

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.B
Dept. City Attorney

Item Title: Waive Full Text Reading of All Ordinances on the Agenda.

Staff Contact: James P. Lough, City Attorney

Recommendation:

Waive the full text reading of all ordinances included in this agenda. Ordinances shall be introduced and adopted by title only.

Fiscal Impact:

None.

Environmental Review:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

None.

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.C
Mtg. Date July 3, 2018
Dept. Public Works

Item Title: **Acceptance of the FY 2017-18 CIP Street Rehabilitation Project (Contract No. 2018-17)**

Staff Contact: Mike James, Assistant City Manager / Public Works Director

Recommendation:

Adopt a resolution (**Attachment A**) accepting the FY 2017-18 CIP Street Rehabilitation Project (Contract No. 2018-17) as complete.

Item Summary:

On May 15, 2018, Superior Ready Mix Contracting & Paving was awarded the FY 2017-18 CIP Street Rehabilitation Project (Contract No. 2018-17) with a total bid cost including additive alternates of \$546,617.00 and a project budget not to exceed \$628,610.00. Since the project was awarded, there was one change order: Change Order No.1. The change order was issued for additional milling and paving on the south (eastbound) side of Palm Street toward the intersection of Palm Street and Golden Avenue, including costs for disposal of an unforeseen fabric layer during milling. The overall change order reflects additional work at the City's request, unforeseen material disposal costs, project deductions as traffic loops were removed from the contract due to lack of responsiveness by the traffic signal subcontractor, and decreases of construction quantities for a net increase of \$2,700.64. The final project cost including the change order totaled \$549,317.64. On June 28, 2018, staff completed the final inspection of the improvements and determined the work was completed per the contract specifications.

Staff recommends that the City Council adopts a resolution (**Attachment A**) accepting the work as complete, authorizes the City Manager or designee to file a notice of completion with the County of San Diego, and authorizes staff to release the retention no sooner than thirty (30) days after the notice of completion has been filed.

Fiscal Impact:

SB1 and TransNet funds were budgeted for this project as part of the Five-Year Capital Improvement Program.

Environmental Review:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

A. Resolution

Attachment A

RESOLUTION NO. 2018-_____

RESOLUTION OF THE LEMON GROVE CITY COUNCIL ACCEPTING THE FY 2017-18 CIP STREET REHABILITATION PROJECT (CONTRACT NO. 2018-17) AS COMPLETE

WHEREAS, on May 15, 2018, the City Council awarded the FY 2017-18 CIP Street Rehabilitation Project (Contract No. 2018-17) to Superior Ready Mix Contracting & Paving; and

WHEREAS, the contract bid amount was established at \$546,617.00 with additive alternates and a total project budget not to exceed \$628,610.00; and

WHEREAS, one change order in the total amount of \$2,700.64 increased the original contract price from \$546,617.00 to \$549,317.64; and

WHEREAS, \$153,000 was allocated for this project from SB1 funds; and

WHEREAS, the remaining project cost of \$396,317.64 was allocated for this project from TransNet funds; and

WHEREAS, on June 21, 2018, Superior Ready Mix Contracting & Paving completed the scope of work as defined by the original contract and change orders; and

WHEREAS, City staff inspected all of the improvements and determined that Superior Ready Mix Contracting & Paving fulfilled its contractual obligations.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Accepts the work for the FY 2017-18 CIP Street Rehabilitation Project (Contract No. 2018-17) as complete; and
2. Authorizes the City Manager or designee to file a notice of completion with the County of San Diego; and
3. Authorizes city staff to release the retention no sooner than thirty (30) days after the notice of completion is filed.

/////
/////

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1.D
Mtg. Date July 3, 2018
Dept. Public Works

Item Title: **Acceptance of the CIP Concrete Repair and Replacement Project (Contract No. 2018-02)**

Staff Contact: Mike James, Assistant City Manager / Public Works Director

Recommendation:

Adopt a resolution (**Attachment A**) accepting CIP Concrete Repair and Replacement Project (Contract No. 2018-02) as complete.

Item Summary:

On May 1, 2018, MJC Construction was awarded the CIP Concrete Repair and Replacement Project (Contract No. 2018-02) with a bid cost of \$40,654.00 and a project budget not to exceed \$44,719.40.

Since the project was awarded, there was one change order: Change Order No.1. Change Order No. 1 added four ADA ramps, deleted 676 square feet of sidewalk and deleted the removal of 2 trees due to the proximity of an underground gas line. The change order resulted in an increased cost of \$1,916.00. The final project cost totaled \$42,570.00.

On June 21, 2018, staff completed the final inspection of the improvements and determined the work was completed per the contract specifications. Staff recommends that the City Council adopt a resolution (**Attachment A**) accepting the work as complete, authorize the City Manager or designee to file a notice of completion with the County of San Diego, and authorize staff to release the retention no sooner than thirty (30) days after the notice of completion has been filed.

Fiscal Impact:

TransNet funds were budgeted for this project as part of the Capital Improvement Program.

Environmental Review:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

A. Resolution

Attachment A

RESOLUTION NO. 2018-_____

RESOLUTION OF THE LEMON GROVE CITY COUNCIL ACCEPTING THE CIP CONCRETE REPAIR AND REPLACEMENT PROJECT (CONTRACT NO. 2017-06) AS COMPLETE

WHEREAS, on May 1, 2018, the City Council awarded the CIP Concrete Repair and Replacement Project (Contract No. 2018-02) to MJC Construction; and

WHEREAS, the contract bid amount was established at \$40,654.00 and a total project budget not to exceed \$44,719.40; and

WHEREAS, one change order in the total amount of \$1,916.00 increased the original contract price from \$40,654.00 to \$42,570.00; and

WHEREAS, the final project cost of \$42,570.00 was allocated for this project from TransNet funds; and

WHEREAS, on June 21, 2018, MJC Construction completed the scope of work as defined by the original contract and change orders; and

WHEREAS, City staff inspected all of the improvements and determined that MJC Construction fulfilled its contractual obligations.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Accepts the work for the CIP Concrete Repair and Replacement Project (Contract No. 2018-02) as complete; and
2. Authorizes the City Manager or designee to file a notice of completion with the County of San Diego; and
3. Authorizes city staff to release the retention no sooner than thirty (30) days after the notice of completion is filed.

/////
/////

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 1. E
Mtg. Date July 3, 2018
Dept. City Manager's Office

Item Title: **Amendment to the 2015-2018 MOU between the City of Lemon Grove and Lemon Grove Firefighters Local 2728**

Staff Contact: Lydia Romero, City Manager and Alicia Hicks, Human Resources Manager

Recommendation:

Approve Side Letter Agreement to extend current contract from current expiration date, June 30, 2018 to June 30, 2019.

Item Summary:

Staff presents Amendment (Side Letter Agreement) to the 2015-2018 MOU between the City of Lemon Grove and Lemon Grove Firefighter Association, Local 2728-International Association of Firefighters (IAF).

Fiscal Impact:

The fiscal impact reflects \$44,273 in wages, \$642 in employer Medicare, and \$7,969 in employer PERS contributions. An estimate total of \$52,885, these are all built into the FY 2018-19 Proposed Budget.

Environmental Review:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

- | | |
|-----------------|----------------|
| A. Staff Report | C. Side letter |
| B. Resolution | |

**LEMON GROVE CITY COUNCIL
STAFF REPORT**

Item No. 1.E

Mtg. Date July 3, 2018

Item Title: **Amendment to the 2015-2018 MOU between the City of Lemon Grove and Lemon Grove Firefighters Local 2728**

Staff Contact: Lydia, Romero, City Manager and Alicia Hicks, Human Resources Manager

Discussion:

In 2015, the City of Lemon Grove and Local 2728 began formal negotiations to complete the successor Memorandum of Understanding between the City and the Association. In July 1, 2015 a successor agreement was put into place expiring June 30, 2018. Both the City and the Association met on June 18, 2018 and have mutual interests in extending the current association contract for one (1) additional year with limited changes to the agreement. The MOU hereby extended from the current expiration date of June 30, 2018 to June 30, 2019, at which time the MOU shall expire.

The Draft Budget presented to the City Council on July 3, 2018 included the salary increases and impact to budget if approved. A 2.25% cost of salary increases to the following classifications; Battalion Chief, Fire Captain, Fire Engineer and Firefighter/Paramedic (as specified in proposed contract extension).

Conclusion

Staff recommends approval of the side letter agreement to extend current contract from current expiration date, June 30, 2018 to June 30, 2019.

Attachment B

RESOLUTION NO. 2018-___

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA APPROVING AMENDMENT (SIDE LETTER AGREEMENT) TO THE 2015-2018 MOU BETWEEN THE CITY OF LEMON GROVE AND LOCAL 2728-IAFF

WHEREAS, the City of Lemon Grove and Local 2728 entered into a Memorandum of Understanding ("MOU") for the time period of July 1, 2015 to June 30, 2018; and

WHEREAS, City and Local 2728 engaged in formal good faith wage reopener negotiations as pursuant to MOU Article 3.3.1 (Term of Agreement); and

WHEREAS, City and Local 2728 also engaged in informal good faith discussion to extend and amend the current MOU; and

WHEREAS, City and Local 2728 desire to amend the current MOU under the terms stated herein (and in satisfaction of the aforementioned reopener negotiations) subject to ratification by Local 2728 and approval by the City Council on consent item.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Approves the Amendment Side Letter Agreement to the 2015-2018 MOU between the City of Lemon Grove and Local 2728 ; and
2. Authorizes the City Manager to sign the amended agreement. .

/////
/////

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF LEMON GROVE
AND
LEMON GROVE FIREFIGHTERS' ASSOCIATION**

SIDE LETTER

Appendix A

July 1, 2018 through June 30, 2019

Appendix A
MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF LEMON GROVE
LEMON GROVE FIREFIGHTERS' ASSOCIATION
INTERNATIONAL ASSOCIATION OF FIREFIGHTERS (IAFF)

SIDE LETTER

July 1, 2018 through June 30, 2019

June 26, 2018

Chris Wilson, President
Nick Duenez, Vice President
7853 Central Avenue, Lemon Grove, CA 91945

Dear Wilson, Duenez and Firefighters:

This side letter will continue the understandings between the City of Lemon Grove and the Lemon Grove Firefighters Association, Local 2728 of the International Association of Firefighters (hereinafter "Local 2728") regarding the Association's request to extend the term of the current Memorandum of Understanding (MOU) between the City and Local 2728.

The following side letter agreements are applicable to the above referenced Memorandum of Understanding (MOU).

In 2015, the City of Lemon Grove and Local 2728 began formal negotiations to complete the successor Memorandum of Understanding between the City and the Association. In July 1, 2015 a successor agreement was put into place expiring June 30, 2018. Both the City and the Association met on June 18, 2018 and have mutual interests in extending the current association contract for one (1) additional year with limited changes to the agreement. The MOU hereby extended from the current expiration date of June 30, 2018 to June 30, 2019, at which time the MOU shall expire. Only items listed herein will be considered altered for the duration of the contract extension. The new effective date of this Memorandum of Understanding will expire on June 30, 2019.

ARTICLE 26-FAMILY CARE LEAVE

Family Medical Leave Act (FMLA). FMLA applies to all public agencies, including, state, local and federal employers, local education agencies (schools) and private sector employers who employed 50 or more employees in 20 or more workweeks in the current preceding calendar year **and** who are engaged in commerce or in any industry or activity affecting commerce including joint employers and successors covered employers.

The City agrees to conform to current Federal and State Laws governing FMLA leave and conform to the current provisions on employer coverage; employee eligibility for the laws of benefits; entitlement to leave, maintenance of health benefits during leave, and job restoration after leave; notice and certification of the need for FMLA leave; and, protection for employees who request or take FMLA leave.

GENERAL SALARY INCREASE

Effective July 1, 2018 the bargaining unit shall receive an increase of up to 2.25% based on the current contract language ratified in 2015-2018 agreement. This agreement shall be applicable to the following classifications; Battalion Chief, Fire Captain, Fire Engineer and Firefighter/Paramedic.

Sincerely,

Alicia Hicks
Human Resources Manager

The Lemon Grove Employees Firefighters' Association acknowledges receipt of this Side Letter and acceptance of the terms and conditions stated herein.

Chris Wilson, President

Nick Duenez, Vice President

Joseph Lavigne, Fire Engineer

Suzanna Hales, Fire Engineer

Bradley Maxfield, Fire Engineer

Date

The City of Lemon Grove City Manager acknowledges receipt of this Side Letter and acceptance of the terms and conditions stated herein.

Lydia Romero, City Manager

Date

City of Lemon Grove Demands Summary

Approved as Submitted:

Molly Brennan, Finance Manager
 For Council Meeting: 07/03/18

ACH/AP Checks 06/12/18-06/22/18	415,026.79
Payroll - 06/19/18	149,297.24
Total Demands	564,324.03

CHECK NO	INVOICE NO	VENDOR NAME	CHECK DATE	Description	INVOICE AMOUNT	CHECK AMOUNT
ACH	June5 18	US Treasury	06/12/2018	Federal Taxes 6/5/18	26,394.44	26,394.44
ACH	May18	Home Depot Credit Services	06/12/2018	Home Depot Charges - May'18	1,220.25	1,220.25
ACH	CC-May18 CC-May18	Wells Fargo Bank	06/12/2018	Credit Card Processing-Mo.Svc Charge - May'18 Credit Card Transaction Fees- May'18	9.95 415.41	425.36
ACH	Jun7 Jun21	Southern CA Firefighters Benefit Trust	06/21/2018	LG Firefighters Benefit Trust 6/7/18 LG Firefighters Benefit Trust 6/21/18	876.85 876.85	1,753.70
ACH	Jun19 18	Employment Development Department	06/22/2018	State Taxes 6/19/18	9,089.28	9,089.28
ACH	Jun6-Jun19 18	Calpers Supplemental Income 457 Plan	06/22/2018	457 Plan 6/6/18-6/19/18	6,118.13	6,118.13
ACH	Refill 6/21/18	Pitney Bowes Global Financial Services LLC	06/22/2018	Postage Usage 6/21/18	250.00	250.00
9648	12540 61718	AAA Imaging	06/13/2018	Business Cards/Brennan Community Promotion/City Summer Meal Marketing Postcards	80.81 237.05	317.86
9649	L1072895SF	American Messaging	06/13/2018	Pager Replacement Program- 6/1/18-6/30/18	75.31	75.31
9650	16182L-IN	Aztec Landscaping Inc.	06/13/2018	Relocation of Adj/Rotor Heads/Min Overspray on DG Path-BerryStPk	3,698.00	3,698.00
9651	Petty Cash-6/7 Petty Cash-6/7 Petty Cash-6/7 Petty Cash-6/7 Petty Cash-6/7 Petty Cash-6/7 Petty Cash-6/7 Petty Cash-6/7 Petty Cash-6/7 Petty Cash-6/7 Petty Cash-6/7	Brenda Wardrip	06/13/2018	Petty Cash- Postage Petty Cash- City Promotions/Cncl Mtg/Business Recognition Petty Cash- Mileage- Tamimi 3/20/18-5/7/18 Petty Cash- Daycamp Supplies Petty Cash- Mileage- Boyce 4/12/18-5/2/18 Petty Cash- Livescan Petty Cash- Transportation/CalPELRA Conf/Hicks 12/4/17 Petty Cash- Small Claims Court/Parking/James 6/7/18 Petty Cash- Facility Rental Supplies Petty Cash- Bonfire Supplies	13.79 48.49 93.84 12.18 31.01 92.00 25.00 12.00 10.78 7.03	346.12
9652	4026029910 4026029911	Canon Solutions America, Inc.	06/13/2018	Canon Maintenance-Copier Usage 2/27/18-5/26/18 Canon Maintenance-Copier Usage 2/27/18-5/26/18 Fire	1,358.82 58.54	1,417.36
9653	694490309	Cintas Corporation #694	06/13/2018	Janitorial Supplies - Fire - 5/10/18	225.21	225.21
9654	FRS0000098	City of El Cajon	06/13/2018	Overtime Reimbursement - Pinson 5/26/18	1,171.75	1,171.75
9655	20062	City of La Mesa	06/13/2018	Household Hazardous Waste Event- 5/12/18	888.00	888.00
9656	6/1/2018 6/30/2018 6/29/2018	Cox Communications	06/13/2018	Main Phone/Fire- 6/1/18-6/30/18 Phone/City Hall- 6/1/18-6/30/18 Peg Circuit Svc- 5/30/18-6/29/18	469.82 975.15 2,904.39	4,349.36
9657	0025	CPRS District 12	06/13/2018	2018 Rec Leader Workshop - Daycamp Staff 6/2/18	80.00	80.00
9658	181837 19132	CSMFO	06/13/2018	CSMFO San Diego Mtg- Brennan 6/21/18 CSMFO Membership- Brennan	30.00 110.00	140.00
9659	4331 4333 4334	D- Max Engineering Inc.	06/13/2018	LG Broadway Self Storage SWQMP Review May 18 6859 Federal Blvd MMD Stormwater Review May 18 7276 Mt Vernon Erosion Control Plan Review May 18	449.70 60.00 90.00	599.70
9660	0612182305	Domestic Linen- California Inc.	06/13/2018	Shop Towels & Safety Mats 6/12/18	77.90	77.90
9661	4/23-26/18 5/7-10/18 5/14-17/18 5/21-24/18 5/29-31/18	Esgil Corporation	06/13/2018	75% Building Fees- 4/23/18-4/26/18 75% Building Fees- 5/7/18-5/10/18 75% Building Fees- 5/14/18-5/17/18 75% Building Fees- 5/21/18-5/24/18 75% Building Fees- 5/29/18-5/31/18	2,023.19 9,337.06 4,894.65 5,100.42 1,955.93	23,311.25
9662	6-206-63550	Federal Express	06/13/2018	Shipping- Fire 5/23/18	46.19	46.19

9663	INV1013504	George Hills Company	06/13/2018	TPA Claims- Adjusting/Other Svcs- May 18	2,376.32	2,376.32
9664	INV21471	Logiccoppy	06/13/2018	Ricoh C3502 Copier Contract Charge- PW Yard- 6/7/18-7/6/18	51.58	51.58
9665	17008-PRO9	MJC Construction	06/13/2018	CUPCCA # 2018-19 Concrete Cross Gutter Repair/Westview & Florine	5,880.00	5,880.00
9666	5/31/18	MV Cheng & Associates Inc.	06/13/2018	Prof Svcs: Interim Finance Director - May '18	10,830.00	10,830.00
9667	6024 6058 6059 6062	North County EVS, Inc.	06/13/2018	E210 AM Service & Safety Inspection/Reseal Rear Differential E10 Replacement Wheel Chock E210 Service Call/Replace U-Joints/Rebuild Pump Shift Cylinder E10 Service Call/Repair Coolant Leak	8,901.19 134.94 2,217.00 1,111.73	12,364.86
9668	3102190598	Pitney Bowes Global Financial Services LLC	06/13/2018	Postage Meter Rental 3/30/18-6/29/18	180.75	180.75
9669	610032	Savmart Pharmaceutical Service	06/13/2018	Medical Supplies/Ofirmev	206.80	206.80
9670	May18	SDG&E	06/13/2018	Gas & Electric 4/20/18-5/21/18	20,435.45	20,435.45
9671	8124891292	Shred-It USA	06/13/2018	Shredding Services 5/31/18	137.70	137.70
9672	8050139191	Staples Advantage	06/13/2018	Office Supplies & Copy Paper - City Hall	474.56	474.56
9673	306883	State of California- Department of Justice	06/13/2018	Fingerprint Apps - May '18	64.00	64.00
9674	STMT 5/22/2018 STMT 5/22/2018 STMT 5/22/2018 STMT 5/22/2018 STMT 5/22/2018 STMT 5/22/2018 STMT 5/22/2018 STMT 5/22/2018 STMT 5/22/2018 STMT 5/22/2018 STMT 5/22/2018 STMT 5/22/2018 STMT 5/22/2018 STMT 5/22/2018	US Bank Corporate Payment Systems	06/13/2018	PSC Traffic Control & Flagger Safety Class 6/12/18 Pesticide Applicators Seminar/Landeros/Mendoza/Hunt 7/11/18 Tools/PW Engine Supplies MMASC Lunch & Learn/Boyce 6/14/18 MMASC Membership/Boyce Fuel- E10 Station Supplies/Turnout Detergent Airfare/Sacramento/Mendoza J 6/6/18-6/7/18 Council Mtg Audio Annual Subscription Monitor Stand/Fire Disaster Preparedness Supplies/Fire Color Coding Dot Labels/Radio Reprogramming/Fire Planning Commission Training/Snacks 4/30/18	250.00 300.00 456.02 10.18 20.00 85.00 72.98 1,826.04 236.96 121.50 67.33 488.90 15.09 28.58	3,978.58
9675	9808387852 9807568949	Verizon Wireless	06/13/2018	Modems- Cardiac Monitors - 5/4/18-6/3/18 Fire Prev Phone Line/Tablets-4/21/18-5/20/18	14.10 706.35	720.45
9676	C6086	A-Pot Rentals, Inc.	06/20/2018	Portable Washroom Rental - Plumbing Problem/LG Park 4/17-4/26/18	212.10	212.10
9677	6/11/18 6/7/18	AAA Imaging	06/20/2018	Summer Meal Site Flyers for LGSD Distribution Summer Meal Site Flyers for Community Distribution	1,251.39 172.40	1,423.79
9678	050118	American General Life Insurance Company	06/20/2018	*** VOID ***	0.00	0.00
9679	6/12/2018	AT&T	06/20/2018	Phone Service- 5/13/18-6/12/18	81.08	81.08
9680	5656278171	AutoZone, Inc.	06/20/2018	Tire Inflator/Valve Extender	21.21	21.21
9681	Reimb 6/18/18	Boyce, Stephanie	06/20/2018	Mileage Reimbursement - Boyce 6/6/18-6/14/18	51.78	51.78
9682	82020836-00	Bridgestone Hosepower LLC	06/20/2018	Repair Chipper/Abrasion Sleeve/Hose Protectors -PW/Streets	349.18	349.18
9683	CaliVenture6/20	Cali Venture Party Rentals	06/20/2018	Daycamp/Laser Tag - 6/20/18	450.00	450.00
9684	Jul 2018	California Dental Network Inc.	06/20/2018	California Dental Insurance -Jul18	425.52	425.52
9685	6/19/18	California State Disbursement Unit	06/20/2018	Wage Withholding Pay Period Ending 6/19/18	161.53	161.53
9686	18733809	Canon Financial Services Inc.	06/20/2018	Canon Copier Contract Charge 6/20/18-7/19/18	81.35	81.35
9687	WO-1913	Chihuahua Plumbing Inc.	06/20/2018	Plumbing Repair- LG Park/Men's Restroom	160.00	160.00
9688	694502427 694505481	Cintas Corporation #694	06/20/2018	Janitorial Supplies - 6/7/18 Janitorial Supplies - 6/14/18	1,582.71 213.06	1,795.77
9689	1604 1605 1633 1736 1752 1760 1768 1774 1792	Clark Telecom & Electric Inc.	06/20/2018	Street Light Maintenance- Jan '18 Street Light Dig Alert Mark Outs - Jan '18 Street Light Repairs- Lebaun & Blossom - Jan '18 Street Light Maintenance- Apr '18 CLG Dig Alerts - Apr '18 Street Light Repairs- Apr '18 Street Light Dig Alert Mark Outs - May '18 Street Light Repairs- May '18 Street Light Maintenance- May '18	141.76 356.10 416.86 141.76 484.20 260.07 1,202.36 858.54 141.76	4,003.41
9690	81892904	Corelogic Solutions, LLC.	06/20/2018	Image Requests - May'18	5.50	5.50
9691	6/8/2018	Cox Communications	06/20/2018	Calsense Modem Line:2259 Washington 6/6/18-7/5/18	21.04	193.71

	6/29/2018			Internet/Community Ctr- 5/3018-6/29/18	75.00	
	6/4/2018			Phone/Rec Ctr/ 3131 School Ln 6/4/18-7/3/18	97.67	
9692	14753	Custom Auto Wrap Inc.	06/20/2018	Banners- Summer Meal Program	1,021.49	1,021.49
9693	060318560	DAR Contractors	06/20/2018	Animal Disposal- May '18	162.00	162.00
9694	Durham	Durham, Gladys	06/20/2018	Refund/Durham, Gladys/Deposit - LeeHouse- 5/26/18	200.00	200.00
9695	6/4-7/18	Esgil Corporation	06/20/2018	75% Building Fees- 6/4/18-6/7/18	4,609.64	4,609.64
9696	26117	Excell Security, Inc.	06/20/2018	Senior Center Security Guards - 6/9/18	678.64	678.64
9697	Fernandez	Fernandez, Luz	06/20/2018	Refund/Fernandez, Luz/Deposit - Courtyard- 6/9/18	300.00	300.00
9698	Inzunza	Inzunza, Martha	06/20/2018	Refund/Inzunza, Martha/Deposit - LBH- 6/9/18	400.00	400.00
9699	127839 126859 127840	Knott's Pest Control, Inc.	06/20/2018	Monthly Bait Stations- Civic Ctr - Jun 18 Monthly Bait Stations- Civic Ctr - May 18 Monthly Bait Stations- Sheriff - May 18	60.00 60.00 45.00	165.00
9700	53118	Pro Drain & Plumbing Service Inc.	06/20/2018	Plumbing Service- LG Park/Men's Restroom	150.00	150.00
9701	40406	Regional Training Center	06/20/2018	Supervisor's Academy/Finance/Brennan 8/7/18-8/28/18	550.00	550.00
9702	0061281 0061355 17546D(10)	Rick Engineering Company	06/20/2018	Prof Svc: LGA Realignment & 20A UG Dis Projs 3/31/18-4/27/18 Prof Svc: Fedl Blvd Feasibility Analysis 3/31/18-4/27/18 Prof Svc: City Engineer 3/31/18-4/27/18	124.10 16,484.94 23,159.19	39,768.23
9703	Rodriguez	Rodriguez, Rocio	06/20/2018	Refund/Rodriguez, Rocio/Partial Deposit - LBH- 8/4/18	100.00	100.00
9704	LG06062018	SD Sports Medicine and Family Health Center	06/20/2018	Medical Fitness Evaluations 6/6/18	1,736.44	1,736.44
9705	610295	Savmart Pharmaceutical Service	06/20/2018	Medical Supplies/Fentanyl	34.89	34.89
9706	3361-03 3361-04 3361-04b	Select Electric Corp.	06/20/2018	Traffic Signal Maintenance- Jan'18 - Mar'18 Traffic Signal Service Calls- Jan'18 - Apr'18 Traffic Signal Dig Alert Mark Outs- Jan'18 - Apr'18	2,352.00 6,212.00 4,567.50	13,131.50
9707	JC102364	SRM Contracting and Paving	06/20/2018	FY17-18 Street Rehab Proj 5/23/18-5/31/18	201,177.51	201,177.51
9708	00065238 00065378 00065379 00065381	The East County Californian	06/20/2018	Ordinance No. 29 -Notice of Sanitation Sewer Svc Charges 5/24/18 Public Hearing Notice - Admin Appeals 3434 Grove St 5/24/18 Public Hearing Notice - Permit Modification Celsius II 5/24/18 Public Hearing Notice - CUP Permit Mod 6470 Fedl MMD 5/24/18	119.00 140.00 168.00 164.50	591.50
9709	3338776-CA 3342750-CA	US HealthWorks Medical Group,PC	06/20/2018	Medical Exam - 5/31/18 Medical Exam - 6/5/18	135.00 172.00	307.00
9710	71840611	Vulcan Materials Company	06/20/2018	Asphalt	151.82	151.82
9711	May18	Colonial Life	06/20/2018	Colonial Optional Insurance -May18	446.80	446.80
9712	050118	American General Life Insurance Company	06/20/2018	Life Insurance - L Romero	232.18	232.18
					415,026.79	415,026.79

**LEMON GROVE CITY COUNCIL, ROADWAY LIGHTING DISTRICT BOARD,
SANITATION DISTRICT BOARD, AND SUCCESSOR AGENCY
AGENDA ITEM SUMMARY**

Item No. 2
Mtg. Date July 3, 2018
Dept. City Manager's Office

Item Title: **Fiscal Year 2018-2019 Consolidated Operating and Capital Budget**

Staff Contact: Lydia Romero, City Manager, Molly Brennan, Finance Manager, and Al Burrell,
Finance Consultant

Recommendation:

- 1) Adopt a resolution (**Attachment D**) approving the Fiscal Year 2018-19 City of Lemon Grove Budget;
- 2) Adopt a resolution (**Attachment E**) approving the Salary Plan & Classification Summary;
- 3) Adopt a resolution (**Attachment F**) approving the FY 2018-19 Appropriations Limit;
- 4) Adopt a resolution (**Attachment G**) approving the Fiscal Year 2018-19 Lemon Grove Roadway Lighting District Budget;
- 5) Adopt a resolution (**Attachment H**) approving the Fiscal Year 2018-19 Lemon Grove Sanitation District Budget.

Item Summary:

Staff presents the final Fiscal Year 2018-19 (FY 2018-19) Consolidated Budget (**Attachment C**) for the City of Lemon Grove, the Lemon Grove Roadway Lighting District, and the Lemon Grove Sanitation District. The staff report addresses five resolutions related to the adoption of the FY 2018-19 consolidated budget.

Fiscal Impact:

The consolidated budget reflects an expenditure plan of \$28.1 million in Fiscal Year 2018-19.

Environmental Review:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

- | | |
|--|--|
| A. Staff Report | F. Resolution – Appropriations Limit |
| B. June 19, 2018 Staff Report | G. Resolution – Roadway Lighting District Budget |
| C. Fiscal Year 2018-19 Consolidated Operating and Capital Budget | H. Resolution – Sanitation District Budget |
| D. Resolution – City Budget | |
| E. Resolution – Salary Plan & Classification Summary | |

LEMON GROVE CITY COUNCIL, ROADWAY LIGHTING DISTRICT BOARD,
SANITATION DISTRICT BOARD, & THE SUCCESSOR AGENCY
STAFF REPORT

Item No. 2

Mtg. Date July 3, 2018

Item Title: **Fiscal Year 2017-2018 Consolidated Operating and Capital Budget**

Staff Contact: Lydia Romero, City Manager, Molly Brennan, Finance Manager, and Al Burrell,
Finance Consultant

Discussion:

On June 5, 2018, staff presented a draft of the Fiscal Year 2018-19 (FY 2018-19) budgets for the General Fund, as well as the Sanitation District for feedback. On June 7, 2018, staff provided a full draft FY 2018-2019 consolidated budget to Council. Then at the June 19, 2018 Council meeting staff provided a few updated pages to the FY 2018-19 consolidated budget draft. For clarification between the drafts, the proposed FY 2018-19 consolidated budget in front of you today (**Attachment C**) differs from the draft budget discussed at the June 5th 2018 Council meeting in the following ways:

1. In the General Fund, increased parking citation revenue to fix place value typo.
2. In the General Fund, increased the pass-through transfer from the Supplemental Law Enforcement Fund to account for one-time increase in revenue received.
3. In the General Fund, a .25% wage increase was added to the Fire department to reflect the total 2.25% wage increase in contract extension.
4. In the General Fund, due to adjustments above, the deficit is now \$322,003 for FY 2018-19.
5. In the Sanitation Fund (15), included 2.875% rate increase passed at the June 5, 2018 Council meeting.
6. In the Sanitation Fund (15), maintained a \$1M transfer to Pure Water Reserve (Fund 17) based on feedback from Dexter Wilson and Karyn Keze.
7. All of the additional fund budgets were provided. Any updated pages provided on June 19, 2018 only adjusted the previous year activity to reflect accurate fund balances and did not change the proposed FY 2018-19 values.

Further detail about the budget resolutions is in the staff report from June 19, 2018 (**Attachment B**).

