

City of Newport Beach Fiscal Year 2008-2009 Resource Allocation Plan

Cover Photo by Brent Jacobsen

NEWPORT BEACH, CALIFORNIA

RESOURCE ALLOCATION PLAN

FISCAL YEAR 2008-2009



Prepared for the Newport Beach City Council:

*Mayor Edward D. Selich
Mayor Pro Tem Leslie Daigle
Council Member Keith D. Curry
Council Member Nancy Gardner
Council Member Michael F. Henn
Council Member Steve Rosansky
Council Member Don Webb*

Table of Contents

FISCAL YEAR 2008-2009

Introduction

- 4 City Officials
- 5 City Manager's Transmittal Letter
An introductory letter from the City Manager
- 6 Budget Overview
Highlights of the budget and presentation of the key issues and challenges
- 10 User's Guide
An explanation of the City's annual budget process and related City policies
- 15 City Facilities & Locations Map
- 18 Organization Chart
- 19 Organizational Values

Summaries

- 22 Revenue Summary
Historical & projected revenues by category
- 25 Expenditures by Fund
Historical & proposed operating expenditures by fund
- 26 Operating Expenditures by Department & Type
- 27 Operating Expenditures - All Funds
Presented by department and account
- 32 Summary of Estimated 2007-08 Year End Balances
- 35 Summary of Estimated 2008-09 Year End Balances
- 38 Projected Fund Transfers, All Funds

Department Budgets

An overview of each department budget, presented by function

General Government

- 44 City Council
- 46 City Clerk
- 48 City Manager
- 52 Human Resources
- 56 City Attorney
- 58 Administrative Services

Public Safety

- 64 Police Department
- 68 Fire Department

Department Budgets (continued)

Community Development

- 74 Planning Department
- 78 Building Department

Public Works

- 84 General Services
- 90 Public Works
- 94 Utilities

Community Services

- 98 Library Services
- 102 Recreation & Senior Services

Other Budgets

An overview of budgets for funds, projects and activities that are not included in the department budgets

- 108 Description of Internal Service Funds
- 110 Debt Service & Other Activities
- 114 Capital Improvements
An overview of the capital improvement program which includes improvements and major maintenance to the City's facilities and infrastructure

Appendices

- 120 Tide & Submerged Land Fund
- 121 Capital Asset Schedule
Presented as of June 30, 2007, the last audited fiscal year
- 125 Equipment Maintenance & Replacement Fund
A schedule of rolling equipment replacement for FY 2008-09
- 126 Rolling Stock in Service
A history of rolling stock in service
- 127 Three-Year Comparison of Full-Time & Part-Time Positions
- 128 Historical Capital Projects Spending
- 130 Glossary of Fund Descriptions & Accounting Terms

Introduction

FISCAL YEAR 2008-2009



NEWPORT BEACH CITY OFFICIALS

CITY COUNCIL



L to R: Council Members Michael F. Henn and Keith D. Curry, Mayor Edward D. Selich, Council Members Steven Rosansky, Nancy Gardner and Don Webb, and Mayor Pro Tem Leslie Daigle



L to R: City Manager Homer Bludau, City Attorney Robin Clauson and City Clerk LaVonne Harkless

- Sharon Wood Assistant City Manager/Director of Community & Economic Development
- Dave Kiff.....Assistant City Manager
- Dennis C. Danner..... Administrative Services Director/Treasurer
- Jay Elbettar Building Director
- Steve Lewis Fire Chief
- Mark Harmon..... General Services Director
- Barbara Ramsey Human Resources Director
- Cynthia Pirtle..... Library Services Director
- David Lepo Planning Director
- John Klein.....Police Chief
- Steve Badum Public Works Director
- Laura Deitweiler Recreation & Senior Services Director
- Steve MyrterUtilities Director



CITY OF NEWPORT BEACH

Honorable Mayor Selich and City Council Members
City of Newport Beach
3300 Newport Boulevard
Newport Beach, California 92663

Dear Mayor Selich and Council Members:

As directed by the Newport Beach City Charter, it is my pleasure to submit the 2008-2009 City Budget to you. As you know, the Budget is a plan of financial activity for the fiscal year that starts July 1, 2008 and ends June 30, 2009.

The Budget is contained in three major volumes:

- **Resource Allocation Plan** – This document provides a reader-friendly version of the Budget and Capital Improvement Plan.
- **Budget Detail** – This document provides revenue estimates and line by line proposed expenditures for operations and maintenance of City services.
- **Capital Improvement Program** or “**CIP**” – This document provides a description of the significant capital projects and infrastructure improvements planned for Fiscal Year 2008-09.

To assist readers in the review of the documents, we have included a **Users Guide** and a **Glossary of Terms** within the Resource Allocation Plan. The Users Guide includes a description of the Budget process, how the Budget is administered after adoption, and a description of the various funds utilized by the City to properly account for its revenues and expenditures. Readers will find the Glossary of Terms at the end of the Resource Allocation Plan. This Glossary defines many of the terms used in governmental accounting within budgets, including a definition of each fund used by the City.

I have summarized the information within the Budget – as well as how the Budget meets the goals and priorities of the City Council – in a **Budget Overview** that follows this letter. This Overview is intended to provide background and supporting information for review of the budget itself.

The development of the annual budget takes an enormous amount of staff time and effort, and has to be completed within a compressed timeline. My sincere appreciation is extended to the City Council for their leadership and continued support; and, to all department directors, division managers, and departmental budget liaisons for their contributions. Special recognition is extended to staff members in the **Administrative Services Department** and the **Public Works Department** for providing overall coordination of the budget development and document production.

Sincerely,

Homer L. Bludau
City Manager

A Budget Overview

The budget of the City of Newport Beach is intended to be a reflection of the City policies, goals, and priorities. It communicates to citizens and staff what resource allocation decisions have been made. The City Council established seven new priorities in January 2008 and five priorities were kept from 2007. The Fiscal Year 2008-09 budget is based upon these twelve priorities:

Priority (in random order)	Program/Project	FY 09 Budget Allocation
New City Hall	Design services (CIP)	\$3.0 million
Facility Financing Plan	Planning document	Determined by project
Group Homes/Code Enforcement	Staffing and contract assistance in the City Attorney's Office, in the Code and Water Quality Division of the City Manager's Office, and in Park Patrol funding in the Recreation and Senior Services Department.	\$400,000
Water Quality Master Plan	Buck Gully Stabilization and Flood Control project (CIP)	\$2.3 million (\$1.2 million of City funds and \$1.1 million of Proposition 50 Water Quality Bond Grant funds)
	Newport Coast Runoff Reduction project (CIP)	\$470,000 (\$200,000 of City funds and \$270,000 of Proposition 50 Water Quality Bond Grant funds)
	Smart Controller (irrigation) program	\$325,000
Benchmarking	To be determined	To be determined
Banning Ranch	Possible appraisal	To be determined
Improving Traffic Flows	Neighborhood Traffic Management Improvements (CIP)	\$150,000
	Traffic Signal Modernization, Phase 2, Jamboree Road (CIP)	\$862,500
	Irvine Avenue Realignment (CIP)	\$1,805,200
Implement Airport Policy	Consultants	\$60,000
	Go Local study	\$100,000
	Corridor cities expense	\$15,000
Align policies/codes with the General Plan	LCP Certification	\$75,000
	Economic Development Studies	\$40,000
Parks/Recreational Facilities	Sunset Ridge Park	\$800,000 (plus \$1,571,250 for final land acquisition payment)
Improve Public Communications	Web site improvements	\$100,000
	Mailing for eight newsletters	\$140,000
Update Fees to ensure cost recovery	Potential Revenue	\$3,500,000

GENERAL FUND vs. TOTAL BUDGET. The General Fund is the key operating fund within the City's budget. The General Fund is used to account for discretionary revenues and expenditures while all other funds are used to account for enterprise activities, internal service activity, major capital improvement projects and special revenue sources that are otherwise restricted for specific purposes. Enterprise funds include the activities of the Water and Wastewater operations. Internal service funds are essentially internal cost centers used to account for centralized activities including claims management, equipment replacement, compensated absences and post employment medical benefits. Capital project funds account for major facility improvements, such as the new City Hall and Sunset Ridge Park. Special revenue funds include gas tax revenues, Measure M taxes and revenues generated from tidelands just to name a few. For the purposes of this overview, enterprise activity, special revenue sources and major capital improvement funds are segregated from General Fund activity and are summarized as "All Other Funds."

REVENUE OUTLOOK. We are projecting FY 2008-09 General Fund revenues at \$153.4 million. This is an increase of 3.8% from our revised FY 2007-08 revenue estimate of \$147.7 million and is primarily due to an estimated increase in property tax revenues of \$4.0 million or 5.5%. Property tax revenues, estimated to be \$77.1 million in FY 2008-09, account for approximately 50% of total General Fund revenues. Sales tax and Uniform Transient Occupancy tax are the next largest component of the City's General Fund revenue with a FY 2008-09 estimate of \$35.6 million combined.

The table below highlights some of the areas of change and projected change in General Fund revenues and all other revenues:

Revenue	2007-08 Adopted Budget	2007-08 Amended Budget	2008-09 Proposed Budget	Change from Amended
Total Property Taxes	\$ 70,493,414	\$ 73,083,538	\$ 77,092,919	5.49%
Taxes Other than Property	\$ 39,591,655	\$ 41,371,520	\$ 43,668,227	5.55%
Licenses and Permits	\$ 2,898,343	\$ 3,876,320	\$ 3,044,553	-21.46%
Intergovernmental	\$ 6,336,272	\$ 2,351,022	\$ 2,359,080	0.34%
Charges for Services	\$ 13,473,234	\$ 14,093,302	\$ 14,480,555	2.75%
Fines, Forfeitures & Penalties	\$ 3,580,338	\$ 3,593,500	\$ 3,559,756	-0.94%
Use of Money and Property	\$ 8,281,363	\$ 8,489,866	\$ 8,495,802	0.07%
Other Revenue	\$ 2,841,354	\$ 913,025	\$ 670,715	-26.54%
Total General Fund Revenue	\$ 147,495,972	\$ 147,772,093	\$ 153,371,607	3.79%
All Other Revenue	\$ 63,988,515	\$ 66,262,896	\$ 71,736,757	8.26%
Total City Revenue	\$ 211,484,487	\$ 214,034,989	\$ 225,108,364	5.17%
Less Internal Premiums	\$ (15,731,431)	\$ (16,105,113)	\$ (16,575,822)	2.92%
Total City Revenue Net of Internal Charges	\$ 195,753,056	\$ 197,929,876	\$ 208,532,542	5.36%

Total City revenues, excluding internal premiums, are expected to increase 5.36% from revised projections for FY 2007-08 to \$208.5 million. A significant one-time special revenue source is an estimated \$7.5 million contribution from the Orange County Redevelopment Agency for a utility undergrounding project in the recently annexed Santa Ana Heights area. Funding from the State of California Arterial Highway Rehabilitation Program is dropping from an estimated \$1.2 million in FY 2007-08 to only \$400,000 in FY 2008-09, however funding levels for that program have always fluctuated. At the same time, we anticipate receiving almost \$1.4 million from the State in Proposition 1B Transportation funding. Proposition 1B provides cities and counties with funding for maintenance and improvements of transportation facilities. Total revenues from outside sources are estimated to be approximately \$225.1 million. For a complete summary of FY 2008-09 proposed revenue, please refer to page 22.

EXPENDITURE OUTLOOK. The General Fund contains expenditures for all operating City departments except for the Harbor Resources Division within the City Manager Department and the Oil and Gas Division of the Utilities Department which are funded through Tidelands, and the Water and Wastewater Divisions within the Utilities Department. The General Fund is usually the most discussed fund and is generally of most interest to residents. In 2008-09, the proposed General Fund expenditures, including General Fund capital improvements and debt service for the land acquisition for Sunset Ridge Park, total \$157.2 million, an increase of \$2.66 million or 1.72% from the amended FY 2007-08 General Fund budget. This increase is primarily due to the cost of providing public safety services.

Function and Activities	2007-08 Original Budget	2007-08 Amended Budget	2008-09 Proposed Budget	Change from Amended
GENERAL FUND BUDGET				
General Government	\$ 13,492,064	\$ 14,631,774	\$ 14,927,441	2.02%
Public Safety	\$ 71,437,831	\$ 73,174,507	\$ 76,312,502	4.29%
Community Development	\$ 7,261,318	\$ 9,091,648	\$ 8,741,673	-3.85%
Public Works	\$ 28,982,445	\$ 29,799,027	\$ 30,185,709	1.30%
Community Services	\$ 12,031,757	\$ 13,495,645	\$ 13,637,991	1.05%
Debt Service	\$ -	\$ 1,642,500	\$ 1,571,250	-4.34%
Total General Fund Operating Budget	\$ 133,205,415	\$ 141,835,101	\$ 145,376,566	2.50%
General Fund CIPs	\$ 11,180,795	\$ 12,721,678	\$ 11,835,815	-6.96%
Total General Fund Budget	\$ 144,386,210	\$ 154,556,779	\$ 157,212,381	1.72%
TOTAL CITY BUDGET				
Total Operating Budget	\$ 172,334,677	\$ 183,856,699	\$ 187,547,387	2.01%
Total CIP Budget	\$ 41,471,819	\$ 43,925,093	\$ 70,922,650	61.46%
Total City Budget	\$ 213,806,496	\$ 227,781,792	\$ 258,470,037	13.47%
Less Internal Charges	\$ (15,731,431)	\$ (16,575,822)	\$ (16,575,822)	0.00%
Total City Budget Net of Internal Charges	\$ 198,075,065	\$ 211,205,970	\$ 241,894,215	14.53%

Total proposed City expenditures in 2008-09, including debt service and capital projects, is \$258.5 million. Excluding internal service premiums charged to fund insurance reserves, equipment maintenance and replacement, and post employment medical benefits, total expenditures are proposed to be approximately \$241.9 million. The budget shortfall between total external revenues and expenditures is due to the timing of Capital Improvement Project (CIP) revenues and expenditures. CIP projects often span one or more fiscal years. Of the \$241.9 million of proposed expenditures in fiscal year 2008-09, a total of \$22.6 million CIP projects are estimated to be rebudgeted from a prior fiscal year because the project was delayed or is only partially completed. These funds are reserved in a Capital Appropriations reserve, but when the appropriation is carried forward to the following year, this re-appropriation causes expenditures to exceed current year revenues.

Excluding CIPs and internal charges, the total FY 2008-09 operating budget is proposed at \$187.5 million. This represents a 2.0% increase from the 2007-08 amended budget and is primarily due to increased salaries and benefit costs as approved by Council.

I am recommending some personnel changes that result in the addition of one full-time position.

