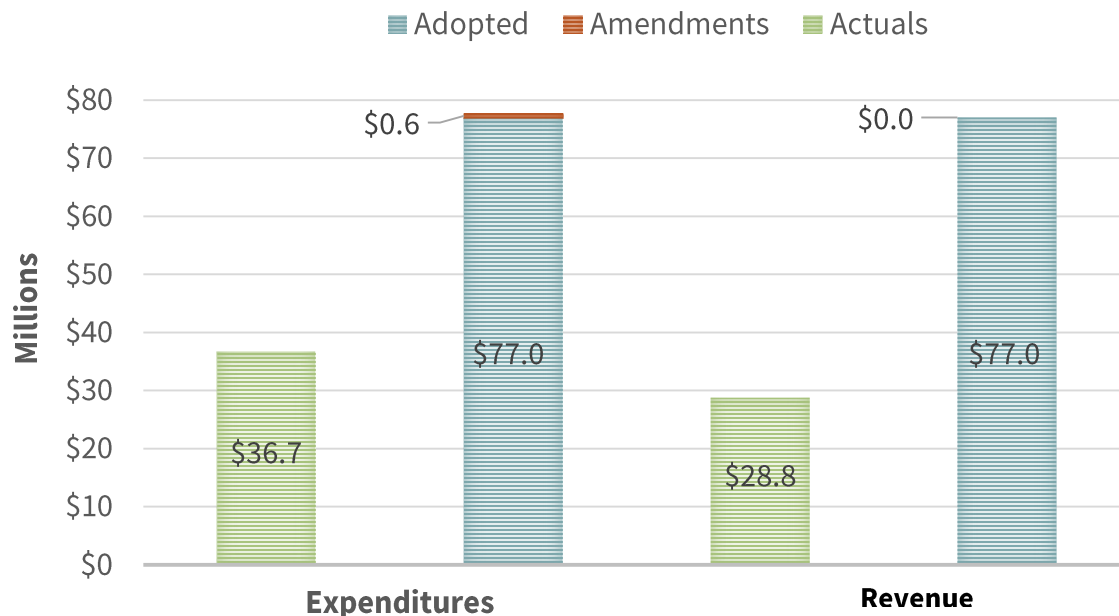


* \$4.35M of the Creekside Marketplace Funds are transferred out to General Fund

- \$100.5 million expenses anticipated citywide
- Majority of General Fund Expenses are for:
 - Public safety
 - Streets and park maintenance
 - Facility operations
 - Planning
 - Recreation and Administration

WHERE WE ARE NOW: FY 18-19 Q2 FINANCIAL REPORT

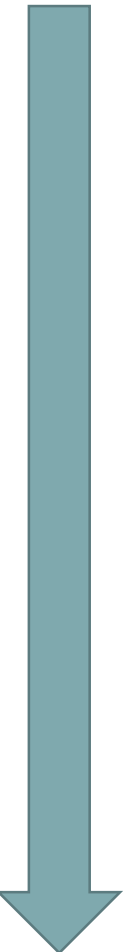
GENERAL FUND - FY 2018-19 BUDGET VS. ACTUAL AS OF DECEMBER 31, 2018



• Some Items to Note:

- Mid-year budget amendments of \$408,000 or 0.5% of the budget approved by City Council on February 26th
- Law Enforcement Expenditure have increased due to new contract terms
- Building permit revenues are trending lower than last year's Q2 revenues
- Revenues lag in Q2 due to Property Tax payments in Dec/Jan & April

LOOKING AHEAD: FY 2019-20 BUDGET SCHEDULE

- 
- 3/13/2019 - BRC Kickoff Meeting
 - 3/19/2019 – City Council Budget Workshop
 - 4/3/2019 - BRC Budget Review
 - 5/1/2019 - Presentations to BRC
 - 5/15/2019 - City Manager Recommended Budget Presentation to BRC
 - 6/5/2019 - BRC Budget Review
 - 6/11/2019 - Final Budget Presentation to City Council for Adoption

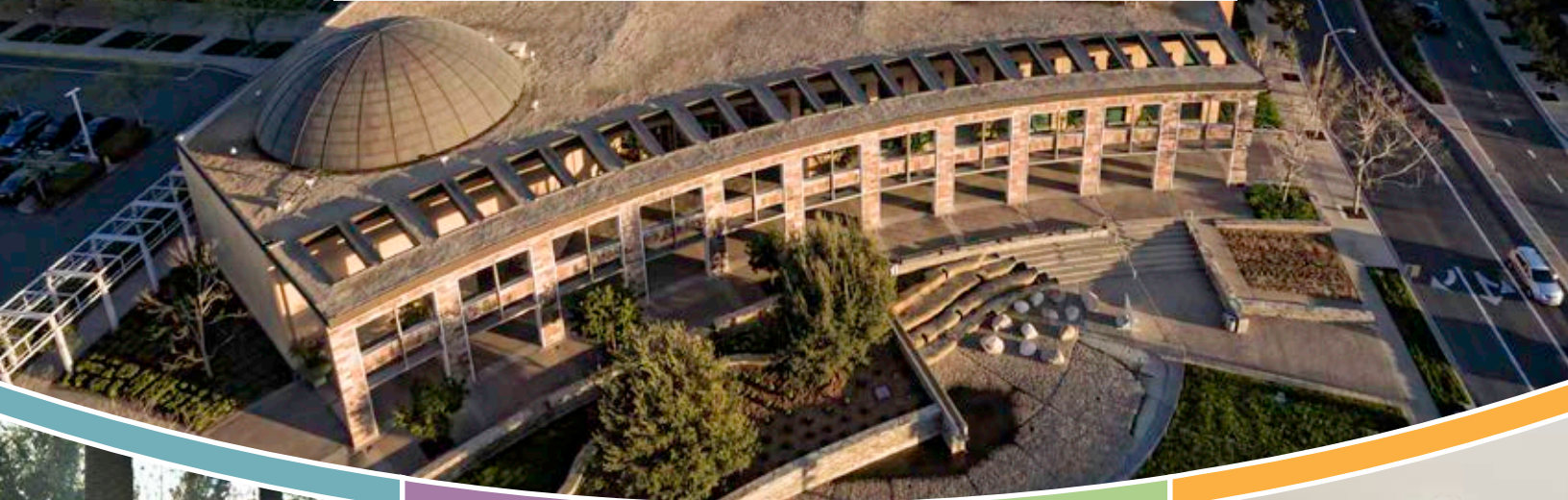


**QUESTIONS OR
COMMENTS?**

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BUDGET IN BRIEF

Fiscal Year 2018-19



SAN MARCOS
DISCOVER LIFE'S POSSIBILITIES

INTRODUCTION

As stewards of tax payer dollars, the City of San Marcos prides itself on providing transparency and accountability in its budget. With a conservative fiscal approach, San Marcos strives to balance service enhancements with long-term fiscal sustainability. The budget is the product of a focused and successful effort to meet the challenges of increasing costs while responding to the community's service needs.