Conclusion:

Staff recommends that the City Council adopt five resolutions:

- 1) Resolution (**Attachment D**) approving the Fiscal Year 2018-19 City of Lemon Grove Budget,
- 2) Resolution (**Attachment E**) approving the Salary Plan & Classification Summary,
- 3) Resolution (**Attachment F**) approving the Fiscal Year 2018-19 Appropriations Limit, and

Staff also recommends that the Roadway Lighting District Board adopt a resolution (**Attachment G**) approving its Fiscal Year 2018-19 budget. Finally, staff recommends that the Sanitation District Board adopt a resolution (**Attachment H**) approving its Fiscal Year 2018-19 budgets.

LEMON GROVE CITY COUNCIL, ROADWAY LIGHTING DISTRICT BOARD,
SANITATION DISTRICT BOARD, & THE SUCCESSOR AGENCY
STAFF REPORT

Item No. 4

Mtg. Date June 19, 2018

Item Title: **Fiscal Year 2017-2018 Consolidated Operating and Capital Budget**

Staff Contact: Lydia Romero, City Manager, Molly Brennan, Finance Manager, and Al Burrell,
Finance Consultant

Discussion:

On June 5, 2018, staff presented a draft of the Fiscal Year 2018-19 (FY 2018-19) budgets for the General Fund, as well as the Sanitation District for feedback. Based on feedback received, staff presents the FY 2018-19 consolidated budget for approval by the City Council, the Roadway Lighting District Board, the Sanitation District Board, and the Successor Agency. This staff report provides a summary of each of the five resolutions presented for consideration.

The Draft Budget presented to the City Council on June 5, highlighted the following items:

- 1) A 2% cost of living increase for all Fire Safety employees (as specified in proposed contract extension)
- 2) A 6% increase in the Sheriff Department service contract
- 3) An increase for the Animal Services contract
- 4) A 31% increase for the City's PERS Unfunded Accrued Liability
- 5) The General Fund's structural deficit, in which the City's revenue sources are growing much slower than the City's contractual obligations
- 6) The recommendation to tap into General Fund reserves while Council and staff pursue additional revenue sources

Budget Resolutions

Staff presents a resolution (**Attachment D**) approving the budget for 23 funds operated by the City, as well as resolutions (**Attachments G and H**) approving the budgets of the Roadway Lighting Districts and the Sanitation District. The FY 2017-18 consolidated budget (**Attachment C**) includes anticipated revenues and projected expenditures for all of these funds. The budget document follows a pattern similar to previous budget documents.

Salary Plan & Classification Summary

Staff presents a resolution (**Attachment E**) approving a Salary Plan & Classification Summary for FY 2018-19. The Salary Plan & Classification Summary reflects the proposed positions and pay schedules for FY 2018-19.

Appropriations Limit

As part of considering the budget, State Constitution Article XIII-B (Propositions 4 and 111) requires the City Council to establish an Appropriations Limit. The limit is adjusted each year by multiplying the previous year's limit by a factor based on either the change in the California Per Capita Personal Income (CPCPI) or the Non-Residential Construction Valuation by the population change of the City. Staff presents a resolution (**Attachment F**) for City Council approval that

establishes the FY 2018-19 Appropriations Limit at \$49,616,332. The proposed FY 2018-19 Budget is well within that limit.

Roadway Lighting District Budget

The Lemon Grove Roadway Lighting District manages two funds for two separate activities. Fund 11, the General Benefit Fund, provides funding for street light benefits throughout the community. Fund 12, the Local Benefit Assessment Fund, provides for enhanced lighting benefits at the mid-block. Staff recommends that the Lemon Grove Roadway Lighting District Board adopt the resolution (**Attachment G**), approving the District's budget for FY 2018-19.

Sanitation District Budget

The Lemon Grove Sanitation District manages three funds—an Operations Fund (15), two Capital Funds (16 & 19), and one Reserve Fund (17). In FY 2018-19, the District anticipates generating \$6.7 million in total revenue, and \$6.6 million in operating costs. In addition, the District anticipates spending \$1.3 million on capital improvement projects. Staff recommends that the Lemon Grove Sanitation District Board adopt the resolution (**Attachment H**), approving the District's budget for FY 2018-19.

Successor Agency Budget

The Successor Agency budget reflects the following expenditures related to the Lemon Grove Successor Agency:

- ✓ Bond Debt Service – the budget reflects bond debt service payments for the 2007, 2010, and 2014 bonds, totaling \$1,752,091

The Successor Agency's budget approval is part of the resolution approving the City's Budget (**Attachment D**).

Conclusion:

Staff recommends that the City Council adopt five resolutions:

- 4) Resolution (**Attachment D**) approving the Fiscal Year 2018-19 City of Lemon Grove Budget,
- 5) Resolution (**Attachment E**) approving the Salary Plan & Classification Summary,
- 6) Resolution (**Attachment F**) approving the Fiscal Year 2018-19 Appropriations Limit, and

Staff also recommends that the Roadway Lighting District Board adopt a resolution (**Attachment G**) approving its Fiscal Year 2018-19 budget. Finally, staff recommends that the Sanitation District Board adopt a resolution (**Attachment H**) approving its Fiscal Year 2018-19 budgets.

EXHIBIT 1

**FISCAL YEAR 2018-19 CONSOLIDATED OPERATING & CAPITAL BUDGET
(INCLUDING THE SALARY PLAN & CLASSIFICATION SUMMARY)**

RESOLUTION NO. 2018-___

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA
APPROVING THE CITY OF LEMON GROVE BUDGET FOR FISCAL YEAR 2018-2019 AND
AUTHORIZING EXPENDITURES THERETO

WHEREAS, the City of Lemon Grove administers 23 individual funds to fulfill the mission and objectives of the City, and includes funds related to the Successor Agency to the Lemon Grove Community Development Agency; and

WHEREAS, each year the City Council of the City of Lemon Grove adopts an operating budget for anticipated revenues and expenditures for the upcoming year; and

WHEREAS, the City Council desires to make provision for a level of service commensurate with the needs of the City; and

WHEREAS, the City of Lemon Grove budget for Fiscal Year 2018-2019 was prepared by City staff and reviewed by the City Manager; and

WHEREAS, the City of Lemon Grove General Fund budgets for Fiscal Year 2018-19 were reviewed by the City Council at its regular meetings held on June 5, 2018, and July 3, 2018;

WHEREAS, the City Council finds it in the public interest to approve the Fiscal Year 2018-2019 City Budget.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Approves the City of Lemon Grove Budget for Fiscal Year 2018-2019 (Exhibit 1); and
2. Authorizes expenditures thereto.

/////
/////

RESOLUTION NO. 2018-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA
APPROVING A SALARY PLAN AND CLASSIFICATION SUMMARY

WHEREAS, on July 3, 2018, the City Council adopted a resolution approving the City Budget for Fiscal Year 2018-2019; and

WHEREAS, the Salary Plan and Classification Summary identifies the positions included in the budget, as well as salary ranges for each position and the number of employees per position; and

WHEREAS, the City Council finds it in the public interest to approve the attached Salary Plan and Classification summary.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby approves the Salary Plan and Classification Summary (Exhibit 1).

/////
/////

EXHIBIT 1

The Salary Plan and Classification Summary is included beginning on page 70 of the Fiscal Year 2018-2019 Consolidated Operating & Capital Budget

RESOLUTION NO. 2018-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA
ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2018-2019

WHEREAS, Constitutional Article XIII-B (Propositions 4 and 111) places an appropriations limitation on State and Local Government; and

WHEREAS, this appropriations limitation is based on proceeds of taxes adjusted annually from the base year 1986-1987 by either the population growth factor for the City of Lemon Grove or for the County of San Diego, and by either the change in the California Per Capita Personal Income or the change in Non-Residential Construction for the City of Lemon Grove; and

WHEREAS, the City has received inflation and population data from the State Department of Finance to calculate the Fiscal Year 2018-2019 Appropriations Limit; and

WHEREAS, the City Council of the City of Lemon Grove wishes to select those options providing the greatest rate of change as shown below:

Change in California Per Capita Personal Income	City Population Change	
<u>(inflation factor)</u>	<u>(population factor)</u>	<u>Factor</u>
1.0367	1.0046	1.0415

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lemon Grove, California establishes the Fiscal Year 2018-19 Appropriations Limit at \$49,616,332.

/////
/////

RESOLUTION NO. 2018-___

**RESOLUTION OF THE LEMON GROVE ROADWAY LIGHTING DISTRICT BOARD
APPROVING THE LEMON GROVE ROADWAY LIGHTING DISTRICT BUDGET FOR FISCAL
YEAR 2018-2019 AND AUTHORIZING EXPENDITURES THERETO**

WHEREAS, the Roadway Lighting District operates with two separate funds: the General Benefit Fund (Fund 11) and the Local Benefit Assessment (Fund 12); and

WHEREAS, each year the Lemon Grove Roadway Lighting District Board of Directors (District Board) adopts an Operating Budget for revenues and expenditures for the upcoming year; and

WHEREAS, the District Board desires to make provision for a level of service commensurate with the needs of the District; and

WHEREAS, the District Board has reviewed the proposed Fiscal Year 2018-2019 Budget; and

NOW, THEREFORE, BE IT RESOLVED that the Board of the Lemon Grove Roadway Lighting District hereby:

1. Approves the Lemon Grove Roadway Lighting District Budget for Fiscal Year 2018-2019 (Exhibit 1);
2. Authorizes expenditures thereto.

/////
/////

EXHIBIT I

The Lemon Grove Roadway Lighting District Budget for Fiscal Year 2018-19 is included on pages 49-50 of the Fiscal Year 2018-19 Consolidated Operating & Capital Budget.

RESOLUTION NO. 2018-___

RESOLUTION OF THE LEMON GROVE SANITATION DISTRICT BOARD APPROVING THE LEMON GROVE SANITATION DISTRICT BUDGET FOR FISCAL YEAR 2018-2019 AND AUTHORIZING EXPENDITURES THERETO

WHEREAS, the Sanitation District operates with three separate funds: the Operation Fund (Fund 15), the Capital Funds (16 & 19), and the Reserve Fund (Fund 17); and

WHEREAS, each year the Lemon Grove Sanitation District Board of Directors (District Board) adopts an Operating Budget for revenues and expenditures for the upcoming year; and

WHEREAS, the District Board desires to make provision for the level of service commensurate with the needs of the District; and

WHEREAS, the District Board has reviewed the proposed Fiscal Year 2018-2019 Budget; and

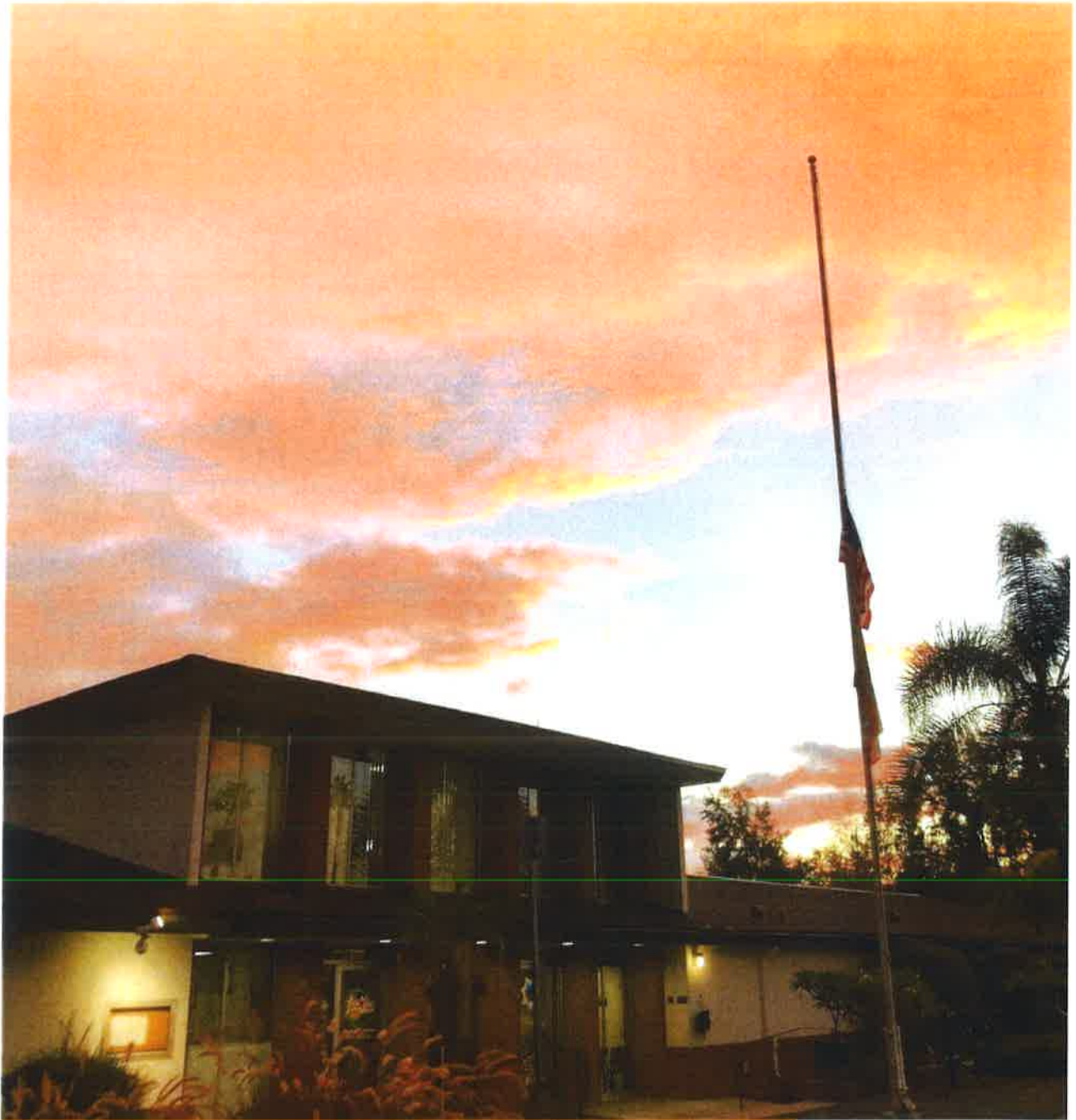
NOW, THEREFORE, BE IT RESOLVED, that the Board of the Lemon Grove Sanitation District hereby:

1. Approves the Lemon Grove Sanitation District Budget for Fiscal Year 2018-2019 (Exhibit 1);
2. Authorizes expenditures thereto.

/////
/////

EXHIBIT I

The Lemon Grove Sanitation District Board Budget for Fiscal Year 2018-19 is included on pages 52-57 of the Fiscal Year 2018-19 Consolidated Operating & Capital Budget.



CITY OF LEMON GROVE

Draft Consolidated Operating Budget

stay connected
www.lemongrove.ca.gov



DRAFT

FY 2018-19



CITY OF LEMON GROVE

Office of the City Manager

June 19, 2018

Honorable Mayor and Members of the City Council:

On behalf of City staff I am pleased to present the Fiscal Year 2018-19 Budget for the City of Lemon Grove for your review and approval. The proposed FY 2018-19 budget totals \$28,136,385 with \$13,801,539 of that amount designated as the General Fund.

On April 24, 2018 the City Council of Lemon Grove set its strategic priorities for Fiscal Year 2018-19.

- Community Life
- Public Streets and Sidewalks
- Publish Safety and Homelessness
- Business and Economic Development

These priorities reflect the continued commitment to improve the physical and built environment in Lemon Grove. To the extent possible, all aspects of the proposed budget for FY 2018-19 are designed to address these priorities. At this point in time the City of Lemon Grove will accommodate the priorities by drawing down General Fund reserves – a practice that leads to organizational instability if it continues.

FINANCIAL OVERVIEW

General Fund

This is the second year in which cost-of-living increases for general employees are not included in the FY 2018-19 Budget. Only merit based increases have been included for those eligible to receive them. The proposed General Fund expenditure budgets by department are shown below.

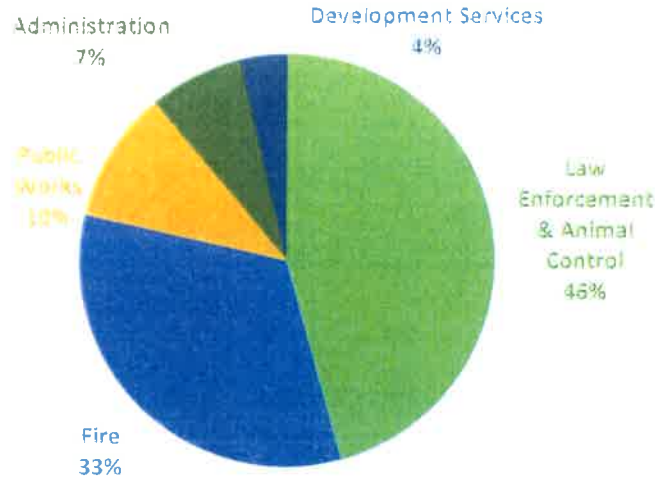
DRAFT



CITY OF LEMON GROVE

Office of the City Manager

GENERAL FUND EXP BY DEPARTMENT



In addition, staff was directed to review each department's discretionary expenditures that would not impact basic services of the City if they were to be eliminated. This review is reflected in an overall 1% reduction in General Fund expenditures. These reductions included deferred fleet replacement, reduced tree maintenance, and deferred equipment replacement, among other unfunded needs.

Revenue

Most of the adjustments contained in this proposed budget are designed to address available General Fund revenues. The pie chart below breaks down the main sources of revenue to the General Fund, with the majority coming from Sales Tax and Property Tax.

3232 Main Street * Lemon Grove * California 91945-1705

619.825.3800 * Fax: 619.825.3804 * www.lemongrove.ca.gov

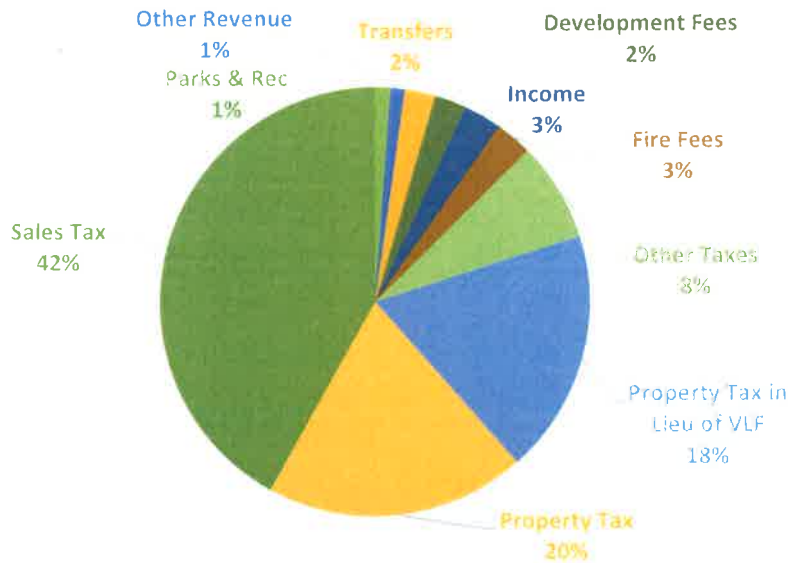
DRAFT



CITY OF LEMON GROVE

Office of the City Manager

GENERAL FUND REVENUE BY SOURCE



General Fund revenues have decreased between FY 2017-18 revenue and this proposal for FY 2018-19 by 2.1%. This results in a decrease of \$410,121, resulting in the need to “borrow” from the City’s reserve fund. Continuing the practice of tapping into reserve cash is a path to economic instability. If not addressed, the City will be forced to either once again draw down on reserves or further reduce services. The slow growth of current revenue matched with the City’s fast growing contractual obligations puts the City in a structural deficit cycle. A structural deficit means that year after year the City’s deficit will grow if no action is taken, as illustrated in the graph on the following page. There must be some economic stimulus to bring about an annual revenue stream that is equal to or greater than expenditures. At the current pace, the City is expected to deplete all General Fund reserves within the next five years if no action is taken to generate additional revenue.

3232 Main Street * Lemon Grove * California 91945-1705

619.825.3800 * Fax: 619.825.3804 * www.lemongrove.ca.gov

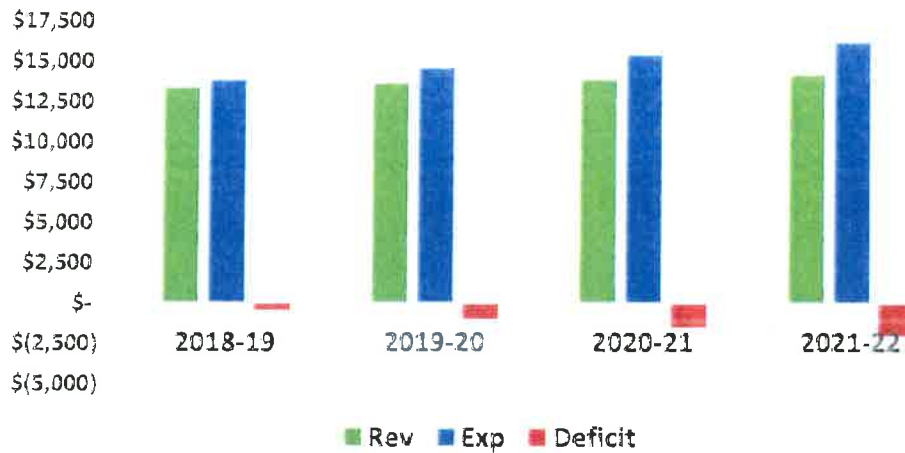
DRAFT



CITY OF LEMON GROVE

Office of the City Manager

Projected Structural Deficit in thousands



Special Revenue Funds

Special revenue funds are detailed in the fund listing section of the budget. They include gas tax, street construction reserve, park land dedication, supplemental law enforcement, grants, transportation development act, lighting district, transnet, sidewalk reserve, integrated waste reduction, wildflower assessment district, serious traffic offender program, storm water program, regional transportation congestion improvement program, public education governmental access, capital reserve, main street promenade, and community facilities district. These are all restricted in what programs and activities they can fund and are not available for General Fund use. They do, however, contribute to the General Fund through charges for services supplied by General Fund departments and divisions.

DRAFT



CITY OF LEMON GROVE

Office of the City Manager

Separate Entity Budgets

Sanitation District

Although included in the consolidated budget, the four sanitation related funds make-up a separate entity, the Lemon Grove Sanitation District. The City of Lemon Grove Councilmembers also serve as the governing board of the Sanitation District. The Sanitation District runs as an enterprise fund, so called because it operates in its own bubble in which the revenue for the service provided should equal the cost of providing the service. In this case, the enterprise is the conveyance and treatment of wastewater within the City of Lemon Grove.

For the FY 2018-19 Sanitation Budget, operations remain similar to prior years, with continued increases in the cost of wastewater treatment and approximately \$1.3 million in capital projects to replace portions of the 67 miles of sewer lines the District maintains. In addition, the Sanitation District is growing the available savings for the upcoming capital costs to construct the Pure Water recycling system in coordination with the City of San Diego and other neighboring communities. On June 5, 2018 Council passed a FY 2018-19 sanitation rate increase of 2.875% to fund the expenditure increases mentioned above.

Successor Agency

On February 1, 2012, the City of Lemon Grove assumed the role of the Successor Agency to the former Redevelopment Agency, taking responsibility for winding down the Redevelopment Agency's operations and liquidating its assets. The California Supreme Court's decision on RDAs also requires the payment of enforceable obligations and the remittance of unencumbered balances to the County Auditor-Controller for distribution to all other taxing agencies.

All financial activity related to the Successor Agency is reflected in the Fund 60/64 budget. The City is responsible for paying annual debt service on the Former Redevelopment Agency's bonds. In FY 2018-19, the debt service payments will total approximately \$1.75 million. The State of California's Department of Finance through the County of San Diego, distributes bi-annual reimbursement to the City to cover the Successor Agency debt service.



CITY OF LEMON GROVE

Office of the City Manager

Conclusion

The City Council continues to face some very difficult decisions. Often the hard part of governing comes when constituents express concerns for any cuts in service levels that directly impact them – very often wanting even more while the City does not have the resources to accommodate existing services, let alone added services. It is a fact of life that constituents will often be single issue oriented when viewing a budget that must necessarily address a wide variety of municipal needs.

Staff will be evaluating what future budget adjustments might be needed as part of FY 2018-19 budget implementation. Further reductions in services will be assessed with particular emphasis on discretionary funding.

We continue to make progress toward financial and economic sustainability and stability. We are faced with the reality that service levels of the past cannot be maintained and we operate with the fact that services, while adjusting to the change in the amount of resources available, need to be the best we can possibly provide.

In closing, I would like to express my appreciation to the City Council for providing the leadership and direction in preparation of this budget. My personnel thanks goes to the Executive team and all city staff that took the City's fiscal stress to heart and worked to propose a bare bones operations budget. Special recognition and sincere appreciation goes out to Al Burrell and Molly Brennan, both of whom did an unbelievable job in pulling the budget together.

Respectfully submitted,

Lydia Romero

City Manager

FUND LISTING

The City manages its revenue and expenditures through various funds. Between the City, Roadway Lighting District, and Sanitation District, the FY 2018-19 consolidated budget is comprised of 29 funds. Each fund identified in this budget is described below.

GOVERNMENTAL FUNDS

01- General Fund

The primary day-to-day operating fund for the City, which reflects all financial activity that is not required to be accounted for in another fund. Public safety, government administration, community services, street maintenance, environmental programs, and park maintenance are funded through the General Fund.

03- Street Construction Capital Fund

This fund was initially established to combine funds for larger street projects. With the use of the City's accounting program, it is possible to designate various funding sources over several years to accomplish this same purpose. However, the fund is used to clearly demonstrate "Maintenance of Effort" by the City in contributing funds for street projects in order to receive State transportation funding.

06- General Fund Reserve

The General Reserve Fund serves as the City's "savings account." This fund was created for several purposes: for use in times of emergency, one-time capital/equipment purchases, setting aside funds for replacing equipment, required grant matches, and to ensure funds are available for financial obligations (such as liability coverage and accumulated leave time).

18- Sidewalk Reserve Fund

This fund was initially established to pool funds for larger sidewalk projects.

32- Capital Fund

Initially this fund was established to track the purchase of a fire engine. In FY 2012-13, the City received one-time "SAFE" program monies. These funds were accounted for in a separate fund the Safety Capital Reserve Fund, which helped offset the cost of purchasing a new fire apparatus. The City Council has now approved this fund to be used to set aside funds for future capital improvement projects throughout the City.

ENTERPRISE FUNDS

The Lemon Grove Sanitation District manages four Sanitation related enterprise funds.

15- Sanitation: Operating

The District relies on Fund 15 to collect revenue generated by Sanitation District rate payers and to pay the operational costs to operate the system.

16- Sanitation: Capital

The capital is used to set aside funds for equipment replacement, sewer rehabilitation projects, and rate stabilization.

17- Sanitation: Pure Water

The Pure Water Fund is used to save funds for the upcoming capital costs to construct the Pure Water recycling system in coordination with the City of San Diego and other neighboring communities.

19- Sanitation: Capacity

When there is a new tap-in to the sanitation system, the fee paid for the connection is maintained separately in this fund. This revenue may be used on projects that increase the capacity of the sewer system.

SPECIAL REVENUE FUNDS

02- Gas Tax Fund

Revenues for this fund come from the State of California Gasoline Tax. Fund proceeds may be used to research, plan, construct, improve, maintain, and operate local streets.

05- Parkland Dedication Ordinance Fund

The City Municipal Code requires that subdivision development set-aside park land that will eventually be developed as part of the municipal park system. The Code also allows the payment of a fee in-lieu of dedicating actual land. Proceeds in the fund may be used by the City for the purchase of park land, the development of new parks or the major rehabilitation of existing parks.

07- Supplemental Law Enforcement Fund

This fund, also known as the COPS fund, is supported by State grant proceeds. This fund is used to augment the staffing level of Sheriff Deputies. At one time, the grant amount paid for one deputy; today it pays for approximately half of one deputy position.

08- Grant Fund

This fund provides for management of grants currently being administered by the City. It functions as an "in-and-out" fund to ensure grant proceeds and expenditures are not mingled with the General Fund or other fund proceeds.

09- Community Development Block Grant Fund

This fund manages grant proceeds from the Community Development Block Grant program. Funds are expended and then reimbursed by the County of San Diego.

10- Transit Development Act Fund

Transit proceeds are allocated from the San Diego Metropolitan Transit Service (MTS) for maintenance of landscaping along the trolley corridor and maintenance of trolley stations and bus shelters throughout the City.

DRAFT

14- TransNet Fund

This fund manages proceeds from the TransNet allocation and street related projects eligible for TransNet funding. This fund is specifically used to finance significant right-of-way improvements (streets and sidewalks), storm drain, and traffic related projects.

21- Integrated Waste Reduction Fund

The City relies on this fund to manage its recycling and household hazardous waste disposal program as part of compliance with Assembly Bill 939 Integrated Waste Management Act of 1989. This program is supported by AB 939 funds which are collected for the aforementioned programs. The City relies on this fund for contractual services to provide household hazardous waste events, promote a higher level of recycling within the City, and prepare annual program reports as required by AB939.

23- Serious Traffic Offender Program Fund

This fund receives a portion of impound fees collected within the City. The City uses this fund to pay for Sheriff traffic division overtime and other traffic related expenses.

26- Storm Water Program Fund

The Storm Water Program Fund was established in FY 2005-06. The fund's purpose is to collect designated storm water program fees and support the City's storm water program- a State and Federal mandated program. The fund has not fully paid for the program since its inception. Increased mandates have increased fund expenditures over the past few years.

27- Regional Transportation Congestion Improvement Program

This fund was created in FY 2008-09 to manage fees related to the passage of the TransNet extension. These fees represent per housing unit fees for new residential development. Expenditures from this fund are to be used to initiate street improvement projects on a major arterial within the City.

30- Public Education and Government Fund

This fund collects designated monies from cable franchisees that operate within the City. The use of these monies is restricted to capital items that enhance or facilitate public access to government information.

SPECIAL ASSESSMENT DISTRICT FUNDS

22- Wildflower Assessment District Fund

This fund manages the Wildflower Landscaping Maintenance Assessment District. This fund tracks assessment revenue and expenditures related to landscape upkeep of common areas within the Wildflower Assessment District.

33- Main Street Promenade Community Facilities District Fund

During FY 2013-14, the voters within the Main Street Promenade Community Facilities District voted to create an assessment to fund ongoing maintenance and capital improvements to the Main Street Promenade.

11 & 12- Roadway Lighting District

The Lemon Grove Roadway Lighting District manages two funds for two separate activities. Fund 11, the General Benefit Fund, provides funding for street light benefits throughout the community. Fund 12, the Local Benefit Assessment Fund, provides for enhanced lighting benefits at the mid-block.

INTERNAL SERVICE FUNDS

25- Self-Insured Workers Compensation Reserve Fund

In FY 2003-04, the City began to fund its own workers' compensation program. This was done to have better control over the drastic increases in workers' compensation insurance premiums. This fund covers catastrophic workers compensation claims.

29- Self-Insured Liability Reserve Fund

In FY 2011-12, the City established the Self-Insured Liability Reserve Fund to fund liability claims.

SUCCESSOR AGENCY FUNDS

60 & 64- Successor Agency Funds

This fund receives reimbursements for enforceable obligations approved by the California Department of Finance and makes payments for said obligations. Obligations include debt service payments and outstanding projects such as the Main Street Promenade and Lemon Grove Avenue Realignment projects.