Positions deleted:

- One Office Assistant – General Services
- One Maintenance Worker I – General Services, Street Maintenance Crew
- One Maintenance Worker I – General Services, Concrete Maintenance Crew
- Two Equipment Operator II – General Services (related to Council-approved contract for outsourcing refuse transfer operations)

Positions added:

- One Assistant City Attorney
- One Library Assistant – CdM Branch Library
- Change one part-time (.75 FTE) Library Clerk to full-time – Mariners Branch Library
- Change part-time (.75 FTE) Lead Park Patrol Officer to full-time
- One Department Assistant - Human Resources
- One Permit Technician - Building

The approval of these changes will bring our total full-time position count to 828 and 137.55 full-time equivalents (part-time). To review historical staffing trends, please refer to the Three-Year Comparison of Full-Time and FTE Positions in the Appendix Section.

CAPITAL IMPROVEMENT PROGRAM (CIP). The CIP serves as a funding plan for public improvements, special projects, and many ongoing maintenance programs. Projects in the CIP include construction and rehabilitation of arterial highways, local streets, storm drains, bay and beach improvements, parks and buildings, and water and wastewater improvements. The FY 2008-09 CIP budget is \$70.9 million and consists of 109 projects.

<u>Category</u>	<u>FY 2008-09 Budget</u>
Facilities	\$26,544,750
Streets and Drainage	16,696,140
Traffic	3,749,155
Parks, Harbors and Beaches	3,629,155
Water Quality and Environmental	5,373,750
Water	3,128,500
Wastewater	3,086,900
Miscellaneous	8,714,300
	<u>\$70,922,650</u>

Specific project plans for this budget year are discussed in more detail in the CIP section of the Budget documents, as well as the printed Capital Improvement Program budget document. There is also a summary of Historical Capital Projects Spending in the Appendix Section of this document.

CONCLUSION. Newport Beach is a full service city, providing nearly all public services including police, fire, water, sewer service, trash collection, libraries, street maintenance, traffic management, parks, and marine safety. This budget will assist the City of Newport Beach in continuing to provide and improve the quality of services that the citizens of this community have come to expect and deserve. The financial plan for FY 2008-09 is both conservative and balanced while directing significant resources toward the priorities identified by the City Council. All Council reserve fund policies have been met and the proposed General Fund expenditures are fully offset by anticipated General Fund revenues. I am pleased to present the FY 2008-09 budget to the City Council and to the citizens of Newport Beach, California.

CITY OF NEWPORT BEACH
BUDGET FOR FISCAL YEAR 2008-2009
User's Guide

Each year the City prepares and adopts, by formal Resolution, an annual budget as required by the City's Charter. The budget is the operating and capital expenditure plan for the City for the fiscal year beginning on July 1 and ending on June 30 of the following year.

Budget Process — During December of each year, the Administrative Services Department prepares preliminary fund balance estimates for the current year and preliminary revenue estimates for the next fiscal year. In January of each year, the Administrative Services Department prepares a budget calendar and issues budget instructions and expenditure detail to each department for use in preparation of the next year's City budget. Included in these instructions are budget guidelines and appropriation limits for each department. These guidelines are developed by the Administrative Services Director and approved by the City Manager.

After submission of revenue and appropriation requests by each department, the Administrative Services Department summarizes the requests for review by the City Manager and department heads. After review at the City Manager level, the Administrative Services Department prepares the City's proposed budget for the next fiscal year and submits it to the City Council. Thereafter, the City Council holds as many budget study sessions as it deems necessary. All proposed Council changes in the City Manager's proposed budget are added to a budget checklist. Subsequent to Council review and prior to its final adoption, the City Manager provides each Council Member with an itemized list of all proposed changes to permit a roll call vote by the City Council on each item during the budget hearing at the regular Council meeting. The City Council holds the budget hearing and adopts the budget on or before June 30 as required by the City Charter. Citizen input is encouraged during the Council study sessions or during the budget hearing.

The Budget is prepared on a modified accrual basis with all appropriations lapsing at the close of the fiscal year. If an expenditure of an appropriation is required but unexpended at the close of the fiscal year, the appropriation must be rebudgeted or reappropriated by the City Council.

Administration of the Annual Budget — During the budget year, department heads and their designated representatives may only authorize expenditures based on appropriations previously approved by City Council action, and only from accounts under their organizational responsibility. In addition, budget expenditures may only be authorized in the year appropriated. Department heads are responsible for not authorizing expenditures above budget appropriations in any given expenditure classification within their purview, without additional appropriation or transfer as specified below.

New Appropriations. During the Budget Year, the City Council may appropriate additional funds for special purposes by a City Council Budget Amendment. The City Manager has authority to approve requests for budget increases not to exceed \$10,000 in any Budget Activity or Capital Project. All budget amendment increases exceeding \$10,000 shall be referred to the City Council for approval.

Transfers. During the fiscal year, actual expenditures may exceed budget appropriations for specific expenditure line items within departmental budgets. If a total departmental budget, within a specific Classification, is not exceeded, the Administrative Services Director has the authority to transfer funds within that Classification and department, to make the most efficient use of funds appropriated by the City Council. (Salaries and Benefits, Maintenance and Operation, Other Charges, and Capital Outlay are the City's four Classifications.)

Realignments. Further, funds may be realigned between one Department Budget Activity and another, within the same Classification, with City Manager approval. For example, if a Fire Department function and the employee who accomplishes it are replaced by a slightly different function assigned to the Police Department, the City Manager may authorize the transfer of appropriate salary and benefit funds to support this function.

Reprogramming. Any reprogramming of funds among the four Classifications (Salaries and Benefits, Maintenance and Operation, Other Charges, and Capital Outlay) within a given fund requires the City Manager's approval. Any budget revision that changes the total amount budgeted for any fund (other than the minor provisions allowed for the City Manager) must be approved by the City Council.

Capital Projects. The department head having primary responsibility for a Capital Project (usually the Public Works Director) is authorized to encumber and approve subsequent expenditure of City funds for Capital Projects. However, contracts in excess of \$30,000 require specific City Council authorization at the time of contract award. In addition, any contracts not of format and wording already approved by the City Attorney require specific City Attorney review and approval prior to contract award.

The budget document is intended to provide the public concise and readable information about the City of Newport Beach's proposed operating and capital budgets, as well as anticipated funding sources.

The document is actually prepared in three separate volumes: the **Resource Allocation Plan**, the **Budget Detail**, and the **Capital Improvement Program**.

The **Resource Allocation Plan** is designed to be the summary "user friendly" document for the public. It is divided into the following five major sections: (The Table of Contents lists every subject covered in the budget document and its page number.)

Introduction — includes the Table of Contents, City Organization Chart, List of City Officials, and the City Manager's Letter of Transmittal.

Summaries — includes Revenues by Source, Expenditures by Function, Estimated Fund Balances, and Schedule of Fund Transfers.

Department Budgets — includes proposed operating budgets by department.

Other Budgets — includes a description of internal service funds, debt service information, and the proposed capital improvement budgets by funding source.

Appendix — includes a summary of the Tide and Submerged Land Fund; a Capital Asset Schedule (Land, Structures and Improvements for the City); a summary of Rolling Stock in Service; a Three Year Comparison of Full-time and Full-time Equivalent Positions; a history of capital projects spending; and a glossary of accounting terms and definitions of terms used in the Newport Beach Budget documents.

Both the **Budget Detail** volume and the **Capital Improvement Program** volume are designed to provide the reader more detail on the proposed operating and capital improvement expenditures. The **Capital Improvement Program** volume also serves as a Five Year Proposed Capital Improvement Plan.

For the most part, the General Fund is the portion of the City's operating budget that funds the majority of City services. This fund is used to account for fiscal resources which are dedicated to the general government operations of the City, and which are not required to be accounted for in another fund. Examples of the services funded by the General Fund include Police, Fire, and Lifeguard Services; Refuse Collection; Public Library; Recreation Programs; much of the City's expenditures on street maintenance; Planning and Building, and Engineering services; as well as the general administration of the City. In addition, many Capital Improvements are funded by the General Fund.

The General Fund and its activities are primarily supported by property, sales, and transient occupancy taxes. In addition, the other revenue sources supporting General Fund activities include: Licenses, Fees and Permits; Intergovernmental Revenues; Charges for Services; Fines, Forfeitures and Penalties; Revenue from the Use of Money and Property; Contributions; and Other Miscellaneous Revenue. By far, the City's largest revenue source is property taxes. The City's second largest single revenue source is Sales Tax, followed by Transient Occupancy Tax. Together, these three revenue sources provide nearly 74% percent of total General Fund revenues.

In addition to the City's General Fund, there are numerous other funds that help finance City expenditures, particularly capital improvements. The City's Special Revenue Funds are used to account for the proceeds of special revenue sources, which are legally restricted to expenditures for specific purposes. The best example of a special revenue fund is the City's Gas Tax Fund, which is funded by the State Gasoline Tax, and which can only be expended for street repair, construction, and maintenance. The City has many other special revenue funds that are all included in the Budget.

The City employs Internal Service Funds to account for vehicle maintenance and replacement, as well as all compensated absences, general liability, workers' compensation, and other insurance payments. These internal service funds are funded by charging each of the operating departments a rate computed to support these activities.

Finally, the Budget includes Enterprise Funds, which are used to account for City operations that are financed and operated in a manner similar to private business enterprises. The objective of segregating activities of this type is to identify the costs of providing the services, and to finance them through user charges. The two main City enterprise funds are the City's Water Fund and the Wastewater Fund. Both of these funds are financed by user charges to the customers (residents and businesses of Newport Beach).

The following table lists the City department and the funds they use.

Use of Funds by Departments					
Department	Funds				
	General	Tidelands	Water*	Wastewater*	Equipment**
Administrative Services	X				
Building	X				
City Attorney	X				
City Clerk	X				
City Council	X				
City Manager	X				
City Manager - Harbor Resources		X			
Fire	X				
General Services	X				
General Services - Equipment					X
Human Resources	X				
Library & Cultural Arts	X				
Planning	X				
Police	X				
Public Works	X				
Recreation & Senior Services	X				
Utilities - Electrical	X				
Utilities - Gas & Oil		X			
Utilities - Wastewater				X	
Utilities - Water			X		

* Enterprise

** Internal Service Fund

Appropriation (Gann) Limit — Article XIII B of the California Constitution (Proposition 4) specifies that tax based appropriations of government entities (with certain exclusions) may increase annually only by a limited amount (primarily to allow for population increases and inflation). Newport Beach has been under its Gann Limit by a comfortable margin each year. For 2008-09, the appropriations limit adopted by the City Council, in accordance with Revenue and Taxation Code Section 7910, was \$139,044,407. Calculations determining this amount, which is \$19.7 million greater than the budgeted proceeds of taxes (even without adjusting for exclusions) are verified as part of the City’s annual audit.

In addition to the Annual Budget, the City’s audited financial statements for the prior fiscal years are available in the Administrative Services Department, City Clerk Department, and each of the City’s library branches.

Fund Balance Policy — The City Council has recently adopted a revised official policy (Policy F-2 in the City of Newport Beach Council Policy Manual) regarding reserve levels among its various funds. This policy, in part, states that “The City Council has determined that a General Fund Contingency Reserve be created and that the balance in this reserve shall be maintained with not less than 12.0 percent of the appropriation budget total within the General Fund of the City’s annual approved budget.” The balance in this reserve is currently at the targeted amount. In addition, Policy F-2 includes a designated Reserve for Capital Improvement to fund replacement of City owned buildings.

In addition to the General Fund's reserves, other reserve levels have been established. In the Tide and Submerged Land Fund, reserves are designated for Upper Newport Bay restoration projects. The City's Permanent Endowment Fund (Robinson Skinner Annuity) provides investment earning be reserved for dredging projects in Newport Bay. Reserves in the City's Water Enterprise Fund and the Wastewater Enterprise Fund are designed to guarantee their operation and are to be used for emergency repairs of the systems. Reserves have also been established for the City's Internal Service Funds, which fund such activities as Equipment Maintenance and Replacement, and Insurance Reserves for such items as liability, workers' compensation, compensated absences, and retiree insurance.

Debt Administration — The City does not issue debt instruments to finance operating activities; therefore Debt Service Expenditures are the result of capital financing ventures. There are two principal reasons why debt instruments are issued. The first circumstance is when the cash flow for the construction or purchase of a long-term asset would cause a significant strain on the City's cash flow and the asset to be financed will benefit many service periods. In no instance would the City select the duration of a given debt instrument to extend beyond the expected life of the asset financed. The second scenario arises when an asset to be purchased may not cause a significant cash flow strain but it would be economically advantageous to finance the asset rather than to purchase it outright (e.g. occasionally the City can borrow money at a lower rate than its investment portfolio is earning). Information regarding the City's current Debt Service Expenditures is included in the section entitled, Other Budgets.

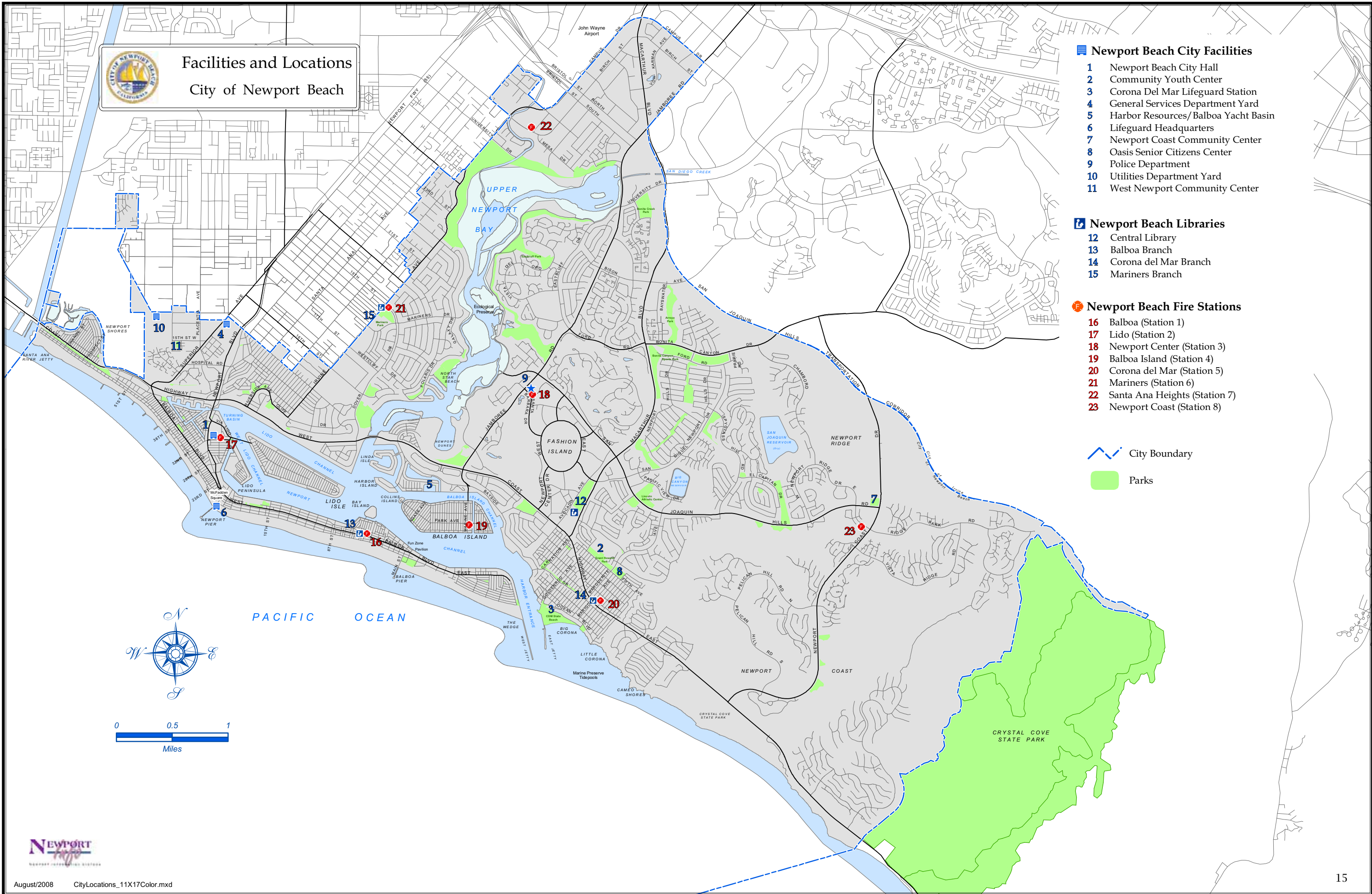
Cash Management — The City pools all cash and investments of all funds, except for funds required to be held by outside fiscal agents under the provisions of certificates of participation and investment funds in its deferred compensation plan. Under the provisions of the City's investment policy, and in accordance with Section 53601 of the California Government Code, the City may deposit and invest in the following:

- Certificates of Deposit
- Negotiable Certificates of Deposit
- Bankers Acceptances
- U.S. Treasury Issues
- Federal Agency or U.S. Government-Sponsored Enterprise Obligations
- Commercial paper
- Repurchase Agreements and Reverse Repurchase Agreements
- Passbook Savings Accounts
- Local Agency Investment Fund (State of California)
- County Investment Pool (Los Angeles)
- Medium Term Corporate Bonds/Notes
- Mortgage-backed Securities and Asset-backed securities
- Municipal Bonds
- Money Market Funds

The City allocates interest to all funds as required by Federal, State, County, or local code. Each fund allocated interest is indicated on the Revenue Summary of the Budget Detail book.



Facilities and Locations City of Newport Beach



Newport Beach City Facilities

- 1 Newport Beach City Hall
- 2 Community Youth Center
- 3 Corona Del Mar Lifeguard Station
- 4 General Services Department Yard
- 5 Harbor Resources/Balboa Yacht Basin
- 6 Lifeguard Headquarters
- 7 Newport Coast Community Center
- 8 Oasis Senior Citizens Center
- 9 Police Department
- 10 Utilities Department Yard
- 11 West Newport Community Center

Newport Beach Libraries

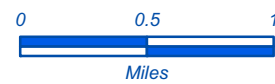
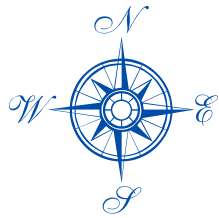
- 12 Central Library
- 13 Balboa Branch
- 14 Corona del Mar Branch
- 15 Mariners Branch

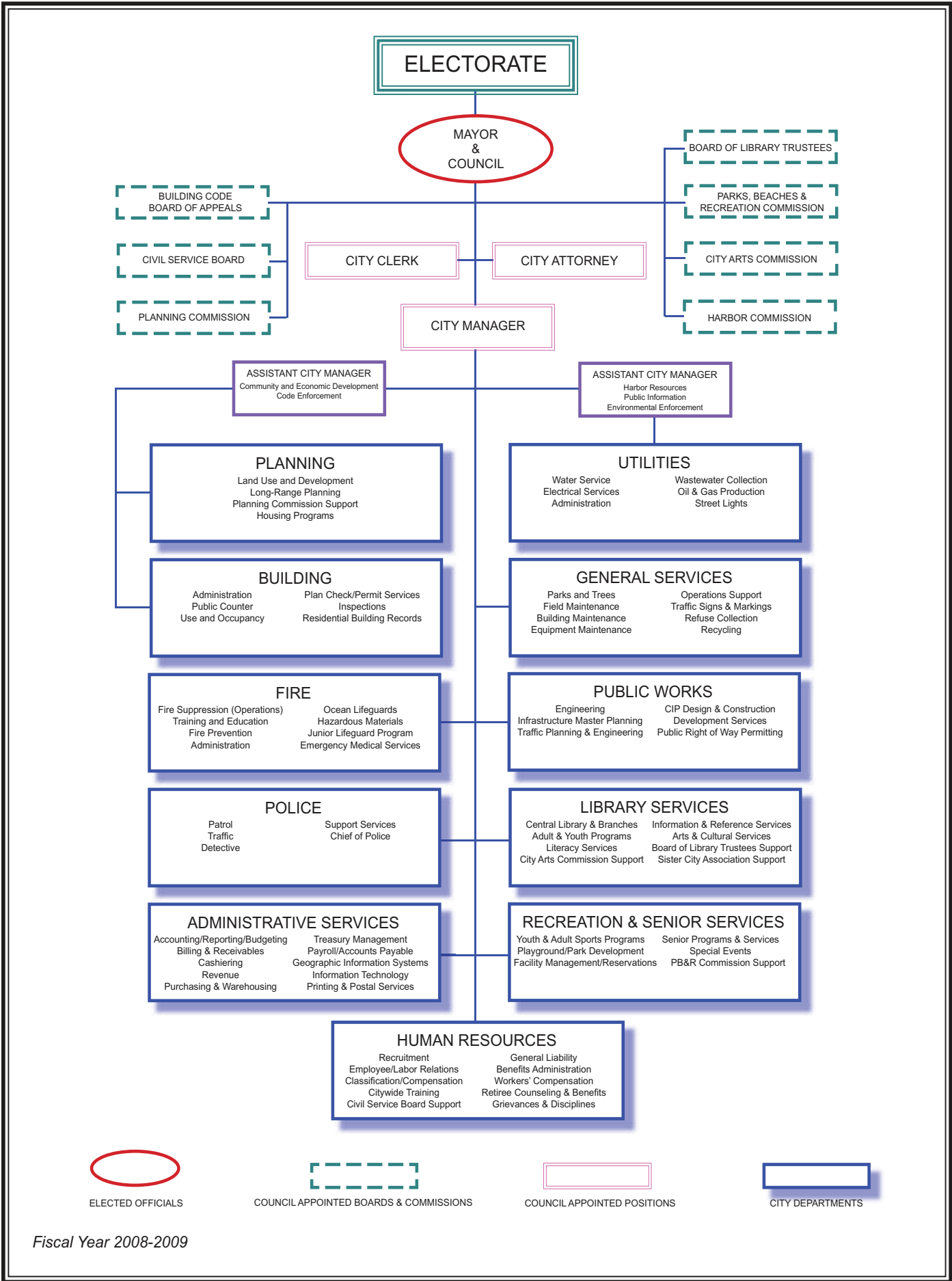
Newport Beach Fire Stations

- 16 Balboa (Station 1)
- 17 Lido (Station 2)
- 18 Newport Center (Station 3)
- 19 Balboa Island (Station 4)
- 20 Corona del Mar (Station 5)
- 21 Mariners (Station 6)
- 22 Santa Ana Heights (Station 7)
- 23 Newport Coast (Station 8)

City Boundary

Parks





MISSION STATEMENT

Newport Beach is an exceptional community because of its nautical heritage, the natural beauty of the bay and ocean, and its outstanding enhancements.

As employees of the City of Newport Beach, we have been entrusted to be the stewards of the quality of life cherished by those who live, work and visit here.

In support of that trust, we commit to provide excellent service that respects the uniqueness and diversity of the community.

ORGANIZATIONAL VALUES

As Employees of the City of Newport Beach, we choose to embrace and practice the following values:

In practicing ***integrity***, we strive to be honest, reliable, respectful, ethical, fair, and authentic. We will serve in a manner consistent with community values and follow through on our commitments.

In practicing ***empathy***, we will be sensitive to the needs of others by being compassionate, thoughtful, open-minded, willing to understand, and by being good listeners.

In practicing ***service***, we understand our roles as representatives of the City. We will endeavor to practice humility, to make things better for others, and to treat others, as we want to be treated.

In practicing ***excellence***, we will strive to do our best by demonstrating competence and a commitment to quality. We will be innovative, thorough, efficient, and effective in our work.

In ***creating a positive work environment***, we will express our appreciation for, and recognize, others. We will follow a work ethic, take pride of ownership in our work, be courteous, encourage creative thinking, seek and be open to challenges, create esprit de corps, maintain a safe environment, and act with enthusiasm.

In creating ***unity of purpose***, we will practice cooperation and teamwork. We will practice open communication by keeping others informed, considering the needs of others, and at times deferring to the needs of others.

In practicing ***responsibility***, we will be accountable in our work, take initiative, make appropriate decisions, and act decisively. We will acknowledge our errors and correct them.

In practicing ***loyalty***, we will respect the individual and the position. We will support each other, abide by decisions, and strive to always present a positive image of the City.

Summaries

FISCAL YEAR 2008-2009



REVENUE SUMMARY 2008-09

Fund/Revenue Category	2003-04 Actual Revenue	2004-05 Actual Revenue	2005-06 Actual Revenue	2006-07 Actual Revenue	2007-08 Estimated Revenue	2008-09 Proposed Revenue	Percent Increase (Decrease)
GENERAL FUND							
PROPERTY TAXES	43,631,829	56,254,917	63,608,570	70,351,310	73,083,538	77,092,919	5.49%
TAXES OTHER THAN PROPERTY	35,790,936	34,993,699	38,676,046	41,456,137	41,371,520	43,668,227	5.55%
LICENSES AND PERMITS	3,483,020	3,061,667	3,295,053	3,076,603	3,876,320	3,044,553	-21.46%
INTERGOVERNMENTAL	6,014,233	4,266,673	3,935,190	3,885,673	2,351,022	2,359,080	0.34%
CHARGES FOR CURRENT SERVICES	11,899,279	13,063,134	13,098,105	14,370,844	14,093,302	14,480,555	2.75%
FINES, FORFEITURES & PENALTIES	3,551,515	3,422,735	3,839,924	3,630,164	3,593,500	3,559,756	-0.94%
USE OF MONEY AND PROPERTY	6,397,127	7,093,909	7,448,396	9,101,178	8,489,866	8,495,802	0.07%
OTHER REVENUE	216,898	1,138,281	1,645,515	3,291,015	913,025	670,715	-26.54%
TOTAL GENERAL FUND	110,984,837	123,295,015	135,546,799	149,162,924	147,772,093	153,371,607	3.79%
ASSET FORFEITURE FUND							
INTERGOVERNMENTAL	59,652	233,471	95,697	69,478	40,000	40,000	0.00%
USE OF MONEY AND PROPERTY	1,638	3,750	1,639	3,603	5,250	3,210	-38.86%
OTHER REVENUE	0	0	0	0	0	0	0.00%
TOTAL FORFEITURE FUND	61,290	237,221	97,336	73,081	45,250	43,210	-4.51%
OTS GRANT							
INTERGOVERNMENTAL	0	0	0	0	347,249	184,751	-46.80%
TOTAL SLESF - COPS FUND	0	0	0	0	347,249	184,751	-46.80%
SLESF - COPS FUND							
INTERGOVERNMENTAL	119,171	118,685	120,222	162,501	140,000	160,000	14.29%
USE OF MONEY AND PROPERTY	240	972	1,328	2,571	2,100	2,000	-4.76%
TOTAL SLESF - COPS FUND	119,411	119,658	121,550	165,072	142,100	162,000	14.00%
JAG FUND (FORMERLY LLEBG)							
INTERGOVERNMENTAL	39,448	24,569	0	0	0	0	0.00%
USE OF MONEY AND PROPERTY	2,975	414	0	0	0	0	0.00%
TOTAL LLEBG FUND	42,423	24,983	0	0	0	0	0.00%
CDBG FUND							
INTERGOVERNMENTAL	0	559,698	532,350	567,510	525,732	355,659	-32.35%
USE OF MONEY AND PROPERTY	5,598	7,905	15,789	781	0	0	0.00%
TOTAL CDBG FUND	5,598	567,603	548,139	568,291	525,732	355,659	-32.35%
STATE GAS TAX FUND							
INTERGOVERNMENTAL	1,484,796	1,497,280	1,501,409	1,505,806	1,507,500	1,507,500	0.00%
USE OF MONEY AND PROPERTY	20,735	68,658	87,681	148,474	147,000	145,000	-1.36%
OTHER REVENUE	0	0	1,340	0	0	0	0.00%
TOTAL GAS TAX FUND	1,505,531	1,565,938	1,590,430	1,654,280	1,654,500	1,652,500	-0.12%
PROP 1B TRANSPORTATION FUND							
INTERGOVERNMENTAL	0	0	0	0	0	1,354,500	0.00%
USE OF MONEY AND PROPERTY	0	0	0	0	0	0	0.00%
TOTAL PROP 1B TRANSPORTATION FUND	0	0	0	0	0	1,354,500	0.00%
TRAFFIC CONGESTION FUND							
INTERGOVERNMENTAL	0	0	266,503	699,791	0	1,138,717	0.00%
USE OF MONEY AND PROPERTY	2,037	0	1,679	25,148	0	30,000	0.00%
TOTAL TRAFFIC CONGESTN FUND	2,037	0	268,182	724,939	0	1,168,717	0.00%
TIDELANDS FUND							
LICENSES, PERMITS AND FEES	1,230,464	1,276,362	1,327,560	1,299,946	1,291,525	1,314,100	1.75%
INTERGOVERNMENTAL	18,333	0	0	0	0	0	0.00%
CHARGES FOR SERVICES	38,560	42,400	37,260	84,071	40,000	120,700	201.75%
FINES, FORFEITURES & PENALTIES	-514	-1,056	1,918	1,049	1,200	500	-58.33%
USE OF MONEY AND PROPERTY	5,696,396	6,224,026	7,482,416	7,662,643	8,158,238	8,911,302	9.23%
OTHER REVENUE	-2,384	0	2,724	0	0	0	0.00%
TOTAL TIDELANDS FUND	6,980,855	7,541,732	8,851,878	9,047,709	9,490,963	10,346,602	9.02%
CONTRIBUTIONS FUND							
INTERGOVERNMENTAL	1,768,224	5,015,643	2,536,633	4,880,885	1,093,158	2,812,300	157.26%
USE OF MONEY AND PROPERTY	0	0	106,906	216,684	95,000	100,000	5.26%
OTHER REVENUE	50,000	0	219,144	55,911	588,333	0	-100.00%
TOTAL CONTRIBUTIONS FUND	1,818,224	5,015,643	2,862,683	5,153,480	1,776,491	2,912,300	63.94%
CIRCULATION AND TRANS FUND							
LICENSE, PERMITS AND FEES	681,046	411,229	893,083	394,703	300,000	400,000	33.33%
USE OF MONEY AND PROPERTY	27,585	88,169	92,022	133,397	155,400	75,000	-51.74%
OTHER REVENUE	0	0	0	24,450	0	0	0.00%
TOTAL CIRCULATION FUND	708,631	499,397	985,105	552,550	455,400	475,000	4.30%
BUILDING EXCISE TAX FUND							
LICENSES, PERMITS AND FEES	210,086	218,976	193,266	166,063	150,000	125,000	-16.67%
USE OF MONEY AND PROPERTY	1,692	7,579	9,657	13,334	10,500	1,000	-90.48%
OTHER REVENUE	0	0	0	0	0	0	0.00%
TOTAL BET FUND	211,778	226,556	202,923	179,397	160,500	126,000	-21.50%
MEASURE "M" FUND							
INTERGOVERNMENTAL	1,300,089	1,595,550	1,528,971	1,800,975	1,750,000	2,067,348	18.13%
USE OF MONEY AND PROPERTY	12,192	43,788	78,218	115,038	59,774	75,000	25.47%
OTHER REVENUE	0	0	0	0	0	0	0.00%
TOTAL MEASURE "M" FUND	1,312,281	1,639,338	1,607,189	1,916,013	1,809,774	2,142,348	18.38%