In June, the San Marcos City Council passed and adopted a \$77 million General Fund budget for the Fiscal Year 2018-19. The General Fund pays for important services such as fire protection, law enforcement, street and park maintenance, community recreation, land use planning and general administration. City Council also approved a five-year Capital Improvement Projects Program (CIP). Ultimately, the goal of this Budget in Brief is to make it easier to learn about the San Marcos budget and understand where each dollar is spent. For more information or to view the City's complete budget document, visit www.san-marcos.net/finance or contact the City's Finance Department at (760) 744-1050, ext. 3126.

BUDGET DEVELOPMENT

The development of the Fiscal Year 2018-19 budget is guided by the San Marcos City Council's strategic priorities, budget policies, long-range fiscal sustainability, legal mandates and service level prioritization.

CITY COUNCIL'S STRATEGIC PRIORITIES



Beginning in December of each year, the City's Finance Department provides revenue estimates for the upcoming year. With direction from the City Manager, departmental budgets are prepared based on available resources and a draft budget is presented to the San Marcos City Council for review and input. The City Council then adopts the budget before it takes effect on July 1. A City Council appointed Budget Review Committee made up of San Marcos residents is also in place to review the budget and make recommendations to the City Council throughout the budgeting process.

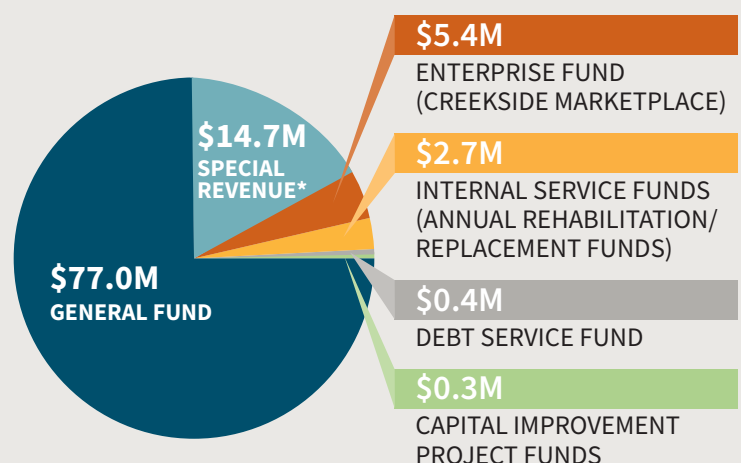
CITYWIDE BUDGET

The City's accounting system is organized by funds (pictured right). These funds capture all financial transactions related to the specific purpose for which the fund was created. The General Fund—the City's primary fund—reflects all dollars not required to be placed in other restricted funds.

\$100.5 million in expenses are anticipated citywide.

The majority of the City's expenditures are from the General Fund, which primarily supports public safety, streets and park maintenance, facility operations, planning, recreation and administration.

BUDGETED EXPENSES BY FUND



*Special Revenue is funds to be used for a specific purpose such as gas tax, traffic safety, affordable housing and lighting & landscaping.

SAN MARCOS AT A GLANCE

INCORPORATION

1963

GOVERNMENT

Charter city operating under the City Council/City Manager form of government

PRINCIPAL EMPLOYERS

EDUCATION



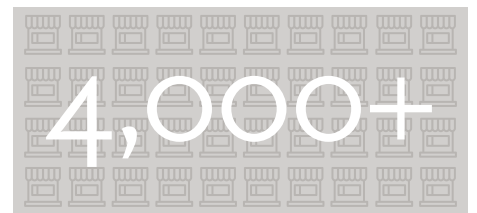
HEALTH



BUSINESS



ACTIVE BUSINESS LICENSES



CITY-OWNED PROPERTY



146,989
OFFICE SQ.FT.



164,001
INDUSTRIAL SQ.FT.



266,059
RETAIL SQ.FT.