DRAFT

TOTAL FUND SUMMARY

FUND	2018-2019 Beginning Fund Balance	2018-2019 Revenue	2018-2019 Expenditure	2018-2019 Ending Fund Balance
01 General	5,467,473	13,479,536	13,801,539	5,145,470
02 Gas Tax	121,456	1,118,500	1,153,274	86,682
03 Street Construction Capital	160,416	500	160,916	-
05 Park Land Dedication Ordinance	70,157	15,700	20,000	65,857
06 General Fund Capital Reserve	775,691	6,000	-	781,691
07 Supplemental Law Enforcement Services	78,715	120,000	180,000	18,715
08 Grants	194,172	41,853	64,267	171,758
09 Community Development Block Grant	-	229,060	229,060	-
10 Transportation Development Act	185,953	121,270	362,751	(55,528)
11 General Benefit Lighting District	487,966	193,500	142,104	539,362
12 Local Benefit Lighting District	(178,003)	85,050	191,500	(284,453)
14 Transnet	(725,996)	713,000	713,000	(725,996)
15 Sanitation District Operating	8,213,027	6,703,000	6,575,172	8,340,855
16 Sanitation District Capital	10,084,306	30,000	1,266,900	8,847,406
17 Sanitation District Pure Water	3,700,000	1,000,000	-	4,700,000
18 Sidewalk Capital Reserve	23,261	180	-	23,441
19 Sanitation District Capacity	16,000	16,000	-	32,000
21 Integrated Waste Reduction	114,065	25,000	39,824	99,241
22 Wildflower Assessment District	3,366	9,670	10,710	2,326
23 Serious Traffic Offender Program	33,342	6,200	2,695	36,847
25 Self- Insured Workers Compensation Reserve	527,414	4,000	20,300	511,114
26 Storm Water Program	-	244,992	244,992	-
27 Transportation Congestion Improvement Program	572,390	50,200	622,590	-
29 Self-Insured Liability Reserve	309,838	3,200	45,000	268,038
30 Public Education & Govt Access	269,680	61,900	40,000	291,580
32 Safety Capital Reserve	40,000	-	40,000	-
33 Main St Promenade Community Facilities District	6,182	11,747	11,700	6,229
60/64 Successor Agency	(14,175,596)	1,939,590	2,198,091	(14,434,097)
TOTAL	\$ 16,375,275	\$ 26,229,648	\$ 28,136,385	\$ 14,468,538

DRAFT

GENERAL FUND RESOURCES

DRAFT FY 2018-19 BUDGET



DRAFT

GENERAL FUND
REVENUE BY TYPE

Revenue Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget
BEGINNING FUND BALANCE	\$ 5,012,768	\$ 4,615,157	\$ 5,297,118	\$ 5,467,473
Sales Tax	5,133,578	5,090,000	5,473,305	5,554,815
Other Taxes	5,748,430	5,992,000	5,980,913	6,018,260
Permits & Licenses	104,000	105,000	109,720	114,200
Fire Department Fees	325,542	278,300	541,685	371,000
Development Fees	327,913	291,000	410,633	323,300
Parks & Recreation Fees	141,728	123,700	145,650	147,450
Motor Vehicle License Fee	11,921	12,000	14,104	16,900
Fines & Forfeitures	171,761	168,500	136,447	135,330
Investment Income	25,044	7,000	15,000	23,400
Other Income	837,524	395,520	551,775	358,200
Total General Fund Revenue	\$ 12,827,441	\$ 12,463,020	\$ 13,379,232	\$ 13,062,855
Transfers	685,400	690,470	637,302	416,681
Total Revenue & Transfers	\$ 13,512,841	\$ 13,153,490	\$ 14,016,534	\$ 13,479,536
Surplus/Deficit	\$ 284,350	\$ (105,930)	\$ 126,876	\$ (322,003)
ENDING FUND BALANCE	\$ 5,297,118	\$ 4,509,227	\$ 5,423,994	\$ 5,145,470

DRAFT

GENERAL FUND

REVENUE DETAIL

SOURCE	2016/17 ACTUAL	FY 2017/18 BUDGET	FY 2017/18 PROJECTION	FY 2018/19 BUDGET	% CHANGE
BEGINNING FUND BALANCE - July 1	\$ 5,012,768	\$ 4,615,157	\$ 5,297,118	\$ 5,423,994	
Sales Tax	5,133,578	5,090,000	5,473,305	5,554,815	1.5%
Property Tax Secured	2,201,072	2,336,500	2,350,000	2,391,140	1.8%
Property Tax Supplemental Roll	64,563	55,000	56,738	57,120	0.7%
Prop. Tax Homeowner's Relief	15,962	15,000	15,000	15,000	0.0%
Prop. Tax Real Property Transfer Tax	100,142	90,000	80,000	80,000	0.0%
Property Tax Post Redevelopment	72,822	80,000	54,000	54,000	0.0%
Property Tax in Lieu of VLF	2,303,112	2,405,500	2,429,012	2,430,000	0.0%
Franchise Fees	938,714	960,000	945,000	940,000	-0.5%
Transient Occupancy Tax	52,043	50,000	51,163	51,000	-0.3%
Other Taxes	5,748,430	5,992,000	5,980,913	6,018,260	0.6%
Business License	86,173	88,000	93,000	96,600	3.9%
Animal License	11,209	13,000	11,600	12,400	6.9%
Regulatory License	6,618	4,000	5,120	5,200	1.6%
Permits & Licenses	104,000	105,000	109,720	114,200	4.1%
Emergency Transport Fees	224,239	224,300	224,238	269,000	20.0%
Fire Cost Recovery	-	-	265,000	45,000	-83.0%
Other Fire Fees	48,643	-	1,840	3,500	90.2%
Fire Fees - Business Licenses	32,965	32,000	30,000	32,000	6.7%
Fire Fees - Development Services	19,695	22,000	20,607	21,500	4.3%
Fire Department Fees	325,542	278,300	541,685	371,000	-31.5%
Building Permits	260,473	240,000	315,000	240,000	-23.8%
Planning Permits	31,490	30,000	58,000	46,000	-20.7%
Engineer Permits	34,864	20,000	33,633	36,000	7.0%
State Collected Fee - ADA	1,086	1,000	4,000	1,300	-67.5%
Development Fees	327,913	291,000	410,633	323,300	-21.3%
Day Camp	102,972	81,000	102,000	104,500	2.5%
Special Events	27,550	30,000	30,700	30,000	-2.3%
Recreation Classes	6,259	6,200	6,450	6,450	0.0%
Softball	4,947	6,500	6,500	6,500	0.0%
Parks & Recreation Fees	141,728	123,700	145,650	147,450	1.2%
Motor Vehicle License Fee	11,921	12,000	14,104	16,900	19.8%
Sales Tax 1/2% (Public Safety)	42,983	35,000	44,947	46,130	2.6%
Traffic Safety Fines	69,283	77,000	45,000	42,500	-5.6%
Booking Fee - County	7,264	6,500	6,500	6,500	0.0%
Parking Fines	23,209	20,000	17,000	17,000	0.0%
Other Fines & Forfeitures	6,204	5,000	4,000	4,200	5.0%
Tow Fees	22,818	25,000	19,000	19,000	0.0%
Fines & Forfeitures	171,761	168,500	136,447	135,330	-0.8%
Investment Income	\$ 25,044	\$ 7,000	\$ 15,000	\$ 23,400	56.0%

SOURCE	2016/17 ACTUAL	FY 2017/18 BUDGET	FY 2017/18 PROJECTION	FY 2018/19 BUDGET	% CHANGE
Rental - Long Term	170,552	140,000	180,875	181,600	0.4%
Rental - Short Term	81,726	60,000	65,000	65,100	0.2%
Cost Recovery	11,421	10,000	83,215	25,000	-70.0%
State Mandated Cost	20,447	5,000	100	500	400.0%
Credit Card Surcharge	6,450	4,000	5,585	6,000	7.4%
Other Revenue	457,504	136,520	45,000	40,000	-11.1%
Administrative Citations	89,424	40,000	172,000	40,000	-76.7%
Other Income	837,524	395,520	551,775	358,200	-35.1%
Total General Fund	12,827,441	12,463,020	13,379,232	13,062,855	-2.4%
Gas Tax Fund	-	44,500	22,250	40,000	79.8%
Supplemental Law Enforcement Service Fui	100,000	114,600	114,600	180,000	57.1%
TDA Administration	17,400	17,400	13,050	10,000	-23.4%
General Lighting District - Admin	9,400	9,400	9,400	9,400	0.0%
Local Lighting District - Admin	4,900	4,900	3,675	4,900	33.3%
Integrated Waste Administration	1,300	1,200	1,200	1,200	0.0%
Sanitation District Administration	552,400	552,400	489,294	305,073	-37.7%
Wildflower District Administration	-	100	100	100	0.0%
Successor Agency - Administration	-	-	30,000	30,000	0.0%
Transfer Workers Compensation Fund	-	100,000	20,000	20,000	0.0%
Transfer to Pension Liability Fund	-	-	-	-	-
Transfer to Storm Water Fund	-	(154,030)	(66,267)	(183,992)	177.7%
Transfers	685,400	690,470	637,302	416,681	-34.6%
Total Revenues & Transfers	13,512,841	13,153,490	14,016,534	13,479,536	-3.8%
Total Resources	\$ 18,525,609	\$ 17,768,647	\$ 19,313,652	\$ 18,903,530	-2.1%
Total Expenditures	\$ 13,228,491	\$ 13,257,920	\$ 13,889,657	13,801,539	-0.6%
NET CHANGE IN FUND BALANCE	284,350	(104,430)	126,876	(322,003)	

DRAFT

GENERAL FUND EXPENDITURES

DRAFT FY 2018-19 BUDGET



DRAFT

GENERAL FUND
EXPENDITURES BY DEPARTMENT

Department	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Proposed	% Change
City Council	82,671	92,860	92,895	80,764	-13%
City Manager	352,674	375,280	413,313	339,868	-18%
City Attorney	213,753	156,500	331,608	160,000	-52%
City Clerk	66,391	88,200	77,211	71,654	-7%
Finance	261,523	276,590	321,012	303,213	-6%
Law Enforcement	5,538,528	5,863,060	5,807,757	6,289,487	8%
Fire	4,250,470	4,307,780	4,783,249	4,544,551	-5%
Development Services	566,562	582,200	599,266	521,126	-13%
Public Works	1,481,929	1,433,450	1,455,346	1,415,677	-3%
Non-Departmental	257,370	83,500	8,000	75,200	840%
Total Expenditures	\$ 13,071,871	\$ 13,259,420	\$ 13,889,657	\$ 13,801,539	-1%

GENERAL FUND
EXPENDITURES BY TYPE

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Proposed
Salaries & Benefits	4,876,183	5,023,980	5,483,249	5,135,278
Operating Supplies & Services	1,464,911	1,365,880	1,161,868	1,375,849
Contracted Services	6,644,088	6,782,860	7,157,851	7,203,722
Capital Expenditures	86,688	86,700	86,688	86,690
Total Expenditures	\$ 13,071,871	\$ 13,259,420	\$ 13,889,657	\$ 13,801,539

DRAFT

GENERAL FUND EXPENDITURE DETAIL BY DEPARTMENT



DRAFT

GENERAL FUND
DEPARTMENT: CITY COUNCIL

SUMMARY OF EXPENDITURES BY TYPE

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	38,404	48,910	43,688	40,749	-7%
Operating Expenditures	44,267	43,950	49,207	40,015	-19%
Contracted Services	-	-	-	-	-
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 82,671	\$ 92,860	\$ 92,895	\$ 80,764	-13%

ACCOUNT DETAIL FOR THE DEPARTMENT OF THE CITY COUNCIL

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	21,491	22,700	22,472	22,716	1%
Health Benefits	9,760	18,450	12,322	12,322	0%
Health Benefits-Retirees	2,448	2,450	2,448	2,448	0%
Medicare	331	330	339	329	-3%
Life Insurance	-	50	51	51	0%
Retirement	4,374	4,930	6,057	2,883	-52%
SALARIES & BENEFITS	38,404	48,910	43,688	40,749	-7%
Community Promotions	3,152	3,000	3,164	3,000	-5%
Computer Maintenance	3,061	3,400	3,164	500	-84%
Copier Service	-	200	-	-	-
Insurance-Liability	770	800	1,023	1,023	0%
Insurance-Property	565	600	714	714	0%
Membership and Dues	23,335	23,000	31,389	23,000	-27%
Mileage	4,237	5,300	4,430	5,141	16%
Office Supplies	914	1,000	1,461	1,000	-32%
Travel and Meetings	6,106	3,750	1,826	3,600	97%
Utilities-Gas and Electric	2,127	2,900	2,036	2,036	0%
OPERATING EXPENDITURES	44,267	43,950	49,207	40,015	-19%
TOTAL CITY COUNCIL EXPENDITURES	\$ 82,671	\$ 92,860	\$ 92,895	\$ 80,764	-13%

DRAFT

GENERAL FUND
DEPARTMENT: CITY MANAGER

SUMMARY OF EXPENDITURES BY TYPE

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	228,931	245,510	254,852	221,771	-13%
Operating Expenditures	28,270	27,000	27,230	27,135	0%
Contracted Services	10,265	10,000	5,000	9,500	90%
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 267,466	\$ 282,510	\$ 287,082	\$ 258,406	-10%

ACCOUNT DETAIL FOR THE DEPARTMENT OF THE CITY MANAGER

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	166,013	174,000	170,405	172,331	1%
Overtime	1,489	3,700	2,263	2,263	0%
Health Benefits	15,593	16,200	18,361	16,020	-13%
Health Benefits-Retirees	7,214	5,500	9,424	9,424	0%
Deferred Compensation	3,240	3,240	3,708	3,708	0%
Employee Assistance Program	-	50	-	-	-
Workers Compensation Insurance	806	800	1,055	1,055	0%
Medicare	2,428	2,580	2,568	2,532	-1%
Life Insurance	464	160	380	380	0%
Long Term Disability	978	740	1,121	1,121	0%
Retirement	30,705	38,540	45,566	12,937	-72%
SALARIES & BENEFITS	228,931	245,510	254,852	221,771	-13%
Computer Maintenance	7,391	5,000	6,877	6,500	-5%
Copier Service	2,121	1,500	1,739	1,700	-2%
Insurance-Liability	1,925	2,400	2,301	2,350	2%
Insurance-Property	2,543	2,700	2,411	2,500	4%
Membership and Dues	835	700	930	835	-10%
Mileage	3,425	3,200	3,399	3,200	-6%
Office Supplies	3,945	3,500	3,391	2,500	-26%
Training	326	1,000	467	950	104%
Travel and Meetings	1,468	1,500	1,536	1,100	-28%
Utilities-Gas and Electric	2,127	3,100	2,037	3,100	52%
Utilities-Telephone	1,914	2,100	1,849	2,100	14%
Utilities-Water	251	300	294	300	2%
OPERATING EXPENDITURES	28,270	27,000	27,230	27,135	0%
Professional Services	10,265	10,000	5,000	9,500	90%
CONTRACTED SERVICES	10,265	10,000	5,000	9,500	90%
TOTAL CITY MANAGER EXPENDITURES	\$ 267,466	\$ 282,510	\$ 287,082	\$ 258,406	-10%

GENERAL FUND**DEPARTMENT: HUMAN RESOURCES****SUMMARY OF EXPENDITURES BY TYPE**

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	64,549	70,070	96,731	59,172	-39%
Operating Expenditures	17,349	20,700	16,000	19,790	24%
Contracted Services	3,309	2,000	13,500	2,500	-81%
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 85,207	\$ 92,770	\$ 126,232	\$ 81,462	-35%

ACCOUNT DETAIL FOR THE DEPARTMENT OF HUMAN RESOURCES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	49,823	51,760	74,123	49,501	-33%
Health Benefits	3,334	5,040	6,146	4,950	-19%
Employee Assistance Program	-	10	-	-	-
Workers Compensation Insurance	189	200	274	274	0%
Medicare	768	750	1,059	718	-32%
Life Insurance	-	10	19	19	0%
Retirement	10,435	12,300	15,111	3,710	-75%
SALARIES & BENEFITS	64,549	70,070	96,731	59,172	-39%
Computer Maintenance	2,232	2,000	899	1,000	11%
Copier Rental	-	200	-	-	-
Employee Recognition	-	1,500	1,779	1,000	-44%
Insurance-Liability	481	400	384	400	4%
Insurance-Property	283	300	268	300	12%
Medical Examinations	-	3,000	2,900	3,000	3%
Memberships and Dues	97	500	1,000	2,035	104%
Mileage	312	500	-	480	-
Office Supplies	370	300	941	300	-68%
Personnel Recruitment/Selectio	4,593	5,500	6,140	5,500	-10%
Training	6,730	3,000	1,000	3,000	200%
Travel & Meetings	2,077	2,000	28	1,900	6628%
Utilities- Gas & Electric	-	200	-	100	-
Utilities- Telephone	174	200	661	675	2%
Utilities- Water	-	100	-	100	-
Wellness Program	-	1,000	-	-	-
OPERATING EXPENDITURES	17,349	20,700	16,000	19,790	24%
Professional Services	3,309	2,000	13,500	2,500	-81%
CONTRACTED SERVICES	3,309	2,000	13,500	2,500	-81%
TOTAL HR EXPENDITURES	\$ 85,207	\$ 92,770	\$ 126,232	\$ 81,462	-35%

GENERAL FUND
DEPARTMENT: CITY CLERK

SUMMARY OF EXPENDITURES BY TYPE

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	56,840	74,600	71,272	60,669	-15%
Operating Expenditures	9,551	13,600	5,940	9,485	60%
Contracted Services	-	-	-	1,500	-
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 66,391	\$ 88,200	\$ 77,211	\$ 71,654	-7%

ACCOUNT DETAIL FOR THE DEPARTMENT OF THE CITY CLERK

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	38,524	54,540	49,054	50,036	2%
Health Benefits	5,749	5,490	5,511	5,500	0%
Employee Assistance Program	-	20	-	-	-
Workers Compensation Insurance	1,546	200	274	274	0%
Medicare	567	790	759	726	-4%
Life Insurance	-	20	15	15	0%
Long Term Disability	695	690	695	695	0%
Retirement	9,759	12,850	14,963	3,423	-77%
SALARIES & BENEFITS	56,840	74,600	71,272	60,669	-15%
Computer Maintenance	2,232	2,000	899	1,000	11%
Copier Rental	-	200	-	150	-
Insurance-Liability	481	400	511	400	-22%
Insurance-Property	283	300	357	300	-16%
Membership and Dues	230	300	67	250	275%
Mileage	74	300	-	200	-
Office Supplies	396	800	260	500	92%
Printing	-	500	-	485	-
Publishing	5,604	6,000	3,326	3,500	5%
Training	250	1,000	-	950	-
Travel & Meetings	-	1,000	-	950	-
Utilities- Gas & Electric	-	500	-	500	-
Utilities- Telephone	-	200	519	200	-61%
Utilities- Water	-	100	-	100	-
OPERATING EXPENDITURES	9,551	13,600	5,940	9,485	60%
Professional Services	-	1,500	-	1,500	-
CONTRACTED SERVICES	-	1,500	-	1,500	-
TOTAL CITY CLERK EXPENDITURES	\$ 66,391	\$ 89,700	\$ 77,211	\$ 71,654	-7%

GENERAL FUND**DEPARTMENT: CITY ATTORNEY****SUMMARY OF EXPENDITURES BY TYPE**

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	-	-	-	-	-
Operating Expenditures	-	-	-	-	-
Contracted Services	213,753	156,500	331,608	160,000	-52%
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 213,753	\$ 156,500	\$ 331,608	\$ 160,000	-52%

ACCOUNT DETAIL FOR THE DEPARTMENT OF THE CITY ATTORNEY

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Code Enforcement Litigation Services	20,692	1,500	27,104	5,000	-82%
Litigation-Non-City Attorney	1,471	-	16,374	-	-100%
Litigation Services-City Attorney	191,590	155,000	288,130	155,000	-46%
CONTRACTED SERVICES	213,753	156,500	331,608	160,000	-52%
TOTAL CITY ATTORNEY EXPENDITURES	\$ 213,753	\$ 156,500	\$ 331,608	\$ 160,000	-52%

DRAFT

GENERAL FUND
DEPARTMENT: FINANCE

SUMMARY OF EXPENDITURES BY TYPE

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	156,076	177,890	165,816	191,958	16%
Operating Expenditures	38,680	48,700	37,196	43,255	16%
Contracted Services	66,767	50,000	118,000	68,000	-42%
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 261,523	\$ 276,590	\$ 321,012	\$ 303,213	-6%

ACCOUNT DETAIL FOR THE DEPARTMENT OF FINANCE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	115,421	126,350	113,613	134,771	19%
Overtime	447	-	55	-	-100%
Health Benefits	9,337	15,210	9,511	17,694	86%
Health Benefits-Retirees	7,711	7,960	7,711	7,711	0%
Employee Assistance Program	-	70	-	-	-
Workers Compensation Insurance	2,346	2,400	2,911	2,911	0%
Medicare	4,251	1,830	3,933	1,954	-50%
Life Insurance	431	40	411	411	0%
Long Term Disability	1,140	860	1,168	1,168	0%
Retirement	14,993	23,170	26,503	25,337	-4%
SALARIES & BENEFITS	156,076	177,890	165,816	191,958	16%
Computer Maintenance	9,000	12,000	10,188	10,500	3%
Copier Service	2,121	2,000	2,287	2,290	0%
Credit Card and Bank Fees	15,428	18,000	12,713	15,000	18%
Insurance-Liability	2,165	2,400	2,301	2,310	0%
Insurance-Property	518	600	536	550	3%
Membership and Dues	350	500	-	400	-
Mileage	13	500	49	420	751%
Office Supplies	4,518	3,000	3,704	4,000	8%
Printing	149	400	647	400	-38%
Publishing	-	-	173	175	1%
Training	84	2,400	-	1,500	-
Travel and Meetings	30	100	-	1,000	-
Utilities-Gas and Electric	2,127	3,800	2,037	2,100	3%
Utilities-Telephone	1,997	2,700	2,351	2,400	2%
Utilities-Water	179	300	210	210	0%
OPERATING EXPENDITURES	38,680	48,700	37,196	43,255	16%
Professional Services	66,767	50,000	118,000	68,000	-42%
CONTRACTED SERVICES	66,767	50,000	118,000	68,000	-42%
TOTAL FINANCE EXPENDITURES	\$ 261,523	\$ 276,590	\$ 321,012	\$ 303,213	-6%

GENERAL FUND
DEPARTMENT: LAW ENFORCEMENT

SUMMARY OF EXPENDITURES BY TYPE

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	-	-	-	-	-
Operating Expenditures	105,256	117,300	55,578	116,540	110%
Contracted Services	5,433,272	5,745,760	5,752,179	6,172,947	7%
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 5,538,528	\$ 5,863,060	\$ 5,807,757	\$ 6,289,487	8%

ACCOUNT DETAIL FOR THE DEPARTMENT OF LAW ENFORCEMENT

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
800 MHZ Radio System	23,430	34,300	21,584	34,000	58%
ARJIS	16,332	16,300	21,776	16,300	-25%
CAL ID	6,176	6,400	8,299	6,400	-23%
RCS Lease	48,955	49,000	-	49,000	-
Utilities-Water	1,397	1,800	1,639	1,650	1%
Fuel-Animal Control Vehicle	8,966	7,000	1,000	6,790	579%
Repairs & Maint-Animal Cntl	-	2,500	1,280	2,400	88%
OPERATING EXPENDITURES	105,256	117,300	55,578	116,540	110%
Contractual Services-Sheriff	5,237,450	5,546,600	5,546,604	5,879,396	6%
Contractual Srvcs-Animal Cntrl	185,853	195,560	203,075	289,951	43%
Contract Services-After Hours	9,969	3,600	2,500	3,600	44%
CONTRACTED SERVICES	5,433,272	5,745,760	5,752,179	6,172,947	7%
TOTAL LAW ENFORCEMENT EXPENDITURE	\$ 5,538,528	\$ 5,863,060	\$ 5,807,757	\$ 6,289,487	8%

DRAFT

GENERAL FUND**DEPARTMENT: FIRE****SUMMARY OF EXPENDITURES BY TYPE**

Expenditure Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Salaries & Benefits	3,487,261	3,499,330	3,957,346	3,710,231	-6%
Operating Expenditures	412,100	439,750	362,678	468,830	29%
Contracted Services	264,420	282,000	376,537	278,800	-26%
Capital Expenditures	86,688	86,700	86,688	86,690	0%
Total Expenditures	\$ 4,250,470	\$ 4,307,780	\$ 4,783,249	\$ 4,544,551	-5%

ACCOUNT DETAIL FOR THE FIRE DEPARTMENT

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Salaries	1,800,335	1,840,720	1,837,950	1,956,783	6%
Scheduled Overtime	126,563	128,700	129,754	137,539	6%
Unscheduled Overtime	380,010	300,000	405,000	300,000	-26%
Reimbursable Overtime	49,430	45,000	315,875	45,000	-86%
Overtime	5,438	-	500	500	0%
Extra Help	27,038	40,000	26,918	12,000	-55%
Quarterly JPA Reconciliation	62,424	100,000	118,220	118,220	0%
Health Benefits	219,313	226,800	215,662	215,000	0%
Health Benefits-Retirees	75,981	84,000	77,560	77,560	0%
Employee Assistance Program	-	590	-	-	-
Uniform Allowance	20,000	20,000	26,667	27,000	1%
Holiday Pay	53,331	54,000	86,666	87,000	0%
Paramedic Recertification	48,545	50,000	66,196	66,000	0%
Education Award	10,792	10,700	15,723	15,700	0%
Workers Compensation Insurance	104,622	90,000	117,000	112,500	-4%
Medicare	37,552	34,150	41,078	36,000	-12%
Life Insurance	-	530	391	400	2%
Long Term Disability	-	-	294	300	2%
Retirement	465,886	474,140	475,892	502,729	6%
SALARIES & BENEFITS	3,487,261	3,499,330	3,957,346	3,710,231	-6%
ALS Supplies Pass Thru	25,799	26,000	26,000	26,000	0%
Communications Equipment	-	9,700	8,596	9,000	5%
Fire Prevention Software	-	6,700	8,854	3,600	-59%
City Emergency Preparedness	22,276	4,500	3,350	4,000	19%
Community Risk Reduction	1,128	5,200	1,011	3,000	197%
Computer Maintenance	19,805	20,000	28,627	28,600	0%
Copier Service	1,660	2,400	1,384	1,400	1%
Departmental Expense	10,232	10,000	10,000	9,000	-10%
Fire Station Supplies	4,865	5,000	3,940	4,500	14%
Fuel	20,106	20,000	25,740	26,000	1%
Insurance-Liability	23,098	25,900	24,836	24,900	0%
Insurance-Property	16,109	17,100	15,268	15,300	0%

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
JAC Reimbursable Expenditures	-	-	2,402	5,000	108%
JPA Reconciliation Expenditures	2,361	2,500	4,001	5,000	25%
JPA Reimbursable Expenditures	-	1,500	(1,076)	1,000	-193%
Medical Examinations	8,962	8,300	8,000	9,000	13%
Membership and Dues	562	600	120	600	400%
Office Supplies	2,290	2,500	2,539	2,300	-9%
Patient Care Reporting Pass Thru	4,037	5,800	7,064	5,800	-18%
Personal Exposure Reporting	300	300	565	325	-42%
Personal Protective Clothing	15,834	20,000	12,704	17,500	38%
RCCP Reimbursable	73,174	38,500	-	39,000	-
Repair and Maintenance-Equipment	4,769	4,500	3,712	4,000	8%
Repair and Maintenance-Vehicles	63,289	75,000	53,777	75,000	39%
Reserve Fire Fighter Expense	3,653	6,000	7,786	-	-100%
Self-Contained Breathing Apparatus	6,538	5,000	3,960	32,000	708%
Subscriptions and Books	-	1,000	-	5,000	0%
Trauma Intervention Program (TIP)	3,825	3,850	5,100	3,825	-25%
Tools and Supplies	4,240	10,000	5,423	10,000	84%
Training	27,684	39,000	34,001	40,000	18%
Training-AMR Pass Thru	10,945	19,100	4,804	19,100	298%
Travel and Meetings	-	3,000	2,575	3,000	17%
Uniforms	4,953	1,000	2,720	1,000	-63%
Utilities-Gas and Electric	16,730	22,000	16,717	16,750	0%
Utilities-Telephone	7,226	5,500	6,477	6,500	0%
Utilities-Water	2,771	3,000	2,523	2,530	0%
Vehicle Supplies	2,880	2,300	2,781	2,300	-17%
Weed Abatement	-	7,000	16,397	7,000	-57%
OPERATING EXPENDITURES	412,100	439,750	362,678	468,830	29%
Dispatch Services	264,420	262,000	349,639	258,600	-26%
Hazmat Emergency Response	-	20,000	26,897	20,200	-25%
CONTRACTED SERVICES	264,420	282,000	376,537	278,800	-26%
Fire Truck Loan	86,688	86,700	86,688	86,690	0%
CAPITAL EXPENDITURES	86,688	86,700	86,688	86,690	0%
TOTAL FIRE EXPENDITURES	\$ 4,250,470	\$ 4,307,780	\$ 4,783,249	\$ 4,544,551	-5%

DRAFT

GENERAL FUND**DEPARTMENT: DEVELOPMENT SERVICES****SUMMARY OF EXPENDITURES BY TYPE**

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	322,505	349,900	309,303	288,111	-7%
Operating Expenditures	44,019	51,300	43,615	52,515	20%
Contracted Services	200,038	181,000	246,347	180,500	-27%
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 566,562	\$ 582,200	\$ 599,266	\$ 521,126	-13%

ACCOUNT DETAIL FOR THE DEPARTMENT OF DEVELOPMENT SERVICES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	233,215	241,570	197,149	195,977	-1%
Planning Commission Wages	-	-	-	1,615	-
Overtime	5,739	2,330	893	1,000	12%
Extra Help	400	10,000	2,532	7,000	176%
Health Benefits	24,721	27,720	22,387	22,000	-2%
Health Benefits-Retirees	4,223	3,980	5,039	5,039	0%
Employee Assistance Program	-	80	-	-	-
Workers Compensation Insurance	2,324	2,400	2,995	2,995	0%
Medicare	3,475	3,680	2,792	2,981	7%
Life Insurance	-	80	63	63	0%
Long Term Disability	2,423	2,620	1,823	1,823	0%
Retirement	45,986	55,440	67,230	41,218	-39%
Unemployment	-	-	6,400	6,400	0%
SALARIES & BENEFITS	322,505	349,900	309,303	288,111	-7%
Computer Maintenance	12,221	14,000	17,587	17,500	0%
Copier Service	3,369	3,300	3,590	3,600	0%
Fuel	403	500	158	250	59%
Insurance-Liability	4,331	4,900	4,700	4,700	0%
Insurance-Property	3,109	3,300	2,950	3,000	2%
Membership and Dues	1,612	1,800	937	1,230	31%
Mileage	2,504	2,600	2,160	2,600	20%
Noticing	4,679	5,000	1,297	4,000	208%
Office Supplies	3,897	4,700	3,512	4,550	30%
Printing	186	300	21	290	1259%
Printing for Planning Commission	-	-	-	500	-
Repair & Maintenance-Vehicles	104	200	-	200	-
Subscriptions and Books	393	300	-	800	-
Training	1,826	1,500	888	1,445	63%
Travel and Meetings	413	1,000	3	970	36275%
Code Enforce Cost Recovery	-	-	-	1,000	-
Utilities-Gas and Electric	2,127	4,400	2,037	2,100	3%

DRAFT

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Utilities-Telephone	2,560	3,000	3,440	3,440	0%
Utilities-Water	286	500	336	340	1%
OPERATING EXPENDITURES	44,019	51,300	43,615	52,515	20%
Plan Checks/Consultations	199,553	180,000	245,497	180,000	-27%
Professional Services	485	1,000	850	500	-41%
CONTRACTED SERVICES	200,038	181,000	246,347	180,500	-27%
TOTAL DEVELOPMENT EXPENDITURES	\$ 566,562	\$ 582,200	\$ 599,266	\$ 521,126	-13%

DRAFT

GENERAL FUND
DEPARTMENT: PUBLIC WORKS

SUMMARY OF EXPENDITURES BY TYPE

Expenditure Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Salaries & Benefits	521,617	550,770	577,241	555,617	-4%
Operating Expenditures	508,048	527,080	563,424	530,085	-6%
Contracted Services	452,264	355,600	314,681	329,975	5%
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 1,481,929	\$ 1,433,450	\$ 1,455,346	\$ 1,415,677	-2.7%

DRAFT

GENERAL FUND**DEPARTMENT: PUBLIC WORKS, ENGINEERING DIVISION****SUMMARY OF EXPENDITURES BY TYPE**

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	76,701	88,080	91,233	84,024	-8%
Operating Expenditures	54,984	56,900	53,641	53,120	-1%
Contracted Services	191,525	98,000	48,500	80,000	65%
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 323,211	\$ 242,980	\$ 193,374	\$ 217,144	12%