REVENUE SUMMARY 2008-09

Fund/Revenue Category	2003-04 Actual Revenue	2004-05 Actual Revenue	2005-06 Actual Revenue	2006-07 Actual Revenue	2007-08 Estimated Revenue	2008-09 Proposed Revenue	Percent Increase (Decrease)
BIKES & TRAILWAYS FUND							
INTERGOVERNMENTAL	0	0	0	0	0	0	0.00%
USE OF MONEY AND PROPERTY	309	0	0	0	0	0	0.00%
TOTAL BIKES & TRAILWAYS FUND	<u>309</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
AHRP FUND							
INTERGOVERNMENTAL	690,543	125	166	746,740	652,600	400,000	-38.71%
TOTAL ALRP FUND	<u>690,543</u>	<u>125</u>	<u>166</u>	<u>746,740</u>	<u>652,600</u>	<u>400,000</u>	<u>-38.71%</u>
AIR QUALITY MGMT FUND							
INTERGOVERNMENTAL	144,692	111,940	99,719	101,725	100,000	100,000	0.00%
USE OF MONEY AND PROPERTY	128	1,146	3,224	10,712	4,200	12,000	185.71%
OTHER REVENUE	0	0	0	0	0	0	0.00%
TOTAL AQMD FUND	<u>144,820</u>	<u>113,086</u>	<u>102,943</u>	<u>112,437</u>	<u>104,200</u>	<u>112,000</u>	<u>7.49%</u>
ENVIRONMENTAL LIABILITY FUND							
OTHER REVENUE	332,813	358,247	453,140	422,606	392,000	425,000	8.42%
USE OF MONEY AND PROPERTY	10,135	39,112	53,524	127,978	79,800	140,000	75.44%
TOTAL ENVIRONMENTAL LIAB FD	<u>342,948</u>	<u>397,360</u>	<u>506,664</u>	<u>550,584</u>	<u>471,800</u>	<u>565,000</u>	<u>19.75%</u>
OIL SPILL REMEDIATION FUND							
TOTAL OTHER REVENUE	0	0	0	0	0	0	0.00%
USE OF MONEY AND PROPERTY	7,007	17,895	10,680	2,631	5,250	500	-90.48%
TOTAL OIL SPILL FUND	<u>7,007</u>	<u>17,895</u>	<u>10,680</u>	<u>2,631</u>	<u>5,250</u>	<u>500</u>	<u>-90.48%</u>
NEWPORT ANNEXATION FUND							
INTERGOVERNMENTAL	5,000,000	0	3,000,000	0	0	0	0.00%
USE OF MONEY AND PROPERTY	88,316	327,116	436,123	682,253	753,900	450,000	-40.31%
TOTAL ANNEXATION FUND	<u>5,088,316</u>	<u>327,116</u>	<u>3,436,123</u>	<u>682,253</u>	<u>753,900</u>	<u>450,000</u>	<u>-40.31%</u>
ASSESSMENT DISTRICT PROJECTS							
OTHER REVENUE	260,457	14,779,013	0	16,200	0	0	0.00%
USE OF MONEY AND PROPERTY	5,501	76,768	111,497	89,171	14,410	0	-100.00%
TOTAL ASSESSMENT DISTRICT FUND	<u>265,958</u>	<u>14,855,781</u>	<u>111,497</u>	<u>105,371</u>	<u>14,410</u>	<u>0</u>	<u>-100.00%</u>
CIOSA FUND							
OTHER REVENUE	0	0	0	0	0	0	0.00%
USE OF MONEY AND PROPERTY	26,551	75,339	65,052	140,243	126,000	100,000	-20.63%
TOTAL CIOSA FUND	<u>26,551</u>	<u>75,339</u>	<u>65,052</u>	<u>140,243</u>	<u>126,000</u>	<u>100,000</u>	<u>-20.63%</u>
BONITA CANYON DEV. FUND							
OTHER REVENUE	0	0	0	0	0	0	0.00%
USE OF MONEY AND PROPERTY	65,517	7,147	4,166	4,101	0	2,000	0.00%
TOTAL BONITA CANYON DEV. FD.	<u>65,517</u>	<u>7,147</u>	<u>4,166</u>	<u>4,101</u>	<u>0</u>	<u>2,000</u>	<u>0.00%</u>
MARINERS LIBRARY							
INTERGOVERNMENTAL	144,685	0	959,208	0	1,758,711	0	-100.00%
OTHER REVENUE	38,269	302,988	32,652	0	0	0	0.00%
USE OF MONEY AND PROPERTY	5,338	18,536	0	0	0	0	0.00%
TOTAL MARINERS LIBRARY FUND	<u>188,292</u>	<u>321,524</u>	<u>991,860</u>	<u>0</u>	<u>1,758,711</u>	<u>0</u>	<u>-100.00%</u>
OASIS SR CENTER							
INTERGOVERNMENTAL	0	0	0	0	62,400	0	-100.00%
OTHER REVENUE	0	0	0	0	0	0	0.00%
USE OF MONEY AND PROPERTY	0	0	0	0	0	0	0.00%
TOTAL OASIS SR CENTER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>62,400</u>	<u>0</u>	<u>-100.00%</u>
FIRE STATION #7							
INTERGOVERNMENTAL	0	2,500,000	0	1,600,000	5,850,000	0	-100.00%
OTHER REVENUE	0	0	0	0	0	0	0.00%
USE OF MONEY AND PROPERTY	0	0	0	0	0	0	0.00%
TOTAL FIRE STATION #7 FD.	<u>0</u>	<u>2,500,000</u>	<u>0</u>	<u>1,600,000</u>	<u>5,850,000</u>	<u>0</u>	<u>-100.00%</u>
BACK BAY SCIENCE CENTER							
INTERGOVERNMENTAL	0	76,901	267,088	2,802,290	1,373,726	1,300,000	-5.37%
OTHER REVENUE	0	0	25,000	0	0	0	0.00%
USE OF MONEY AND PROPERTY	0	960	0	0	0	0	0.00%
TOTAL BACK BAY SCIENCE CENTER	<u>0</u>	<u>77,861</u>	<u>292,088</u>	<u>2,802,290</u>	<u>1,373,726</u>	<u>1,300,000</u>	<u>-5.37%</u>
SAH COMMUNITY CENTER							
INTERGOVERNMENTAL	0	0	0	100,859	0	0	0.00%
OTHER REVENUE	0	0	0	0	0	0	0.00%
USE OF MONEY AND PROPERTY	0	0	0	0	0	0	0.00%
TOTAL SAL COMMUNITY CENTER	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,859</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
MISC SAH PROJECTS							
INTERGOVERNMENTAL	0	0	0	500	7,572,950	7,528,500	-0.59%
OTHER REVENUE	0	0	0	0	0	0	0.00%
USE OF MONEY AND PROPERTY	0	0	0	0	0	0	0.00%
TOTAL MISC SAL PROJECTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>500</u>	<u>7,572,950</u>	<u>7,528,500</u>	<u>-0.59%</u>
WATER ENTERPRISE FUND							
LICENSES, PERMITS AND FEES	0	0	0	0	0	0	0.00%
INTERGOVERNMENTAL	1,608,507	787,523	1,779,557	0	0	0	0.00%
CHARGES FOR SERVICES	16,655,234	16,677,054	16,098,693	17,825,993	17,932,085	18,201,998	1.51%
USE OF MONEY AND PROPERTY	128,259	304,820	325,637	615,721	682,500	400,000	-41.39%
OTHER REVENUE	-70,877	108,620	-177,137	92,976	16,000	66,000	312.50%
TOTAL WATER FUND	<u>18,321,123</u>	<u>17,878,017</u>	<u>18,026,750</u>	<u>18,534,690</u>	<u>18,630,585</u>	<u>18,667,998</u>	<u>0.20%</u>

REVENUE SUMMARY 2008-09

Fund/Revenue Category	2003-04 Actual Revenue	2004-05 Actual Revenue	2005-06 Actual Revenue	2006-07 Actual Revenue	2007-08 Estimated Revenue	2008-09 Proposed Revenue	Percent Increase (Decrease)
WASTEWATER ENTERPRISE FUND							
INTERGOVERNMENTAL	105	664	152,790	0	0	0	0.00%
CHARGES FOR SERVICES	2,858,223	2,882,723	3,129,915	3,502,724	3,739,330	3,774,477	0.94%
USE OF MONEY AND PROPERTY	16,986	58,385	56,280	120,030	147,000	80,000	-45.58%
OTHER REVENUE	-312,876	17,285	-33,509	32,327	3,184	3,248	2.01%
TOTAL WASTEWATER FUND	2,562,438	2,959,058	3,305,476	3,655,081	3,889,514	3,857,725	-0.82%
INSURANCE RESERVE FUND							
WORKERS' COMP PREMIUM	3,199,597	3,199,597	3,199,424	3,199,422	3,199,421	3,199,421	0.00%
GENERAL LIABILITY PREMIUM	1,828,697	1,829,081	1,828,697	3,328,697	3,328,697	3,328,697	0.00%
DISABILITY INSURANCE PREMIUM	0	0	172	172	0	0	0.00%
OTHER REVENUE	37,094	145,801	214,767	488,487	236,631	500,000	111.30%
TOTAL INSURANCE FUND	5,065,388	5,174,479	5,243,060	7,016,778	6,764,749	7,028,118	3.89%
RETIREE MEDICAL FUND							
CHARGES FOR SERVICES	1,629,794	1,482,274	1,383,791	1,449,950	1,493,500	1,525,000	2.11%
USE OF MONEY AND PROPERTY	10,160	0	104,321	244,210	223,125	223,125	0.00%
TOTAL RETIREE MEDICAL FUND	1,639,954	1,482,274	1,488,112	1,694,160	1,716,625	1,748,125	1.83%
COMPENSATED ABSENCE FUND							
CHARGES FOR SERVICES	1,522,614	1,576,627	1,583,803	2,054,073	2,104,243	2,265,456	7.66%
USE OF MONEY AND PROPERTY	7,873	28,914	26,708	69,315	42,079	70,000	66.35%
TOTAL COMP. ABSENCE FUND	1,530,487	1,605,542	1,610,511	2,123,388	2,146,322	2,335,456	8.81%
EQUIPMENT MAINTENANCE FUND							
INTERGOVERNMENTAL	75	0	0	0	0	0	0.00%
EQUIPMENT MAINTENANCE	1,704,155	1,819,912	1,779,264	1,907,898	2,138,835	2,318,160	8.38%
EQUIPMENT REPLACEMENT	2,743,083	2,922,406	2,380,011	2,520,203	2,961,847	3,060,518	3.33%
OTHER REVENUE	172,644	354,518	368,613	571,268	372,630	361,000	-3.12%
TOTAL EQUIPMENT FUND	4,619,957	5,096,836	4,527,888	4,999,369	5,473,312	5,739,678	4.87%
PD EQUIPMENT MAINTENANCE FUND							
EQUIPMENT REPLACEMENT	0	0	611,916	886,917	878,570	878,570	0.00%
OTHER REVENUE	0	0	40,361	183,100	81,750	99,500	21.71%
TOTAL PD EQUIPMENT FUND	0	0	652,277	1,070,017	960,320	978,070	1.85%
ACKERMAN FUND							
USE OF MONEY AND PROPERTY	4,878	19,895	25,121	52,074	42,000	0	-100.00%
OTHER REVENUE	1,981,286	0	0	0	0	0	0.00%
TOTAL ACKERMAN TRUST FUND	1,986,164	19,895	25,121	52,074	42,000	0	-100.00%
NEWPORT BAY DREDGING FUND							
USE OF MONEY AND PROPERTY	17	68,718	99,719	207,909	0	0	0.00%
OTHER REVENUES	0	3,854,000	0	0	168,000	0	-100.00%
TOTAL BACK BAY DREDGING	17	3,922,718	99,719	207,909	168,000	0	-100.00%
RETIREE MEDICAL FUND							
USE OF MONEY AND PROPERTY	0	0	0	30,148	0	0	0.00%
TOTAL RETIREE MEDICAL FUND	0	0	0	30,148	0	0	0.00%
TOTAL ALL FUNDS	166,298,685	197,565,136	193,182,367	215,429,359	222,717,426	225,108,364	1.07%
Less: Internal Premiums	(12,627,940)	(12,829,898)	(12,767,078)	(15,347,332)	(16,105,113)	(16,575,822)	N/A
TOTAL ALL CITY FUNDS, NET OF INTERNAL PREMIUMS	153,670,745	184,735,239	180,415,289	200,082,027	206,612,313	208,532,542	0.93%