24 SQUARE MILES

POPULATION



95,000+

INFRASTRUCTURE



463
MILES OF STREET LANES



325
MEDIANS & PARKWAYS



135
SIGNALIZED INTERSECTIONS



25
MILES OF FIBER OPTIC CABLE



28,849
TREES

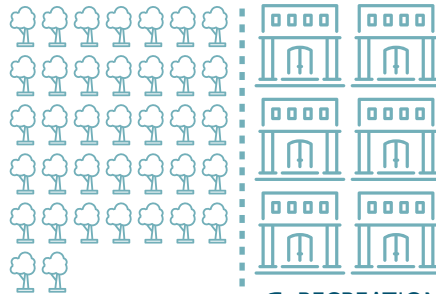


1,892
STORM DRAINS



286
MILES OF SIDEWALKS

PARKS & RECREATION



37 PARKS

6 RECREATION FACILITIES

63 MILES OF TRAILS

HUNDREDS OF
CLASSES, SPORTS PROGRAMS,
CAMPS AND ACTIVITIES
OFFERED ANNUALLY



PUBLIC SAFETY

20,400 = NUMBER OF SHERIFF & POLICE
CALLS FOR SERVICE ANNUALLY

11,457 = NUMBER OF FIRE & AMBULANCE
CALLS FOR SERVICE ANNUALLY



9-1-1 CALLS

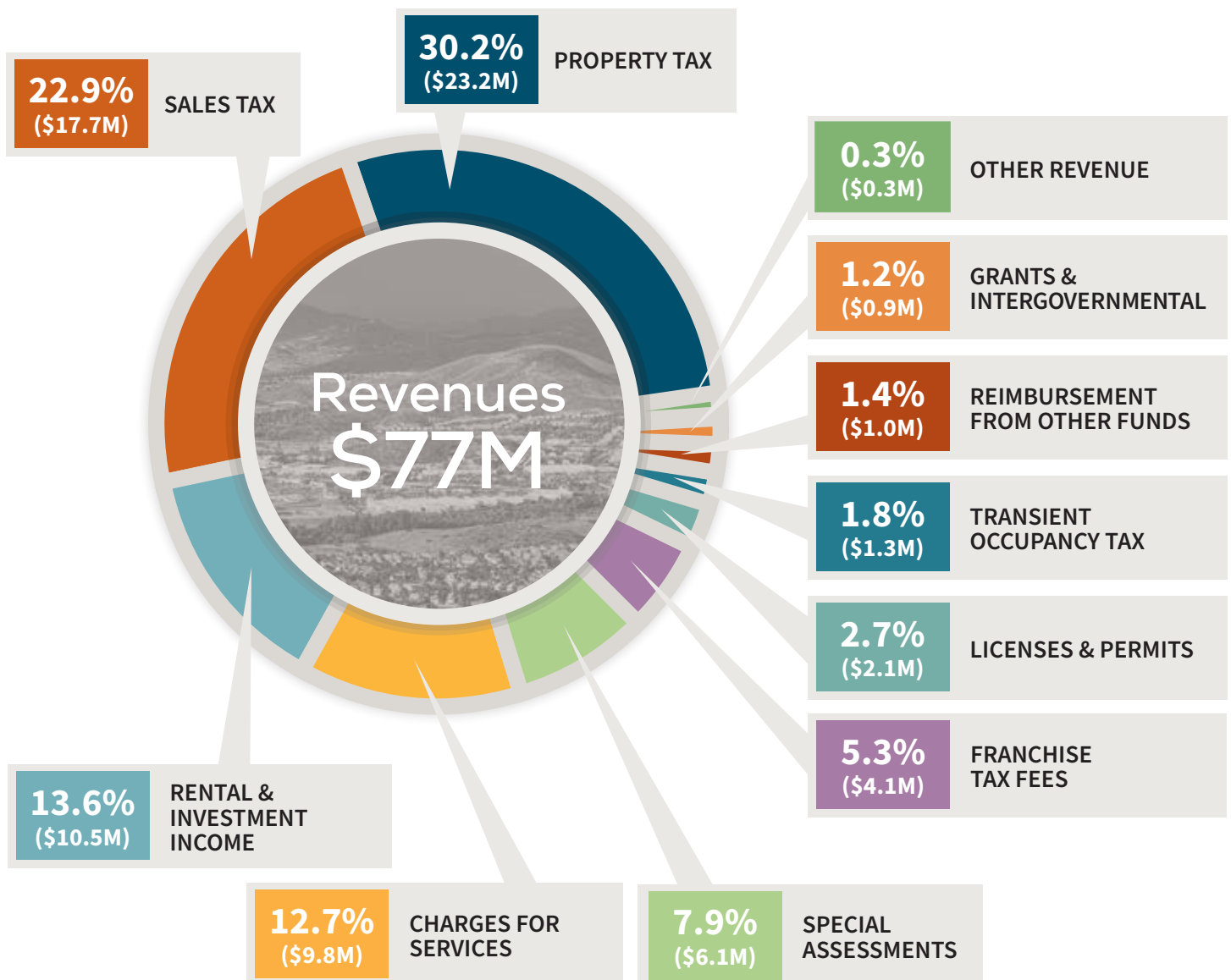


ABOVE AVERAGE
RESPONSE TIME

GENERAL FUND REVENUES

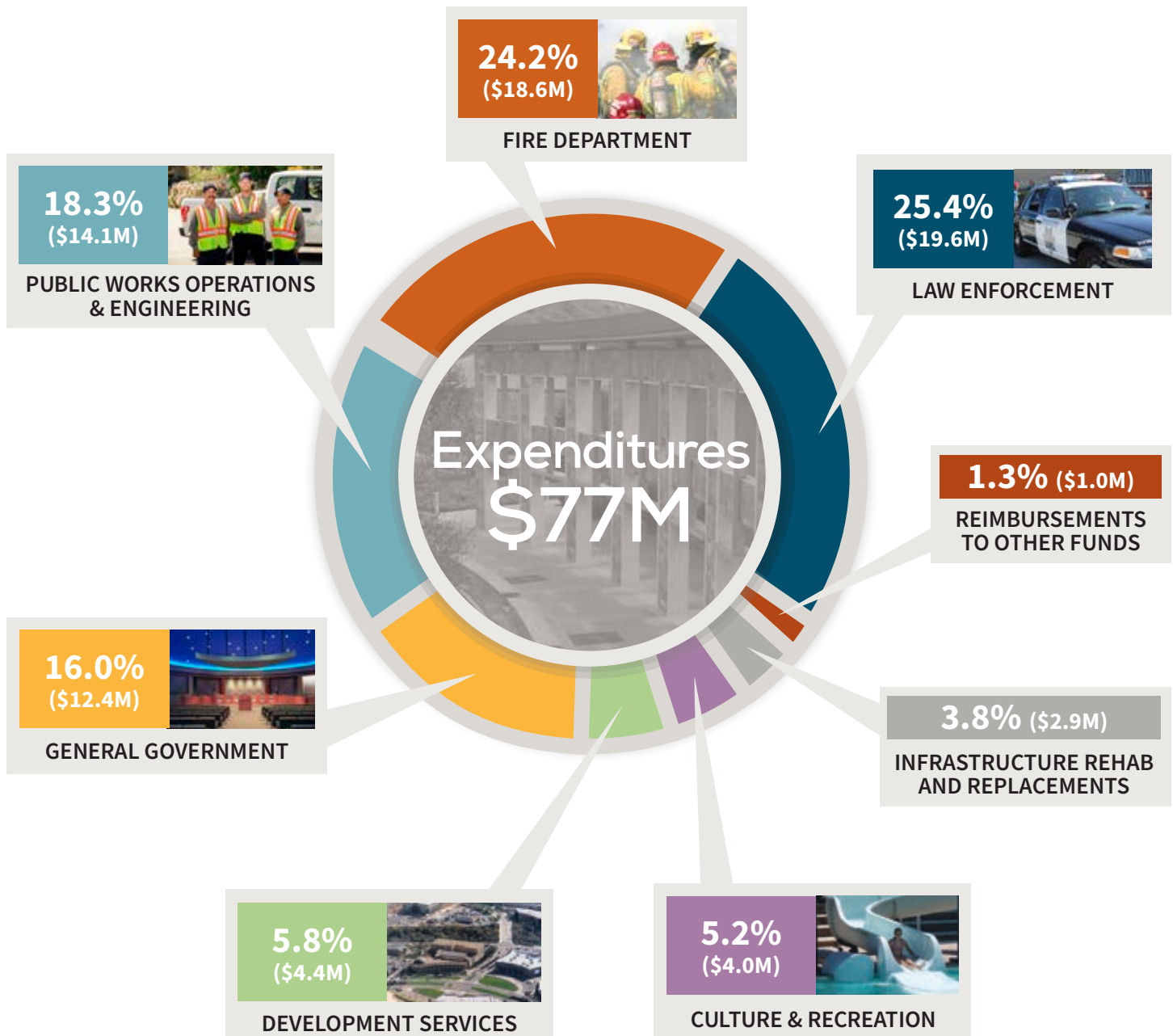
With a steady economy and positive national, statewide and regional economic indicators, the City has benefited from moderate revenue increases. Sales and property tax account for 53 percent of General Fund revenues. Sales tax for the next fiscal year is expected to reach \$17.6 million, a 5.7 percent change from the prior year's original budget and county-assessed property tax growth is estimated at 6.7 percent.