ACCOUNT DETAIL FOR THE DEPARTMENT OF PUBLIC WORKS, ENGINEERING DIVISION

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	51,513	52,390	51,558	52,836	2%
Overtime	-	950	2,000	950	-53%
Extra Help	3,852	10,900	10,724	5,000	-53%
Health Benefits	6,737	6,750	6,868	6,750	-2%
Health Benefits- Retirees	1,224	1,840	1,224	1,224	0%
Employee Assistance Program	-	20	-	-	-
Workers Compensation Insurance	2,353	2,400	2,911	2,911	0%
Medicare	1,026	930	1,544	852	-45%
Life Insurance	37	20	51	51	0%
Retirement	9,959	11,880	14,354	13,450	-6%
SALARIES & BENEFITS	76,701	88,080	91,233	84,024	-8%
Computer Maintenance	10,165	9,000	9,085	9,000	-1%
Copier Service	2,527	3,000	2,699	2,700	-
Development Support	3,929	4,500	5,238	5,000	-5%
Fuel	1,553	1,000	2,832	2,500	-12%
Insurance- Liability	3,609	4,050	3,884	3,900	-
Insurance- Property	2,591	2,750	2,455	2,500	2%
Mileage	455	600	230	500	117%
Office Supplies	3,455	3,700	2,786	2,500	-10%
Training	574	-	-	-	-
Utilities- Traffic Signal	22,894	25,000	21,442	21,500	-
Utilities- Telephone	2,874	3,000	2,570	2,600	-
Utilities- Water	358	300	420	420	-
OPERATING EXPENDITURES	54,984	56,900	53,641	53,120	-1%
Professional Services	191,525	98,000	48,500	80,000	65%
CONTRACTED SERVICES	191,525	98,000	48,500	80,000	65%
TOTAL ENGINEERING EXPENDITURES	\$ 323,211	\$ 242,980	\$ 193,374	\$ 217,144	12%

GENERAL FUND**DEPARTMENT: PUBLIC WORKS, ADMINISTRATION DIVISION****SUMMARY OF EXPENDITURES BY TYPE**

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	36,479	38,150	36,862	40,279	9%
Operating Expenditures	51,987	66,450	66,285	74,950	13%
Contracted Services	-	-	-	-	-
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 88,467	\$ 104,600	\$ 103,147	\$ 115,229	12%

ACCOUNT DETAIL FOR THE DEPARTMENT OF PUBLIC WORKS, ADMINISTRATION DIVISION

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	22,336	22,510	21,742	22,107	2%
Overtime	48	-	12	100	737%
Health Benefits	1,981	2,700	1,960	2,700	38%
Employee Assistance Program	-	10	-	-	-
Workers Compensation Insurance	6,607	7,000	6,153	6,500	6%
Medicare	347	300	338	322	-5%
Life Insurance	-	10	7	7	0%
Long Term Disability	237	240	237	237	0%
Retirement	4,924	5,380	6,411	8,305	30%
SALARIES & BENEFITS	36,479	38,150	36,862	40,279	9%
Advertising	-	-	177	500	182%
Computer Maintenance	11,361	11,800	10,385	10,400	0%
Copier Service	5,111	4,800	4,230	4,300	2%
Damages - Cost Recovery	-	-	14,900	20,000	34%
Insurance-Liability	1,444	1,500	1,438	1,500	4%
Insurance-Property	2,591	2,750	2,455	2,500	2%
Marketing Supplies	4,649	6,000	5,080	5,000	-2%
Membership and Dues	1,963	2,000	1,288	1,500	16%
Mileage	302	600	499	425	-15%
Office Supplies	2,829	2,400	2,700	2,000	-26%
Software (minor)	2,750	5,400	1,960	5,500	181%
Protective Clothing	5,551	13,000	9,912	10,000	1%
Repair & Maintenance-Equipment	900	900	900	900	0%
Training	6,828	9,000	3,816	6,000	57%
Travel and Meetings	521	1,000	3,156	950	-70%
Utilities-Gas and Electric	2,127	2,500	2,037	2,100	3%
Utilities-Telephone	2,847	2,500	1,082	1,100	2%
Utilities-Water	215	300	270	275	0%
OPERATING EXPENDITURES	51,987	66,450	66,285	74,950	13%
TOTAL PW ADMIN EXPENDITURES	\$ 88,467	\$ 104,600	\$ 103,147	\$ 115,229	12%

GENERAL FUND**DEPARTMENT: PUBLIC WORKS, STREETS DIVISION****SUMMARY OF EXPENDITURES BY TYPE**

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	60,191	63,390	85,621	96,545	13%
Operating Expenditures	102,408	125,800	119,055	117,775	-1%
Contracted Services	30,645	21,000	18,632	19,100	3%
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 193,244	\$ 210,190	\$ 223,309	\$ 233,420	5%

ACCOUNT DETAIL FOR THE DEPARTMENT OF PUBLIC WORKS, STREETS DIVISION

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	44,691	41,790	59,079	65,825	11%
Overtime	2,341	1,880	4,542	1,000	-78%
Health Benefits	4,047	6,980	8,372	14,850	77%
Health Benefits-Retirees	-	310	-	-	-
Employee Assistance Program	-	20	-	-	-
Workers Compensation Insurance	424	1,800	-	-	-
Medicare	1,026	630	1,523	1,000	-34%
Life Insurance	56	20	82	82	0%
Long Term Disability	396	380	348	348	0%
Retirement	7,210	9,580	11,676	13,441	15%
SALARIES & BENEFITS	60,191	63,390	85,621	96,545	13%
Computer Maintenance	5,499	6,400	2,815	3,000	7%
Copier Service	-	400	-	-	-
Equipment Rental	7,149	7,000	4,961	6,800	37%
Fuel	10,050	12,500	12,995	12,500	-4%
Graffiti Cleanup Supplies	1,528	1,800	1,800	1,800	0%
Herbicides/Pesticides	971	1,000	579	900	55%
Insurance-Liability	3,609	4,050	3,884	3,900	0%
Insurance-Property	2,591	2,750	2,455	2,500	2%
Medical Examinations	701	-	-	-	0%
Membership and Dues	374	500	-	450	0%
Office Supplies	-	200	101	200	99%
Permit Expenses	292	400	469	475	1%
Protective Clothing	2,004	-	345	-	-100%
Repair and Maintenance-Equipment	19,587	17,500	24,703	19,000	-23%
Repair and Maintenance-Sidewalk	4,018	5,000	-	4,500	-
Repair and Maintenance-Storm Drain	2,930	15,000	787	10,000	1171%
Repair and Maintenance-Vehicles	7,841	18,500	18,312	17,500	-4%
Tools and Supplies	17,520	18,000	11,503	10,500	-9%
Utilities-Gas and Electric	1,206	1,300	1,219	1,250	3%
Utilities-Telephone	2,796	3,500	2,128	2,500	17%

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Utilities-Water	11,743	10,000	30,000	20,000	-33%
OPERATING EXPENDITURES	102,408	125,800	119,055	117,775	-1%
Contractual Services	12,962	5,000	3,072	3,100	1%
Dead Animal Removal	1,956	2,000	1,560	2,000	28%
Street Sweeping	15,727	14,000	14,000	14,000	0%
CONTRACTED SERVICES	30,645	21,000	18,632	19,100	3%
TOTAL STREETS EXPENDITURES	\$ 193,244	\$ 210,190	\$ 223,309	\$ 233,420	5%

GENERAL FUND**DEPARTMENT: PUBLIC WORKS, COMMUNITY SERVICES DIVISION****SUMMARY OF EXPENDITURES BY TYPE**

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	203,344	200,940	210,412	161,597	-23%
Operating Expenditures	124,467	124,100	139,151	130,010	-7%
Contracted Services	-	-	-	-	-
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 327,812	\$ 325,040	\$ 349,562	\$ 291,607	-17%

ACCOUNT DETAIL FOR THE DEPARTMENT OF PUBLIC WORKS, COMMUNITY SERVICES DIVISION

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	103,480	85,990	102,201	66,264	-35%
Overtime	1,536	1,720	2,000	5,000	150%
Extra Help	48,798	65,300	50,512	50,750	0%
Health Benefits	13,858	13,500	13,656	11,700	-14%
Health Benefits-Retirees	6,120	6,120	5,100	5,100	0%
Employee Assistance Program	-	40	-	40	-
Workers Compensation Insurance	5,308	5,600	6,559	6,559	0%
Medicare	5,516	2,220	5,636	1,769	-69%
Life Insurance	-	40	37	37	0%
Long Term Disability	936	940	936	936	0%
Retirement	17,793	19,470	23,775	13,441	-43%
SALARIES & BENEFITS	203,344	200,940	210,412	161,597	-23%
Computer Maintenance	5,064	4,000	3,188	3,200	0%
Copier Service	649	800	704	710	1%
Daycamp	20,988	25,000	28,315	25,000	-12%
Equipment Rental	-	1,800	1,409	1,500	6%
Insurance-Liability	1,444	1,600	1,534	1,550	1%
Insurance-Property	565	600	536	550	3%
Maintenance-Supplies	291	100	-	100	-
Medical Examinations	553	500	328	400	22%
Membership and Dues	36	100	-	100	-
Mileage	-	100	-	100	-
Office Supplies	841	1,000	387	500	29%
Printing	-	500	-	-	-
Rental Expense	5,979	6,000	7,601	5,800	-24%
Repair and Maintenance-Equipment	-	500	-	400	-
Softball	1,586	1,000	-	-	-
Special Events	25,338	27,000	35,154	30,000	-15%
Training	95	-	-	-	-
Utilities-Gas and Electric	30,613	35,000	34,891	34,900	0%
Utilities-Telephone	5,002	5,500	3,917	4,000	2%

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Utilities-Water	25,425	13,000	21,185	21,200	0%
OPERATING EXPENDITURES	124,467	124,100	139,151	130,010	-7%
TOTAL COMMUNITY SERVICES EXPENDITURE	\$ 327,812	\$ 325,040	\$ 349,562	\$ 291,607	-17%

DRAFT

GENERAL FUND**DEPARTMENT: PUBLIC WORKS, GROUNDS DIVISION****SUMMARY OF EXPENDITURES BY TYPE**

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	2,295	2,300	2,295	2,300	0%
Operating Expenditures	85,948	81,600	103,053	85,475	-17%
Contracted Services	223,922	226,600	247,152	230,475	-7%
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 312,165	\$ 310,500	\$ 352,501	\$ 318,250	-10%

ACCOUNT DETAIL FOR THE DEPARTMENT OF PUBLIC WORKS, GROUNDS DIVISION

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Health Benefits-Retirees	2,295	2,300	2,295	2,300	0%
SALARIES & BENEFITS	2,295	2,300	2,295	2,300	0%
Lighting Maintenance	797	2,200	2,041	2,200	8%
Maintenance-Supplies	23,352	22,000	20,000	17,000	-15%
Utilities-Gas and Electric	4,477	4,400	3,972	4,000	1%
Utilities-Telephone	1,918	3,000	2,264	2,275	1%
Utilities-Water	55,403	50,000	74,777	60,000	-20%
OPERATING EXPENDITURES	85,948	81,600	103,053	85,475	-17%
Contractual Services	111,488	120,000	112,000	120,000	7%
Tree Maintenance	26,486	25,000	32,099	25,000	-22%
CONTRACTED SERVICES	223,922	226,600	247,152	230,475	-7%
TOTAL GROUNDS EXPENDITURES	\$ 312,165	\$ 310,500	\$ 352,501	\$ 318,250	-10%

GENERAL FUND**DEPARTMENT: PUBLIC WORKS, FACILITIES DIVISION****SUMMARY OF EXPENDITURES BY TYPE**

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	142,606	157,910	150,817	170,872	13%
Operating Expenditures	88,254	72,230	82,238	68,755	-16%
Contracted Services	6,171	10,000	396	400	1%
Capital Expenditures	-	-	-	-	-
Total Expenditures	\$ 237,031	\$ 240,140	\$ 233,452	\$ 240,027	3%

ACCOUNT DETAIL FOR THE DEPARTMENT OF PUBLIC WORKS, FACILITIES DIVISION

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	89,648	101,960	88,385	107,147	21%
Overtime	5,715	2,680	9,062	9,062	0%
Health Benefits	15,423	18,000	12,560	18,900	50%
Health Benefits-Retirees	3,060	2,450	4,148	4,148	0%
Employee Assistance Program	-	50	-	-	-
Workers Compensation Insurance	6,629	7,000	8,183	8,183	0%
Medicare	1,346	1,520	994	1,685	70%
Life Insurance	42	50	41	41	0%
Long Term Disability	784	900	548	548	0%
Retirement	19,958	23,300	26,897	21,158	-21%
SALARIES & BENEFITS	142,606	157,910	150,817	170,872	13%
Computer Maintenance	2,728	2,500	1,304	1,350	4%
Equipment Rental	446	200	200	400	100%
Fuel	2,473	2,430	3,281	2,500	-24%
Insurance-Liability	2,214	2,300	2,205	2,210	0%
Insurance-Property	1,036	1,100	982	1,000	2%
Maintenance-Services	28,958	15,000	19,091	14,550	0%
Maintenance-Supplies	37,396	28,000	42,633	31,000	-27%
Repair and Maintenance	6,249	10,000	8,250	8,500	0%
Repair and Maintenance-ADA	-	1,000	-	500	-
Repair and Maintenance-Equipment	2,223	2,000	1,497	1,900	0%
Tools and Supplies	1,081	3,000	-	2,000	-
Utilities-Gas and Electric	1,513	3,000	1,219	1,250	0%
Utilities-Telephone	1,870	1,600	1,513	1,520	0%
Utilities-Water	65	100	62	75	21%
OPERATING EXPENDITURES	88,254	72,230	82,238	68,755	-16%
Contractual Services	6,171	10,000	396	400	1%
CONTRACTED SERVICES	6,171	10,000	396	400	1%
TOTAL FACILITIES EXPENDITURES	\$ 237,031	\$ 240,140	\$ 233,452	\$ 240,027	3%

GENERAL FUND**DEPARTMENT: NON-DEPARTMENTAL****SUMMARY OF EXPENDITURES BY TYPE**

Expenditure Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries & Benefits	-	7,000	7,000	7,000	0%
Operating Expenditures	257,370	76,500	1,000	68,200	6720%
Contracted Services	-	-	-	-	
Capital Expenditures	-	-	-	-	
Total Expenditures	\$ 257,370	\$ 83,500	\$ 8,000	\$ 75,200	840%

ACCOUNT DETAIL FOR NON-DEPARTMENTAL

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Vacation Payoff	-	7,000	7,000	7,000	0%
SALARIES & BENEFITS	-	7,000	7,000	7,000	0%
	44,550	-	-	-	-
General Election	38,790	-	-	18,200	-
General Plan Update- Carryover	5,200	75,000	-	50,000	-
Audio Visual Equipment	-	1,500	1,000	-	-100%
Equip Replacement - Fire	7,830	-	-	-	-
Equip Replacement - PW	11,000	-	-	-	-
Sage Project	150,000	-	-	-	-
OPERATING EXPENDITURES	257,370	76,500	1,000	68,200	6720%
TOTAL NON-DEPARTMENTAL EXPENDITURES	\$ 257,370	\$ 83,500	\$ 8,000	\$ 75,200	840%

OTHER FUNDS

DRAFT FY 2018-19 BUDGET



DRAFT

GAS TAX FUND: HIGHWAY USER TAX**FUND 02**

BEGINNING FUND BALANCE \$ (2,490) \$ 36,746 \$ (21,785) \$ 121,456

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Highway Users Tax Section 2103	71,026	106,600	108,116	106,000	-2%
Highway Users Tax Section 2105	149,525	154,700	145,791	144,000	-1%
Highway Users Tax Section 2106	102,531	98,200	102,677	102,000	-1%
Highway Users Tax Section 2107	189,574	199,800	186,594	185,000	-1%
Highway Users Tax Section 2107.5	6,000	6,000	8,000	6,000	-25%
State Loan Repayment	-	30,500	40,615	30,500	-25%
RMRA	-	153,000	46,653	445,000	854%
Interfund Transfer	100,000	100,000	100,000	100,000	0%
Total Revenue	\$ 618,656	\$ 848,800	\$ 738,446	\$ 1,118,500	51%

TOTAL RESOURCES \$ 616,166 \$ 885,546 \$ 716,661 \$ 1,239,956

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	394,138	418,430	359,986	341,000	-5%
Overtime	17,504	11,930	12,038	12,000	0%
Health Benefits	50,629	68,310	49,504	55,400	12%
Health Benefits-Retirees	10,073	10,340	10,455	10,455	0%
Deferred Compensation	600	600	615	600	-2%
Employee Assistance Program	-	180	-	-	0%
Workers Compensation Insurance	15,291	16,200	19,087	19,000	0%
Medicare	6,202	6,240	5,359	5,119	-4%
Life Insurance	533	200	560	560	0%
Long Term Disability	3,059	2,860	2,670	2,670	0%
Retirement	81,995	96,210	90,000	99,000	10%
SALARIES & BENEFITS	580,024	631,500	550,274	545,804	-1%

Mileage	3,967	3,900	4,066	4,100	1%
Utilities - Telephone	130	-	367	370	1%
Interfund Transfer	-	44,500	22,250	40,000	80%
OPERATING EXPENSES	4,097	48,400	26,683	44,470	67%

Professional Services	-	42,000	18,248	38,000	108%
CONTRACTED SERVICES	-	42,000	18,248	38,000	108%

Storm Drain Master Plan	-	-	-	250,000	-
Street Rehab	-	-	-	195,000	-
Street Paving	-	-	-	80,000	-
CAPITAL EXPENSES	-	-	-	525,000	-

TOTAL EXPENSES \$ 584,121 \$ 721,900 \$ 595,205 \$ 1,153,274 93.8%

ENDING FUND BALANCE \$ (21,785) \$ 163,646 \$ 121,456 \$ 86,683

STREET CONSTRUCTION CAPITAL FUND
FUND 03

BEGINNING FUND BALANCE \$ 158,199 \$ 159,230 \$ 159,153 \$ 160,416

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Interest	954	400	1,263	500	-60%
Total Revenue	\$ 954	\$ 400	\$ 1,263	\$ 500	-60%

TOTAL RESOURCES \$ 159,153 \$ 159,630 \$ 160,416 \$ 160,916

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Lemon Grove Realignment	-	9,000	-	160,916	-
CAPITAL EXPENSES	-	9,000	-	160,916	-

TOTAL EXPENSES \$ - \$ 9,000 \$ - \$ 160,916 -

ENDING FUND BALANCE \$ 159,153 \$ 150,630 \$ 160,416 \$ 0

DRAFT

PARK LAND DEDICATION ORDINANCE**FUND 05**

BEGINNING FUND BALANCE \$ 113,186 \$ 86,601 \$ 86,600 \$ 70,157

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Interest	594	-	739	700	-5%
Development Fees	16,137	10,000	22,068	15,000	-32%
Total Revenue	\$ 16,731	\$ 10,000	\$ 22,807	\$ 15,700	-31%

TOTAL RESOURCES \$ 129,917 \$ 96,601 \$ 109,407 \$ 85,857

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Park Improvements	43,317	50,000	39,250	20,000	-49%
CAPITAL EXPENSES	43,317	50,000	39,250	20,000	-49%

TOTAL EXPENSES \$ 43,317 \$ 50,000 \$ 39,250 \$ 20,000 -49%

ENDING FUND BALANCE \$ 86,600 \$ 46,601 \$ 70,157 \$ 65,857

DRAFT

GENERAL FUND RESERVE**FUND 06**

BEGINNING FUND BALANCE \$ 4,207,865 \$ 760,691 \$ 760,691 \$ 775,691

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Other Revenues	377,590	-	9,000	-	-100%
Interest	3,278	5,000	6,000	6,000	0%
Total Revenue	\$ 380,868	\$ 5,000	\$ 15,000	\$ 6,000	-60%

TOTAL RESOURCES \$ 4,588,733 \$ 765,691 \$ 775,691 \$ 781,691

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
General Expenditures	3,719,687	-	-	-	-
Interfund Transfer	108,355	-	-	-	-
CAPITAL EXPENSES	3,828,042	-	-	-	-

TOTAL EXPENSES \$ 3,828,042 \$ - \$ - \$ - -

ENDING FUND BALANCE \$ 760,691 \$ 765,691 \$ 775,691 \$ 781,691

DRAFT

SUPPLEMENTAL LAW ENFORCEMENT SERVICES**FUND 07**

BEGINNING FUND BALANCE \$ 14,575 \$ 43,899 \$ 43,899 \$ 78,715

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Supplemental Law Enforcement Services	129,324	100,000	149,416	120,000	-20%
Total Revenue	\$ 129,324	\$ 100,000	\$ 149,416	\$ 120,000	-20%

TOTAL RESOURCES \$ 143,899 \$ 143,899 \$ 193,315 \$ 198,715

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Interfund Transfers-Expenditure	100,000	114,600	114,600	180,000	57%
OPERATING EXPENSE	100,000	114,600	114,600	180,000	57%

TOTAL EXPENSES \$ 100,000 \$ 114,600 \$ 114,600 \$ 180,000 57%

ENDING FUND BALANCE \$ 43,899 \$ 29,299 \$ 78,715 \$ 18,715

DRAFT

GRANTS**FUND 08**

BEGINNING FUND BALANCE \$ (607,300) \$ 79,749 \$ 79,749 \$ 84,541

REVENUE

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Interest	-	-	-	50	-
Misc Revenue	111,582	-	19,350	-	-100%
Safe Routes to School	657,744	-	-	-	-
Beverage Container Recycling	-	-	11,511	8,803	-24%
Smart Growth Incentive Program	5,890	-	-	-	-
Grant Revenue-UASI	595	-	839	-	-100%
HRPP Grant	364,500	-	-	-	-
Grant Rev - SHSGP 16	-	-	694	-	-100%
Grant Revenue-UASI 16	-	-	1,199	-	-100%
ADA Transit Plan	-	-	17,000	33,000	94%
Grant Revenue-CHAMPS	-	-	20,000	-	-100%
Transfers In	109,134	-	-	-	-
Total Revenue	\$ 1,249,445	\$ -	\$ 70,593	\$ 41,853	-41%

TOTAL RESOURCES \$ 642,145 \$ 79,749 \$ 150,342 \$ 126,394

EXPENSES

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Dept of Justice JAG	-	-	10,433	-	-100%
Beverage Container Recycling	2,400	7,000	9,671	8,803	-9%
Replace Irrigation Controller	47,301	-	-	-	-
LG 21 - Promenade Extension	11,769	-	-	-	-
SHSGP Expenditures 16	-	-	19,886	-	-100%
Systemic Safety Analysis	25,245	-	6,004	-	-100%
UASI Expenditures 16	595	-	1,050	-	-100%
Champs Program	1,452	20,000	1,757	18,243	938%
ADA Transit Plan	-	-	17,000	33,000	94%
State Park Expansion	85,000	-	-	-	-
Connect Main Street	388,634	-	-	-	-
Transfer Out	-	-	-	4,221	-
CAPITAL EXPENSES	562,396	27,000	65,801	64,267	-2%
TOTAL EXPENSES	\$ 562,396	\$ 27,000	\$ 65,801	\$ 64,267	0%
Ending Fund Balance	\$ 79,749	\$ 52,749	\$ 84,541	\$ 62,127	

DRAFT

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**FUND 09**

BEGINNING FUND BALANCE \$ 134,838.00 \$ - \$ - \$ -

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
CDBG Funds	-	-	-	229,060	-
Total Revenue	\$ -	\$ -	\$ -	\$ 229,060	-

TOTAL RESOURCES \$ 134,838 \$ - \$ - \$ 229,060

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Golden Avenue Overlay	134,838	-	-	-	-
Street Rehab & ADA	-	-	-	229,060	-
CAPITAL EXPENSES	134,838	-	-	229,060	-

TOTAL EXPENSES \$ 134,838 \$ - \$ - \$ 229,060

ENDING FUND BALANCE \$ - \$ - \$ - \$ -

DRAFT

TRANSPORTATION DEVELOPMENT ACT (TDA)

FUND 10

BEGINNING FUND BALANCE \$ (20,859) \$ (34,358) \$ (31,682) \$ 185,953

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Other Revenue	-	-	460	-	-100%
Interest	125	125	87	100	15%
TDA Revenue	123,593	121,200	358,570	121,170	-66%
Total Revenue	\$ 123,718	\$ 121,325	\$ 359,117	\$ 121,270	-66%

TOTAL RESOURCES \$ 102,859 \$ 86,967 \$ 327,435 \$ 307,223

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	20,961	24,200	20,710	19,740	-5%
Overtime	841	120	215	215	0%
Health Benefits	2,321	2,880	2,455	2,130	-13%
Health Benefits-Retirees	655	370	673	673	0%
Medicare	298	350	260	260	0%
Life Insurance	20	10	22	22	0%
Long Term Disability	170	220	190	190	0%
Retirement	6,466	5,700	6,608	6,900	4%
SALARIES & BENEFITS	31,730	33,850	31,134	30,131	-3%
Mileage	293	200	155	200	29%
Repair & Maint. Bus Shelters	45,365	-	35,284	40,000	13%
Trolley Corridor Landscaping	39,785	52,700	42,859	45,000	5%
Utilities - Telephone	3	-	22	20	-8%
Interfund Transfer	17,400	17,400	13,050	10,000	-23%
OPERATING EXPENSES	102,846	70,300	91,369	95,220	4%

Professional Services - - 18,979 - -100%

CONTRACTED SERVICES - - 18,979 - -100%

Lemon Grove Realignment - - - 237,400 -

CAPITAL EXPENSES - - - 237,400 -

TOTAL EXPENSES \$ 134,576 \$ 104,150 \$ 141,482 \$ 362,751 156%

ENDING FUND BALANCE \$ (31,682) \$ (17,320) \$ 185,953 \$ (55,528)

DRAFT

LEMON GROVE ROADWAY LIGHTING DISTRICT: GENERAL BENEFIT**FUND 11**

BEGINNING FUND BALANCE \$ 353,285 \$ 448,630 \$ 419,105 \$ 487,966

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Interest	2,617	400	3,550	3,500	-1%
General Lighting Assessment	185,346	165,000	191,548	190,000	-1%
Total Revenue	187,963	165,400	195,098	193,500	-1%

TOTAL RESOURCES \$ 541,248 \$ 614,030 \$ 614,203 \$ 681,466

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	23,094	18,460	23,518	23,300	-1%
Overtime	251	140	82	80	-2%
Health Benefits	1,804	2,250	2,008	2,575	28%
Health Benefits-Retirees	411	540	428	428	0%
Deferred Comp	60	80	62	62	0%
Employee Assistance Program	-	10	-	-	-
Medicare	308	270	298	339	14%
Life Insurance	16	10	24	24	0%
Long Term Disability	176	120	177	177	0%
Retirement	4,142	4,280	5,665	6,744	19%
SALARIES & BENEFITS	30,261	26,160	32,263	33,729	5%
Mileage	317	1,000	325	950	192%
Repair & Maintenance-St Lights	10,837	6,000	12,089	9,000	-26%
Utilities-Telephone	4	-	25	25	0%
Utilities-Street Lights	66,171	80,000	66,301	80,000	21%
Interfund Transfers-Expenditure	9,400	9,400	9,400	9,400	0%
OPERATING EXPENSES	86,728	96,400	88,140	99,375	13%
Professional Services	5,154	2,800	8,970	9,000	0%
CONTRACTED SERVICES	5,154	2,800	8,970	9,000	0%
TOTAL EXPENSES	122,143	125,360	129,373	142,104	10%
ENDING FUND BALANCE	\$ 419,105	\$ 488,670	\$ 487,966	\$ 539,362	

DRAFT

LEMON GROVE ROADWAY LIGHTING DISTRICT: LOCAL BENEFIT ASSESSMENT FUND 12

BEGINNING FUND BALANCE \$ 30,552 \$ (72,813) \$ (73,060) \$ (178,003)

REVENUE

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Interest	79	500	50	50	0%
Local Benefit Lighting Assessment	86,885	87,800	85,000	85,000	0%
Total Revenue	86,964	88,300	85,050	85,050	0%

TOTAL RESOURCES \$ 117,516 \$ 15,487 \$ 11,990 \$ (92,953)

EXPENSES

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Salaries	47,797	55,400	48,139	46,570	-3%
Overtime	485	410	261	260	-1%
Health Benefits	4,868	6,750	4,868	6,120	26%
Health Benefits-Retirees	1,642	1,600	1,714	1,714	0%
Deferred Comp	240	220	246	246	0%
Employee Assistance Program	-	10	-	-	-
Medicare	795	810	756	679	-10%
Life Insurance	53	30	60	60	0%
Long Term Disability	317	360	323	323	0%
Retirement	10,133	12,850	14,629	9,843	-33%
SALARIES & BENEFITS	66,331	78,440	70,995	65,815	-7%
Mileage	814	800	835	750	-10%
Repair and Maintenance-Street Lights	7,439	6,200	3,046	10,000	228%
Utilities-Telephone	12	-	35	35	0%
Utilities-Street Lights	110,992	100,000	110,020	100,000	-9%
Interfund Transfers-Expenditure	4,900	4,900	-	4,900	-
OPERATING EXPENSES	124,157	111,900	113,937	115,685	2%

Professional Services	89	16,300	5,061	10,000	98%
CONTRACTED SERVICES	89	16,300	5,061	10,000	98%

TOTAL EXPENSES 190,576 206,640 189,993 191,500 1%

ENDING FUND BALANCE \$ (73,060) \$ (191,153) \$ (178,003) \$ (284,453)

DRAFT

TRANSNET: STREET CONSTRUCTION**FUND 14**

BEGINNING FUND BALANCE \$ 301,637 \$ (667,049) \$ (728,296) \$ (274,070)

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Miscellaneous Revenue	176,117	-	463,847	-	-100%
Revenue-Transnet	1,831,537	2,346,700	931,686	713,000	-23%
Total Revenue	\$ 2,007,654	\$ 2,346,700	\$ 1,395,533	\$ 713,000	-49%

TOTAL RESOURCES \$ 2,309,291 \$ 1,679,651 \$ 667,237 \$ 438,930

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	52,458	60,360	39,088	32,475	-17%
Overtime	5,430	3,760	3,185	3,760	18%
Health Benefits	8,846	12,600	8,161	8,600	5%
Health Benefits-Retirees	-	600	-	600	-
Employee Assistance Program	-	40	-	40	-
Workers Compensation Insurance	-	1,600	-	1,600	-
Medicare	811	930	566	525	-7%
Life Insurance	113	40	83	150	81%
Long Term Disability	474	440	400	440	10%
Retirement	11,553	13,770	12,010	11,820	-2%
SALARIES & BENEFITS	79,685	94,140	63,493	60,010	-5%

Utilities - Telephone	-	-	50	50	0%
OPERATING EXPENSES	-	-	50	50	0%

Professional Services	-	42,000	26,000	30,000	15%
CONTRACTED SERVICES	-	42,000	26,000	30,000	15%

CIP-LG 13 (CR) LG Realignment	801,561	1,186,000	538,920	-	-100%
CIP-LG 17 (CR) Street Improve	-	50,000	280	-	-100%
CIP-LG 17 (PM) Street Imprvmt	49,573	-	57,841	108,337	87%
CIP-LG 18 (CR) Traff Signl Upgr	20,283	20,000	4,892	56,790	1061%
CIP-LG 16 (CR-TB) Storm Drain	101,871	67,000	21,297	12,232	-43%
CIP-LG 15 (PM) Street Drainage	42,161	88,000	6,988	22,716	225%
CIP-LG 20 (CR) Street/Sidewalk	347,238	397,000	103,309	318,896	209%
CIP-LG 14 (PM) Traffic Impv	132,644	120,000	95,775	103,969	9%
CIP-LG 23 Broadway DVSP	28,425	-	22,463	-	-100%
CAPITAL EXPENSES	1,523,756	1,928,000	851,764	622,940	-27%