EXPENDITURES BY FUND

Function and Activities	2003-04 Actual Expenditures	2004-05 Actual Expenditures	2005-06 Actual Expenditures	2006-07 Actual Expenditures	2007-08 Estimated Expenditures	2008-09 Proposed Expenditures	% of Total Operating Budget
GENERAL FUND BUDGET							
General Government							
City Council	973,213	1,544,885	1,452,411	1,184,210	1,311,099	1,179,230	0.70%
City Clerk	294,781	375,456	424,080	457,105	557,733	514,666	0.27%
City Manager	1,956,574	1,038,657	1,491,403	1,521,190	1,578,545	1,611,293	0.90%
Human Resources	1,165,004	1,288,208	1,555,731	1,750,807	1,949,012	2,003,565	1.03%
City Attorney	1,071,588	970,473	1,020,120	1,480,305	1,297,813	1,513,322	0.87%
Administrative Services	5,278,946	5,655,488	6,587,456	7,301,824	7,937,572	8,105,365	4.31%
Total General Government	10,740,106	10,873,169	12,531,201	13,695,441	14,631,774	14,927,441	8.08%
Public Safety							
Police Department	32,448,435	34,492,665	38,172,037	40,023,194	42,674,954	44,796,935	23.62%
Fire Department	24,029,946	24,601,409	26,821,147	28,609,178	30,499,553	31,515,567	16.88%
Total Public Safety	56,478,381	59,094,074	64,993,184	68,632,372	73,174,507	76,312,502	40.50%
Community Development							
City Manager	476,286	526,477	510,540	549,669	741,670	818,108	
Planning	2,217,737	2,181,631	3,294,195	2,916,490	4,267,900	3,117,366	1.72%
Building	3,065,671	3,292,619	3,801,161	4,086,318	4,082,078	4,806,199	2.41%
Total Community Development	5,759,694	6,000,727	7,605,896	7,552,477	9,091,648	8,741,673	4.16%
Public Works							
General Services	16,741,145	18,315,517	19,553,413	21,587,395	23,229,627	23,183,365	12.74%
Public Works	3,754,009	4,056,923	4,561,179	4,673,057	5,316,235	5,559,564	2.76%
Utilities	1,024,651	1,095,695	1,188,143	1,258,650	1,253,165	1,442,780	0.74%
Total Public Works	21,519,804	23,468,135	25,302,735	27,519,102	29,799,027	30,185,709	16.24%
Community Services							
City Council - Centennial	-	94,036	601,375	519,466	-	-	0.31%
Recreation & Sr. Services	3,358,550	3,895,533	4,529,417	5,137,147	6,444,252	7,063,045	3.03%
Libraries & Arts	5,090,337	5,172,456	5,819,796	6,092,403	7,051,393	6,574,946	3.60%
Total Community Services	8,448,888	9,162,025	10,950,588	11,749,016	13,495,645	13,637,991	6.93%
General Fund Debt Service							
	-	-	-	-	1,642,500	1,571,250	0.00%
Total General Fund Op. Budget	102,946,873	108,598,130	121,383,604	129,148,408	141,835,101	145,376,566	76.21%
General Fund CIPs							
	4,594,096	5,790,097	6,505,345	5,368,748	12,721,678	11,835,815	3.17%
Total General Fund Budget	107,540,969	114,388,227	127,888,949	134,517,156	154,556,779	157,212,381	79.38%
ENTERPRISE FUNDS							
Water - Operations	13,667,812	12,930,701	13,431,054	15,627,903	15,630,479	16,903,836	9.22%
Water - CIP	5,007,460	6,178,645	4,394,566	1,899,764	4,434,587	3,418,500	1.12%
Water - Debt Service	1,622,958	1,646,550	1,592,119	1,584,900	1,618,833	1,586,325	0.94%
Wastewater - Operations	2,221,135	2,188,180	2,241,047	2,402,472	2,839,254	2,840,759	1.42%
Wastewater - CIP	687,808	1,269,143	1,212,711	1,475,733	885,109	3,002,200	0.87%
Total Enterprise Funds	23,207,173	24,213,218	22,871,497	22,990,772	25,408,262	27,751,620	13.57%
INTERNAL SERVICE FUNDS							
Insurance Reserve	6,228,971	8,574,542	5,340,252	5,261,188	5,526,480	5,183,256	3.10%
Equipment Fund - Operations	3,687,090	3,565,439	4,228,344	3,837,663	5,376,702	3,935,322	2.26%
Equipment Fund - CIP	69,336	93,054	348,461	102,270	-	80,000	0.06%
Equipment Fund - Debt Service	459,776	27,849	268,316	129,513	49,820	-	0.08%
PD Equipment Replacement	-	-	413,133	769,526	529,816	643,000	0.45%
Compensated Absences	918,644	1,579,160	2,934,444	1,854,659	1,206,000	2,000,000	1.09%
Retiree Medical	1,199,235	1,735,921	2,326,967	3,559,779	3,133,000	3,484,000	2.10%
Total Internal Service Funds	12,563,052	15,575,966	15,859,917	15,514,598	15,821,818	15,325,578	9.16%
OTHER FUNDS							
Police Grants	318,639	382,778	268,885	211,576	568,144	413,061	0.12%
CDBG - Operations	149,981	136,690	187,327	114,062	140,707	124,487	0.07%
CDBG - Debt Service	183,581	186,301	189,514	191,224	193,483	196,253	0.11%
Tidelands - Harbor Resources	1,178,187	1,189,389	1,780,139	1,928,465	2,039,139	2,035,450	1.14%
Tidelands - Oil and Gas	365,699	419,482	597,383	629,471	602,134	696,482	0.37%
Tidelands - Debt Service	237,062	237,062	237,062	237,062	237,062	237,062	0.14%
Circulations & Trans Debt Service	-	-	-	-	150,000	-	0.00%
AQMD	96,003	66,297	28,350	19,035	26,415	26,415	0.01%
Environmental Liability	154,389	273,392	176,764	184,685	90,000	70,000	0.11%
Newport Annexation - Debt Service	1,200,000	1,390,453	1,200,000	1,200,000	1,200,000	1,200,000	0.71%
Library - Debt Service	567,935	564,514	569,875	566,335	569,730	570,713	0.33%
CIOSA Debt Service	-	-	-	-	270,000	-	
Ackerman Fund	1,200,272	102,543	5,575	4,725	24,400	24,400	0.00%
All Other CIP	10,026,068	27,695,953	17,824,977	35,385,690	25,883,719	52,586,135	20.88%
Total Other Funds	15,677,816	32,644,853	23,065,851	40,672,330	31,994,933	58,180,458	24.00%
TOTAL OPERATING BUDGET	138,604,242	145,795,373	159,400,154	169,462,651	183,856,699	187,547,387	100.00%
TOTAL CIP	20,384,768	41,026,891	30,286,060	44,232,205	43,925,093	70,922,650	
TOTAL CITY BUDGET	158,989,010	186,822,264	189,686,214	213,694,856	227,781,792	258,470,037	
LESS: INTERNAL CHARGES	(12,627,940)	(12,829,898)	(12,767,078)	(15,347,332)	(16,575,822)	(16,575,822)	
TOTAL BUDGET NET OF INTERNAL CHARGES	146,361,070	173,992,366	176,919,136	198,347,524	211,205,970	241,894,215	

2008-09 EXPENDITURES BY DEPARTMENT

	Salaries & Benefits	% of Total	Maintenance and Operation	% of Total	Capital Outlay	% of Total	Debt Service	Total Budget	% of Total
DEPARTMENT SERVICES									
City Council	196,311	0.16%	975,919	1.67%	7,000	0.19%	-	1,179,230	0.46%
City Clerk	358,862	0.30%	155,804	0.27%	-	0.00%	-	514,666	0.20%
City Manager	3,038,600	2.53%	1,395,251	2.38%	31,000	0.83%	-	4,464,851	1.73%
Human Resources	1,322,387	1.10%	675,178	1.15%	6,000	0.16%	-	2,003,565	0.78%
City Attorney	1,021,017	0.85%	488,305	0.83%	4,000	0.11%	-	1,513,322	0.59%
Administrative Services	6,498,300	5.42%	1,224,346	2.09%	382,719	10.29%	-	8,105,365	3.14%
Police	37,596,215	31.35%	6,903,307	11.79%	297,413	8.00%	-	44,796,935	17.33%
Fire	26,199,978	21.85%	5,040,779	8.61%	274,810	7.39%	-	31,515,567	12.19%
Planning	2,482,378	2.07%	733,475	1.25%	26,000	0.70%	-	3,241,853	1.25%
Building	4,305,826	3.59%	469,473	0.80%	30,900	0.83%	-	4,806,199	1.86%
General Services	10,494,853	8.75%	12,636,412	21.57%	52,100	1.40%	-	23,183,365	8.97%
Public Works	4,565,308	3.81%	951,256	1.62%	43,000	1.16%	-	5,559,564	2.15%
Utilities	6,125,001	5.11%	15,688,206	26.78%	70,650	1.90%	-	21,883,857	8.47%
Library Services (incl Cultural Arts)	4,950,967	4.13%	1,512,879	2.58%	111,100	2.99%	-	6,574,946	2.54%
Recreation and Sr. Services	3,527,831	2.94%	3,479,214	5.94%	56,000	1.51%	-	7,063,045	2.73%
INTERNAL SERVICES									
Insurance Reserve	-	0.00%	5,183,256	8.85%	-	0.00%	-	5,183,256	2.01%
Equipment Maint. & Replacement	1,513,492	1.26%	670,330	1.14%	1,751,500	47.11%	-	3,935,322	1.52%
PD Equipment Replacement	-	0.00%	94,000	0.16%	549,000	14.77%	-	643,000	0.25%
Compensated Absence	2,000,000	1.67%	-	0.00%	-	0.00%	-	2,000,000	0.77%
Retiree Medical	3,374,000	2.81%	110,000	0.19%	-	0.00%	-	3,484,000	1.35%
DEBT SERVICE									
Office Equipment Leases	-	0.00%	-	0.00%	-	0.00%	1,571,250	1,571,250	0.61%
CDBG Balboa Village Loan	-	0.00%	-	0.00%	-	0.00%	196,253	196,253	0.08%
Balboa Yacht Basin Construction Loan	-	0.00%	-	0.00%	-	0.00%	237,062	237,062	0.09%
Circulation and Transportation	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%
Newport Annexation	-	0.00%	-	0.00%	-	0.00%	1,200,000	1,200,000	0.46%
Central Library Construction	-	0.00%	5,250	0.01%	-	0.00%	565,463	570,713	0.22%
CIOSA	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%
Groundwater Improvement Bonds	-	0.00%	5,000	0.01%	-	0.00%	1,581,325	1,586,325	0.61%
Rolling Stock Leases	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%
OTHER ACTIVITIES									
Narcotic Asset Forfeiture	-	0.00%	41,560	0.07%	24,750	0.67%	-	66,310	0.03%
OTS Grant	183,751	0.15%	1,000	0.00%	-	0.00%	-	184,751	0.07%
SLESF	151,000	0.13%	11,000	0.02%	-	0.00%	-	162,000	0.06%
LLEBG	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%
AQMD	-	0.00%	26,415	0.05%	-	0.00%	-	26,415	0.01%
Environmental Liability Fund	-	0.00%	70,000	0.12%	-	0.00%	-	70,000	0.03%
Ackerman Donation	-	0.00%	24,400	0.04%	-	0.00%	-	24,400	0.01%
Capital Improvement Projects	-	0.00%	-	0.00%	-	0.00%	-	70,922,650	27.44%
Total Budget	119,906,077	100.00%	58,572,015	100.00%	3,717,942	100%	5,351,353	258,470,037	100.00%
Less: Internal Charges	(6,989,877)		(9,585,945)		-		-	(16,575,822)	
Total Budget Net of Internal Charges	112,916,200		48,986,070		3,717,942		5,351,353	241,894,215	
	TOTAL	% OF BUDGET TYPE	% OF TOTAL BUDGET		GENERAL FUND	% OF BUDGET TYPE	% OF TOTAL BUDGET		
OPERATING BUDGET	119,906,077	63.93%	46.39%		105,987,703	72.91%	67.42%		
Maintenance and Operation	58,572,015	31.23%	22.66%		36,503,921	25.11%	23.22%		
Capital Outlay	3,717,942	1.98%	1.44%		1,313,692	0.90%	0.84%		
Debt Service	5,351,353	2.85%	2.07%		1,571,250	1.08%	1.00%		
Total Operating Budget	187,547,387	100.00%	72.56%		145,376,566	100.00%	92.47%		
CAPITAL IMPROVEMENTS	70,922,650	100.00%	27.44%		11,835,815	100.00%	7.53%		
TOTAL BUDGET	258,470,037	100.00%	100.00%		157,212,381	100.00%	100.00%		