The City's General Fund revenue portfolio is diversified with about 63 percent of all annual revenues generated from taxes such as Property Tax, Sales Tax, Special Assessment Tax and Transient Occupancy Tax. Charged to operate with an entrepreneurial spirit, the City also relies on rental income received from city-owned property to support day-to-day costs of running City Hall, which frees up other revenues to pay for services and programs to residents.



GENERAL FUND EXPENDITURES

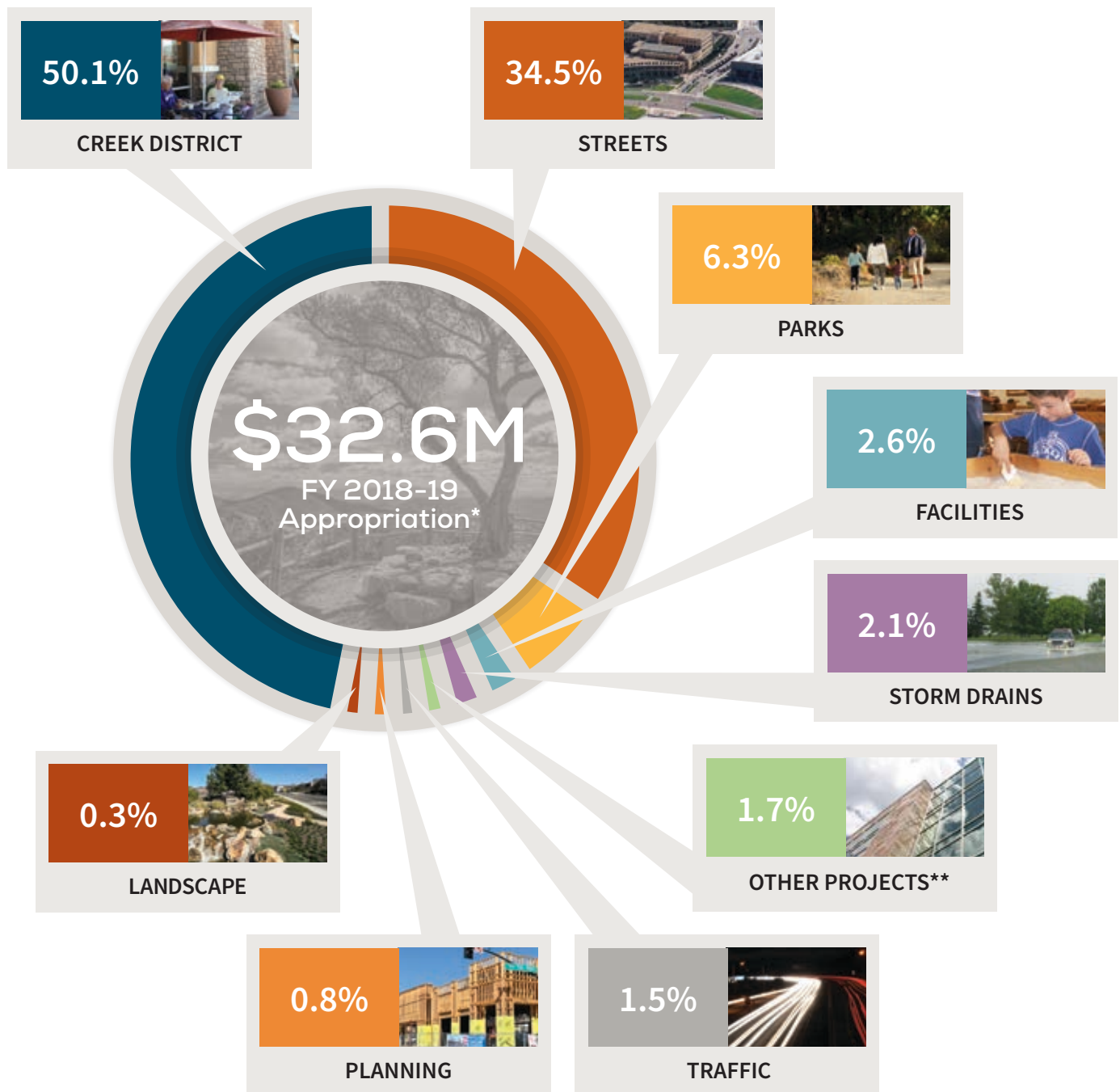
In June, the San Marcos City Council passed and adopted a \$77.0 million General Fund budget for Fiscal Year 2018-19. This spending plan keeps the focus on core community services such as a public safety, road repair and parks, to further the progress that the City of San Marcos has made to create a high quality of life for residents.