TOTAL EXPENSES \$ 1,603,440 \$ 2,064,140 \$ 941,307 \$ 713,000 -24%

ENDING FUND BALANCE \$ (728,296) \$ (384,489) \$ (274,070) \$ (274,070)

DRAFT

LEMON GROVE SANITATION DISTRICT: OPERATING FUND 15

BEGINNING FUND BALANCE \$ 9,052,515 \$ 6,750,247 \$ 6,659,776 \$ 8,213,027

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Other Revenues	19,948	587,450	61,300	88,000	44%
Interest	73,793	21,800	65,000	65,000	0%
Sewer Service Fee	6,023,233	6,356,400	6,325,000	6,500,000	3%
Sewer Service-LGSD La Mesa SD	47,510	50,000	50,000	50,000	0%
Total Revenue	\$ 6,164,484	\$ 7,015,650	\$ 6,501,300	\$ 6,703,000	3%

TOTAL RESOURCES \$ 15,216,999 \$ 13,765,897 \$ 13,161,076 \$ 14,916,027

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	828,234	885,960	838,023	868,677	4%
Overtime	23,966	31,640	22,608	32,000	42%
Extra Help	1,491	27,200	6,887	27,200	295%
Health Benefits	110,816	143,280	111,207	142,731	28%
Health Benefits-Retirees	15,093	16,620	15,973	34,884	118%
Deferred Comp	1,740	1,740	1,785	20,696	0%
Employee Assistance Program	-	380	-	380	-
Workers Compensation Insurance	47,215	12,000	47,000	57,050	21%
Medicare	13,284	13,700	13,684	32,595	138%
Life Insurance	933	460	1,146	20,057	1650%
Long Term Disability	6,098	6,480	6,134	6,200	1%
Retirement	70,952	77,030	75,061	200,229	167%
SALARIES & BENEFITS	1,119,824	1,216,490	1,139,507	1,442,699	27%
Claims Paid	100,386	20,000	-	40,000	-
Computer Maintenance	36,774	46,600	44,118	45,000	2%
Equipment Rental	-	5,000	-	5,000	-
Fuel	6,595	15,100	7,303	15,000	105%
Industrial Enforcement	2,977	10,000	-	10,000	-
Insurance-Liability	26,707	27,750	26,610	27,750	4%
Insurance-Property	19,170	20,350	18,170	20,350	12%
Medical Examinations	1,126	400	869	600	-31%
Membership and Dues	2,086	2,000	1,833	1,900	4%
Mileage	7,149	9,000	7,327	8,000	9%
Office Supplies	1,150	2,000	1,237	1,900	54%
Protective Clothing	4,114	4,000	6,001	4,000	-33%
Repairs & Maintenance	420	5,400	-	1,500	-
Repair & Maint. -Equipment	9,910	25,000	9,169	13,000	42%
Repair & Maint-Vehicles	5,440	10,000	12,186	10,000	-18%
Tools and Supplies	6,901	11,000	3,500	9,000	157%
Traffic Safety Equipment	-	500	-	500	-
Training	1,546	2,600	1,000	4,000	300%

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Travel and Meetings	-	2,000	-	1,900	-
Utilities-Gas and Electric	1,407	1,500	1,401	1,500	7%
Utilities-Telephone	3,824	4,500	3,891	4,500	16%
Utilities-Water	130	500	2,546	2,000	-21%
Interfund Transfers- GF	652,400	552,400	489,294	305,073	-38%
OPERATING EXPENSES	890,211	777,600	636,456	532,473	-16%
Contractual Services	31,273	55,000	45,000	45,000	0%
Emergency Callout and Repair	-	5,000	-	5,000	-
Litigation Services	7,736	60,000	16,812	30,000	78%
Metro Annual Capacity & Treatment	2,648,020	2,968,500	2,781,944	3,100,000	11%
Sewage Transportation	-	66,000	45,000	45,000	0%
Professional Services	139,590	257,900	164,330	216,000	31%
Professional Svcs-City Atty	-	30,000	-	30,000	-
Restoration Services	-	10,000	-	10,000	-
Street Sweeping	20,570	19,000	19,000	19,000	0%
CONTRACTED SERVICES	2,847,188	3,471,400	3,072,087	3,500,000	14%
Transfer to Gas Tax Fund	-	100,000	100,000	100,000	0%
Transfer to Sanitation Capital Fund	-	-	-	-	-
Transfer to Pure Water Fund	3,700,000	-	-	1,000,000	-
CAPITAL EXPENSES	3,700,000	100,000	100,000	1,100,000	1000%
TOTAL EXPENSES	\$ 8,557,223	\$ 5,565,490	\$ 4,948,049	\$ 6,575,172	33%
OPERATING RESERVE FUND BALANCE	\$ 2,300,000	\$ 2,300,000	\$ 2,300,000	\$ 2,300,000	
ENDING FUND BALANCE	\$ 4,359,776	\$ 5,897,407	\$ 5,913,027	\$ 6,040,855	

DRAFT

LEMON GROVE SANITATION DISTRICT: CAPITAL FUND 16

BEGINNING FUND BALANCE \$ 9,439,272 \$ 9,715,169 \$ 9,451,740 \$ 10,084,306

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Interest	29,593	8,000	32,800	30,000	-9%
Total Revenue	\$ 29,593	\$ 8,000	\$ 32,800	\$ 30,000	-9%

TOTAL RESOURCES \$ 9,468,865 \$ 9,723,169 \$ 9,484,540 \$ 10,114,306

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Contingent Costs	-	159,140	-	-	-
CIP-Lemon Grove Realignment	-	-	478,694	-	-
FY 17-18 Sewer Main Rehab (Design)	17,125	106,090	30,000	73,000	143%
FY 17-18 Sewer Main Rehab (Construct)	-	1,060,900	-	822,000	-
FY 18-19 Sewer Main Rehab (Design)	-	-	-	341,000	-
FY 16-17 Sewer Main Rehab (Construct)	-	-	153,512	-	-100%
Sewer Maintenance (Contract)	-	265,230	3,160	30,900	878%
CAPITAL EXPENSES	17,125	1,591,360	665,366	1,266,900	90%

TOTAL EXPENSES \$ 17,125 \$ 1,591,360 \$ 665,366 \$ 1,266,900 90%

METRO RESERVE FUND BALANCE \$ 3,100,000 \$ 3,100,000 \$ 3,100,000 \$ 3,100,000

ENDING FUND BALANCE \$ 6,351,740 \$ 5,031,809 \$ 6,984,306 \$ 5,747,406

DRAFT

LEMON GROVE SANITATION DISTRICT: PURE WATER RESERVE**FUND 17**

BEGINNING FUND BALANCE \$ \$ 3,700,000 \$ 3,700,000 \$ 3,700,000

REVENUE

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Interest	-	-	-	5,000	-
Transfer from Sanitation Operations	3,700,000	-	-	1,000,000	-
Total Revenue	\$ 3,700,000	\$ -	\$ -	\$ 1,005,000	-

TOTAL RESOURCES \$ 3,700,000 \$ 3,700,000 \$ 3,700,000 \$ 4,705,000

ENDING FUND BALANCE \$ 3,700,000 \$ 3,700,000 \$ 3,700,000 \$ 4,705,000

DRAFT

**SIDEWALK CAPITAL RESERVE
FUND 18**

BEGINNING FUND BALANCE \$ 23,122 \$ 23,261 \$ 23,261 \$ 23,261

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Interest	139	100	184	180	-2%
Total Revenue	\$ 139	\$ 100	\$ 184	\$ 180	-2%

TOTAL RESOURCES \$ 23,261 \$ 23,361 \$ 23,445 \$ 23,441

ENDING FUND BALANCE \$ 23,261 \$ 23,361 \$ 23,445 \$ 23,441

DRAFT

**LEMON GROVE SANITATION DISTRICT: CAPACITY
FUND 19**

BEGINNING FUND BALANCE \$ - \$ - \$ - \$ 16,000

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Sewer Capacity Fee	-	-	16,000	16,000	0%
Total Revenue	\$ -	\$ -	\$ 16,000	\$ 16,000	0%

TOTAL RESOURCES \$ - \$ - \$ 16,000 \$ 32,000

ENDING FUND BALANCE \$ - \$ - \$ 16,000 \$ 32,000

DRAFT

INTEGRATED WASTE REDUCTION**FUND 21**

BEGINNING FUND BALANCE \$ 142,218 \$ 132,278 \$ 132,209 \$ 114,065

REVENUE

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Interest	1,161	800	1,300	1,000	-23%
AB939 Fees	26,522	23,000	24,136	24,000	-1%
Total Revenue	27,683	23,800	25,436	25,000	-2%

TOTAL RESOURCES \$ 169,901 \$ 156,078 \$ 157,645 \$ 139,065

EXPENSES

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Salaries	20,670	20,650	19,826	20,019	1%
Overtime	175	80	80	80	0%
Health Benefits	2,300	2,610	2,400	2,100	-13%
Health Benefits-Retirees	306	980	400	428	7%
Deferred Comp	60	60	60	62	3%
Employee Assistance Program	-	10	-	10	0%
Workers Compensation Insurance	-	300	300	300	0%
Medicare	347	300	289	291	1%
Life Insurance	10	10	16	20	25%
Long Term Disability	240	240	241	245	2%
Retirement	3,868	4,940	4,650	2,044	-56%
SALARIES & BENEFITS	27,977	30,180	28,262	25,599	-9%
Mileage	196	500	250	500	100%
Program Expense	6,198	8,000	4,894	8,000	63%
Utilities-Telephone	2	-	4	25	525%
Interfund Transfers-Expenditure	1,979	1,200	1,200	1,200	0%
OPERATING EXPENSES	8,375	9,700	6,348	9,725	53%
Consultant Fees	1,325	4,500	8,970	4,500	-50%
CONTRACTED SERVICES	1,325	4,500	8,970	4,500	-50%
TOTAL EXPENSES	37,677	44,380	43,580	39,824	-9%
ENDING FUND BALANCE	\$ 132,209	\$ 111,698	\$ 114,065	\$ 99,241	

DRAFT

WILDFLOWER ASSESSMENT DISTRICT**FUND 22**

BEGINNING FUND BALANCE \$ 4,784 \$ 3,782 \$ 4,437 \$ 3,366

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Interest	1,161	-	20	20	0%
Annual Assessment Revenue	9,585	9,650	9,650	9,650	0%
Total Revenue	10,746	9,650	9,670	9,670	0%

TOTAL RESOURCES \$ 15,530 \$ 13,432 \$ 14,107 \$ 13,036

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	4,034	2,340	4,900	4,578	-7%
Health Benefits	289	230	300	460	53%
Health Benefits-Retirees	-	310	-	-	-
Medicare	-	30	-	66	-
Life Insurance	-	-	1	-	-100%
Long Term Disability	60	30	60	60	0%
Retirement	1,467	550	800	1,696	112%
SALARIES & BENEFITS	5,850	3,490	6,061	6,860	13%
General Expenditure	2,674	-	-	-	-
Utilities-Gas and Electric	102	100	90	100	11%
Utilities-Water	1,306	850	1,500	850	-43%
Interfund Transfers-Expenditure	100	100	100	100	0%
OPERATING EXPENSES	4,181	1,050	1,690	1,050	-38%
Contractual Services	282	2,800	2,990	2,800	-6%
CONTRACTED SERVICES	282	2,800	2,990	2,800	-6%
TOTAL EXPENSES	10,313	7,340	10,741	10,710	0%

ENDING FUND BALANCE \$ 4,437 \$ 6,092 \$ 3,366 \$ 2,326

DRAFT

SERIOUS TRAFFIC OFFENDER PROGRAM (STOP)**FUND 23**

BEGINNING FUND BALANCE \$ 36,025 \$ 30,487 \$ 30,495 \$ 33,342

REVENUE

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Impound Fee Share	6,890	7,000	5,500	6,000	9%
Interest	200	100	250	200	-20%
Total Revenue	7,090	7,100	5,750	6,200	8%

TOTAL RESOURCES \$ 43,115 \$ 37,587 \$ 36,245 \$ 39,542

EXPENSES

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Salaries	1,782	1,780	1,700	1,750	3%
Health Benefits	90	90	90	90	0%
Deferred Compensation	60	60	60	60	0%
Workers Compensation Insurance	-	100	-	25	-
Medicare	27	30	27	30	11%
Long Term Disability	14	10	15	60	300%
Retirement	325	380	380	380	0%
SALARIES & BENEFITS	2,297	2,450	2,272	2,395	5%
General Expenditure	10,269	-	-	-	-
Mileage	56	100	75	100	33%
Training	-	-	556	200	-64%
OPERATING EXPENSES	10,325	100	631	300	-52%
TOTAL EXPENSES	12,622	2,550	2,903	2,695	-7%
ENDING FUND BALANCE	\$ 30,495	\$ 35,037	\$ 33,342	\$ 36,847	

DRAFT

SELF-INSURED WORKERS COMPENSATION RESERVE**FUND 25**

BEGINNING FUND BALANCE \$ 582,802 \$ 692,371 \$ 541,329 \$ 527,414

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Other Revenues	132,639	-	1,846	-	-100%
Interest	5,369	1,400	4,870	4,000	-18%
Total Revenue	138,008	1,400	6,716	4,000	-40%

TOTAL RESOURCES \$ 720,810 \$ 693,771 \$ 548,045 \$ 531,414

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Claims Paid	-	-	-	-	-
Credit Card and Bank Fees	297	-	75	100	33%
Estimated Claims payable	179,184	-	556	200	-64%
Interfund Transfers-Expenditure	-	100,000	20,000	20,000	0%
OPERATING EXPENSES	179,481	100,000	20,631	20,300	-2%

TOTAL EXPENSES 179,481 100,000 20,631 20,300 -2%

ENDING FUND BALANCE \$ 541,329 \$ 593,771 \$ 527,414 \$ 511,114

DRAFT

STORM WATER PROGRAM

FUND 26

BEGINNING FUND BALANCE \$ - \$ (6,035) \$ (6,302) \$ -

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Storm Water Fees/Commercial	47,964	47,000	48,000	48,000	0%
Storm Water Fees/Discretionary	9,738	10,000	13,483	13,000	-4%
Interfund Transfer Revenue	117,329	154,030	66,267	183,992	178%
Total Revenue	\$ 175,032	\$ 211,030	\$ 127,750	\$ 244,992	92%

TOTAL RESOURCES \$ 175,032 \$ 204,995 \$ 121,448 \$ 244,992

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Salaries	25,852	25,780	25,504	26,642	4%
Overtime	-	90	352	-	-100%
Health Benefits	2,966	2,970	2,994	3,069	3%
Employee Assistance Program	-	10	-	-	-
Workers Compensation Insurance	-	500	-	-	-
Medicare	385	370	381	386	0%
Life Insurance	-	10	8	10	22%
Long Term Disability	337	340	337	340	1%
Retirement	4,785	6,310	6,779	2,030	-70%
SALARIES & BENEFITS	34,325	36,380	36,355	32,477	-11%

General Expenditure	146,654	15,000	14,230	15,000	5%
Mileage	87	350	280	350	25%
Training	-	1,300	1,300	1,300	0%
Repair & Maintenance - Storm Grates	-	-	-	15,000	-
OPERATING EXPENSES	146,741	16,650	15,810	31,650	100%

Professional Services	-	55,000	28,991	55,000	90%
CONTRACTED SERVICES	-	55,000	28,991	55,000	90%

MOU Cost Share Agreement	-	103,000	40,292	95,865	138%
Mandated Storm Grates	-	-	-	30,000	-
CAPITAL EXPENSES	-	103,000	40,292	125,865	212%

TOTAL EXPENSES \$ 181,066 \$ 211,030 \$ 121,448 \$ 244,992 101.7%

ENDING FUND BALANCE \$ (6,302) \$ (6,040) \$ - \$ -

DRAFT

REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM

FUND 27

BEGINNING FUND BALANCE \$ 462,955 \$ 330,725 \$ 517,806 \$ 572,390

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Interest	2,997	-	4,100	200	-95%
RTCIP Fees	51,854	50,000	50,484	50,000	-1%
Total Revenue	\$ 54,851	\$ 50,000	\$ 54,584	\$ 50,200	-8%

TOTAL RESOURCES \$ 517,806 \$ 380,725 \$ 572,390 \$ 622,590

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
LG Realignment Project	-	-	-	622,590	-
CAPITAL EXPENSES	-	-	-	622,590	-

TOTAL EXPENSES \$ - \$ - \$ - \$ 622,590 -

ENDING FUND BALANCE \$ 517,806 \$ 380,725 \$ 572,390 \$ -

SELF-INSURED LIABILITY RESERVE**FUND 29**

BEGINNING FUND BALANCE \$ 464,400 \$ 392,588 \$ 442,588 \$ 309,838

REVENUE

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Interest	2,725	4,000	3,250	3,200	-2%
Dividends	-	5,000	-	-	-
Total Revenue	2,725	9,000	3,250	3,200	-2%

TOTAL RESOURCES \$ 467,125 \$ 401,588 \$ 445,838 \$ 313,038

EXPENSES

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Claims Paid	9,485	20,000	105,000	20,000	-81%
Safety Loss Prevention Regulat	475	10,000	6,000	10,000	67%
OPERATING EXPENSES	9,960	30,000	111,000	30,000	-73%

Professional Services	14,577	15,000	25,000	15,000	-40%
CONTRACTED SERVICES	14,577	15,000	25,000	15,000	-40%

TOTAL EXPENSES 24,537 45,000 136,000 45,000 -67%

ENDING FUND BALANCE \$ 442,588 \$ 356,588 \$ 309,838 \$ 268,038

DRAFT

PUBLIC EDUCATION & GOVERNMENTAL ACCESS (PEG)**FUND 30**

BEGINNING FUND BALANCE \$ 215,111 \$ 243,385 \$ 243,385 \$ 269,680

REVENUE

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Interest	1,298	500	1,750	1,500	-14%
Revenues-PEG	61,883	60,000	60,432	60,400	0%
Total Revenue	63,181	60,500	62,182	61,900	0%

TOTAL RESOURCES \$ 278,292 \$ 303,885 \$ 305,567 \$ 331,580

EXPENSES

Account Description	2016-2017	2017-2018	2017-2018	2018-2019	% Change
	Actual	Budget	Projected	Budget	
Computer Maintanance	34,907	36,000	31,887	36,000	13%
OPERATING EXPENSES	34,907	36,000	31,887	36,000	13%
Professional Services	-	1,000	4,000	4,000	0%
CONTRACTED SERVICES	-	1,000	4,000	4,000	0%
TOTAL EXPENSES	34,907	37,000	35,887	40,000	11%

ENDING FUND BALANCE \$ 243,385 \$ 266,885 \$ 269,680 \$ 291,580

SAFETY CAPITAL RESERVE
FUND 32

BEGINNING FUND BALANCE \$ 213,609 \$ 180,000 \$ 180,000 \$ 40,000

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Interest	1,298	-	7,200	-	-100%
Total Revenue	1,298	-	7,200	-	-100%

TOTAL RESOURCES \$ 214,907 \$ 180,000 \$ 187,200 \$ 40,000

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Repair and Maintenance-Facilit	34,907	-	40,000	20,000	-50%
OPERATING EXPENSES	34,907	-	40,000	20,000	-50%
Capital Improvements	-	180,000	107,200	20,000	-81%
CAPITAL EXPENSES	-	180,000	107,200	20,000	-81%
TOTAL EXPENSES	34,907	180,000	147,200	40,000	-73%

ENDING FUND BALANCE \$ 180,000 \$ - \$ 40,000 \$ -

DRAFT

MAIN STREET PROMENADE COMMUNITY FACILITIES DISTRICT**FUND 33**

BEGINNING FUND BALANCE \$ (1,603) \$ (1,414) \$ (1,415) \$ 6,182

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Assessment Revenue	11,746	8,700	11,747	11,747	0%
Total Revenue	11,746	8,700	11,747	11,747	0%

TOTAL RESOURCES \$ 10,143 \$ 7,286 \$ 10,332 \$ 17,929

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Repairs and Maintenance	-	500	-	1,500	-
Utilities-Gas and Electric	2,052	3,000	2,250	2,500	11%
Utilities-Water	407	500	400	500	25%
OPERATING EXPENSES	2,459	4,000	2,650	4,500	70%
Contractual Services	9,099	10,000	1,500	7,200	380%
CONTRACTED SERVICES	9,099	10,000	1,500	7,200	380%
TOTAL EXPENSES	11,558	14,000	4,150	11,700	182%

ENDING FUND BALANCE \$ (1,415) \$ (6,714) \$ 6,182 \$ 6,229

DRAFT

SUCCESSOR AGENCY FUNDS 60 & 64

BEGINNING FUND BALANCE \$ (15,118,729) \$ (12,405,264) \$ (14,001,863) \$ (14,175,596)

REVENUE

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Other Revenue	-	-	1,100	1,000	-9%
ROPS Reimbursement	2,229,896	2,400,000	2,148,571	1,932,090	-10%
Interest	32,415	-	6,500	6,500	0%
Total Revenue	\$ 2,262,311	\$ 2,400,000	\$ 2,156,171	\$ 1,939,590	-10%

TOTAL RESOURCES \$ (12,856,418) \$ (10,005,264) \$ (11,845,692) \$ (12,236,006)

EXPENSES

Account Description	2016-2017 Actual	2017-2018 Budget	2017-2018 Projected	2018-2019 Budget	% Change
Administrative Reimbursement	-	100,000	60,000	80,000	33%
Interest Expense-2007 Bond	552,264	547,278	777,079	538,412	-31%
Interest Expense-2010 Bond	281,665	280,068	386,475	265,043	-31%
Interest Expense-2014 Bond	213,500	211,875	300,742	208,636	-31%
OPERATING EXPENSES	1,047,430	1,139,221	1,524,296	1,092,091	-28%
Professional Services	2,420	6,000	4,840	6,000	24%
CONTRACTED SERVICES	2,420	6,000	4,840	6,000	24%
CIP-Lemon Grove Realignment	95,595	1,971,000	800,768	1,100,000	37%
CAPITAL EXPENSES	95,595	1,971,000	800,768	1,100,000	37%
TOTAL EXPENSES	\$ 1,145,445	\$ 3,116,221	\$ 2,329,904	\$ 2,198,091	-6%

ENDING FUND BALANCE \$ (14,001,863) \$ (13,121,485) \$ (14,175,596) \$ (14,434,097)

In addition, the following principal payments have or will be made but do not impact fund balance

2007 Tax Allocation Bond - principal	205,000	215,000	215,000	225,000
2010 Tax Allocation Bond - principal	365,000	380,000	380,000	395,000
2014 Tax Allocation Bond - principal	115,000	115,000	115,000	120,000
TOTAL BOND PRINCIPAL PAYMENTS	\$ 685,000	\$ 710,000	\$ 710,000	\$ 740,000

DRAFT

APPENDIX

DRAFT FY 2018-19 BUDGET



DRAFT

SALARY PLAN

FY 2018-19

<u>ACCOUNT CLERK</u>	<u>RANGE</u>	A	B	C	D	E
	17.2					
ANNUAL		29,437.20	30,909.06	32,460.48	34,091.46	35,782.11
MONTHLY		2,453.10	2,575.76	2,705.04	2,840.96	2,981.84
BI-WEEKLY		1,132.20	1,188.81	1,248.48	1,311.21	1,376.24
HOURLY		14.80	15.54	16.32	17.14	17.99
<u>ACCOUNTING ANALYST</u>						
	32.7					
ANNUAL		62,733.06	65,875.68	69,157.53	72,618.39	76,258.26
MONTHLY		5,227.76	5,489.64	5,763.13	6,051.53	6,354.86
BI-WEEKLY		2,412.81	2,533.68	2,659.91	2,793.02	2,933.01
HOURLY		31.54	33.12	34.77	36.51	38.34
<u>ADMINISTRATIVE ASSISTANT</u>						
	24.2					
ANNUAL		41,430.87	43,499.43	45,687.33	47,954.79	50,361.48
MONTHLY		3,452.57	3,624.95	3,807.28	3,996.23	4,196.79
BI-WEEKLY		1,593.50	1,673.06	1,757.21	1,844.42	1,936.98
HOURLY		20.83	21.87	22.97	24.11	25.32
<u>ADMINISTRATIVE ANALYST</u>						
	29.7					
ANNUAL		54,180.36	56,905.29	59,749.56	62,733.06	65,875.68
MONTHLY		4,515.03	4,742.11	4,979.13	5,227.76	5,489.64
BI-WEEKLY		2,083.86	2,188.67	2,298.06	2,412.81	2,533.68
HOURLY		27.24	28.61	30.04	31.54	33.12
<u>ASSISTANT CITY MANAGER/PUBLIC WORKS DIRECTOR</u>						
	52.2					
ANNUAL		127,276.11	133,621.02	140,304.06	147,325.23	154,684.53
MONTHLY		10,606.34	11,135.09	11,692.01	12,277.10	12,890.38
BI-WEEKLY		4,895.24	5,139.27	5,396.31	5,666.36	5,949.41
		63.99	67.18	70.54	74.07	77.77
<u>ASSISTANT ENGINEER</u>						
	32.7					
ANNUAL		62,733.06	65,875.68	69,157.53	72,618.39	76,258.26
MONTHLY		5,227.76	5,489.64	5,763.13	6,051.53	6,354.86
BI-WEEKLY		2,412.81	2,533.68	2,659.91	2,793.02	2,933.01
HOURLY		31.54	33.12	34.77	36.51	38.34
<u>ASSISTANT PLANNER</u>						
	32.7					
ANNUAL		62,733.06	65,875.68	69,157.53	72,618.39	76,258.26
MONTHLY		5,227.76	5,489.64	5,763.13	6,051.53	6,354.86
BI-WEEKLY		2,412.81	2,533.68	2,659.91	2,793.02	2,933.01
HOURLY		31.54	33.12	34.77	36.51	38.34
<u>ASSOCIATE ACCOUNTANT</u>						
	29.7					
ANNUAL		54,180.36	56,905.29	59,749.56	62,733.06	65,875.68
MONTHLY		4,515.03	4,742.11	4,979.13	5,227.76	5,489.64
BI-WEEKLY		2,083.86	2,188.67	2,298.06	2,412.81	2,533.68
HOURLY		27.24	28.61	30.04	31.54	33.12

DRAFT

ASSOCIATE CIVIL ENGINEER

	36.5	A	B	C	D	E
ANNUAL		74,030.58	77,750.01	81,628.56	85,706.01	90,002.25
MONTHLY		6,169.22	6,479.17	6,802.38	7,142.17	7,500.19
BI-WEEKLY		2,847.33	2,990.39	3,139.56	3,296.39	3,461.63
HOURLY		37.22	39.09	41.04	43.09	45.25

ASSOCIATE PLANNER

	33.4	A	B	C	D	E
ANNUAL		64,920.96	68,163.03	71,564.22	75,144.42	78,903.63
MONTHLY		5,410.08	5,680.25	5,963.69	6,262.04	6,575.30
BI-WEEKLY		2,496.96	2,621.66	2,752.47	2,890.17	3,034.76
HOURLY		32.64	34.27	35.98	37.78	39.67

BATTALION CHIEF

	36.2	A	B	C	D	76.5 SHIFT Y
ANNUAL		89,649.41	95,655.94	102,064.93	109,005.33	118,074.70
MONTHLY		7,470.78	7,971.33	8,505.41	9,083.78	9,839.56
BI-WEEKLY (106 hrs)		3,448.05	3,679.07	3,925.57	4,192.51	4,541.33
HOURLY (2,756 hrs/yr)		32.53	34.71	37.03	39.55	42.84
MONTHLY (56 hrs/wk. RATE) (53 regular + 3 sch'd OT)		7,926.74	8,457.84	9,024.52	9,638.18	

CITY CLERK

	33.6	A	B	C	D	E
ANNUAL		70,868.07	74,408.49	78,127.92	82,026.36	86,143.59
MONTHLY		5,905.67	6,200.71	6,510.66	6,835.53	7,178.63
BI-WEEKLY		2,725.70	2,861.87	3,004.92	3,154.86	3,313.22
HOURLY		35.63	37.41	39.28	41.24	43.31

CITY MANAGER

CONTRACT						175,000.00
						14,583.33
						6,730.77
						87.98

CODE ENFORCEMENT OFFICER

	26.2	A	B	C	D	E
		22.97	24.11	25.32	26.59	27.92

CODE ENFORCEMENT OFFICER/WATER QUALITY INSPECTOR

	29.7	A	B	C	D	E
ANNUAL		54,180.36	56,905.29	59,749.56	62,733.06	65,875.68
MONTHLY		4,515.03	4,742.11	4,979.13	5,227.76	5,489.64
BI-WEEKLY		2,083.86	2,188.67	2,298.06	2,412.81	2,533.68
HOURLY		27.24	28.61	30.04	31.54	33.12

COMMUNITY SERVICES ASSISTANT

	19.1	A	B	C	D	E
ANNUAL		32,301.36	33,912.45	35,622.99	37,393.10	39,262.86
MONTHLY		2,691.78	2,826.04	2,968.58	3,116.10	3,271.91
BI-WEEKLY		1,242.36	1,304.33	1,370.12	1,438.20	1,510.11
HOURLY		16.24	17.05	17.91	18.80	19.74

DRAFT

COMMUNITY SERVICES SUPERINTENDENT

	36.1	A	B	C	D	E
ANNUAL		74,030.58	77,750.01	81,628.56	85,706.01	90,002.25
MONTHLY		6,169.22	6,479.17	6,802.38	7,142.17	7,500.19
BI-WEEKLY		2,847.33	2,990.39	3,139.56	3,296.39	3,461.63
HOURLY		37.22	39.09	41.04	43.09	45.25

DEVELOPMENT SERVICES DIRECTOR

	42.2	A	B	C	D	E
ANNUAL		99,708.57	104,700.96	109,932.03	115,441.56	121,209.66
MONTHLY		8,309.05	8,725.08	9,161.00	9,620.13	10,100.81
BI-WEEKLY		3,834.95	4,026.96	4,228.16	4,440.06	4,661.91
HOURLY		50.13	52.64	55.27	58.04	60.94

DEVELOPMENT SERVICES TECHNICIAN II

	29.7	A	B	C	D	E
ANNUAL		54,180.36	56,905.29	59,749.56	62,733.06	65,875.68
MONTHLY		4,515.03	4,742.11	4,979.13	5,227.76	5,489.64
BI-WEEKLY		2,083.86	2,188.67	2,298.06	2,412.81	2,533.68
HOURLY		27.24	28.61	30.04	31.54	33.12

ENGINEERING INSPECTOR

	29.7	A	B	C	D	E
ANNUAL		54,180.36	56,905.29	59,749.56	62,733.06	65,875.68
MONTHLY		4,515.03	4,742.11	4,979.13	5,227.76	5,489.64
BI-WEEKLY		2,083.86	2,188.67	2,298.06	2,412.81	2,533.68
HOURLY		27.24	28.61	30.04	31.54	33.12

ENGINEERING TECH III

	29.7	A	B	C	D	E
ANNUAL		54,180.36	56,905.29	59,749.56	62,733.06	68,845.68
MONTHLY		4,515.03	4,742.11	4,979.13	5,227.76	5,489.64
BI-WEEKLY		2,083.86	2,188.67	2,298.06	2,412.81	2,533.86
HOURLY		27.24	28.61	30.04	31.54	33.12

EXECUTIVE ASSISTANT

	22.6	A	B	C	D	E
ANNUAL		41,430.87	43,499.43	45,687.33	47,954.79	50,361.48
MONTHLY		3,452.57	3,624.95	3,807.28	3,996.23	4,196.79
BI-WEEKLY		1,593.50	1,673.06	1,757.21	1,844.42	1,936.98
HOURLY		20.83	21.87	22.97	24.11	25.32

FACILITY TECH I

	15.4	A	B	C	D	E
ANNUAL		30,610.71	32,142.24	33,753.33	35,443.98	37,194.30
MONTHLY		2,550.89	2,678.52	2,812.78	2,953.67	3,099.53
BI-WEEKLY		1,177.34	1,236.24	1,298.21	1,363.23	1,430.55
HOURLY		15.39	16.16	16.97	17.82	18.70