OPERATING EXPENDITURES - ALL FUNDS

Acct Code	Activity - Function	City Council	City Clerk	City Manager	Human Resources	City Attorney	Admin Services	Police	Fire	Planning	Building	General Services	Public Works	Utilities	Library Services	Recreation & Sr Svcs	Internal Svc Funds	Other Activities	Total	Activity - Function	Acct Code
7000	SALARIES - MISC	-	257,755	1,975,775	859,156	536,224	4,423,820	6,090,455	1,167,083	1,723,593	2,995,425	6,516,119	3,231,768	3,748,433	2,652,492	1,777,570	976,848	-	38,932,516	SALARIES-MISC	7000
7010	SALARIES - SAFETY	-	-	-	-	-	-	14,421,792	11,347,599	-	-	-	-	-	-	-	-	-	25,769,391	SALARIES-SAFETY	7010
7020	SALARIES - PERM PART TIME & TEMP	-	-	260,575	115,246	260,767	252,912	813,328	1,282,080	9,701	67,597	64,642	104,986	238,534	1,007,450	838,372	19,890	-	5,336,080	SALARIES-PERM PART TIME & TEMP	7020
7040	OVERTIME, MISC	-	1,308	23,143	2,435	-	18,228	277,857	-	53,244	50,355	437,446	14,937	200,187	10,919	11,281	19,063	-	1,120,403	OVERTIME, MISC	7040
7041	OVERTIME, SAFETY	-	-	-	-	-	-	1,121,711	-	-	-	-	-	-	-	-	-	107,036	1,228,747	OVERTIME, SAFETY	7041
7042	OVERTIME, PLANNED	-	-	-	-	-	-	-	521,060	-	-	-	-	-	-	-	-	-	521,060	OVERTIME, PLANNED	7042
7043	OVERTIME, VACATION RELIEF	-	-	-	-	-	-	-	1,513,814	-	-	-	-	-	-	-	-	-	1,513,814	OVERTIME, VACATION RELIEF	7043
7044	OVERTIME, UNCONTROLLED	-	-	-	-	-	-	-	903,157	-	-	-	-	-	-	-	-	-	903,157	OVERTIME, UNCONTROLLED	7044
7059	PACKER/CALLBACK/STANDBY PAY	-	-	-	-	-	-	-	73,597	-	-	100,997	-	85,712	-	-	1,106	-	261,412	PACKER/CALLBACK/STANDBY PAY	7059
7060	COPTER, TILLER & EMT PAY	-	-	-	-	-	-	14,400	20,896	-	-	-	-	-	-	-	-	-	35,296	COPTER & TILLER	7060
7062	NIGHT DIFF, MISC	-	-	4,500	-	-	-	49,947	-	150	-	-	-	2,325	10,074	475	-	-	67,471	NIGHT DIFF, MISC	7062
7063	CERTIFICATION PAY	-	-	3,216	-	-	4,980	400	73,150	972	37,812	16,057	6,647	25,700	-	990	9,500	-	179,424	CERTIFICATION PAY	7063
7066	BILINGUAL PAY	-	-	-	-	-	9,000	33,600	13,400	-	5,400	-	-	1,800	-	1,800	-	-	65,000	BILINGUAL PAY	7066
7067	LONGEVITY PAY	-	-	-	-	-	-	82,005	60,234	-	-	-	-	-	-	-	-	-	142,239	LONGEVITY PAY	7067
7070	SCHOLASTIC ACHIEVEMENT	-	-	-	-	-	-	625,259	393,203	-	-	-	-	-	-	-	-	-	1,018,462	SCHOLASTIC ACHIEVEMENT	7070
7071	EDUCATION RETENTION, MISC	-	-	-	-	-	-	106,652	-	-	-	-	-	-	-	-	-	-	106,652	EDUCATION RETENTION, MISC	7071
7072	HOLIDAY PAY, MISC	-	-	-	-	-	-	196,748	6,147	-	-	-	-	-	-	-	-	-	202,895	HOLIDAY PAY, MISC	7072
7072	HOLIDAY PAY, SAFETY	-	-	-	-	-	-	622,577	291,820	-	-	-	-	-	-	-	-	-	914,397	HOLIDAY PAY, SAFETY	7072
7076	LEADERSHIP PAY, SAFETY	-	-	-	-	-	-	23,215	-	-	-	-	-	-	-	-	-	-	23,215	LEADERSHIP PAY, SAFETY	7076
7085	UNEMPLOYMENT & TERMINATION PAY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,286,750	-	1,286,750	UNEMPLOYMENT & TERMINATION PAY	7085
7088	PAID FLEX/SPILLOVER PAY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	622,750	-	622,750	PAID FLEX/SPILLOVER PAY	7088
7100	COUNCIL ALLOWANCES	106,534	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	106,534	COUNCIL ALLOWANCES	7100
7210	HEALTH/DENTAL/VISION	73,617	36,809	263,795	122,695	49,078	687,093	2,956,954	1,692,645	282,199	417,164	1,312,839	404,894	656,419	527,589	343,547	184,043	-	10,011,380	HEALTH/DENTAL/VISION	7210
7226	RETIREE INSURANCE - MERP	4,486	2,010	8,003	3,558	1,200	14,068	54,223	25,323	3,978	5,573	22,156	7,049	11,237	3,198	3,384	2,214	-	171,660	RETIREE INSURANCE-MERP	7226
7250	SALARY SAVINGS/REIMBURSEMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	83,000	226,163	309,163	SALARY SAVINGS/REIMBURSEMENT	7250
7251	RETIREE INSURANCE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,374,000	-	3,374,000	RETIREE INSURANCE	7251
7270	OTHER MISC BENEFITS	-	-	-	-	-	-	-	39,125	-	-	-	2,400	-	-	-	-	-	41,525	OTHER MISC BENEFITS	7270
7290	LIFE INSURANCE	80	342	2,337	1,083	456	6,265	27,264	17,720	2,567	3,865	11,687	3,762	5,999	4,519	2,994	1,701	-	92,641	LIFE INSURANCE	7290
7295	EMPLOYEE ASSISTANCE	-	76	547	254	102	1,425	6,131	3,969	585	865	2,722	840	1,361	1,094	712	382	-	21,065	EMPLOYEE ASSISTANCE	7295
7370	WORKERS' COMP, MISC	-	3,524	37,957	6,368	9,550	88,609	82,890	23,449	24,714	49,139	590,560	69,074	286,394	61,170	50,917	84,373	-	1,468,688	WORKERS' COMP, MISC	7370
7371	WORKERS' COMP, SAFETY	-	-	-	-	-	-	1,072,348	658,386	-	-	-	-	-	-	-	-	-	1,730,734	WORKERS' COMP, SAFETY	7371
7373	COMPENSATED ABSENCES	-	9,021	69,152	30,071	18,768	154,834	717,929	438,014	60,326	104,840	228,064	113,112	131,195	92,837	62,215	34,190	-	2,264,568	COMPENSATED ABSENCES	7373
7425	MEDICARE FRINGES	1,545	3,737	31,303	14,129	11,556	58,236	283,512	158,384	23,723	38,440	68,026	45,576	43,754	48,760	36,200	18,811	1,552	887,244	MEDICARE FRINGES	7425
7439	PERS EPMC-MISC	3,677	19,306	152,766	72,983	57,687	337,321	519,252	88,740	129,170	230,276	488,801	242,557	299,072	219,537	166,729	73,258	-	3,101,132	PERS EPMC - MISC	7439
7440	PER EMPLOYER CONTRBN-MISC	4,757	24,974	197,617	94,410	74,624	436,355	671,705	114,794	167,093	297,884	632,313	313,770	386,879	283,991	215,680	94,767	-	4,011,613	PERS EMPLOYER CONTRBN-MISC	7440
7441	PERS EMPLOYER CNTRBN-SAFETY	-	-	-	-	-	-	5,149,864	4,008,353	-	-	-	-	-	-	-	-	-	9,158,217	PERS EMPLOYER CNTRBN-SAFETY	7441
7442	PERS EPMC-SAFETY	-	-	-	-	-	-	1,562,031	1,215,727	-	-	-	-	-	-	-	-	-	2,777,758	PERS EPMC-SAFETY	7442
7460	RETIREMENT PART TIME/TEMP	1,616	-	7,912	-	1,005	5,154	12,164	48,108	364	1,192	2,424	3,937	-	27,336	14,966	846	-	127,024	RETIREMENT PART TIME/TEMP	7460
	SUBTOTAL SALARY & BENEFITS	196,311	358,862	3,038,600	1,322,387	1,021,017	6,498,300	37,596,215	26,199,978	2,482,378	4,305,826	10,494,853	4,565,308	6,125,001	4,950,967	3,527,831	6,887,492	334,751	119,906,077	SUBTOTAL SALARY & BENEFITS	
8010	ADVERT & PUB RELATIONS	4,000	10,000	13,000	30,000	-	-	28,885	57,300	9,600	-	1,000	-	14,000	25,000	-	-	14,460	207,245	ADVERT & PUB RELATIONS	8010
8020	AUTOMOTIVE SERVICE	-	-	5,650	-	-	8,350	330,435	209,786	500	8,000	376,960	13,100	126,500	2,500	29,250	8,500	7,500	1,127,031	AUTOMOTIVE SERVICE	8020
8021	AUTOMOTIVE EXTERIOR MAINT	-	-	-	-	-	-	52,768	3,000	-	-	-	-	-	-	-	-	-	55,768	AUTOMOTIVE EXTERIOR MAINT	8021
8022	EQUIPMENT MAINTENANCE	-	-	23,952	-	-	39,921	-	519,211	3,474	51,778	1,147,349	46,016	388,642	7,061	56,698	34,058	-	2,318,160	EQUIPMENT MAINTENANCE	8022
8023	AUTOMOTIVE PURCHASE	-	-	-	-	-	-	-	18,000	-	-	-	-	-	-	-	-	-	18,000	AUTOMOTIVE PURCHASE	8023
8024	EQUIPMENT REPLACEMENT	-	-	20,781	-	-	30,658	918,570	1,226,058	1,830	40,776	1,112,257	37,177	426,572	5,492	59,332	17,466	-	3,896,969	EQUIPMENT REPLACEMENT	8024
8030	MAINT & REPAIR - EQUIP	150	17,939	13,241	1,000	900	281,770	69,416	148,768	3,540	28,000	9,850	255,510	9,200	17,900	7,000	3,500	-	867,684	MAINT & REPAIR - EQUIP	8030
8031	MAINT & REPAIR - COPIERS	-	-	-	-	-	112,945	-	-	-	-	-	-	-	-	-	-	-	112,945	MAINT & REPAIR - COPIERS	8031
8032	MAINT & REPAIR - GYM	-	-	-	8,000	-	-	-	-	-	-	-	-	-	-	-	-	-	8,000	MAINT & REPAIR - GYM	8032
8033	MAINT & REPAIR - PRINTERS	-	1,000	5,795	5,000	-	12,974	30,000	9,500	4,660	5,100	3,950	5,800	1,250	7,750	6,835	975	-	100,589	MAINT & REPAIR - PRINTERS	8033
8037	MAINT - E. COAST HIGHWAY	-	-	-	-	-	-	-	-	-	-	86,859	-	-	-	-	-	-	86,859	MAINT - E. COAST HIGHWAY	8037
8040	MAINT & REPAIR - FACILITIES	-	-	20,320	-	-	35,000	205,701	248,059	-	-	81,250	-	39,950	94,120	120,198	-	-	844,598	MAINT & REPAIR -FACILITIES	8040
8050	PSTGE,FREIGHT,EXPRESS NOC	1,000	3,500	12,400	5,000	2,500	42,394	60,815	23,120	12,000	3,400	1,500	3,906	50,000	18,000	52,698	-	-	292,233	PSTGE, FREIGHT, EXPRESS NOC	8050
8060	PUBLICATIONS & DUES NOC	50,000	650	10,240	3,500	2,650	13,450	24,463	30,008	12,000	4,450	1,250	8,100	6,550	2,810	3,505	1,500	-	175,126	PUBLICATIONS & DUES NOC	8060
8070	RENTAL/PROP & EQUIP NOC	-	-	5,700	-	-	7,280	51,310	65,443	-	500	17,000	-	6,200	31,200	101,000	-	11,000	296,633	RENTAL/PROP & EQUIP NOC	8070
8078	EMPLOYEE RECOGNITION	-	-	-	40,000	-	-	-	-	-	-	-	-	-	-	-	-	-	40,000	EMPLOYEE RECOGNITION	8078
8080	SERVICES-PROF & TECH NOC	255,000	108,400	573,179	132,000	345,450	214,588	718,061	86,840	250,000	202,000	1,362,266	147,165	256,800	12,664	2,038,674	162,50				

SUMMARY OF ESTIMATED 2007-08 YEAR END FUND BALANCES

Fund / Account	Actual	Estimated	Transfers		Estimated	Estimated	Estimated
	Fund Balance 2006-07	Revenue 2007-08	In	Out	Budget Expenditures 2007-08	Capital Improvements 2007-08	Year End Fund Balance 2007-08
General Fund	-	147,772,093	21,655,629	15,666,531	141,835,101	11,926,090	-
Contingency Reserve	17,368,974	-	1,500,000	-	-	-	18,868,974
Stabilization Reserve	-	-	-	-	-	-	-
Actual Fair Market Value Adj.	-	-	-	-	-	-	-
Future Fair Market Value Adj.	-	-	-	-	-	-	-
Appropriations Reserve (operating)	12,822,779	-	-	7,738,929	-	-	5,083,850
Appropriations Reserve (capital rebudget)	7,944,545	-	4,846,815	6,373,295	-	-	6,418,065
Reserve for Inventories	220,864	-	-	-	-	-	220,864
Reserve for Prepaid Items	492,032	-	-	-	-	-	492,032
Reserve for Encumbrances	5,395,182	-	-	5,395,182	-	-	-
Budgeted Program Changes	-	-	-	-	-	-	-
Affordable Housing Reserve	1,329,420	-	553,000	-	-	-	1,882,420
Reserve for Long term receivable	50,000	-	-	-	-	-	50,000
Paramedic Program (Hoag)	546,871	-	-	-	-	-	546,871
Recreation Instruction Reserve	291,322	-	106,000	-	-	-	397,322
Senior Citizen Site	23,790	-	2,000	-	-	-	25,790
Park In Lieu Fees	499,444	-	763,020	-	-	414,483	847,981
Off Street Parking	94,885	-	7,000	-	-	-	101,885
In Lieu Parking Fees	428,688	-	60,000	-	-	-	488,688
Neighborhood Enhancement Res. A	190,149	-	28,000	-	-	-	218,149
Neighborhood Enhancement Res. B	925,437	-	300,000	-	-	136,518	1,088,919
Oceanfront Encroachment	1,012,538	-	145,000	-	-	244,584	912,954
Cable Franchise	1,035,476	-	100,000	-	-	-	1,135,476
Reserve for Capital Improvement	14,240,806	-	6,000,000	-	-	-	20,240,806
Reserve for PERS Rate	5,000,000	-	-	-	-	-	5,000,000
	69,913,202	147,772,093	36,066,464	35,173,937	141,835,101	12,721,675	64,021,046
Ackerman Donation Fund	-	-	-	-	-	-	-
Appropriations Reserve	-	42,000	-	-	24,400	-	17,600
Appropriations Reserve - Scholarship	172,068	-	-	-	-	-	172,068
Appropriations Reserve - Hi Tech	9,482	-	-	-	-	-	9,482
Perm Scholarship Endowment Reserve	218,687	-	-	-	-	-	218,687
Perm Equipment Endowment Reserve	656,063	-	-	-	-	-	656,063
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrance	-	-	-	-	-	-	-
CDBG Fund	-	-	-	-	-	180,009	-
Appropriations Reserve	(93,705)	525,732	20,631	15,450	334,190	-	103,018
Reserve for Encumbrance	20,631	-	-	20,631	-	-	-
AQMD Fund	-	-	-	-	-	-	-
Appropriations Reserve	263,601	104,200	-	-	26,415	-	341,386
Reserve for Encumbrance	-	-	-	-	-	-	-
Asset Forfeiture Fund	-	-	-	-	-	-	-
Appropriations Reserve	110,470	45,250	-	-	100,895	-	54,825
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
OTS Grant Fund	-	347,249	-	-	347,249	-	-
SLESF - COPS Fund	-	142,100	-	-	120,000	-	22,100
Justice Assistance Grant (formerly LLEBG)	-	-	-	-	-	-	-
Appropriations Reserve	-	-	-	-	-	-	-
Fair Value Adj. Reserve	-	-	-	-	-	-	-
State Gas Tax Fund	-	-	-	-	-	3,922,949	-
Appropriations Reserve	2,649,623	1,654,500	512,310	160,000	-	-	4,656,433
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	512,310	-	-	512,310	-	-	-
Traffic Congestion Relief Fund	-	-	-	-	-	176,000	-
Appropriations Reserve	2,071	-	-	-	-	-	2,071
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Measure M Fund	-	-	-	-	-	-	-
Turnback	2,098,311	1,359,774	287,844	-	-	1,579,889	2,166,040
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Turnback Encumbrances	287,844	-	-	287,844	-	-	-
Competitive	(137,916)	450,000	67,787	-	-	845,072	(465,201)
Competitive Encumbrances	67,787	-	-	67,787	-	-	-
AHRP Fund	-	-	-	-	-	-	-
Appropriations Reserve	(538,308)	652,600	-	-	-	652,601	(538,309)
Reserve for Encumbrances	-	-	-	-	-	-	-