CAPITAL IMPROVEMENT PROGRAM BUDGET

The Capital Improvement Program (CIP) includes long-term city infrastructure projects such as street improvements, traffic control devices, bridges, flood control, street lighting, development and city park facilities.

The CIP is a five-year expenditure plan that provides the City with a financial strategy for major infrastructure improvements. Capital improvements can require multiple years to strategically plan, design, fund and eventually construct or execute. The CIP is updated annually to add new appropriations and/or projects while evaluating priorities, new requirements and new funding sources.



*Total five-year CIP budget is \$203.2M. Percentages shown are percent of five year total.

**Other Projects refers to ADA Improvements (1.55%) and Record of Survey Establishment (0.15%).

PLANNED CIP PROJECTS

CREEK DISTRICT PROJECTS

\$30.5M	VIA VERA CRUZ BRIDGE & IMPROVEMENTS
\$24.3M	BENT AVE. BRIDGE & IMPROVEMENTS
\$15.3M	CREEKSIDE DR. & PAD GRADING
\$14.7M	ENVIRONMENTAL HABITAT & MITIGATION
\$13.2M	DISCOVERY ST. WIDENING & FLOOD CONTROL
\$3.8M	PROMENADE CONSTRUCTION

OTHER MAJOR PROJECTS

\$17.4M	WOODLAND PKWY. SR-78 INTRCHNGE & BARHAM DR. WIDENING
\$13.8M	SR-78 EASTBOUND AUXILIARY LANE IMPROVEMENT
\$8.6M	DISCOVERY ST. FROM CRAVEN RD. TO TWIN OAKS VALLEY RD.
\$7.1M	SOUTH SANTA FE RD.—SMILAX RD. TO BOSSTICK BLVD.
\$5.7M	RANCHO CORONADO PARK
\$5.6M	PALOMAR STATION PEDESTRIAN BRIDGE
\$4.8M	SAN MARCOS BLVD. RECONSTRUCTION
\$4.8M	SOUTHLAKE COMMUNITY PARK
\$4.3M	CHANNEL WIDENING SOUTH OF GRAND AVE.
\$3.7M	STREET REHABILITATION—2015
\$3.2M	CITYWIDE ADA INFRASTRUCTURE IMPROVEMENTS
\$2.6M	SAN MARCOS BLVD. AT DISCOVERY ST. IMPROVEMENTS
\$2.2M	TENANT IMPROVEMENTS AT CITY HALL
\$1.6M	ANNUAL SURFACE SEAL PROJECT
\$1.5M	SAN MARCOS BLVD. SLOPE STABILIZATION
\$1.5M	MISSION RD./MULBERRY DR. DRAINAGE IMPROVEMENT
\$1.3M	ANNUAL PLAYGROUND REPLACEMENT
\$1.0M	INTERIOR REMODEL/APPARATUS STORAGE: FIRE STATION 3
\$1.0M	ANNUAL SURFACE SEAL PROJECT—2017

SAN MARCOS

DISCOVER LIFE'S POSSIBILITIES

Find out more about the city budget by visiting,
www.san-marcos.net/Finance.

City of San Marcos
1 Civic Center Drive
San Marcos, CA 92068
(760) 744-1050
www.san-marcos.net





Quarterly Financial Status Report

As of December 31, 2018





Quarterly Financial Status Report

Finance Department

Overview

This report summarizes the City's financial performance for the six months ended December 31, 2018. Financial analysis for this report is provided for the General Fund, the City's chief operating fund. The revenue projections and expenditure figures include adjustments for carryovers and any supplemental appropriations approved by City Council as of December 31, 2018. The figures presented are unaudited.

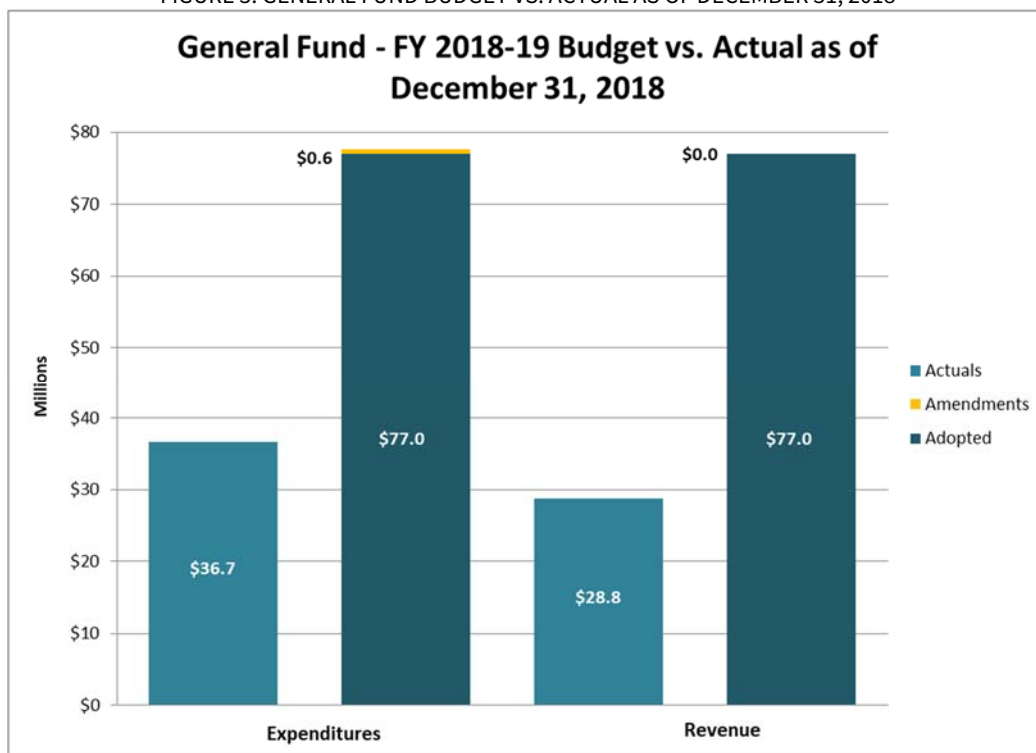
General Fund

The General Fund is the chief operating fund for the City and includes multiple programs, services, and activities for the citizens of San Marcos.