FACILITY TECH II

	19.4	A	B	C	D	E
ANNUAL		37,214.19	39,063.96	41,033.07	43,081.74	45,229.86
MONTHLY		3,101.18	3,255.33	3,419.42	3,590.15	3,769.16
BI-WEEKLY		1,431.32	1,502.46	1,578.20	1,656.99	1,739.61
HOURLY		18.71	19.64	20.63	21.66	22.74

DRAFT

FINANCE MANAGER

	36.1	A	B	C	D	E
ANNUAL		74,030.58	77,750.01	81,628.56	85,706.01	90,002.25
MONTHLY		6,169.22	6,479.17	6,802.38	7,142.17	7,500.19
BI-WEEKLY		2,847.33	2,990.39	3,139.56	3,296.39	3,461.63
HOURLY		37.22	39.09	41.04	43.09	45.25

FIRE CAPTAIN

	38.45	A	B	C	D	E
ANNUAL		84,967.91	90,660.82	96,735.08	103,313.15	
MONTHLY		7,080.66	7,555.07	8,061.26	8,609.43	
BI-WEEKLY (106 hrs)		3,268.00	3,486.95	3,720.58	3,973.58	
HOURLY (2,756 hrs/yr)		30.83	32.90	35.10	37.49	

**MONTHLY (56 hrs/wk. RATE)
(53 regular + 3 sch'd OT)**

7,512.81 8,016.17 8,553.26 9,134.88

FIRE DIVISION CHIEF

	43.75	A	B	C	D	E
ANNUAL		107,585.01	112,955.31	118,623.96	124,531.29	130,776.75
MONTHLY		8,965.42	9,412.94	9,885.33	10,337.61	10,898.06
BI-WEEKLY		4,137.89	4,344.44	4,562.46	4,789.67	5,029.88
HOURLY		54.09	56.79	59.64	62.61	65.75

FIRE ENGINEER

	34.25	A	B	C	D	E
ANNUAL		69,224.64	73,862.70	78,811.44	84,143.00	
MONTHLY		5,768.72	6,155.23	6,567.62	7,011.92	
BI-WEEKLY (106 hrs)		2,662.49	2,840.87	3,031.21	3,236.27	
HOURLY (2,756 hrs/yr)		25.12	26.80	28.60	30.53	

**MONTHLY (56 hrs/wk. RATE)
(53 regular + 3 sch'd OT)**

6,120.80 6,530.89 6,968.46 7,439.87

FIRE PREVENTION/PUBLIC EDUCATION SPECIALIST

	24.5	A	B	C	D	E
HOURLY		23.08	24.23	26.45	26.72	28.08

FIREFIGHTER/PARAMEDIC

	30.1	A	B	C	D	E
ANNUAL		66,574.57	68,804.82	71,035.08	75,794.37	80,948.50
MONTHLY		5,547.88	5,733.74	5,919.59	6,316.20	6,745.71
BI-WEEKLY (106 hrs)		2,560.56	2,646.34	2,732.12	2,915.17	3,113.40
HOURLY (2,756 hrs/yr)		24.16	24.97	25.77	27.50	29.37

**MONTHLY (56 hrs/wk. RATE)
(53 regular + 3 sch'd OT)**

5,886.48 6,083.68 6,280.88 6,701.69 7,157.42

HUMAN RESOURCES MANAGER

	36.1	A	B	C	D	E
ANNUAL		74,030.58	77,750.01	81,628.56	85,706.01	90,002.25
MONTHLY		6,169.22	6,479.17	6,802.38	7,142.17	7,500.19
BI-WEEKLY		2,847.33	2,990.39	3,139.56	3,296.39	3,461.63
HOURLY		37.22	39.09	41.04	43.09	45.25

DRAFT

<u>LICENSE CLERK</u>						
	21.0	A	B	C	D	E
ANNUAL		35,443.98	37,214.19	39,063.96	41,033.07	43,081.74
MONTHLY		2,953.67	3,101.18	3,255.33	3,419.42	3,590.15
BI-WEEKLY		1,363.23	1,431.32	1,502.46	1,578.20	1,656.99
HOURLY		17.82	18.71	19.64	20.63	21.66
<u>MAINTENANCE SERVICE WORKER</u>						
	21.0	A	B	C	D	E
ANNUAL		23,291.19	24,464.70	25,697.88	26,970.84	28,323.36
MONTHLY		1,940.93	2,038.73	2,141.49	2,247.57	2,360.28
BI-WEEKLY		895.82	940.95	988.38	1,037.34	1,089.36
HOURLY		11.71	12.30	12.92	13.56	14.24
<u>MANAGEMENT ANALYST</u>						
	33.2	A	B	C	D	E
ANNUAL		64,284.48	67,486.77	70,868.07	74,408.49	78,127.92
MONTHLY		5,357.04	5,623.90	5,905.67	6,200.71	6,510.66
BI-WEEKLY		2,472.48	2,595.65	2,725.70	2,861.87	3,004.92
HOURLY		32.32	33.93	35.63	37.41	39.28
<u>OFFICE AID</u>						
	10.8	A	B	C	D	E
HOURLY		11.37	11.94	12.54	13.16	13.82
<u>PARK RANGER</u>						
	19.6	A	B	C	D	E
HOURLY		16.65	17.48	18.35	19.27	20.23
<u>PRINCIPAL PLANNER</u>						
	36.1	A	B	C	D	E
ANNUAL		74,030.58	77,750.01	81,628.01	85,706.01	90,002.25
MONTHLY		6,169.22	6,479.17	6,802.38	7,142.17	7,500.19
BI-WEEKLY		2,847.33	2,990.39	3,139.56	3,296.39	3,461.63
HOURLY		37.22	39.09	41.04	43.09	45.25
<u>PUBLIC WORKS SECRETARY</u>						
	21.0	A	B	C	D	E
ANNUAL		35,443.98	37,214.19	39,063.96	41,033.07	43,081.74
MONTHLY		2,953.67	3,101.18	3,255.33	3,419.42	3,590.15
BI-WEEKLY		1,363.23	1,431.32	1,502.46	1,578.20	1,656.99
HOURLY		17.82	18.71	19.64	20.63	21.66
<u>PUBLIC WORKS SUPERINTENDENT</u>						
	36.1	A	B	C	D	E
ANNUAL		74,030.58	77,750.01	81,628.56	85,706.01	90,002.25
MONTHLY		6,169.22	6,479.17	6,802.38	7,142.17	7,500.19
BI-WEEKLY		2,847.33	2,990.39	3,139.56	3,296.39	3,461.63
HOURLY		37.22	39.09	41.04	43.09	45.25
<u>RECREATION LEADER I</u>						
	10	A	B	C	D	E
HOURLY		11.00	11.55	12.13	12.73	13.37
<u>RECREATION LEADER II</u>						
	10	A	B	C	D	E
HOURLY		11.71	12.30	12.92	13.56	14.24

DRAFT

SANITATION SUPERVISOR

	27.5	A	B	C	D	E
ANNUAL		48,670.83	51,117.30	53,663.22	56,348.37	59,172.75
MONTHLY		4,055.90	4,259.78	4,471.94	4,695.70	4,931.06
BI-WEEKLY		1,871.96	1,966.05	2,063.97	2,167.25	2,275.88
HOURLY		24.47	25.70	26.98	28.33	29.75

SENIOR PLANNER

	34.4	A	B	C	D	E
ANNUAL		68,163.03	71,564.22	75,144.42	78,903.63	82,841.85
MONTHLY		5,680.25	5,963.69	6,262.04	6,575.30	6,903.49
BI-WEEKLY		2,621.66	2,752.47	2,890.17	3,034.76	3,186.23
HOURLY		34.27	35.98	37.78	39.67	41.65

STREET SUPERVISOR

	27.5	A	B	C	D	E
ANNUAL		48,670.83	51,117.30	53,663.22	56,348.37	59,172.75
MONTHLY		4,055.90	4,259.78	4,471.94	4,695.70	4,931.06
BI-WEEKLY		1,871.96	1,966.05	2,063.97	2,167.25	2,275.88
HOURLY		24.47	25.70	26.98	28.33	29.75

STREET TECHNICIAN I

	18	A	B	C	D	E
ANNUAL		30,610.71	32,142.24	33,753.33	35,443.98	37,194.30
MONTHLY		2,550.89	2,678.52	2,812.78	2,953.67	3,099.53
BI-WEEKLY		1,177.34	1,236.24	1,298.21	1,363.23	1,430.55
HOURLY		15.39	16.16	16.97	17.82	18.70

STREET TECHNICIAN II

	22	A	B	C	D	E
ANNUAL		37,214.19	39,063.96	41,033.07	43,081.74	45,229.86
MONTHLY		3,101.18	3,255.33	3,419.42	3,590.15	3,769.16
BI-WEEKLY		1,431.32	1,502.46	1,578.20	1,656.99	1,739.61
HOURLY		18.71	19.64	20.63	21.66	22.74

TECHNICIAN I

	18	A	B	C	D	E
ANNUAL		30,610.71	32,142.24	33,753.33	35,443.98	37,194.30
MONTHLY		2,550.89	2,678.52	2,812.78	2,953.67	3,099.53
BI-WEEKLY		1,177.34	1,236.24	1,298.21	1,363.23	1,430.55
HOURLY		15.39	16.16	16.97	17.82	18.70

TECHNICIAN II

	22	A	B	C	D	E
ANNUAL		37,214.19	39,063.96	41,033.07	43,081.74	45,229.86
MONTHLY		3,101.18	3,255.33	3,419.42	3,590.15	3,769.16
BI-WEEKLY		1,431.32	1,502.46	1,578.20	1,656.99	1,739.61
HOURLY		18.71	19.64	20.63	21.66	22.74

DRAFT

CLASSIFICATION SUMMARY

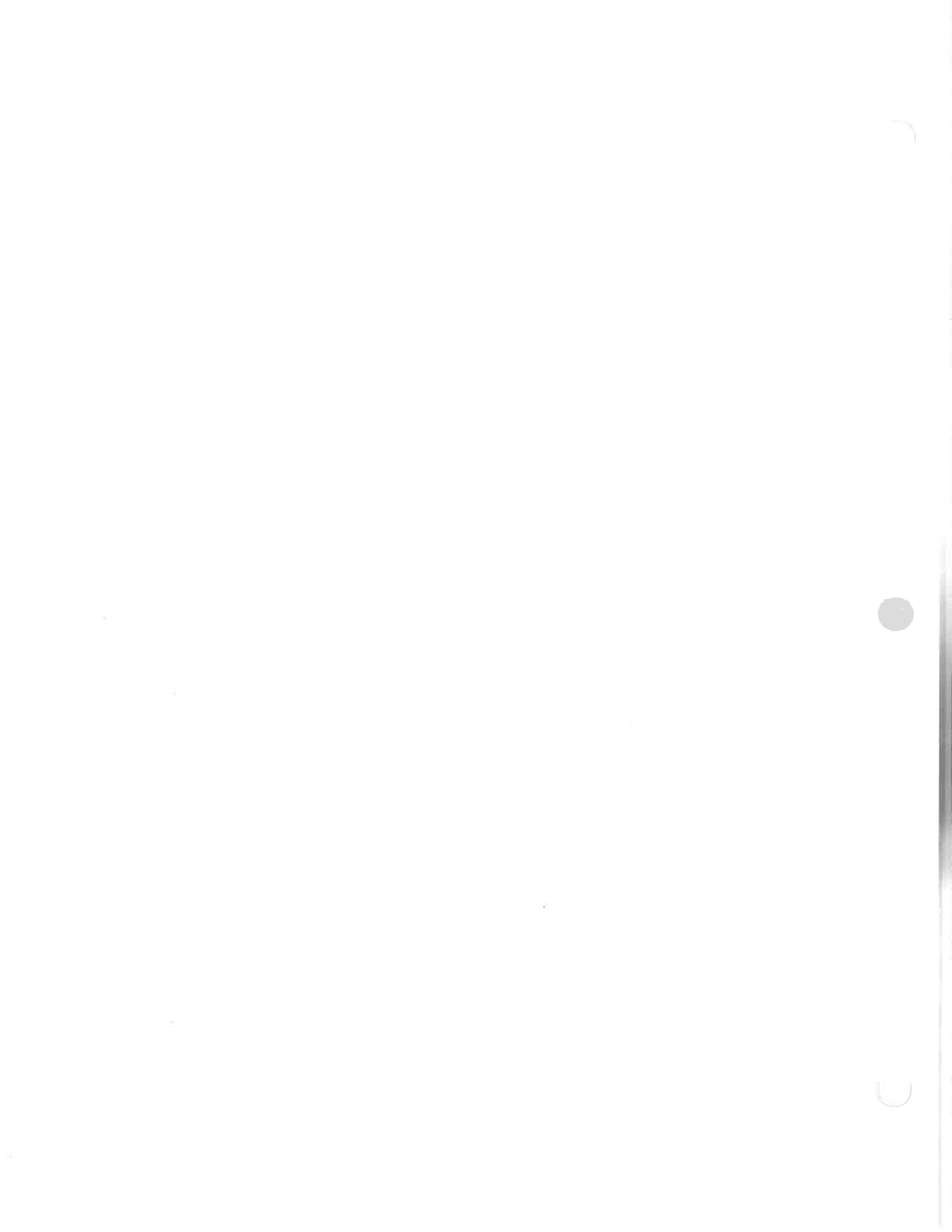
FY 2018-19

CLASS TITLE/GROUP/STATUS	RANGE NO.	SALARY RANGE	# OF AUTHORIZED EMPLOYEES**
CLASSIFIED			
CLERICAL / ADMIN SUPPORT GROUP			
		MONTHLY	
Account Clerk	17.2	2,453 - 2,982	1
Administrative Assistant	24.2	3,453 - 4,197	1
Community Services Assistant	19.1	2,692 - 3,272	1
Executive Assistant	24.2	3,453 - 4,197	1
License Clerk	21	2,954 - 3,590	1
Public Works Secretary	21	2,954 - 3,590	1
			<hr/> 6
OPERATIONS / MAINTENANCE GROUP			
Community Services Superintendent	36.1	6,169 - 7,500	1
Facility Tech I	18	2,551 - 3,100	1
Facility Tech II	22	3,101 - 3,769	1
Public Works Superintendent	36.1	6,169 - 7,500	1
Sanitation Supervisor	27.5	4,056 - 4,931	1
Street Supervisor	27.5	4,056 - 4,931	1
Street Technician I	18	2,551 - 3,100	2
Street Technician II	22	3,101 - 3,769	3
Technician I	18	2,551 - 3,100	2
Technician II	22	3,101 - 3,769	2
			<hr/> 15
PUBLIC SAFETY GROUP			
Fire Captain	38.5	6,925 - 8,420	6
Fire Engineer	34.3	5,642 - 6,858	6
Firefighter/Paramedic	33.5	5,608 - 6,597	6
			<hr/> 18
PROFESSIONAL / TECHNICAL GROUP			
Accounting Analyst	32.7	5,228 - 6,355	1
Administrative Analyst	29.7	4,515 - 5,490	1
Assistant Engineer	32.7	5,228 - 6,355	1
Assistant Planner	32.7	5,228 - 6,355	1
Associate Accountant	29.7	4,515 - 5,490	1
Associate Civil Engineer	36.5	6,169 - 7,500	0
Associate Planner	33.4	5,410 - 6,575	1
City Clerk	35.2	5,906 - 7,179	1
Code Enforcement Officer/Water Quality Inspector	29.7	4,515 - 5,490	1
Development Services Technician II	29.7	4,515 - 5,490	1
Engineering Inspector	29.7	4,515 - 5,490	1
Engineering Tech III	29.7	4,515 - 5,490	0
Finance Manager	36.1	6,169 - 7,500	1
Fire Inspector	26.3	3,826 - 4,654	1
Human Resources Manager	36.1	6,169 - 7,500	1
Management Analyst	33.2	5,357 - 6,511	2
Principal Planner	36.1	6,169 - 7,500	0
Senior Planner	34.4	5,680 - 6,903	0
			<hr/> 15

DRAFT

CLASS TITLE/GROUP/STATUS	RANGE NO.	SALARY RANGE	# OF AUTHORIZED EMPLOYEES**
UNCLASSIFIED			
MANAGEMENT GROUP			
Assistant City Manager/Public Works Director	52.2	10,606 - 12,890	1
Battalion Chief	40.6	7,306 - 9,623	1
City Manager (contract)	---	14,583 - 14,583	1
Development Services Director	42.2	8,309 - 10,101	1
Fire Division Chief	43.8	8,965 - 10,898	1
			<u>5</u>
PART-TIME/TEMPORARY/SEASONAL/OTHER		HOURLY	
Class Instructor * (other)	---	11 - 25	0.5
Code Enforcement Officer	26.2	22.97 - 27.92	0
Engineer (other)	---	15.02 - 18.26	0
Fire Prevention/Public Education Specialist *	26.3	21.55 - 26.2	0.5
Intern*	---	11 - 15	1
Office Aid*	10.8	11.37 - 13.82	2
Maintenance Service Worker*	12.4	10.83 - 13.17	3.5
Park Ranger	19.6	15.02 - 18.26	0.5
Recreation Leader I *	10	11 - 13.37	2.25
Recreation Leader II *	12.4	11.71 - 14.24	2.25
*Full Time Equivalent (fte)			<u>12.5</u>
TOTAL EMPLOYEES:			<u>71.5</u>

DRAFT



LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY

ATTACHMENT E

Item No. 3
Mtg. Date July 3, 2018
Dept. City Manager

Item Title: Revenue Options Requiring Voter Approval

Staff Contact: Lydia Romero, City Manager and James Lough, City Attorney

Recommendation:

Review and Discuss options for revenue options to place on the November ballot

Item Summary:

During the pre-budget discussions and draft budget discussions staff presented several concepts to raise revenue to diversify our revenue stream for the general fund. The staff report goes into more detail on these options. All the options discussed do require voter approval.

Fiscal Impact:

None.

Environmental Review:

- Not subject to review Negative Declaration
 Categorical Exemption, Section Mitigated Negative Declaration

Public Information:

- None Newsletter article Notice to property owners within 300 ft.
 Notice published in local newspaper Neighborhood meeting

Attachments:

- A. Staff Report E. Staff Report from June 19, 2018
B. Sample Resolution – Business License F. HDL TUT Estimate
C. Sample Resolution - Transaction and Use Tax (Local Sales Tax)
D. Sample Resolution Utility Users Tax

LEMON GROVE CITY COUNCIL
STAFF REPORT

Item No. 3

Mtg. Date July 3, 2018

Item Title: **Revenue Options Requiring Voter Approval**

Staff Contact: Lydia Romero, City Manager

Discussion:

During the pre-budget discussions and draft budget discussions staff presented several concepts to raise revenue to diversify our revenue stream for the general fund. Below describes the options in which the City Council requested further information. Attachment E, to this report is the June 19, 2018 staff report that explains each one of the proposed revenue measures in depth. This report will add any additional information that was not included in the previous staff report.

Business License Tax Proposal

The current business license tax has not changed since it was adopted after City incorporation. The basic fee for most businesses is \$15.00 per business with a \$2.00 per employee charge for up to fifty employees. It is recommended that the fee be increased \$45.00 per business with a \$3.00 per employee charge with no per employee limit. All add-on fees will be collapsed into the flat rate. In order to keep up with inflation, it is recommended that the Business License Taxes have a cost of living adjustment built in so that businesses would continue to pay the same proportional amount of the City's tax burden on residents and businesses. Additionally, it is further recommended that the Business License Tax on marijuana businesses be based on the gross receipts of each business, with the recommended amount of 5% gross receipts tax.

Attachment B, is the sample resolution and ordinance for the recommended changes in the business licenses structure.

One half cent Sales Tax increase

In law, this type of local levy is actually called a Transaction and Use Tax (TUT). The difference between a "Transactions and Use Tax" versus "Sales and Use Tax" is a TUT may be approved locally and added to the combined state and local sales and use tax rate. A citizen's oversight committee and annual independent audits would be included to ensure that all the new revenue is used for the intended purpose to stabilize, sustain and strengthen all services funded by the City's General Fund.

In the June 19, 2018 staff report, staff received a more refined estimate from the City's Sales Tax financial consultant, HDL. In attachment, "F" the estimate is \$1.9 million for a ½ cent sales tax and \$3.9 million for a one cent sales tax. Staff is still recommending only the ½ cent sales tax as an option for the November ballot.

Attachment C, is the sample resolution and ordinance for the implantation of a Transaction and Use Tax.

Attachment A

Utility User Tax (UUT)

One hundred fifty-seven (157) cities in California and four (4) Counties impose utility user taxes. UUT's is a tax on the consumption of utility services such as electricity, gas, water, sewer, telephone (including mobile phone and long distance), sanitation and cable television. Staff would recommends a 4 percent UUT on electricity, gas, water, telephone, including cell phones and long distance services and cable television with an exemption for seniors over 62, disabled and blind. The estimated revenue would be approximately \$500,000.

Attachment D, is the sample resolution and ordinance for implementation of a Utility Users tax.

Conclusion:

Staff requests that the City Council discuss the options and direct staff to prepare draft ballot language for consideration at either the July 19th City Council Meeting.

In order to proceed with any of these revenue options, pursuant to Section 7285.9 and other applicable law, the City Council would first enact an ordinance amending the Municipal Code. This adoption would require a 4/5th vote of the City Council.

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE: (A) AMENDING RESOLUTION NO. _____ CALLING A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 6, 2018; (B) ORDERING SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY, A MEASURE RELATING TO THE AMENDMENT OF BUSINESS LICENSE FEES AND TAXES; (C) AUTHORIZING THE MAYOR TO SUBMIT BALLOT ARGUMENTS IN FAVOR OF THE MEASURES; AND (D) DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS OF THE MEASURES

WHEREAS, the City of Lemon Grove ("City") may amend its business license fees and taxes (Lemon Grove Municipal Code Section 5.04.200-5.04.420; "Business License Tax Ordinance") for general purposes with the approval of the majority of voters in the City; and

WHEREAS, the City has adopted an ordinance amending the Business License Tax Ordinance for general purposes subject to the approval of the majority of voters in the City; and

WHEREAS, the Business License Tax Ordinance, attached hereto and incorporated herein as Exhibit A, would implement Business License Tax Ordinance amendments which, if approved by voters, would take effect on January 1, 2019; and

WHEREAS, in accordance with the provisions of and State law, a General Municipal Election was called by the City Council pursuant to Resolution No. _____, to be held on Tuesday, November 6, 2018; and

WHEREAS, the City Council finds that the proposed activity is in compliance with the California Environmental Quality Act (CEQA) and it has determined that this activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because it is a financing decision without commitment to a specific project which may result in a potentially significant physical impact on the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the actions proposed are not subject to CEQA;

WHEREAS, pursuant to California Elections Code Section 9222, the City Council desires to submit the Business License Tax Ordinance to the electorate at the General Municipal Election to be held on Tuesday, November 6, 2018; and

WHEREAS, the City Council desire to authorize the City Clerk to carry-out all actions necessary to ensure placement of the Sales Tax Ordinance and the Business License Tax Ordinance on the General Municipal Election ballot that has been consolidated with the Statewide General Election Ballot; and

WHEREAS, the City Council also desires to authorize the Mayor to submit ballot arguments in favor of the measure.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lemon Grove as follows:

SECTION 1. All of the foregoing recitals are true and correct.

SECTION 2. That the City Council pursuant to its right and authority, does hereby order

submitted to the voters at the General Municipal Election on November 6, 2018, the following question:

Shall the measure to amend the Business License Tax Ordinance that has not been increased since 1978 and related fees established thereafter be amended to have local businesses pay for a share of costs of police and fire service in commercial areas and that marijuana-related businesses pay 5% of their gross receipts to pay for public safety and other general services be adopted?	YES
	NO

This question requires the approval of a simple majority (50% plus 1) of those voting.

SECTION 3. That the proposed Ordinances to be submitted to the voters is attached as Exhibits "A" and incorporated into this resolution by this reference.

SECTION 4. Pursuant to California Elections Code Section 9282, the City Council hereby acknowledges its authority, and the authority of any individual voter who is eligible to vote on the measure, or bona fide association of citizens, or any combination of voters and associations, to submit a written argument, not to exceed 300 words, for or against the measure, and authorizes the Mayor to submit arguments in favor of the measures, on behalf of the City Council. Arguments must be submitted to the City Clerk, and may be changed until and including the date fixed by the City Clerk, after which no arguments for or against the measure may be submitted, withdrawn or changed.

SECTION 5. Pursuant Elections Code section 9285, rebuttal arguments will be allowed. The rebuttal arguments may not exceed 250 words. Rebuttal arguments must be submitted to the City Clerk and may be changed until and including the date fixed by the City Clerk, after which no rebuttal arguments for or against the proposed measure may be submitted to the City Clerk. This Section 7 is applicable only to the November 6, 2018 general election called by this resolution and, after that election, shall expire.

SECTION 6. Pursuant to California Elections Code Section 9280, the City Clerk is directed to transmit a copy of the measure to the City Attorney. The City Attorney is directed to prepare an impartial analysis of the measure, not to exceed 500 words in length, showing the effect of the measure on the existing law and the operation of the measure, and transmit such impartial analyses to the City Clerk by the date fixed by the City Clerk.

SECTION 8. The City Clerk is hereby directed to forthwith file a certified copy of this resolution with the Board of Supervisors and the Registrar of Voters of the County of San Diego and to issue instructions to the Registrar of Voters to take any and all steps necessary for the holding of the election.

SECTION 9. The City Clerk shall certify to the passage and adoption of this resolution by a two-thirds vote of all members of the City Council, as required by Revenue & Taxation Code section 7285.9 and Government Code Section 53724, and file it with the City's original resolutions.

Article II. Fees

5.04.200 Amounts designated.

The amount or rate of permit fees to be paid to the city by any person for transacting, engaging in, conducting or carrying on any business, show, exhibition or game as specified in this chapter shall be as provided in the sections set forth in this article. (Ord. 25 §14, 1978)

5.04.215 Business permit processing fees.

~~Every person who applies for a business permit in the city of Lemon Grove shall pay an annual business permit processing fee. Said fee shall be due and payable upon filing of the initial business permit application, and each subsequent year at the same time as the annual business permit renewal. Said fee shall be non-refundable and shall be separate from and in addition to the annual business permit tax provided for in this chapter. The initial fee shall be established at thirty (\$30.00) dollars per Business License and may be adjusted by Resolution as part of the master fee schedule in the manner set forth below.~~

~~The amount of the business permit processing fee shall be established in the master fee schedule and adjusted in accordance with the most current United States Department of Labor, or future equivalent measurement, Cost of Living Index (San Diego Region) as needed for the cost recovery of processing each business permit, in accordance with the annual update process of the master fee schedule. (Ord. 384 § 1, 2009; Ord. 198, 1991)~~

5.04.220 Business permit tax.

Every person transacting, engaging in, conducting or carrying on any business within the city, and said business has a fixed location in and is upon the tax rolls of the city, shall pay a business permit tax as follows:

A. Base Fee. Except as otherwise provided in this article and specifically enumerated, the tax shall be an amount per year equal to a base fee of ~~forty-five~~ forty-five dollars plus ~~threetwo~~ threetwo dollars per person, ~~to and including a maximum of fifty persons,~~ for the average number of persons employed in the scope of the employer's business in the city during the year for which said permit is issued.

B. Out-of-Town Business-With Vehicles. Every person not having a fixed place of business within the city of Lemon Grove who delivers goods, wares, or merchandise of any kind by vehicle or who provides any service for the use of vehicles in the city shall pay a permit fee of ~~sixtyfourty~~ dollars per vehicle, except wholesale delivery vehicles for which the permit fee shall be ~~thirtyfifteen~~ dollars per vehicle per year.

C. Out-of-Town Business-Other. Except as provided in subdivision 1 of this subsection, every person not having a fixed place of business within the city who engages in business within the city and is not subject to the provisions of subsections A and B of this section shall pay a permit fee of ~~sixtyfourty~~ dollars plus ~~threectwo~~ dollars per employee per year.

1. Any contractor permitted pursuant to Chapter 9 (commencing with Section 7000) of Division 3 of the California Business and Professions Code shall pay a permit fee of ~~fortyfifteen~~ dollars plus ~~twethree~~ dollars per employee per year, to and including a maximum of fifty employees.

D. Notwithstanding any other provision to the contrary, a ~~medical marijuana business~~dispensary, as defined in ~~Lemon Grove Municipal Code Section 17.32.050~~, regardless of its corporate or association structure ~~that is engaged in any type of marijuana business authorized by state and local law~~, shall be subject to the following license permit ~~taxesfees and charges~~:

1. ~~A per member charge for an annual business license shall be fifteen dollars per year based on the number of members of the dispensary, as determined on a quarterly basis established by the tax collector (director of the department of finance). A gross receipts tax of five (5%) percent on all gross receipts of the business establishment doing business in Lemon Grove.~~

2. Payments under subsection (D)(1), shall be made on a quarterly basis to the finance department of the city of Lemon Grove. The city shall have the right to audit the records of any dispensary in the same manner and under the same procedures found in Lemon Grove Municipal Code Chapter 3.20 (Transient Occupancy Tax). (~~Ord. 443 § 2, 2016; Ord. 96 § 1, 1983; Ord. 25 § 15, 1978~~)

3. For purposes of this section, the following terms have the following meanings:

“Gross receipts” has the meaning as defined under subsection (D)(4), below, as it pertains to the marijuana business’ reporting period, and includes receipts

FOR DISCUSSION PURPOSES ONLY

from the sale of marijuana and from the sale of paraphernalia used for consuming marijuana and any other products, goods, or services sold or provided by the marijuana business.

“Marijuana” has the same meaning as “cannabis” as defined in California Business and Professions Code section 19300.5.

“Marijuana business” means a business activity including, but not limited to, transporting, storing, packaging, providing, or selling wholesale and/or retail sales of marijuana. A marijuana business includes any facility, building, structure or location, whether fixed, mobile, permanent, or temporary, where marijuana is made available, sold, given, distributed, or otherwise provided in accordance with California Health and Safety Code section 11362.5 and article 2.5 of chapter 6 of division 10 of the California Health and Safety Code (commencing with section 11362.7). A marijuana business includes medical marijuana “cooperatives” and “collectives” that are established as not- for profit businesses and for-profit businesses.

4. “Gross receipts,” means the gross receipts of the preceding calendar year or part thereof or such other fiscal year approved by the administrator, and is defined as follows:

The total amount actually received or receivable from all sales; the total amount of compensation actually received or receivable for the performance of any act or service, of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or service is done as part of or in connection with the sale of materials, goods, wares or merchandise; and gains realized from trading in stocks or bonds, interest discounts, rents, royalties, fees, commissions, dividends, or other emoluments, however designated. Included in “gross receipts” shall be all receipts, cash, credits and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, or losses or other expenses whatsoever, except that the following shall be excluded therefrom:

- (a) Cash discounts allowed and taken on sales;
- (b) Credit allowed on property accepted as part of the purchase price and which property may later be sold, at which time the sales price shall be included as “gross receipts”;
- (c) Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;
- (d) Such part of the sale price of property returned by purchasers upon rescission of a contract of sale as is refunded either in cash or by credit;

FOR DISCUSSION PURPOSES ONLY

(e) Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded;

(f) Amounts collected for others where the business is acting as an agent or trustee to the extent that such amounts are paid to those for whom collected, provided the agent or trustee has furnished the administrator with the names and addresses of the others and the amounts paid to them. This exclusion shall not apply to any fees, percentages, or other payments retained by the agent or trustee;

(g) Cash value of sales, trades or transactions between departments or units of the same business.

As to any person engaged in the business of manufacturing or processing any goods, wares, merchandise, article or commodity at a fixed place of business within the city which does not generate gross receipts as defined herein within the city, gross receipts shall be deemed to include the total of all expenses incurred in the manufacturing or processing of such goods at the business location within the city for payroll, utilities, depreciation, and/or rent.

As to any person engaged in the business of operating an administrative headquarters at a fixed place of business within the city who does not have gross receipts as defined herein within the city, gross receipts shall be deemed to include the total gross payroll of all persons employed at such administrative headquarters.