SUMMARY OF ESTIMATED 2007-08 YEAR END FUND BALANCES

Fund / Account	Actual	Estimated	Transfers		Estimated	Estimated	Estimated
	Fund Balance 2006-07	Revenue 2007-08	In	Out	Budget Expenditures 2007-08	Capital Improvements 2007-08	Year End Fund Balance 2007-08
Tide and Submerged Land Fund							
Appropriation Reserve	-	9,490,963	-	4,479,316	2,878,335	2,133,312	-
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Appropriations Reserve (capital)	-	-	1,495,159	-	-	-	1,495,159
Reserve for Encumbrances	642,984	-	-	-	-	-	642,984
Upper Bay Reserve	(56,054)	-	86,200	-	-	-	30,146
Oil and Gas	200,000	-	40,000	-	-	-	240,000
Contributions Fund							
Misc Cooperative Projects	(2,944,472)	1,776,491	1,174,717	-	-	2,817,527	(2,810,791)
Bristol Street Relinquishment	423,863	-	-	-	-	104,310	319,553
PCH Relinquishment	3,679,178	-	-	-	-	337,698	3,341,480
Environmental Contributions	(676,827)	-	-	-	-	1,616,458	(2,293,285)
Reserve for Encumbrances	1,174,717	-	-	1,174,717	-	-	-
Circulation and Transportation Fund							
Appropriations Reserve	1,220,454	455,400	1,032,745	-	150,000	1,893,950	664,649
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	1,032,745	-	-	1,032,745	-	-	-
Building Excise Tax Fund							
Appropriations Reserve	198,534	160,500	27,114	-	-	225,809	160,339
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	27,114	-	-	27,114	-	-	-
Environmental Liability Fund							
Appropriation Reserve	2,755,182	471,800	-	-	90,000	676,530	2,460,452
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Oil Spill Remediation Fund							
Appropriation Reserve	8,772	5,250	11,618	-	-	6,118	19,522
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	11,618	-	-	11,618	-	-	-
Newport Annexation Funds							
Receipt Fund	10,000,000	470,400	-	1,400,000	-	125,421	8,944,979
Fair Value Adj. Reserve-Receipt	-	-	-	-	-	-	-
Allocation Fund	-	-	1,200,000	-	1,200,000	-	-
Fair Value Adj. Reserve-Allocation	-	-	-	-	-	-	-
Building Fund	226,485	283,500	125,421	509,985	-	-	125,421
Fair Value Adj. Reserve-Building	-	-	-	-	-	-	-
Reserve for Encumbrances-Building	125,421	-	-	125,421	-	-	-
Library Debt Service Fund							
Appropriation Reserve	-	-	569,730	-	569,730	-	-
Reserve for Debt Service	566,354	-	-	-	-	-	566,354
Assessment District Projects							
Appropriation Reserve	293,418	14,410	-	-	-	3,546,649	(3,238,821)
Reserve for Encumbrances	317,508	-	-	-	-	-	317,508
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Major Facilities Replacement							
New City Hall	(281,460)	-	48,815	-	-	136,515	(369,160)
Marina Park	-	-	-	-	-	833,327	(833,327)
Sunset Ridge Park	-	-	-	-	-	-	-
Police Facility	-	-	-	-	-	-	-
Lifeguard Headquarters	-	-	-	-	-	-	-
Reserve for Encumbrances	48,815	-	-	48,815	-	-	-
CIOSA Fund							
Appropriation Reserve	2,203,830	126,000	-	-	270,000	-	2,059,830
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Bonita Canyon Development Fund							
Appropriation Reserve	(28,283)	-	26,283	-	-	-	(2,000)
Reserve for Encumbrances	-	-	-	-	-	-	-
Mariners Library Fund							
Appropriation Reserve	(2,221,854)	1,758,711	623,669	-	-	160,526	-
Reserve for Encumbrances	160,586	-	-	160,586	-	-	-
OASIS Sr. Center							
Appropriation Reserve	-	62,400	1,496,600	-	-	1,679,840	(120,840)

SUMMARY OF ESTIMATED 2007-08 YEAR END FUND BALANCES

Fund / Account	Actual	Estimated	Transfers		Estimated	Estimated	Estimated
	Fund Balance 2006-07	Revenue 2007-08	In	Out	Budget Expenditures 2007-08	Capital Improvements 2007-08	Year End Fund Balance 2007-08
Fire Station #7 Fund							
Appropriation Reserve	(1,890,194)	5,850,000	914,792	4,404,831		469,767	-
Reserve for Encumbrances	914,792	-	-	914,792			-
Back Bay Science Center Fund							
Appropriation Reserve	(2,283,646)	-	1,288,752	-		1,244,775	(865,943)
Reserve for Encumbrances	1,288,752	1,373,726	-	1,288,752			-
MISC SAH Projects Fund							
Appropriation Reserve	(182,977)	7,572,950	-	-		518,610	6,871,363
Reserve for Encumbrances	-	-	-	-		-	-
Newport Bay Dredging Fund							
Permanent Endowment	3,857,000	168,000	-	-		-	4,025,000
Appropriation Reserve	376,511	-	-	-		-	376,511
Fair Value Adj. Reserve	-	-	-	-		-	-
Insurance Reserve Fund							
Workers' Compensation Reserve	8,233,169	3,317,737	1,500,000	-	2,576,221	-	10,474,685
Liability Reserve	2,454,530	3,447,013	500,000	-	2,950,259	-	3,451,284
Fair Value Adj. Reserve	-	-	-	-		-	-
Retiree Medical Fund							
Operating Fund	659,061	1,493,500	987,939	-	3,133,000	-	7,500
Conversion Fund	5,777,086	223,125	2,700,000	987,939		-	7,712,272
Fair Value Adj. Reserve	-	-	-	-		-	-
Compensated Absence Fund							
Appropriation Reserve	1,651,078	2,146,322	-	-	1,206,000	-	2,591,400
Fair Value Adj. Reserve	-	-	-	-		-	-
Equipment Fund							
Equipment Maintenance	-	2,138,835	44,422	-	2,094,422	-	88,835
Equipment Replacement - All Other	7,340,898	3,334,477	1,925,279	44,422	3,332,100	-	9,224,132
Equipment Replacement - PD	1,632,823	960,320	-	-	529,816	-	2,063,327
Fair Value Adj. Reserve	-	-	-	-		-	-
Reserve for Encumbrances	1,925,279	-	-	1,925,279		-	-
Water Enterprise Fund							
Water System Reserve	5,176,166	-	-	-		-	5,176,166
Stabilization Reserve	3,697,261	-	-	-		-	3,697,261
Future Infrastructure Reserve	1,444,699	-	-	-		-	1,444,699
Fair Value Adj. Reserve	-	-	-	-		-	-
Reserve for Encumbrances	3,649,567	-	-	3,020,806		-	628,761
	<u>13,967,693</u>	<u>18,630,585</u>	<u>3,020,806</u>	<u>3,020,806</u>	<u>17,249,312</u>	<u>4,434,587</u>	<u>10,914,379</u>
Wastewater Enterprise Fund							
Wastewater System Reserve	-	3,889,514	34,849	-	2,839,254	885,109	200,000
Wastewater System Reserve	1,590,616	-	-	-		-	1,590,616
Stabilization Reserve	-	-	-	-		-	-
Future Infrastructure Reserve	-	-	-	-		-	-
Fair Value Adj. Reserve	-	-	-	-		-	-
Reserve for Encumbrances	1,341,342	-	-	34,849		-	1,306,493
	<u>2,931,958</u>	<u>3,889,514</u>	<u>34,849</u>	<u>34,849</u>	<u>2,839,254</u>	<u>885,109</u>	<u>3,097,109</u>
TOTAL	<u>143,974,662</u>	<u>222,717,426</u>	<u>57,829,946</u>	<u>57,829,946</u>	<u>183,856,699</u>	<u>43,925,033</u>	<u>143,189,314</u>

SUMMARY OF ESTIMATED 2008-09 YEAR END FUND BALANCES

Fund / Account	Fund Balance 2007-08	Estimated Revenue 2008-09	Transfers		Estimated Budget Expenditures 2008-09	Estimated Capital Improvements 2008-09	Estimated Year End Fund Balance 2008-09
			In	Out			
General Fund	-	153,371,607	12,028,510	9,246,036	145,876,566	10,277,515	-
Contingency Reserve	18,868,974	-	241,616	-	-	-	19,110,590
Stabilization Reserve	-	-	-	-	-	-	-
Actual Fair Market Value Adj.	-	-	-	-	-	-	-
Future Fair Market Value Adj.	-	-	-	-	-	-	-
Appropriations Reserve (operating)	5,083,850	-	1,532,107	-	-	-	6,615,957
Appropriations Reserve (capital rebud	6,418,065	-	-	5,915,300	-	-	502,765
Reserve for Inventories	220,864	-	-	-	-	-	220,864
Reserve for Prepaid Items	492,032	-	-	-	-	-	492,032
Reserve for Encumbrances	-	-	-	-	-	-	-
Budgeted Program Changes	-	-	-	-	-	-	-
Affordable Housing Reserve	1,882,420	-	-	-	-	-	1,882,420
Reserve for Long term receivables	50,000	-	-	-	-	-	50,000
Paramedic Program (Hoag)	546,871	-	-	-	-	-	546,871
Recreation Instruction Reserve	397,322	-	107,100	-	-	-	504,422
Senior Citizen Site	25,790	-	2,000	-	-	-	27,790
Park In Lieu Fees	847,981	-	-	-	-	-	847,981
Off Street Parking	101,885	-	9,500	-	-	-	111,385
In Lieu Parking Fees	488,688	-	10,000	-	-	-	498,688
Neighborhood Enhancement Res. A	218,149	-	28,000	-	-	-	246,149
Neighborhood Enhancement Res. B	1,088,919	-	300,000	-	-	120,000	1,268,919
Oceanfront Encroachment	912,954	-	145,000	-	-	1,438,300	(380,346)
Cable Franchise	1,135,476	-	100,000	-	-	-	1,235,476
Reserve for Capital Improvement	20,240,806	-	3,500,000	-	-	-	23,740,806
Reserve for PERS Rate Changes	5,000,000	-	-	-	-	-	5,000,000
	64,021,046	153,371,607	18,003,833	15,161,336	145,876,566	11,835,815	62,522,769
Ackerman Donation Fund							
Appropriations Reserve	17,600	-	-	-	-	-	17,600
Appropriations Reserve - Scholarship	172,068	-	-	-	24,400	-	147,668
Appropriations Reserve - Hi Tech	9,482	-	-	-	-	-	9,482
Perm Scholarship Endowment Reserv	218,687	-	-	-	-	-	218,687
Perm Equipment Endowment Reserve	656,063	-	-	-	-	-	656,063
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrance	-	-	-	-	-	-	-
CDBG Fund							
Appropriations Reserve	103,018	355,659	-	15,450	320,740	34,900	87,587
Reserve for Encumbrance	-	-	-	-	-	-	-
AQMD Fund							
Appropriations Reserve	341,386	112,000	-	-	26,415	-	426,971
Reserve for Encumbrance	-	-	-	-	-	-	-
OTS Grant Fund	-	184,751	-	-	184,751	-	-
Asset Forfeiture Fund							
Appropriations Reserve	54,825	43,210	-	-	66,310	-	31,725
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
SLESF - COPS Fund	22,100	162,000	-	-	162,000	-	22,100
Justice Assistance Grant (formerly LLEB)							
Appropriations Reserve	-	-	-	-	-	-	-
Fair Value Adj. Reserve	-	-	-	-	-	-	-
State Gas Tax Fund							
Appropriations Reserve	4,656,433	1,652,500	-	160,000	-	2,736,000	3,412,933
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Prop 1B Transportation Fund							
Appropriations Reserve	-	1,354,500	-	-	-	1,354,500	-
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Traffic Congestion Relief Fund							
Appropriations Reserve	2,071	1,168,717	-	-	-	750,000	420,788
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-

SUMMARY OF ESTIMATED 2008-09 YEAR END FUND BALANCES

Fund / Account	Fund Balance 2007-08	Estimated Revenue 2008-09	Transfers		Estimated Budget Expenditures 2008-09	Estimated Capital Improvements 2008-09	Estimated Year End Fund Balance 2008-09
			In	Out			
Measure M Fund							
Turnback	2,166,040	1,510,148	-	-	-	3,421,755	254,433
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Turnback Encumbrances	-	-	-	-	-	-	-
Competitive	(465,201)	632,200	-	-	-	881,700	(714,701)
Competitive Encumbrances	-	-	-	-	-	-	-
AHRP Fund							
Appropriations Reserve	(538,309)	400,000	-	-	-	-	(138,309)
Reserve for Encumbrances	-	-	-	-	-	-	-
Tide and Submerged Land Fund							
Appropriation Reserve	-	10,346,602	1,495,159	5,794,966	2,968,995	3,077,800	-
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Appropriations Reserve (capital)	1,495,159	-	-	1,495,159	-	-	-
Reserve for Encumbrances	642,984	-	-	-	-	-	642,984
Upper Bay Reserve	30,146	-	97,206	-	-	-	127,352
Oil and Gas	240,000	-	40,000	-	-	-	280,000
Contributions Fund							
Misc Cooperative Projects	(2,810,791)	2,912,300	-	-	-	1,949,400	(1,847,891)
Bristol Street Relinquishment	319,553	-	-	-	-	-	319,553
PCH Relinquishment	3,341,480	-	-	-	-	-	3,341,480
Environmental Contributions	(2,293,285)	-	-	-	-	2,720,000	(5,013,285)
Reserve for Encumbrances	-	-	-	-	-	-	-
Circulation and Transportation Fund							
Appropriations Reserve	664,649	475,000	-	80,000	-	1,428,040	(368,391)
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Building Excise Tax Fund							
Appropriations Reserve	160,339	126,000	-	-	-	271,200	15,139
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Environmental Liability Fund							
Appropriation Reserve	2,460,452	565,000	-	-	70,000	-	2,955,452
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Oil Spill Remediation Fund							
Appropriation Reserve	19,522	500	-	-	-	13,500	6,522
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Newport Annexation Funds							
Receipt Fund	8,944,979	450,000	-	1,400,000	-	-	7,994,979
Fair Value Adj. Reserve-Receipt	-	-	-	-	-	-	-
Allocation Fund	-	-	1,200,000	-	1,200,000	-	-
Fair Value Adj. Reserve-Allocation	-	-	-	-	-	-	-
Building Fund	125,421	-	-	-	-	-	125,421
Fair Value Adj. Reserve-Building	-	-	-	-	-	-	-
Reserve for Encumbrances-Building	-	-	-	-	-	-	-
Library Debt Service Fund							
Appropriation Reserve	-	-	570,713	-	570,713	-	-
Reserve for Debt Service	566,354	-	-	-	-	-	566,354
Assessment District Projects							
Appropriation Reserve	(3,238,821)	-	-	-	-	-	(3,238,821)
Reserve for Encumbrances	317,508	-	-	-	-	-	317,508
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Major Facilities Replacement							
New City Hall	(369,160)	-	-	-	-	3,072,300	(3,441,460)
Marina Park	(833,327)	-	-	-	-	237,400	(1,070,727)
Sunset Ridge Park	-	-	-	-	-	800,000	(800,000)
Police Facility	-	-	-	-	-	330,000	(330,000)
Lifeguard Headquarters	-	-	-	-	-	150,000	(150,000)