The Fiscal Year 2018-19 adopted budget for revenues and operating expenses is \$77.0 million and \$77.0, respectively. The operating expenditure budget has been increased by \$642,989 due to carryover appropriations and encumbered contracts from FY 2017-18 and budget adjustments in the current fiscal year.

General Fund revenues are 37.36% of projections which is typical for this time of year due to the cyclical receipt of most revenues. Expenditures are 47.28%, which is trending on track at this time. Expenditures typically exceed revenues in the first half of the year due to the timing of property tax and sales tax receipts. The second quarter budget and actual revenue and expenses figures are illustrated side by side in Figure 3, below.

FIGURE 3: GENERAL FUND BUDGET VS. ACTUAL AS OF DECEMBER 31, 2018





Quarterly Financial Status Report

Finance Department

General Fund Revenues

As of December 31, 2018, approximately \$28.8 million or 37.36% of the General Fund operating budget revenue has been received as detailed in Figure 4, below.

FIGURE 4: GENERAL FUND REVENUE OVERVIEW AND COMPARISON BY TYPE

BUDGET CATEGORY	FISCAL YEAR 2018-19				REVENUE COMPARISON		
	AS ADOPTED	AS AMENDED	ACTUAL 12/31/2018	PERCENT BUDGET USED	ACTUAL 12/31/2017	CHANGE FROM PRIOR YEAR	PERCENT CHANGE
TAXES & SPECIAL ASSESSMENTS							
Sales Tax	\$ 17,663,248	\$ 17,663,248	\$ 6,066,739	34.35%	\$ 5,577,410	\$ 489,330	8.77%
Property Tax	23,247,977	23,247,977	3,273,181	14.08%	2,962,544	310,637	10.49%
Special Assessments	6,093,313	6,093,313	1,525,538	25.04%	783,624	741,914	94.68%
Transient Occupancy Tax	1,319,500	1,319,500	408,766	30.98%	380,678	28,088	7.38%
Total Taxes & Special Assessments	48,324,038	48,324,038	11,274,224	23.33%	9,704,255	1,569,969	16.18%
LICENSES & PERMITS							
Franchise Fees	4,092,841	4,092,841	775,285	18.94%	785,944	(10,659)	-1.36%
Storm Drain Fees	-	-	-	0.00%	-	-	0.00%
Building Permit Fees	475,000	475,000	151,563	31.91%	439,971	(288,408)	-65.55%
Business License Fees	235,000	235,000	120,989	51.48%	111,909	9,081	8.11%
Other Licenses & Permits	874,547	874,547	300,789	34.39%	438,170	(137,381)	-31.35%
Total Licenses & Permits	5,677,388	5,677,388	1,348,627	23.75%	1,775,994	(427,367)	-24.06%
INTERGOVERNMENTAL							
State	179,500	179,500	38,482	21.44%	65,811	(27,329)	-41.53%
State Grants	165,055	165,055	54,183	32.83%	35,778	18,404	51.44%
County	430,000	430,000	81,543	18.96%	412,388	(330,844)	-80.23%
Federal Grants	127,725	127,725	51,032	39.95%	109,600	(58,568)	-53.44%
Total Intergovernmental	902,280	902,280	225,240	24.96%	623,577	(398,337)	-63.88%
CHARGES FOR SERVICES							
Departmental Services	7,543,669	7,543,669	4,107,079	54.44%	4,229,517	(122,438)	-2.89%
Reimbursements	2,359,033	2,359,033	1,432,874	60.74%	1,746,445	(313,571)	-17.95%
Total Charges For Services	9,902,702	9,902,702	5,539,953	55.94%	5,975,963	(436,010)	-7.30%
FINES & FORFEITURES	527,500	527,500	175,849	33.34%	294,498	(118,650)	-40.29%
USE OF MONEY & PROPERTY							
Rental Income	4,694,867	4,694,867	2,477,926	52.78%	2,378,403	99,523	4.18%
Partnership Income	900,000	900,000	480,000	53.33%	690,000	(210,000)	-30.43%
Interest Income	543,082	543,082	405,421	74.65%	261,948	143,473	54.77%
Total Use Of Money & Property	6,137,949	6,137,949	3,363,347	54.80%	3,330,350	32,996	0.99%
DEVELOPER FEES	15,500	15,500	8,001	51.62%	13,499	(5,498)	-40.73%
MISCELLANEOUS REVENUES							
Donations	-	-	1,044	0.00%	1,066	(22)	-2.10%
Other Miscellaneous Revenue	134,270	134,270	274,529	204.46%	263,016	11,513	4.38%
Total Miscellaneous Revenues	134,270	134,270	275,573	205.24%	264,082	11,490	4.35%
OTHER SOURCES							
Sale of Fixed Assets	60,000	60,000	4,182,169	6970.28%	810	4,181,359	516071%
Operating Transfers In - CM/Other	5,333,500	5,333,500	2,377,175	44.57%	2,901,000	(523,825)	-18.06%
Total Other Sources	5,393,500	5,393,500	6,559,344	121.62%	2,901,810	3,657,534	126.04%
TOTAL GENERAL FUND	\$ 77,015,127	\$ 77,015,127	\$ 28,770,157	37.36%	\$ 24,884,029	\$ 3,886,128	15.62%



Quarterly Financial Status Report

Finance Department

Sales Taxes: The local one cent share of statewide sales occurring April through June, for which San Marcos receives revenue in July, August and September, was 8.77% higher than the comparable quarter of 2017.

Property Taxes: The majority of property tax revenue is collected in December and April each year. According to the County of San Diego Assessor's Office, assessed values in San Marcos increased by 10.49% for fiscal year 2018-19, which is slightly above the average of 6.11% for all city assessed valuation growth in San Diego County. The increase in this year's assessed values is mostly attributable to increases in residential and commercial properties which reflect a continued improvement in the housing market and new construction.

Other property taxes in this category include the ABX1 26 Real Property Transfer Trust Fund residual revenue which is from former Redevelopment tax increment revenue and pass through. These revenues are received twice a year, January 1st and June 1st.