5.04.230 Governing conditions.

In each and every instance where a permit fee is required, the following conditions shall govern:

- A. All permits shall be payable in advance.
- B. If any person commences a new business during the calendar year, his or her permit shall be prorated on a quarterly pro rata basis for the balance of said calendar year.
- C. For any business, classified under Section 5.04.240, which is applying for a renewal of permit, said permittee shall when applying pay a permit fee based

FOR DISCUSSION PURPOSES ONLY

upon the average number of persons employed during the previous year. (Ord. 25 § 16, 1978)

5.04.240 Inspection of books and records may be required—Failure to comply.

A. In each and every instance where the amount of permit fee to be paid by any person is based upon the number of employees or the amount or number of admissions, the permittee therein named shall and will on the request of the city ~~finance treasurer~~ manager, designated by the City Manager, then and there submit for inspection to the city ~~finance manager~~ treasurer any and all books, papers, accounts, and records including state and federal income tax returns, social security returns and state sales tax returns pertaining to the business. The permit as required in this chapter may be based upon the amounts indicated in said books, papers, accounts and records.

B. In the event a permittee fails to comply with the provisions of this section, such permittee shall then be liable to the penal provisions of this chapter and shall be liable for and shall pay an additional

sum in an amount equal to one hundred percent of the correct permit fee, together with the correct amount of said permit fee as based upon the actual number of employees for said business during the calendar year for which said permit was issued. (Ord. 25 § 17, 1978)

5.04.250 Professional persons.

A. Every person conducting, managing, carrying on or engaged in any business enumerated as follows shall pay a permit fee of ~~fiftytwo~~ fiftytwo ~~five~~ dollars per year, plus ~~three~~ two dollars for the average number of employees acting within the scope of the employer's business in the city during the calendar year for which said permit is issued:

1. Accountant;
2. Architect;
3. Assayer;

4. Attorney at law;
5. Auditor;
6. Bonds (fidelity, indemnity, faithful performance or bail);
7. Chemist;
8. Chiropodist;
9. Chiropractor;
10. Dentist;
11. Engineer (civil, electrical, chemical or mechanical);
12. Insurance salesman or broker;
13. Optometrist;
14. Oculist;
15. Optician;
16. Osteopath and osteopathist;
17. Physician;
18. Stocks and bonds (federal, state, county or municipal stocks or bonds, or stocks or bonds of incorporated companies or evidences of indebtedness of private persons or of incorporated companies);
19. Surgeon;
20. Veterinarian.

B. Each professional person mentioned above who is required to be permitted as such on his profession shall, each individually, whether or not operating as an individual, partnership or associate, pay said permit fee. (Ord. 25 § 18, 1978)

5.04.260 Real estate broker.

Every person carrying on or engaged in or conducting the business of real estate broker shall pay the sum of ~~forty~~fifteen dollars per year, plus an additional sum of ~~twenty~~ten dollars per year for every salesman or broker acting as salesman employed in or acting in any capacity as part of said business. (~~Ord. 25 § 19, 1978~~)

5.04.270 Auction room and auctioneer.

A. Every person carrying on the business of conducting an auction room or store where auctions are held shall pay a permit fee of ~~five~~one hundred fifty dollars per year. Every person carrying on the business of an auctioneer shall pay a permit fee of ~~one hundred~~seventy-five dollars per month or any fraction thereof.

B. The auctioneer permit fee shall not be applicable if the auctioneer is associated with and carrying on his trade in an auction room or store permitted under this section. (~~Ord. 25 § 20, 1978~~)

5.04.280 Vehicles.

Every person conducting, managing or operating a business in which non-motorized ice cream carts, wagons or vending vehicles are used, shall pay a permit fee of ~~two~~one hundred dollars per year per cart, wagon or vending vehicle, payable quarterly. (~~Ord. 25 § 21, 1978~~) Every person conducting, managing or operating a business in which motorized ice cream carts, wagons or vending vehicles are used, shall pay a permit fee of five hundred dollars per year per motorized cart, wagon or vending vehicle, payable quarterly.

5.04.290 For-hire vehicles--Business in city.

Every person conducting, managing or operating a business in which taxi cabs or for-hire vehicles are used, whose principal place of business is in the city, shall pay a permit fee of fifty dollars for each such taxi cab or for-hire vehicle. (~~Ord. 25 § 22, 1978~~)

5.04.300 For-hire vehicles--Business outside city.

Every person conducting, managing, or operating a business in which taxi cabs or for-hire vehicles are used, whose principal place of business is outside the city, shall pay a permit fee of one hundred dollars for each such taxi cab or for-hire vehicle. (~~Ord. 25 § 23, 1978~~)

5.04.310 Peddler, solicitor and transient merchant.

A. Every peddler, solicitor or transient merchant as defined in this chapter who owns real or personal property located within the city used primarily for the business for which permit application is made and which property is on the tax rolls of the city, or is subject to such taxation, or who is an agent or representative of a person, firm or corporation who owns property located within the city used primarily for the business for which the permit application is made and which property is on the tax rolls of the city, or is subject to such taxation, shall pay a permit fee of ten dollars per year.

B. Every applicant for a permit under this chapter who does not own real or personal property located within the city used primarily for the business for which permit application is made and which property is not on the tax rolls of the city, or subject to such taxation, or who is an agent or representative of a person, firm or corporation who does not own property located within the city used primarily for the business for which permit application is made and which property is not on the tax rolls of the city, or subject to such taxation, shall pay a permit fee of fifty dollars per year.

C. Each peddler, solicitor, or transient merchant must secure a personal permit. No permit shall be used at any time by any person other than the one to whom it is issued. (~~Ord. 25 § 24, 1978~~)

5.04.320 Trailer parks.

Every person conducting, managing or operating any trailer court or mobile home park shall pay a permit fee as follows: ~~forty~~fortyfive dollars per year plus ~~three~~two dollars for each trailer space or unit. (~~Ord. 25 § 25, 1978~~)

5.04.330 Pool hall.

Every person conducting, managing or carrying on the business of a pool hall or billiard hall shall pay a permit fee of ~~five hundredfifteen~~ dollars per year, and in addition thereto, shall pay the sum of ~~twenty-fiveten~~ dollars per year for each and every pool table or billiard table. (~~Ord. 25 § 26, 1978~~)

5.04.340 Bowling alley.

Every person conducting, managing or carrying on the business of a bowling alley shall pay a permit fee of ~~five hundredfifteen~~ dollars per year, and in addition thereto, shall pay the sum of ~~twentyten~~ dollars per year for each and every alley therein. (~~Ord. 25 § 27, 1978~~)

5.04.350 Billboard.

Every person conducting, carrying on or operating the business of billposting or sign advertising by means of billboards or advertising signboards, or advertising by means of posting, hanging or otherwise affixing or displaying bills, signs or other advertisements in the city, shall pay a fee of ~~twoone~~ hundred dollars per year, plus ~~fiftyten~~ dollars for each additional billboard exceeding two in number, located within the city; provided, that nothing contained in this section shall be deemed or construed to apply to owners of real estate, or other agents in advertising the property for sale or lease by means of billboards or advertising signboards located upon the property advertised for sale or lease by such billboards or advertising signboards. (~~Ord. 25 § 28, 1978~~)

5.04.360 Pawnbroker.

A. Every person conducting, managing, or carrying on the business of pawnbroker shall pay the sum of ~~twoone~~ hundred dollars per year. For the purpose of this section the term pawnbroker shall be construed to mean and include every person conducting, managing or carrying on the business of loaning money, either for him or herself or for any other person, upon any personal

property or personal security or purchasing personal property and reselling, or agreeing to resell, such articles to the vendor or other assignees at prices previously agreed upon.

B. Nothing contained in this section shall be deemed or construed to apply to the loaning of money on personal property or personal security by any bank authorized to do so under the law of the state. (~~Ord. 25 § 29, 1978~~)

5.04.370 Shooting gallery or arcade.

A. Every person conducting, managing or carrying on the businesses of shooting galleries or arcades shall pay the sum of one ~~thousand~~hundred dollars per year.

B. For the purpose of this section, the term "arcade" means one general enclosure in which is conducted the business of operating or exhibiting any phonograph, gramophone, marble and pinball games, talking machine, kinoscope, biograph, projectoscope, or any other instrument or machine of like character, for the use of which a compensation or fee is charged, and exhibiting, showing, or letting the use of any microscope lung tester, muscle tester, galvanic battery, weighing machine, or machine of like character, for a money consideration. (~~Ord. 25 § 30, 1978~~)

5.04.380 Circus.

A. Every person conducting, managing, carrying on or operating a circus or other similar exhibition shall pay a permit fee of ~~one thousand~~two hundred fifty dollars per day.

B. The permit fee provided in this section shall be in addition to all other permits due and payable to the city. (~~Ord. 25 § 31, 1978~~)

5.04.390 Vending machines.

Every person owning, operating, managing, or controlling any vending machine, not in conjunction with any business, the property of which is on the tax

FOR DISCUSSION PURPOSES ONLY

rolls of the city, and which is coin-operated or slug-operated, shall pay a permit fee of ~~fiftytwo~~ ~~five~~ dollars per year, plus ~~five~~ ~~two~~ dollars for each machine (machine is defined as a single apparatus receiving a coin and dispensing a product) located in the city. (Ord. 25 § 32, 1978)

5.04.400 Music machine.

Every person owning, operating, managing or controlling any music device, operated by coin or slug, shall pay ~~fortytwo~~ ~~five~~ dollars per year for each such device. (Ord. 25 § 33, 1978)

5.04.410 Amusement machine.

A. Every person owning, operating, managing or controlling any mechanical play or amusement machine which is used, or permitted to be used, by the deposit of a coin in any slot, crevice or other opening, or by the deposit of any plate, disk or slug therein, which said slug, disk or plate may be acquired or purchased from any source whatsoever, shall pay ~~fortytwo~~ ~~five~~ dollars per year for each such amusement machine.

B. The city ~~finance manager~~ ~~treasurer~~ shall issue a separate receipt for each such amusement machine, which shall be attached and maintained thereon for the full term for which the receipt is issued. (Ord. 25 § 34, 1978)

5.04.420 Apartment rental.

Any person conducting the business of apartment rental shall pay a permit fee of three dollars per unit. "Apartment" means any multiple housing rental property containing three or more housing units. The minimum fee under this section is ~~twenty~~ ~~ten~~ dollars. (Ord. 25 § 35, 1978)

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE ORDERING THE SUBMISSION OF A MEASURE TO LEVY A TRANSACTIONS AND USE TAX (A SALES TAX) IN THE AMOUNT OF ONE HALF-PERCENT (.50%) TO THE QUALIFIED VOTERS OF THE CITY AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 6, 2018.

WHEREAS, section 7285.9 of the California Revenue and Taxation Code authorizes cities to levy, increase, or extend a transactions and use tax ("sales tax" or "sales and use tax") at a rate of 0.25% (or any multiple thereof) to be extended for general purposes, which transactions and use tax is subject to the approval by a two-thirds majority vote of all the members of the City Council and by a majority vote of the qualified voters of the City voting in an election on the issue; and

WHEREAS, Article XIII C, section 2 of the California Constitution requires that a general tax must be approved by a majority vote of the qualified voters of the City voting in an election on the issue, and that said election shall be consolidated with regularly scheduled general election for members of the governing body of the local government ; and

WHEREAS, local funding that cannot be taken by the State ensures adequate funding for parks, libraries, and other City services; and

WHEREAS, the City Council desires to submit a ballot measure levying one-half percent (.050%) transactions and use tax to the qualified voters of the City of Lemon Grove at a Regular Municipal Election to be consolidated with the Statewide General Election to be held on November 6, 2015 (the "Consolidated Election."); and

THE PEOPLE OF LEMON GROVE DO ORDAIN AS FOLLOWS:

SECTION 1. At the consolidated statewide general election to be held on November 6, 2018, there shall be submitted to the qualified voters the following measure to approve an ordinance extending the previously voter approved one-half (.50%) transactions and use tax for general purposes:

<p>Lemon Grove City Services Funding Measure. To maintain Lemon Grove's public safety and prevent cuts to neighborhood police patrols and officers; gang/drug prevention; 911 emergency response; fire protection and firefighters; graffiti removal; street/pothole repair; senior/youth programs; and other City services; shall Lemon Grove implement a voter-approved one-half percent (.50%) sales tax for 20 years with Citizens' Oversight, annual independent audits, all money kept in Lemon Grove?</p>	YES
	NO

SECTION 2. The measure shall be submitted to the voters of Lemon Grove as required by Section 53720, et seq., of the California Government Code, approved by the voters of California in 1986 as Proposition 62, as required by Article XIII C of the California Constitution, approved by the voters of California in 1996 as Proposition 218, and as required by Section 7285.9 of the California Revenue and Taxation Code.

SECTION 3. The proposed extension of transactions and use tax shall remain at the rate of one-half percent (.50%) and shall expire twenty years from September 2018 (the current expiration date), unless the City Council finds the levy and collection of the tax is no longer necessary for the City's fiscal stability and sustainability, in which case the City Council has the authority to reduce the rate of tax, or to terminate the imposition of the tax.

SECTION 4. This ordinance shall take effect immediately as an ordinance relating to an election, pursuant to California Government Code Section 36937 (a).

DRAFT PURPOSE

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE: (A) AMENDING RESOLUTION NO. _____ CALLING A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 6, 2018; (B) ORDERING SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY, A MEASURE RELATING TO THE IMPLEMENTING A UTILITY USERS FEES AND TAXES; (C) AUTHORIZING THE MAYOR TO SUBMIT BALLOT ARGUMENTS IN FAVOR OF THE MEASURES; AND (D) DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS OF THE MEASURES

WHEREAS, the City of Lemon Grove ("City") may impose a utility users tax for general purposes with the approval of the majority of voters in the City; and

WHEREAS, the City has adopted an ordinance adding Chapter 3.28 to the Lemon Grove Municipal Code for general purposes subject to the approval of the majority of voters in the City; and

WHEREAS, Chapter 3.28 of the Lemon Grove Municipal Code establishes a Utility User Tax; and

WHEREAS, the attached hereto and incorporated herein as Exhibit A, would implement Ordinance amendments which, if approved by voters, would take effect on January 1, 2019; and

WHEREAS, in accordance with the provisions of the Lemon Grove Charter and State law, a General Municipal Election was called by the City Council pursuant to Resolution No. _____, to be held on Tuesday, November 6, 2018; and

WHEREAS, the City Council desires to amend that Resolution to add the Utility Users Tax to the November 6, 2018 ballot; and

WHEREAS, the City Council finds that the proposed activity is in compliance with the California Environmental Quality Act (CEQA) and it has determined that this activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because it is a financing decision without commitment to a specific project which may result in a potentially significant physical impact on the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the actions proposed are not subject to CEQA;

WHEREAS, pursuant to California Elections Code Section 9222, the City Council desires to submit the Utility Users Tax Ordinance to the electorate at the General Municipal Election to be held on Tuesday, November 6, 2018; and

WHEREAS, the City Council desire to authorize the City Clerk to carry-out all actions necessary to ensure placement of the Utility Users Tax Ordinance on the General Municipal Election ballot that has been consolidated with the Statewide General Election Ballot; and

WHEREAS, the City Council also desires to authorize the Mayor to submit ballot arguments in favor of the measure.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lemon Grove

as follows:

SECTION 1. All of the foregoing recitals are true and correct.

SECTION 2: That the City Council pursuant to its right and authority, does hereby order submitted to the voters at the General Municipal Election on November 6, 2018, the following question:

<p>Lemon Grove City Services Funding Measure. To maintain Lemon Grove's public safety and prevent cuts to neighborhood police patrols and officers; gang/drug prevention; 911 emergency response; fire protection and firefighters; graffiti removal; street/pothole repair; senior/youth programs; and other City services; shall Lemon Grove implement a Utility User Tax?</p>	<p>YES</p>
	<p>NO</p>

This question requires the approval of a simple majority (50% plus 1) of those voting.

SECTION 3. That the proposed Ordinances to be submitted to the voters are attached as Exhibit "A" and incorporated into this resolution by this reference.

SECTION 4. That Resolution No. _____ is hereby amended accordingly and the City Clerk is authorized, instructed, and directed to take all actions necessary to add the Utility Users Tax measure to the November 6, 2018 ballot.

SECTION 5. Pursuant to California Elections Code Section 9282, the City Council hereby acknowledges its authority, and the authority of any individual voter who is eligible to vote on the measure, or bona fide association of citizens, or any combination of voters and associations, to submit a written argument, not to exceed 300 words, for or against the measure, and authorizes the Mayor to submit arguments in favor of the measures, on behalf of the City Council. Arguments must be submitted to the City Clerk, and may be changed until and including the date fixed by the City Clerk, after which no arguments for or against the measure may be submitted, withdrawn or changed.

SECTION 6. Pursuant Elections Code section 9285, rebuttal arguments will be allowed. The rebuttal arguments may not exceed 250 words. Rebuttal arguments must be submitted to the City Clerk and may be changed until and including the date fixed by the City Clerk, after which no rebuttal arguments for or against the proposed measure may be submitted to the City Clerk. This Section 7 is applicable only to the November 6, 2018 general election called by this resolution and, after that election, shall expire.

SECTION 7. Pursuant to California Elections Code Section 9280, the City Clerk is directed to transmit a copy of the measure to the City Attorney. The City Attorney is directed to prepare an impartial analysis of the measure, not to exceed 500 words in length, showing the effect of the measure on the existing law and the operation of the measure, and transmit

such impartial analyses to the City Clerk by the date fixed by the City Clerk.

SECTION 8. The City Clerk is hereby directed to forthwith file a certified copy of this resolution with the Board of Supervisors and the Registrar of Voters of the County of San Diego and to issue instructions to the Registrar of Voters to take any and all steps necessary for the holding of the election.

SECTION 9. The City Clerk shall certify to the passage and adoption of this resolution by a two-thirds vote of all members of the City Council, as required by Revenue & Taxation Code section 7285.9 and Government Code Section 53724, and file it with the City's original resolutions.

SINGLE SUBJECT - FOR DISCUSSION PURPOSES ONLY

ATTACHMENT E

Chapter 3.28. UTILITY USERS TAX

3.28.010. Title.

This chapter shall be known as the “Utility Users Tax Ordinance of the City of Lemon Grove.”

3.28.020. Adoption—Legal authority.

This chapter is adopted pursuant to the powers of the city of Lemon Grove as a charter city as provided in California Government Code Sections 37100.5 and 53723, and as authorized by Section 7.5 of Article XI of the Constitution of the State of California.

3.28.030. Definitions.

Except where the context otherwise requires, the definitions contained in this section shall govern the construction of this chapter. The word “may” is always directory and discretionary and not mandatory; the word “shall” is always mandatory and not directory or discretionary.

(1) “Ancillary telecommunications services” Ancillary telecommunication services shall mean services that are associated with or incidental to the provision, use or enjoyment of telecommunications services, including, but not limited to, the following services:

(a) “Conference bridging service” shall mean an ancillary service that links two or more participants of an audio or video conference call and may include the provision of a telephone number. Conference bridging service does not include the telecommunications services used to reach the conference bridge.

(b) “Detailed telecommunications billing service” shall mean an ancillary service of separately stating information pertaining to individual calls on a customer’s billing statement.

(c) “Directory assistance” shall mean an ancillary service of providing telephone number information, and/or address information.

(d) “Vertical service” shall mean an ancillary service that is offered in connection with one or more telecommunications services, which offers advanced

calling features that allow customers to identify callers and to manage multiple calls and call connections, including conference bridging services.

(e) "Voice mail service" shall mean an ancillary service that enables the customer to store, send or receive recorded messages. Voice mail service does not include any vertical services that the customer may be required to have in order to utilize the voice mail service.

(2) "Billing address" shall mean the mailing address of the service user where the service provider submits invoices or bills for payment by the service users.

(3) "City" means the city of Lemon Grove, California, including all of the territory and jurisdiction thereof as presently constituted, and any and all of the same which shall later come into existence by any manner or means whatsoever.

(4) "Collector" means the Finance Manager or designee appointed by the City Manager of the city of Lemon Grove.

(5) "Finance Manager" means the person designated by the City Manager of the City of Lemon Grove to supervise city financial matters.

(6) "Large commercial/agricultural ratepayer" shall mean electric customers who have a maximum peak demand equal to or greater than twenty kilowatts.

(7) "Person" means any natural person, firm, all domestic, nonprofit and foreign corporation; firm; association; syndicate; joint venture; joint stock company; club; trust; Massachusetts or common law trust; estate; partnership of any kind; limited liability company; cooperative; society; and any officer, agent, receiver, trustee, guardian or other appointed representative thereof; joint power agency, municipal district or municipal corporation, other than the city.

(8) "Place of primary use" shall mean the street address representative of where the customer's use of the telecommunications or video service primarily occurs, which must be the residential street address or the primary business street address of the customer.

(9) "Post-paid telecommunication service" shall mean the telecommunication service obtained by making a payment on a communication-by-communication basis either through the use of a credit card or payment mechanism such as a bank card, travel card, credit card, or debit card, or by charge made to a service number which is not associated with the origination or termination of the telecommunication service.

(10) "Prepaid telecommunication service" shall mean the right to access telecommunication services, which must be paid for in advance and which enables the origination of communications using an access number or authorization code, whether manually or electronically dialed, and shall include "prepaid mobile telephony services" as defined in Revenue and Taxation Code Section 42004(k).

(11) "Private telecommunication service" shall mean a telecommunication service that entitles the customer to exclusive or priority use of a communications channel or group of channels between or among termination points, regardless of the manner in which such channel or channels are connected, and includes switching capacity, extension lines, stations, and any other associated services that are provided in connection with the use of such channel or channels. A communications channel is a physical or virtual path of communications over which signals are transmitted between or among customer channel termination points (i.e., the location where the customer either inputs or receives the communications).

(28) "Residential/small commercial ratepayer" shall mean electric customers who have a maximum peak demand of less than twenty kilowatts.

(13) Service address shall mean the residential street address or the business street address of the service user. For a telecommunications or video service user, "service address" means either:

(a) The location of the service user's telecommunication or video equipment from which the communication originates or terminates, regardless of where the communication is billed or paid; or

(b) If the location in paragraph a. of this definition is unknown (e.g., mobile telecommunications service or VoIP service), the service address shall mean the location of the service user's place of primary use.

For prepaid telecommunication service, "service address" means the point of sale of the services where the point of sale is within the city, or if unknown, the known address of the service user (e.g., billing address or location associated with the service number), which locations shall be presumed to be the place of primary use.

(14) "Service supplier" means any person including the city, who provides or sells telecommunication, electric, or gas service to a user of such services within the city. The term shall include any person required to collect, or self-collect under

this chapter, and remit a tax as imposed by this chapter, including its billing agent in the case of electric or gas suppliers.

(15) "Service user" means a person required to pay a tax imposed under the provisions of this chapter.

(16) "Tax administrator" means the Finance Manager or designee of the City of Lemon Grove.

(17) "Telecommunication services" means the transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points, whatever the technology used, and includes broadband service (e.g., digital subscriber line (DSL), fiber optic, coaxial cable, and wireless broadband, including Wi-Fi, WiMAX, and Wireless MESH) to the extent federal and/or state law permits taxation of such broadband services, now or in the future. The term "telecommunications service" includes such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code or protocol of the content for purposes of transmission, conveyance or routing without regard to whether such service is referred to as voice over internet protocol (VoIP) services or is classified by the Federal Communications Commission as enhanced or value added, and includes video and/or data service that is functionally integrated with "telecommunication services." Telecommunications services include, but are not limited to, the following services, regardless of the manner or basis on which such services are calculated or billed: ancillary telecommunication services; intrastate, interstate and international telecommunication services; all forms of VoIP service; mobile telecommunications service; prepaid telecommunication service; post-paid telecommunication service; private telecommunication service; paging service; 800 service (or any other toll-free numbers designated by the Federal Communications Commission); 900 service (or any other similar numbers designated by the Federal Communications Commission for services whereby subscribers who call in to prerecorded or live service).

(18) "VoIP (Voice Over Internet Protocol)" means the digital process of making and receiving real-time voice transmissions over any Internet Protocol network.

(19) "800 Service" means a "telecommunications service" that allows a caller to dial a toll-free number without incurring a charge for the call. The service is typically marketed under the name "800," "855," "866," "877," and "888" toll-free

calling, and any subsequent numbers designated by the Federal Communications Commission.

(20) "900 Service" means an inbound toll "telecommunications service" purchased by a subscriber that allows the subscriber's customers to call in to the subscriber's prerecorded announcement or live service. "900 service" does not include the charge for: collection services provided by the seller of the "telecommunications services" to the subscriber, or service or product sold by the subscriber to the subscriber's customer. The service is typically marketed under the name "900" service, and any subsequent numbers designated by the Federal Communications Commission.

3.28.040. Exemptions.

(a) The taxes imposed by this chapter shall not apply to:

(1) Any person or service if imposition of such tax upon that person or service would be in violation of a federal or state statute or the Constitution of the state of California, or the Constitution of the United States; or

(2) The city, and the state of California and its subdivisions.

(b) Any service user that is exempt from the tax imposed by this chapter pursuant to subsection (a) of this section shall file an application with the tax administrator for an exemption; provided, however, this requirement shall not apply to a service user that is a state or federal agency or subdivision with a commonly recognized name for such service. Said application shall be made upon a form approved by the tax administrator and shall state those facts, declared under penalty of perjury, which qualify the applicant for an exemption, and shall include the names of all service suppliers serving that service user. If deemed exempt by the tax administrator, such service user shall give the tax administrator timely written notice of any change in service suppliers so that the tax administrator can properly notify the new service supplier of the service user's tax-exempt status. A service user that fails to apply and obtain an exemption pursuant to this section shall not be entitled to a refund of a user's tax collected and remitted to the tax administrator from such service user as a result of such noncompliance.

(c) The decision of the tax administrator may be appealed pursuant to Section 3.28.210 (Appeals) of this chapter. Filing an application with the tax administrator

and appeal to the City Manager, or designee, pursuant to Section 3.28.210 is a prerequisite to a suit thereon.

(d) The City Council may, by resolution, establish one or more classes of persons or one or more classes of utility service otherwise subject to payment of a tax imposed by this chapter and provide that such classes of persons or service shall be exempt, in whole or in part from such tax for a specified period of time.

3.28.050. Taxes—Effective date.

The taxes at the rate of two percent imposed by this chapter shall become operative as of July 1, 2019.

3.28.060. Telecommunication users tax.

(a) There is hereby imposed a tax upon every person in the city using telecommunication services in the city. The tax imposed by this section shall be at the rate of two percent of the charges made for such services and shall be collected from the service user by the telecommunication services supplier or its billing agent, or as otherwise provided by law. There is a rebuttable presumption that telecommunication services, which are billed to a billing or service address in the city, are used, in whole or in part, within the city's boundaries, and such services are subject to taxation under this section. There is also a rebuttable presumption that prepaid telecommunication services sold within the city are primarily used, in whole or in part, within the city and are therefore subject to taxation under this section. If the billing address of the service user is different from the service address, the service address of the service user shall be used for purposes of imposing the tax. As used in this section, the term "charges" shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the telecommunication services.

(b) "Mobile telecommunications service" shall be sourced in accordance with the sourcing rules set forth in the Mobile Telecommunications Sourcing Act (4 U.S.C. Section 284). The tax administrator may issue and disseminate to telecommunication service suppliers, which are subject to the tax collection requirements of this section, sourcing rules for the taxation of other telecommunication services, including, but not limited to, post-paid

telecommunication services, prepaid telecommunication services, and private telecommunication services, provided that such rules are based upon custom and common practice that further administrative efficiency and minimize multi-jurisdictional taxation.

(c) The tax administrator may, from time to time, issue and disseminate to telecommunication service suppliers, which are subject to the tax collection requirements of this chapter, an administrative ruling identifying those telecommunication services, or charges for such services, that are subject to taxation under this chapter. These administrative rulings shall implement the intent of the city council that the telecommunications users tax be imposed on any person who initiates or receives telecommunications without regard to the type of technology that exists on the effective date of this section of which may be developed in the future. The administrative rules shall not impose a new tax, revise an existing tax methodology as stated in this section, or increase an existing tax, except as allowed by California law.

(d) As used in this section, the term “telecommunication services” shall include, but is not limited to, charges for: connection, reconnection, termination or early termination charges; movement or change of telecommunication services; late payment fees; detailed billing; central office and custom calling features (including, but not limited to, call waiting, call forwarding, caller identification and three-way calling); voice mail and other messaging services; directory assistance; access and line charges; universal service charges; regulatory or administrative fees, charges or surcharges, including charges or surcharges for programs imposed by state or federal law (whether such charges or surcharges are imposed on the service supplier or the customer); local number portability charges; and text and instant messaging. “Telecommunication services” shall not include digital downloads that are not “ancillary telecommunication services,” such as music, ringtones, games, and similar digital products.

(e) To prevent actual multi-jurisdictional taxation of telecommunication services subject to tax under this section, any service user, upon proof to the tax administrator that the service user has previously paid the same tax in another state or city on such telecommunication services, shall be allowed a credit against the tax imposed to the extent of the amount of such tax legally imposed in such other state or city; provided, however, the amount of credit shall not exceed the tax owed to the city under this section.

(f) The tax on telecommunication services imposed by this section shall be collected from the service user by the service supplier. The amount of tax collected in one month shall be remitted to the tax administrator and must be received by the tax administrator on or before the twentieth day of the following month.

3.28.070. Electricity users tax—Imposition—Rate.

There is hereby imposed a tax upon every person in the city, other than an electrical corporation or a gas corporation, using electrical energy in the city. The tax imposed by this section and Sections 3.28.080 and 3.28.090 shall be at the rate of two percent of the charges made for such energy, including minimum charges for service but excluding charges for electrical energy supplied to street lights, and shall be paid by the person paying for such energy unless the city council by ordinance increases the rates to offset decreased charges resulting from electrical rate deregulation to no more than the amounts specified below, with an overall rate cap for all ratepayers of three percent.

3.28.080. Electricity users tax—Exclusions.

As used in Sections 3.28.070 and 3.28.090, the words “using electrical energy” do not mean:

(a) The storage of such energy by a person in a battery owned or possessed by him for use in an automobile or other machinery or device apart from the premises upon which the energy was received; provided, however, that the term shall include the receiving of such energy for the purpose of using it in the charging of batteries; or

(b) The mere receiving of such energy by an electrical corporation or a governmental agency at a point within the city for resale to service users. (Ord. 3102-16 § 1).

3.28.090. Electricity users tax—Collection.

The tax imposed in this section, Sections 3.28.070 and 3.28.080 shall be collected from the service user by the person selling such electrical energy. The

amount of tax collected in one month shall be remitted to the collector on or before the last day of the following month.

3.28.100. Gas users tax—Imposition—Rate.

There is hereby imposed a tax upon every person in the city, other than a gas corporation or an electric corporation, using gas in the city which is delivered through mains or pipes. The tax imposed by this section and Sections 3.28.110 and 3.28.280 shall be at the rate of two percent of the charges made for such gas, including minimum charges for service but excluding charges for gas service to street lights, and shall be paid by the person paying for such gas.

3.28.110. Gas users tax—Exclusions.

As used in Sections 3.28.100 and 3.28.280, the term “charges” shall not:

- (a) Include charges made for gas used in the generation of electrical energy by a public utility or a governmental agency; or
- (b) Be construed to mean the mere receiving of such gas by a gas corporation or governmental agency at a point within the city for resale to service users.

3.28.280. Gas users tax—Collection.

The tax imposed in this section, Sections 3.28.100 and 3.28.110 shall be collected from the service user by the person selling the gas. The amount collected in one month shall be remitted to the collector on or before the last day of the following month.