Licenses & Permits: Licenses and Permits revenue consist of franchise fees, business license fees, building permits, and other building and planning permits and fees. Franchise fees are generated from public utility sources such as San Diego Gas and Electric, trash collections, and cable franchises conducting business within City limits. This revenue is collected quarterly and yearly starting in the second quarter of the fiscal year. Building permit activity to date is trending lower than previous year to date due to a large number of building permits being issued at the start of the previous year to one large developer.

Intergovernmental: Includes federal, state, and local grant revenue, fire mitigation fees, recycling revenue, motor vehicle fees, and state mandate reimbursement. The majority of this revenue is collected quarterly and yearly starting in the second quarter of the fiscal year.

Charges for Services: Includes various plan check and zoning related fees, administrative fees, ambulance billings, and community service revenue from various recreational activities. These revenues are trending in line with budget and slightly ahead of the same time prior fiscal year.

Fines & Forfeitures: Includes vehicle, parking, and court fines as well as miscellaneous penalty fines. These revenues are trending in line with budget and ahead of the same time prior fiscal year.

Use of Money & Property: Includes realized and unrealized investment income and rental income. Rental and ground lease revenue from the Civic Center make up approximately 60% of this budget item. Recurring rental income is on target with budget for this fiscal year.

Other Revenues: Developer Fees and Miscellaneous Revenues are often one-time revenues and vary year to year. Other Financing Sources are transfers from other City funds for general fund reimbursements for operations related to Community Facilities District 98-02 and the Creekside Marketplace Fund. These transfers typically take place at the end of the fiscal year. A detailed schedule of General Fund revenues is provided in Figure 4.



Quarterly Financial Status Report

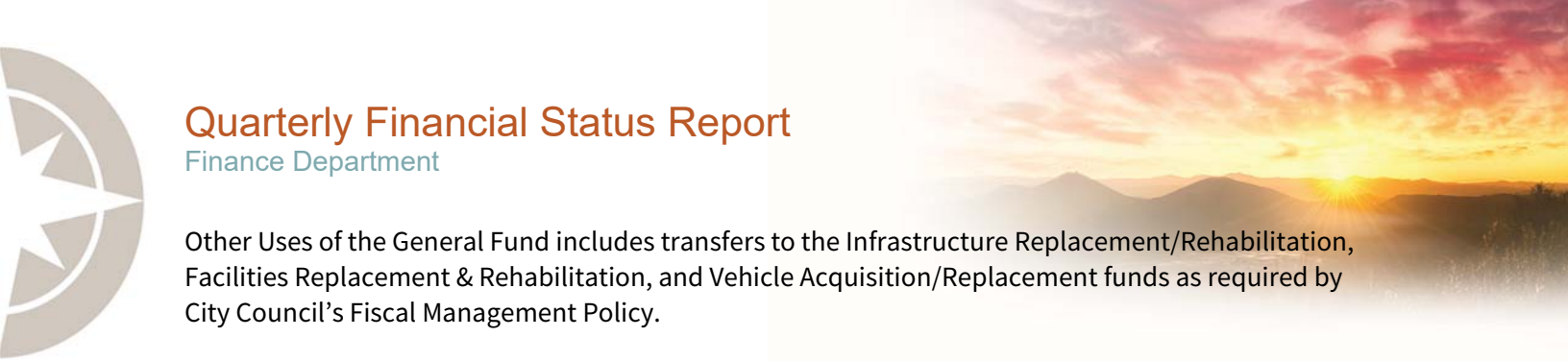
Finance Department

General Fund Expenditures

As of December 31, 2018, approximately \$36.7 million or 47.28% of the General Fund operating budget has been expended as detailed in Figure 5, below.

FIGURE 5: GENERAL FUND EXPENDITURES BY FUND & FUNCTION

FUND/FUNCTION	FISCAL YEAR 2018-19				EXPENDITURE COMPARISON		
	AS ADOPTED	AS AMENDED	ACTUAL 12/31/2018	PERCENTAGE BUDGET USED	ACTUAL 12/31/2017	CHANGE FROM PRIOR YEAR	PERCENT CHANGE
GENERAL FUND							
GENERAL GOVERNMENT							
City Council	\$ 299,672	\$ 299,672	\$ 160,179	53.45%	\$ 152,006	\$ 8,173	5.38%
Administration	1,418,978	1,441,603	693,096	48.08%	1,227,758	(382,832.61)	-31.18%
Communications & Marketing	353,819	364,832	151,830	41.62%			
Economic Development	270,123	273,048	152,426	55.82%	161,513	(9,087)	-5.63%
City Attorney	833,000	833,000	302,205	36.28%	339,316	(37,112)	-10.94%
City Clerk	674,437	674,437	317,462	47.07%	320,474	(3,012)	-0.94%
Human Resources/Risk Management	3,602,854	3,621,124	2,459,087	67.91%	2,521,180	(62,094)	-2.46%
Finance	1,942,354	1,951,104	987,514	50.61%	1,853,204	269,591.39	14.55%
Information Systems	1,868,343	1,898,730	1,135,282	59.79%			
Real Property Services	1,088,876	1,088,876	346,660	31.84%	315,003	31,657	10.05%
Total General Government	12,352,456	12,446,426	6,705,740	53.88%	6,890,456	(184,716)	-2.68%
PUBLIC WORKS							
Operations	11,100,893	11,206,777	5,185,025	46.27%	4,891,566	293,460	6.00%
Engineering	2,142,974	2,141,262	1,054,960	49.27%	1,052,579	2,381	0.23%
Storm Water Program Management	845,849	987,878	325,110	32.91%	336,808	(11,699)	-3.47%
Total Public Works	14,089,716	14,335,917	6,565,095	45.79%	6,280,953	284,142	4.52%
DEVELOPMENT SERVICES							
Administration	668,903	730,681	351,043	48.04%	330,803	20,240	6.12%
Planning	1,352,161	1,511,493	644,024	42.61%	734,568	(90,544)	-12.33%
Building	1,571,822	1,580,060	755,491	47.81%	737,176	18,315	2.48%
Engineering	852,381	852,381	352,499	41.35%	402,760	(50,261)	-12.48%
Total Development Services	4,445,267	4,674,615	2,103,056	44.99%	2,205,307	(102,251)	-4.64%
PUBLIC SAFETY							
Fire Department	18,615,070	18,620,961	9,692,251	52.05%	9,362,539	329,712	3.52%
Law Enforcement	19,580,742	19,580,742	6,554,745	33.48%	4,651,496	1,903,249	40.92%
Total Public Safety	38,195,812	38,201,703	16,246,996	42.53%	14,014,035	2,232,961	15.93%
CULTURE AND RECREATION							
Parks & Recreation	3,990,275	4,057,855	1,836,098	45.25%	1,824,973	11,124	0.61%
Total Culture And Recreation	3,990,275	4,057,855	1,836,098	45.25%	1,824,973	11,124	0.61%
OTHER USES							
Transfers Out	995,000	995,000	330,000	33.17%	325,000	5,000	1.54%
Annual Replacement/Rehab Transfers	2,912,605	2,912,605	2,912,605	100.00%	2,422,232	490,373	20.24%
Total Other Uses	3,907,605	3,907,605	3,242,605	82.98%	2,747,232	495,373	18.03%
TOTAL GENERAL FUND	\$ 76,981,131	\$ 77,624,120	\$ 36,699,590	47.28%	\$ 33,962,957	\$ 2,736,634	8.06%



Quarterly Financial Status Report

Finance Department

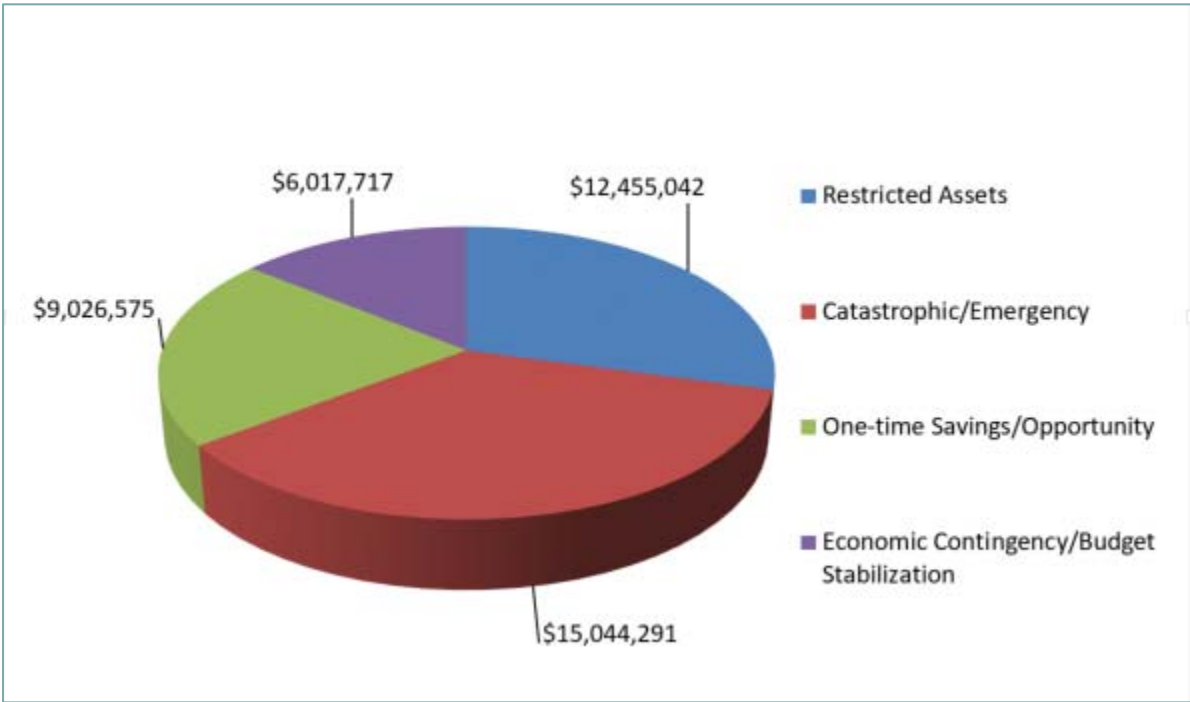
Other Uses of the General Fund includes transfers to the Infrastructure Replacement/Rehabilitation, Facilities Replacement & Rehabilitation, and Vehicle Acquisition/Replacement funds as required by City Council’s Fiscal Management Policy.

Fund Balance and Reserves

No additional uses of reserves have been considered for this reporting period. The General Fund Reserve Policy is reviewed by the City Council as part of the annual operating budget review and adoption process. Reserve levels reflected in this reporting period are consistent with the approved budget.

The City commits to maintaining these reserves (total unassigned fund balance) at a minimum of 40% of General Fund annual operating expenditures allocated between Catastrophic/Emergency Reserve (50%), One-time Recurring Savings/Opportunity Reserve (30%) and Economic Contingency/Budget Stabilization Reserve (20%) as demonstrated below in Figure 6.

FIGURE 6: BUDGETED GENERAL FUND RESERVE BY CATEGORY



For More Information

This summary report is derived from detailed financial information generated by the City’s Finance Department. For questions or more information on this report, please contact the City’s Finance Department at (760) 744-1050.



Budget Review Committee Budget Calendar FY 2019-20 Budget Cycle

Date	Budget Event
Friday, December 7, 2018	Distribute Budget Calendar at Department Head Meeting
Wednesday, March 13, 2019	BRC Kickoff Meeting
Tuesday, March 19, 2019	City Council Budget Workshop
Week of March 25, 2019	Finance meetings with Departments to review budget requests.
Wednesday, April 1, 2019	Finance to provide City Manager with Department budget requests and CIP projects.
Wednesday, April 3, 2019	BRC Budget Review
Week of April 22, 2019	Finalize recommended budget.
Wednesday, May 1, 2019	Presentations to BRC
Week of May 6, 2019	Finance to complete any budget adjustments per approved BRC recommendations.
Wednesday, May 15, 2019	City Manager Recommended Budget Presentation to BRC
May	Council Briefings to discuss City Manager Recommended Budget
Wednesday, June 5, 2019	BRC Budget Review
Tuesday, June 11, 2019	Final Budget Presentation to City Council for Adoption.
Friday, July 5, 2019	Print Final Budget Book
Friday, July 19, 2019	Print Budget in Brief