3.28.130. Effect of commingling taxable items with nontaxable items.

If any non-taxable service charges are combined with and not separately stated from taxable service charges on the customer bill or invoice of a service supplier, the combined charge is subject to tax unless the service supplier is able to establish reasonable values for the portions of the combined charge that are nontaxable and taxable. If the service supplier offers a combination of taxable and non-taxable services, and the charges are separately stated, the service supplier

shall assign reasonable values for the taxable and non-taxable services. In assigning reasonable values for taxable and non-taxable services under this section, the service supplier may use reasonable and verifiable standards such as: (1) the books and records kept in the regular course of business and in accordance with generally accepted accounting principles (not created and maintained for tax purposes); (2) the market value of such taxable and non-taxable services when offered on a stand-alone basis by the supplier or its competitors; or (3) other similar evidence of value. The service supplier has the burden of proving to the satisfaction of the tax administrator the reasonable valuation and proper apportionment of taxable and non-taxable charges under this section.

3.28.140. Substantial nexus/minimum contacts.

For purposes of imposing a tax or establishing a duty to collect and remit a tax under this chapter, “substantial nexus,” “substantial economic presence,” and “minimum contacts” shall be construed broadly in favor of the imposition, collection and/or remittance of the utility users tax to the fullest extent permitted by state and federal law, and as it may change from time to time by judicial interpretation or by statutory enactment. Any telecommunication service (including VoIP) used by a person with a service address in the city shall be subject to a rebuttable presumption that “substantial nexus/minimum contacts” exists for purposes of imposing a tax, or establishing a duty to collect and remit a tax, under this chapter. A service supplier shall be deemed to have sufficient activity in the city for tax collection and remittance purposes if its activities include, but are not limited to, any of the following: maintains or has within the city, directly or through an agent, affiliate or subsidiary, a place of business of any nature; solicits business in the city by employees, independent contractors, resellers, agents, affiliates or other representatives; solicits business in the city on a continuous, regular, seasonal or systematic basis by means of advertising that is broadcast or relayed from a transmitter with the city or distributed from a location with the city; or advertises in newspapers or other periodicals printed and published within the city or through materials distributed in the city by means other than the United States mail; or if there are activities performed in the city on behalf of the service supplier that are significantly associated with the service supplier’s ability to establish and maintain a market in the city for the provision of utility services that are subject to a tax under this chapter (e.g., an affiliated person or independent contractor engaging in activities in the city that inure to the

benefit of the service supplier in its development or maintenance of a market for its services in the city, including by directly or indirectly referring potential customers, whether by a link on an Internet website or otherwise, to the service supplier).

3.28.150. Collection of tax—Duty—Procedures.

(a) Collection by Service Suppliers. The duty of service suppliers to collect and remit the taxes imposed by the provisions of this chapter shall be performed as follows:

(1) The tax shall be collected by service suppliers insofar as practicable at the same time as, and along with, the collection of the charges made in accordance with the regular billing practice of the service supplier. Where the amount paid by a service user to a service supplier is less than the full amount of the charge and tax that was accrued for the billing period, a proportionate share of both the charge and the tax shall be deemed to have been paid. In those cases where a service user has notified the service supplier of refusal to pay the tax imposed on said charges, Section 3.28.190 (Administrative remedy—Nonpaying service users) shall apply.

(2) The duty of a service supplier to collect the tax from a service user shall commence with the beginning of the first regular billing period applicable to the service user where all charges normally included in such regular billing are subject to the provisions of this chapter. Where a person receives more than one billing, one or more being for different periods than another, the duty to collect shall arise separately for each billing period.

(b) Filing Return and Payment. Each person required by this chapter to remit a tax shall file a return to the tax administrator, on forms approved by the tax administrator, on or before the due date. The full amount of the tax collected shall be included with the return and filed with the tax administrator. The tax administrator is authorized to require such additional information as he or she deems necessary to determine if the tax is being levied, collected, and remitted in accordance with this chapter. Returns are due immediately upon cessation of business for any reason. Pursuant to Revenue and Tax Code Section 7284.6, the tax administrator, and its agents, shall maintain such filing returns as confidential information that is exempt from the disclosure provisions of the California Public Records Act.

3.28.160. Collection penalties—Service suppliers or self-collectors.

(a) Taxes collected from a service user are delinquent if not received by the tax administrator on or before the due date. Should the due date occur on a weekend or legal holiday, the return must be received by the tax administrator on the first regular working day following the weekend or legal holiday. A direct deposit, including electronic fund transfers and other similar methods of electronically exchanging monies between financial accounts, made by a service supplier in satisfaction of its obligations under this section shall be considered timely if the transfer is initiated on or before the due date, and the transfer settles into the city's account on the following business day.

(b) If the person required to collect and/or remit the utility users tax fails to collect the tax (by failing to properly assess the tax on one or more services or charges on the customer's billing) or fails to remit the tax collected on or before the due date, the tax administrator shall attach a penalty for such delinquencies or deficiencies at the rate of up to fifteen percent of the total tax that is delinquent or deficient in the remittance and interest at the rate of up to seventy-five one hundredths percent per month, or any fraction thereof, on the amount of the tax, exclusive of penalties, from the date on which the remittance first became delinquent, until paid.

(c) The tax administrator shall have the power to impose additional penalties upon persons required to collect and remit taxes pursuant to the provisions of this chapter for fraud or gross negligence in reporting or remitting at the rate of up to fifteen percent of the amount of the tax collected and/or required to be remitted, or as recomputed by the tax administrator.

(d) For collection purposes only, every penalty imposed and such interest that is accrued under the provisions of this section shall become a part of the tax herein required to be paid.

(e) Notwithstanding the foregoing, the tax administrator may, in his or her discretion, modify the due dates and/or penalty and interest provisions of this section to be consistent with any uniform standards or procedures that are mutually agreed upon by UUT public agencies, or otherwise legally established, to create a UUT central payment location or mechanism.

3.28.170. Additional powers and duties of the tax administrator.

- (a) The tax administrator shall have the power and duty, and is hereby directed, to enforce each and all of the provisions of this chapter.
- (b) The tax administrator may adopt administrative rules and regulations consistent with provisions of this chapter for the purpose of interpreting, clarifying, carrying out and enforcing the payment, collection and remittance of the taxes herein imposed. The administrative ruling shall not impose a new tax, revise an existing tax methodology as stated in this chapter, or increase an existing tax, except as allowed by California Government Code Section 53750(h)(2). A copy of such administrative rules and regulations shall be on file in the tax administrator's office. To the extent that the tax administrator determines that the tax imposed under this chapter shall not be collected in full for any period of time from any particular service supplier or service user, that determination shall be considered an exercise of the tax administrator's discretion to settle disputes and shall not constitute a change in taxing methodology for purposes of Government Code Section 53750 or otherwise. The tax administrator is not authorized to amend the city's methodology for purposes of Government Code Section 53750 and the city does not waive or abrogate its ability to impose the utility users tax in full as a result of promulgating administrative rulings or entering into agreements.
- (c) Upon a proper showing of good cause, the tax administrator may make administrative agreements, with appropriate conditions, to vary from the strict requirements of this chapter and thereby: (1) conform to the billing procedures of a particular service supplier so long as said agreements result in the collection of the tax in conformance with the general purpose and scope of this chapter; or (2) to avoid a hardship where the administrative costs of collection and remittance greatly outweigh the tax benefit. A copy of each such agreement shall be on file in the tax administrator's office and are voidable by the tax administrator or the city at any time.
- (d) The tax administrator may conduct an audit, to ensure proper compliance with the requirements of this chapter, of any person required to collect and/or remit a tax pursuant to this chapter. The tax administrator shall notify said person of the initiation of an audit in writing. In the absence of fraud or other intentional misconduct, the audit period or review shall not exceed a period of three years next preceding the date of receipt of the written notice by said person from the tax administrator. Upon completion of the audit, the tax administrator may make a

deficiency determination pursuant to Section 3.28.180 (Deficiency determination and assessment—Tax application errors) for all taxes (and applicable penalties and interest) owed and not paid, as evidenced by information provided by such person to the tax administrator. If said person is unable or unwilling to provide sufficient records to enable the tax administrator to verify compliance with this chapter, the tax administrator is authorized to make a reasonable estimate of the deficiency. Said reasonable estimate shall be entitled to be a rebuttable presumption of correctness.

(e) Upon receipt of a written request of a taxpayer, and for good cause, the tax administrator may extend the time for filing any statement required pursuant to this chapter for a period of not to exceed forty-five days, provided that the time for filing the required statement has not already passed when the request is received. No penalty for delinquent payment shall accrue by reason of such extension. Interest shall accrue during said extension at the rate of seventy-five one hundredths percent per month, prorated for any portion thereof.

(f) The tax administrator shall determine the eligibility of any person who asserts a right to exemption from, or a refund of, the tax imposed by this chapter.

(g) The tax administrator, with the written approval of the city attorney, may compromise a claim pursuant to this chapter where the portion of the claim proposed to be released is equal to or less than four thousand nine hundred ninety-nine dollars; and, with the approval of the city attorney and the city council, may compromise such a claim where the portion proposed to be released is greater than four thousand nine hundred ninety-nine dollars.

(h) Notwithstanding any provision in this chapter to the contrary, the tax administrator may waive any penalty or interest imposed upon a person required to collect and/or remit for failure to collect the tax imposed by this chapter if the non-collection occurred in good faith. In determining whether the non-collection was in good faith, the tax administrator shall take into consideration the uniqueness of the product or service, industry practice or other precedence, or whether the person offers to voluntarily disclose its tax liability. The tax administrator may also participate with other utility users tax public agencies in conducting coordinated compliance reviews with the goal of achieving administrative efficiency and uniform tax application determinations, where possible. To encourage voluntary full disclosure and on-going cooperation on tax collection and remittance, the tax administrator, and its agents, may enter into

agreements with the tax-collecting service providers and grant prospective only effect on any changes regarding the taxation of services or charges that were previously deemed by the service provider, in good faith and without gross negligence, to be non-taxable. In determining whether the non-collection was in good faith and without gross negligence, the tax administrator shall take into consideration the uniqueness of the product or service, industry practice or other precedence, and whether the disclosure was voluntarily made by the service provider or its agent.

3.28.180. Deficiency determination and assessment—Tax application errors.

(a) The tax administrator may make a deficiency determination if he or she determines that any person required to pay or collect taxes pursuant to the provisions of this chapter has failed to pay, collect, and/or remit the proper amount of tax by improperly or failing to apply the tax to one or more taxable services or charges. Nothing herein shall require that the tax administrator institute proceedings under this section if, in the opinion of the tax administrator, the cost of collection or enforcement likely outweighs the tax benefit.

(b) The tax administrator shall mail a notice of such deficiency determination to the person required to pay or remit the tax, which notice shall refer briefly to the amount of the taxes owed, plus interest at the rate of up to seventy-five one hundredths percent per month, or any fraction thereof, on the amount of the tax from the date on which the tax should have been received by the city. Within fourteen calendar days after the date of service of such notice, the person may request in writing to the tax administrator for a hearing on the matter.

(c) If the person fails to request a hearing within the prescribed time period, the amount of the deficiency determination shall become a final assessment and shall immediately be due and owing to the city. If the person requests a hearing, the tax administrator shall cause the matter to be set for hearing, which shall be scheduled within thirty days after receipt of the written request for hearing. Notice of the time and place of the hearing shall be mailed by the tax administrator to such person at least ten calendar days prior to the hearing, and, if the tax administrator desires said person to produce specific records at such hearing, such notice may designate the records requested to be produced.

(d) At the time fixed for the hearing, the tax administrator shall hear all relevant testimony and evidence, including that of any other interested parties. At the discretion of the tax administrator, the hearing may be continued from time to time for the purpose of allowing the presentation of additional evidence. Within a reasonable time following the conclusion of the hearing, the tax administrator shall issue a final assessment (or non-assessment), thereafter, by confirming, modifying or rejecting the original deficiency determination, and shall mail a copy of such final assessment to person owing the tax. The decision of the tax administrator may be appealed pursuant to Section 3.28.210 (Appeals). Filing an application with the tax administrator and appeal to the city manager, or designee, pursuant to Section 3.28.210 (Appeals) is a prerequisite to a suit thereon.

(e) Payment of the final assessment shall become delinquent if not received by the tax administrator on or before the thirtieth day following the date of receipt of the notice of final assessment. The penalty for delinquency shall be up to fifteen percent on the total amount of the assessment, along with interest at the rate of up to seventy-five one hundredths percent per month, or any fraction thereof, on the amount of the tax, exclusive of penalties, from the date of delinquency, until paid. The applicable statute of limitations regarding a claim by the city seeking payment of a tax assessed under this chapter shall commence from the date of delinquency as provided in this subsection (e).

(f) All notices under this chapter may be sent by regular mail, postage prepaid, and shall be deemed received on the third calendar day following the date of mailing, as established by a proof of mailing.

3.28.190. Administrative remedy—Non-paying service users.

(a) Whenever the tax administrator determines that a service user has deliberately withheld the amount of the tax owed by the service user from the amounts remitted to a person required to collect the tax, or whenever the tax administrator deems it in the best interest of the city, he or she may relieve such person of the obligation to collect the taxes due under this section from certain named service users for specific billing periods. Whenever the service user has failed to pay the amount of tax owed for a period of two or more billing periods, the service supplier shall be relieved of the obligation to collect taxes due. The service supplier shall provide the city with the names and addresses of such service users and the amounts of taxes owed under the provisions of this section.

Nothing herein shall require that the tax administrator institute proceedings under this section if, in the opinion of the tax administrator, the cost of collection or enforcement likely outweighs the tax benefit.

(b) In addition to the tax owed, the service user shall pay a delinquency penalty at the rate of up to fifteen percent of the total tax that is owed, and shall pay interest at the rate of up to seventy-five one hundredths percent per month, or any fraction thereof, on the amount of the tax, exclusive of penalties, from the due date, until paid.

(c) The tax administrator shall notify the nonpaying service user that the tax administrator has assumed the responsibility to collect the taxes due for the stated periods and demand payment of such taxes, including penalties and interest. The notice shall be served on the service user by personal delivery or by deposit of the notice in the United States mail, postage prepaid, addressed to the service user at the address to which billing was made by the person required to collect the tax; or, should the service user have a change of address, to his or her last known address.

(d) If the service user fails to remit the tax to the tax administrator within thirty days from the date of the service of the notice upon him or her, the tax administrator may impose an additional penalty of fifteen percent of the amount of the total tax that is owed. (Ord. 3102-16 § 1).

3.28.200. Actions to collect.

Any tax required to be paid by a service user under the provisions of this chapter shall be deemed a debt owed by the service user to the city. Any such tax collected from a service user which has not been remitted to the tax administrator shall be deemed a debt owed to the city by the person required to collect and remit and shall no longer be a debt of the service user. Any person owing money to the city under the provisions of this chapter shall be liable to an action brought in the name of the city for the recovery of such amount, including penalties and interest as provided for in this chapter, along with any collection costs incurred by the city as a result of the person's noncompliance with this chapter, including, but not limited to, reasonable attorney's fees. In the event that a service user or service supplier owing a tax under this chapter files bankruptcy, then such debt to the city shall be deemed an unsecured priority excise tax obligation under 11 U.S.C.A. Section 507(a)(8)(C). Service suppliers who seek to collect charges for service in bankruptcy proceedings shall also include in any such claim the amount of taxes

due the city for those services, unless the tax administrator determines that such duty is in conflict with any federal or state law, rule, or regulation or that such action would be administratively impractical.

3.28.210. Appeals.

(a) The provisions of this section apply to any decision (other than a decision relating to a refund pursuant to Section 3.28.230 (Refunds/credits)), deficiency determination, assessment, or administrative ruling of the tax administrator. Any person aggrieved by any decision (other than a decision relating to a refund pursuant to Section 3.28.230), deficiency determination, assessment, or administrative ruling of the tax administrator, shall be required to comply with the appeals procedure of this section. Compliance with this section shall be a prerequisite to a suit thereon. (See Government Code Section 935(b)). To the extent allowed by law, nothing herein shall permit the filing of a claim or action on behalf of a class or group of taxpayers.

(b) If any person is aggrieved by any decision (other than a decision relating to a refund pursuant to Section 3.28.230), deficiency determination, assessment, or administrative ruling of the tax administrator; he or she may appeal to the city manager by filing a notice of appeal with the city clerk within fourteen days of the date of the decision, deficiency determination, assessment, or administrative ruling of the tax administrator which aggrieved the service user or service supplier.

(c) The matter shall be scheduled for hearing before an independent hearing officer selected by the city manager, or designee, no more than thirty days from the receipt of the appeal. The appellant shall be served with notice of the time and place of the hearing, as well as any relevant materials, at least five calendar days prior to the hearing. The hearing may be continued from time to time upon mutual consent. At the time of the hearing, the appealing party, the tax administrator, the city manager, and any other interested person may present such relevant evidence as he or she may have relating to the determination from which the appeal is taken.

(d) Based upon the submission of such evidence and the review of the city's files, the independent hearing officer shall issue a written notice and order upholding, modifying or reversing the determination from which the appeal is taken. The notice shall be given within fourteen days after the conclusion of the hearing and shall state the reasons for the decision. The notice shall specify that

the decision is final and that any petition for judicial review shall be filed within ninety days from the date of the decision in accordance with Code of Civil Procedure Section 1094.6.

(e) All notices under this section may be sent by regular mail, postage prepaid, and shall be deemed received on the third calendar day following the date of mailing, as established by a proof of mailing.

3.28.220. Records—Retention period—Access.

(a) It shall be the duty of every person required to collect and/or remit to the city any tax imposed by this chapter to keep and preserve, for a period of at least three years, all records as may be necessary to determine the amount of such tax that such person may have been liable for the collection of and remittance to the tax administrator, which records the tax administrator shall have the right to inspect at a reasonable time.

(b) The tax administrator may issue an administrative subpoena to compel a person to deliver, to the tax administrator, copies of all records deemed necessary by the tax administrator to establish compliance with this chapter, including the delivery of records in a common electronic format on readily available media if such records are kept electronically by the person in the usual and ordinary course of business. As an alternative to delivering the subpoenaed records to the tax administrator on or before the due date provided in the administrative subpoena, such person may provide access to such records outside the city on or before the due date, provided that such person shall reimburse the city for all reasonable travel expenses incurred by the city to inspect those records, including travel, lodging, meals, and other similar expenses, but excluding the normal salary or hourly wages of those persons designated by the city to conduct the inspection.

(c) The tax administrator is authorized to execute a nondisclosure agreement approved by the city attorney to protect the confidentiality of customer information pursuant to California Revenue and Tax Code Sections 7284.6 and 7284.7. The tax administrator may request from a person providing transportation or distribution services of gas or electricity to service users within the city, a list of the names, billing and service addresses, quantities of gas or electricity delivered, and other pertinent information, of its transportation customers within the city pursuant to Section 6354(e) of the California Public Utilities Code.

(d) If a service supplier uses a billing agent or billing aggregator to bill, collect, and/or remit the tax, the service supplier shall: (1) provide to the tax administrator the name, address and telephone number of each billing agent and billing aggregator currently authorized by the service supplier to bill, collect, and/or remit the tax to the city; and (2) upon request of the tax administrator, deliver, or effect the delivery of, any information or records in the possession of such billing agent or billing aggregator that, in the opinion of the tax administrator, is necessary to verify the proper application, calculation, collection and/or remittance of such tax to the city.

(e) If any person subject to record-keeping under this chapter unreasonably denies the tax administrator, or the tax administrator's designated representative, access to such records, or fails to produce the information requested in an administrative subpoena within the time specified, the tax administrator may impose a penalty of five hundred dollars on such person for each day following: (1) the initial date that the person refuses to provide such access; or (2) the due date for production of records as set forth in the administrative subpoena. This penalty shall be in addition to any other penalty imposed under this chapter.

3.28.230. Refunds/credits.

Whenever the amount of any tax has been overpaid or paid more than once or has been erroneously or illegally collected or received by the tax administrator under this chapter, it may be refunded or credited as provided in this section:

(a) The tax administrator may refund any tax that has been overpaid or paid more than once or has been erroneously or illegally collected or received by the tax administrator under this chapter, provided that no refund shall be paid under the provisions of this section unless the claimant or his or her guardian, conservator, executor, or administrator has submitted a written claim to the tax administrator within one year of the overpayment or erroneous or illegal collection of said tax. Such claim must clearly establish claimant's right to the refund by written records showing entitlement thereto. To the extent allowed by law, nothing herein shall permit the filing of a claim on behalf of a class or group of taxpayers unless each member of the class has submitted a written claim under penalty of perjury as provided by this section.

(b) The submission of a written claim, which is acted upon by the city council, shall be a prerequisite to a suit thereon. (See Section 935 of the California

Government Code). The tax administrator, or the city council where the claim is in excess of four thousand nine hundred ninety-five dollars shall act upon the refund claim within the time period set forth in Government Code Section 928.4. If the city council fails or refuses to act on a refund claim within the time prescribed by Government Section 928.4, the claim shall be deemed to have been rejected by the city council on the last day of the period within which the city council was required to act upon the claim as provided in Government Code Section 928.4. The tax administrator shall give notice of the action in a form that substantially complies with that set forth in Government Code Section 913.

(c) Notwithstanding the notice provisions of subsection (a) of this section, the tax administrator may, at his or her discretion, give written permission to a service supplier, who has collected and remitted any amount of tax in excess of the amount of tax imposed by this chapter, to claim credit for such overpayment against the amount of tax which is due the city upon a subsequent monthly return(s) to the tax administrator, provided that, prior to taking such credit by the service supplier: (1) such credit is claimed in a return dated no later than one year from the date of overpayment or erroneous collection of said tax; (2) the tax administrator is satisfied that the underlying basis and amount of such credit has been reasonably established; and (3) in the case of an overpayment by a service user to the service supplier that has been remitted to the city, the tax administrator has received proof, to his or her satisfaction, that the overpayment has been refunded by the service supplier to the service user in an amount equal to the requested credit.

3.28.240. No injunction/writ of mandate.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action, or proceeding in any court against this city or against any officer of the city to prevent or enjoin the collection under this chapter of any tax or any amount of tax required to be collected and/or remitted.

3.28.250. Remedies cumulative.

All remedies and penalties prescribed by this chapter or which are available under any other provision of law or equity, including, but not limited to, the California False Claims Act (Government Code Section 28650 et seq.) and the

California Unfair Practices Act (Business and Professions Code Section 17070 et seq.), are cumulative. The use of one or more remedies by the city shall not bar the use of any other remedy for the purpose of enforcing the provisions of this chapter.

3.28.260. Notice of changes to ordinance.

If a tax under this chapter is added, repealed, increased, reduced, or the tax base is changed, the tax administrator shall follow the notice requirements of Public Utilities Code Section 799.

3.28.270. Future amendment to cited statute.

Unless specifically provided otherwise, any reference to a state or federal statute in this chapter shall mean such statute as it may be amended from time to time. To the extent that the city's authorization to collect or impose any tax imposed under this chapter is expanded or limited as a result of an amendment or new enactment of a state or federal law, no amendment or modification of this chapter shall be required to conform the tax to those changes, and the tax shall be imposed and collected to the full extent of the authorization up to the full amount of the tax imposed under this chapter.

3.28.280. Annual rate review and independent audit of tax collection, exemption, remittance and expenditure.

The city shall annually verify that the taxes owed under this section have been properly applied, exempted, collected, and remitted in accordance with this section, and properly expended according to applicable municipal law. The annual verification shall be performed by a qualified independent third party and the review shall employ reasonable, cost-effective steps to assure compliance, including the use of sampling audits. The verification shall not be required of tax remitters where the cost of the verification may exceed the tax revenues to be reviewed.

3.28.290. No increase in tax percentage or change in methodology without voter approval—Amendment or repeal.

Discussion Purposes only

This chapter of the Lemon Grove Municipal Code may be repealed or amended by the city council without a vote of the People. However, as required by Chapter XIII C of the California Constitution, voter approval is required for any amendment provision that would increase the rate of any tax levied pursuant to this chapter; provided, however, the following actions shall not constitute an increase of the rate of a tax:

- (a) The restoration of the rate of the tax to a rate that is no higher than that set by this chapter, if the city council has acted to reduce the rate of the tax;
- (b) An action that interprets or clarifies the methodology of the tax, or any definition applicable to the tax, so long as such interpretation or clarification (even if contrary to some prior interpretation or clarification) is not inconsistent with the language of this chapter;
- (c) The establishment a class of persons that is exempt or excepted from the tax or the discontinuation of any such exemption or exception (other than the discontinuation of an exemption or exception specifically set forth in this chapter); and
- (d) The collection of the tax imposed by this chapter, even if the city had, for some period of time, failed to collect the tax.

Item No. 5
Mtg. Date June 19, 2018
Dept. City Manager

Item Title: Revenue Options Requiring Voter Approval

Staff Contact: Lydia Romero, City Manager

Recommendation:

Review and Discuss options for revenue options to place on the November ballot.

Item Summary:

During the pre-budget discussions and draft budget discussions staff presented several concepts to raise revenue to diversify our revenue stream for the general fund. The staff report goes into more detail on these options. All the options discussed do require voter approval.

Fiscal Impact:

None.

Environmental Review:

-
- | | |
|---|---|
| <input type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|--|---|---|
| <input type="checkbox"/> None | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting | |

Attachments:

- A. Staff Report
- B. Current Business License
- C. Transaction and Use Tax (Local Sales Tax) White Paper
- D. Utility Users Tax White Paper

LEMON GROVE CITY COUNCIL
STAFF REPORT

Item No. 5

Mtg. Date June 19, 2018

Item Title: **Revenue Options Requiring Voter Approval**

Staff Contact: Lydia Romero, City Manager

Discussion:

During the pre-budget discussions and draft budget discussions staff presented several concepts to raise revenue to diversify our revenue stream for the general fund. Below describes the options in which the City Council requested further information.

Business License Tax Proposal

The current business license tax has not changed since it was adopted after City incorporation. The basic fee for most businesses is \$15.00 per business with a \$2.00 per employee charge for up to fifty employees. The Lemon Grove Business License Tax, even if related fees are included, is the lowest in East County. It is recommended that the fee be increased \$45.00 per business with a \$3.00 per employee charge with no per employee limit. Individual business license categories (See Attachment B, Chart on Business License Application) would also increase by the same dollar amount; thirty dollars plus one dollar per employee.

In order to keep up with inflation, it is recommended that the Business License Taxes have a cost of living adjustment built in so that businesses would continue to pay the same proportional amount of the City's tax burden on residents and businesses. The cost of living adjustment would be based on the U.S. Department of Labor's cost of living calculations for the San Diego Metropolitan Region annually.

It is further recommended that the Business License Tax on marijuana businesses be based on ~~the gross receipts of each business. This will allow the cost of the extra General Fund services to be borne by the businesses that generate the City workload. Consistent with other cities in the State that have sought this funding approach, it is recommended that a 5% gross receipts tax be placed on all marijuana businesses.~~

One half cent Sales Tax increase

In law, this type of local levy is actually called a transaction and use tax (TUT). The difference between a "Transactions and Use Tax" versus "Sales and Use Tax" is a transactions and use tax may be approved locally and added to the combined state and local sales and use tax rate. The base statewide sales and use tax is currently at 7.25 percent, which includes portions that go to the state general fund, several specific state funds including some for local allocation and use and to the cities and counties essentially based on the location of the purchase. Transactions and Use Taxes generally apply to merchandise that is delivered in a jurisdiction which imposes such a tax. In practice the tax application and allocation for most retail sales will not differ from the sales and use tax. But there are some differences. Importantly, in the case of

Attachment A

a sale or lease of a vehicle, vessel, or aircraft, a transactions and use tax is charged and allocated base on the location in which the property will be registered. Currently, there are 176 cities and 32 counties with voter approved transaction and use taxes. A majority of the cities TUT is for general purposes. Attachment C is a white paper on TUT's by the League of California Cities Finance expert.

In Lemon Grove residents are currently paying a ½ percent TUT for transportation purposes, this tax is often referred to as TransNet. The following cities in San Diego County have levied a ½ percent to 1 percent TUT for general purposes – Chula Vista, Del Mar, El Cajon, La Mesa, National City and Vista.

It is estimated that a ½ percent TUT could generate about \$1.2 million. Staff recommends that the City Council place a ½ percent TUT on the November ballot.

Utility User Tax (UUT)

One hundred fifty-seven (157) cities in California and four (4) Counties impose utility user taxes. UUT's is a tax on the consumption of utility services such as electricity, gas, water, sewer, telephone (including mobile phone and long distance), sanitation and cable television. The majority of the UUT's are levied between 2 percent and 6 percent with the revenue going to the levying city's general fund. Attachment D is a white paper on UUT's by the League of California Cities Finance expert.

Utility companies usually collect utility user's taxes from their customers as part of their regular billing procedures and remit the funds collected to the city or county which imposed the tax. Most UUT ordinances provide for an exemption for individuals that are on the lifeline program; seniors, disabled, blind, or individuals below a certain income level.

As the report states, a city of a similar size projected revenue at \$250,000 for a 2 percent UUT. Should the City Council approve this option, staff would recommend a 4 percent UUT on electricity, gas, water, telephone, including cell phones and long distance services and cable television with an exemption for seniors over 62, disabled and blind.

Conclusion:

Staff requests that the City Council discuss the options and direct staff to prepare draft ballot language for consideration at either the July 3rd or the July 19th City Council Meeting. Any ballot measure needs to be to the County Register of Voters by August 10, 2018.



City of Lemon Grove

Estimate for Transactions Tax/District Add-on Sales Tax – 6/19/2018

While sales tax is generally allocated to the jurisdiction where the sale is negotiated or the order taken, revenues from an 'add-on' transactions tax are allocated to the place of purchase and/or place of first use. The City of Lemon Grove can expect to receive transactions tax revenue from normal sales tax generating businesses like retail stores and restaurants. Both residents and visitors alike will pay the transactions tax on purchases that they consume or take possession of at the place of business in the City of Lemon Grove. In addition, any purchases shipped or delivered into the City from other places (business, medical and industrial supplies, construction materials, catalog and internet purchases, furniture, appliances, etc.) will generate additional transaction tax revenue.

However, as the transaction tax relates to registered vehicles purchases the tax will only be paid by City of Lemon Grove residents and businesses regardless of where the purchase is made. Therefore, if a Lemon Grove resident purchases a vehicle from an auto dealer inside or outside the City of Lemon Grove, the auto dealer will collect and remit the transaction tax.

Conversely, if a non-Lemon Grove resident purchases a vehicle from an auto within the City of Lemon Grove, the transaction tax will not be applicable. The same concept applies to building and construction outlets. If goods purchased within the City are then shipped to the end user outside the City of Lemon Grove, the retailer will not be applicable. Given Thompson Building Materials, Roof Supply By G&F, Home Depot, and the new auto dealers within the city limits, there is a strong probability that many of the purchases are made by non-Lemon Grove residents. The overall transaction tax estimate for a full 1.0 cent is nearly three-quarters of the annual Bradley-Burns sales tax revenue amount.

As there is no historical database to track purchases in a specific jurisdiction, the following estimate is based on a review of sales/transactions tax ratios in other agencies levying a transactions tax that have similar economic characteristics to the City of Lemon Grove.

	FY 19/20 Estimated 1.0 Cent Transaction Tax	FY 19/20 Estimated 0.5 Cent Transaction Tax
Autos & Transportation	\$880,000	\$440,000
Building & Construction	\$990,000	\$495,000
Business & Industry	\$163,000	\$82,000
Food & Drugs	\$461,000	\$230,000
Fuel & Service Stations	\$413,000	\$207,000
General Consumer Goods	\$612,000	\$306,000
Restaurants & Hotels	\$500,000	\$250,000
2% Deduction for first year start up issues	-\$80,500	-\$40,000
Admin Fees	-\$23,000	-\$23,000
Total	\$3,915,500	\$1,947,000



City of Lemon Grove

Estimate for Transactions Tax/District Add-on Sales Tax – 6/19/2018

A timeline has been provided to better understand the implementation process of a new transaction tax measure by the Board of Equalization (BOE) and the fiscal impacts.

Month tax measure on ballot	November 2018	June 2019
Date approved measure effective	April 1, 2019	October 1, 2019
Month of first advance from BOE	June 2019	December 2019
Fiscal impact for annual budget process	Approx. 1/4 year in FY 18-19, first full year FY 19-20	Approx. 3/4 year in FY 19-20, first full year FY 20-21