SUMMARY OF ESTIMATED 2008-09 YEAR END FUND BALANCES

Fund / Account	Fund Balance 2007-08	Estimated Revenue 2008-09	Transfers		Estimated Budget Expenditures 2008-09	Estimated Capital Improvements 2008-09	Estimated Year End Fund Balance 2008-09
			In	Out			
CIOSA Fund							
Appropriation Reserve	2,059,830	100,000	-	-	-	1,753,500	406,330
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Bonita Canyon Development Fund							
Appropriation Reserve	(2,000)	2,000	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Mariners Library Fund							
Appropriation Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
OASIS Sr. Center							
Appropriation Reserve	(120,840)	-	-	-	-	20,058,250	(20,179,090)
Reserve for Encumbrances	-	-	-	-	-	-	-
Fire Station #7 Fund							
Appropriation Reserve	-	-	-	-	-	50,000	(50,000)
Reserve for Encumbrances	-	-	-	-	-	-	-
Back Bay Science Center Fund							
Appropriation Reserve	(865,943)	1,300,000	-	-	-	100,000	334,057
Reserve for Encumbrances	-	-	-	-	-	-	-
MISC SAH Projects Fund							
Permanent Endowment	6,871,363	7,528,500	-	-	-	7,395,890	7,003,973
Appropriation Reserve	-	-	-	-	-	-	-
Newport Bay Dredging Fund							
Permanent Endowment	4,025,000	-	-	-	-	-	4,025,000
Appropriation Reserve	376,511	-	-	-	-	-	376,511
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Insurance Reserve Fund							
Workers' Compensation Reserve	10,474,685	3,599,421	-	-	2,472,650	-	11,601,456
Liability Reserve	3,451,284	3,428,697	-	-	2,710,606	-	4,169,375
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Retiree Medical Fund							
Operating Fund	7,500	1,525,000	1,709,000	-	3,234,000	-	7,500
Conversion Fund	7,712,272	223,125	2,700,000	1,709,000	250,000	-	8,676,397
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Compensated Absence Fund							
Appropriation Reserve	2,591,400	2,335,456	-	-	2,000,000	-	2,926,856
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Equipment Fund							
Equipment Maintenance	88,835	2,318,160	-	632	2,200,322	80,000	126,041
Equipment Replacement - All Other	9,224,132	3,421,518	-	-	1,735,000	-	10,910,650
Equipment Replacement - PD	2,063,327	978,070	632	-	643,000	-	2,399,029
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Water Enterprise Fund							
Water System Reserve	(32,508)	18,667,998	3,357,883	-	18,490,161	3,418,500	84,712
Water System Reserve	5,176,166	-	-	-	-	-	5,176,166
Stabilization Reserve	3,697,261	-	-	1,284,423	-	-	2,412,838
Future Infrastructure Reserve	1,444,699	-	-	1,444,699	-	-	-
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	628,761	-	-	628,761	-	-	-
	10,914,379	18,667,998	3,357,883	3,357,883	18,490,161	3,418,500	7,673,716
Wastewater Enterprise Fund							
Wastewater System Reserve	200,000	3,857,725	2,330,859	265,625	2,840,759	3,002,200	280,000
Wastewater System Reserve	1,590,616	-	-	758,741	-	-	831,875
Stabilization Reserve	-	-	265,625	265,625	-	-	-
Future Infrastructure Reserve	-	-	-	-	-	-	-
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	1,306,493	-	-	1,306,493	-	-	-
	3,097,109	3,857,725	2,596,484	2,596,484	2,840,759	3,002,200	1,111,875
TOTAL	143,189,314	225,108,364	31,770,910	31,770,910	188,047,388	70,922,650	109,327,640

2008-09 FUND TRANSFERS - ALL FUNDS

General Fund	
Transfer In (From General Fund Reserves):	
Current Year Operations	\$ 5,915,300
Contingency Reserve	241,616
Actual Fair Market Value Adj.	-
Appropriations Reserve (operating)	1,532,107
Transfer In (From Current Year Operations):	
Appropriations Reserve (capital rebudg)	-
Paramedic Program (Hoag)	-
Recreation Instruction Reserve	107,100
Senior Citizen Site	2,000
Park In Lieu Fees	-
Off Street Parking	9,500
In Lieu Parking Fees	10,000
Neighborhood Enhancement Res. A	28,000
Neighborhood Enhancement Res. B	300,000
Oceanfront Encroachment	145,000
Cable Franchise	100,000
Affordable Housing	-
Reserve for Capital Improvement	3,500,000
Reserve for PERS Rate Changes	-
Transfer In (From Other Funds):	
Gas Tax Fund	160,000
Tidelands Fund	5,657,760
CDBG Fund	15,450
AQMD Fund	-
Circulation & Transportation Fund	80,000
Equipment Maintenance Fund	-
Equipment Replacement Fund	-
Newport Annexation Funds	200,000
Total Transfers In	\$ <u><u>18,003,833</u></u>

General Fund	
Transfer Out (To General Fund Reserves):	
Current Year Operations	\$ 5,975,323
Contingency Reserve	-
Actual Fair Market Value Adj.	-
Appropriations Reserve (operating)	-
Transfer Out (To Current Year Operations):	
Appropriations Reserve (capital reb	5,915,300
Encumbrances	-
Unrealized Events Impacting Budget	-
Paramedic Program (Hoag)	-
Recreation Instruction Reserve	-
Senior Citizen Site	-
Park In Lieu Fees	-
Off Street Parking	-
In Lieu Parking Fees	-
Neighborhood Enhancement Res. A	-
Neighborhood Enhancement Res. B	-
Cable Franchise	-
Reserve for Capital Improvement	-
Transfer Out (To Other Funds):	
Library Debt Service Fund	570,713
Retiree Medical Fund-Operating	-
Retiree Medical Fund-Conversion	2,700,000
General Liability Fund	-
Workers Compensation Fund	-
Total Transfers Out	\$ <u><u>15,161,336</u></u>

Ackerman Donation Fund	
Transfer In (From):	
Appropriation Reserve	\$ -
Total Transfers In	\$ <u><u>-</u></u>

Ackerman Donation Fund	
Transfer Out (To):	
Fund Balance	\$ -
Total Transfers Out	\$ <u><u>-</u></u>

CDBG Fund	
Transfer In (From):	
Reserve for Encumbrance	\$ -
Total Transfers In	\$ <u><u>-</u></u>

CDBG Fund	
Transfer Out (To):	
General Fund	\$ 15,450
Appropriation Reserve	-
Total Transfers Out	\$ <u><u>15,450</u></u>

AQMD Fund	
Transfer In (From):	
	\$ -
Total Transfers In	\$ <u><u>-</u></u>

AQMD Fund	
Transfer Out (To):	
General Fund	\$ -
Total Transfers Out	\$ <u><u>-</u></u>

2008-09 FUND TRANSFERS - ALL FUNDS

Asset Forfeiture	
Transfer In (From):	
Reserve for Encumbrance	\$ -
Total Transfers In	\$ -

Asset Forfeiture	
Transfer Out (To):	
Appropriations Reserve	\$ -
Total Transfers Out	\$ -

State Gas Tax Fund	
Transfer In (From):	
Reserve for Encumbrance	\$ -
Total Transfers In	\$ -

State Gas Tax Fund	
Transfer Out (To):	
General Fund	\$ 160,000
Appropriation Reserve	-
Total Transfers Out	\$ 160,000

Traffic Congestion Relief Fd.	
Transfer In (From):	
Fund Balance	\$ -
Total Transfers In	\$ -

Traffic Congestion Relief Fd.	
Transfer Out (To):	
Appropriation Reserve	\$ -
Total Transfers Out	\$ -

Measure M Funds	
Transfer In (From):	
Turnback Encumbrances	\$ -
Competitive Encumbrances	-
Total Transfers In	\$ -

Measure M Funds	
Transfer Out (To):	
Turnback Fund Balance	\$ -
Competitive Fund Balance	-
Total Transfers Out	\$ -

Bikes & Trailways (SB821)	
Transfer In (From):	
Fund Balance	\$ -
Total Transfers In	\$ -

Bikes & Trailways (SB821)	
Transfer Out (To):	
Appropriation Reserve	\$ -
Reserve for Encumbrance	-
Total Transfers Out	\$ -

AHRP Fund	
Transfer In (From):	
Fund Balance	\$ -
Total Transfers In	\$ -

AHRP Fund	
Transfer Out (To):	
Fund Balance	\$ -
Total Transfers Out	\$ -

Tidelands Fund	
Transfer In (From):	
Reserve for Encumbrances	\$ -
Tidelands Operations	137,206
Appropriation Reserve	1,495,159
Total Transfers In	\$ 1,632,365

Tidelands Fund	
Transfer Out (To):	
General Fund	\$ 5,657,760
Appropriation Reserve	1,495,159
Upper Bay Reserve	97,206
Oil & Gas Reserve	40,000
Total Transfers Out	\$ 7,290,125

Contributions Fund	
Transfer In (From):	
Reserve for Encumbrances	\$ -
Total Transfers In	\$ -

Contributions Fund	
Transfer Out (To):	
Appropriation Reserve	\$ -
Total Transfers Out	\$ -

2008-09 FUND TRANSFERS - ALL FUNDS

Circulation Fund	
Transfer In (From):	
Fund Balance	\$ -
Reserve for Encumbrance	-
Total Transfers In	\$ -

Circulation Fund	
Transfer Out (To):	
General Fund	\$ 80,000
Ciosa Fund	-
Total Transfers Out	\$ 80,000

Building Excise Tax Fund	
Transfer In (From):	
Appropriations Reserve	\$ -
Reserve for Encumbrances	-
Fund Balance	-
Total Transfers In	\$ -

Building Excise Tax Fund	
Transfer Out (To):	
Reserve for Encumbrances	\$ -
Appropriation Reserve	-
Fund Balance	-
Total Transfers Out	\$ -

Environmental Liability Fund	
Transfer In (From):	
Appropriation Reserve	\$ -
Total Transfers In	\$ -

Environmental Liability Fund	
Transfer Out (To):	
Fund Balance	\$ -
Total Transfers Out	\$ -

Oil Spill Remediation Fund	
Transfer In (From):	
Reserve for Encumbrances	\$ -
Total Transfers In	\$ -

Oil Spill Remediation Fund	
Transfer Out (To):	
Appropriation Reserve	\$ -
Total Transfers Out	\$ -

Newport Annexation Funds	
Transfer In (From):	
Receipt Fund	\$ -
Allocation Fund	1,200,000
Building Fund Encumbrances	-
Total Transfers In	\$ 1,200,000

Newport Annexation Funds	
Transfer Out (To):	
General Fund	\$ 200,000
Receipt Fund	1,200,000
Building Fund Appropriations	-
Total Transfers Out	\$ 1,400,000

Library Debt Service Fund	
Transfer In (From):	
General Fund	\$ 570,713
Total Transfers In	\$ 570,713

Library Debt Service Fund	
Transfer Out (To):	
Fund Balance	\$ -
Total Transfers Out	\$ -

Assessment Districts Fund	
Transfer In (From):	
Reserve for Encumbrance	\$ -
Fund Balance	-
Total Transfers In	\$ -

Assessment Districts Fund	
Transfer Out (To):	
Appropriation Reserve	\$ -
Fund Balance	-
Total Transfers Out	\$ -

CIOSA Fund	
Transfer In (From):	
Fund Balance	\$ -
Total Transfers In	\$ -

CIOSA Fund	
Transfer Out (To):	
Appropriation Reserve	\$ -
Total Transfers Out	\$ -

2008-09 FUND TRANSFERS - ALL FUNDS

Mariners Library Fund		
Transfer In (From):		
Reserve for Encumbrances	\$	-
Total Transfers In	\$	<u>-</u>

Mariners Library Fund		
Transfer Out (To):		
Appropriation Reserve	\$	-
Total Transfers Out	\$	<u>-</u>

Fire Station # 7		
Transfer In (From):		
Reserve for Encumbrances	\$	-
General Fund		-
Total Transfers In	\$	<u>-</u>

Fire Station # 7		
Transfer Out (To):		
Appropriation Reserve	\$	-
Total Transfers Out	\$	<u>-</u>

Retiree Medical Fund		
Transfer In (From):		
Fund Balance	\$	4,409,000
Total Transfers In	\$	<u>4,409,000</u>

Retiree Medical Fund		
Transfer Out (To):		
Appropriation Reserve	\$	-
Reserve for Encumbrance		1,709,000
Total Transfers Out	\$	<u>1,709,000</u>

Insurance Reserve Fund		
Transfer In (From):		
Fund Balance	\$	-
Total Transfers In	\$	<u>-</u>

Insurance Reserve Fund		
Transfer Out (To):		
Appropriation Reserve	\$	-
Reserve for Encumbrance		-
Total Transfers Out	\$	<u>-</u>

Equipment Fund		
Transfer In (From):		
Equipment Maintenance	\$	632
Reserve for Encumbrance		-
Total Transfers In	\$	<u>632</u>

Equipment Fund		
Transfer Out (To):		
General Fund Overhead	\$	632
Equipment Replacement		-
Total Transfers Out	\$	<u>632</u>

Water Enterprise Fund		
Transfer In (From):		
Operations	\$	3,357,883
Reserve for Encumbrances		-
Future Infrastructure Reserve		-
Stabilization Reserve		-
Total Transfers In	\$	<u>3,357,883</u>

Water Enterprise Fund		
Transfer Out (To):		
Water Operations	\$	-
Water System Reserve		1,284,423
Future Infrastructure Reserve		1,444,699
Reserve for Encumbrances		628,761
Total Transfers Out	\$	<u>3,357,883</u>

Wastewater Enterprise Fund		
Transfer In (From):		
Wastewater System Reserve	\$	2,330,859
Reserve for Encumbrance		-
Future Infrastructure Reserve		-
Stabilization Reserve		265,625
Total Transfers In	\$	<u>2,596,484</u>

Wastewater Enterprise Fund		
Transfer Out (To):		
Wastewater Operations	\$	265,625
Reserve for Encumbrance		1,306,493
Wastewater Infrastructure. Rsv.		-
Stabilization Reserve		1,024,366
Total Transfers Out	\$	<u>2,596,484</u>

TOTAL TRANSFERS	\$	<u><u>31,770,910</u></u>
------------------------	----	--------------------------

TOTAL TRANSFERS	\$	<u><u>31,770,910</u></u>
------------------------	----	--------------------------

Department Operations

FISCAL YEAR 2008-2009



CITY COUNCIL

Mission Statement

*To protect Newport Beach's unique quality of life
for the full enjoyment of its residents, visitors, and business owners
and to direct the efficient and effective delivery of municipal services.*



Overview

Newport Beach is a “Charter City,” which means Newport Beach voters approved a Charter that governs many city operations and set forth a governing board of seven members. Though the members of the Newport Beach City Council each represent and reside in one of seven districts, they are elected “at large” by all of Newport Beach’s registered voters and therefore serve the broader constituency, too.

Being a Council Member is considered a part-time job, but the actual time commitment -- from early morning meetings with residents to special committee assignments to Council meetings that can run late into the night and special events on weekends -- often takes more than 40 hours a week.

The Charter also directs the City Council to hire a “chief executive officer,” called the City Manager, to run the day-to-day operations of the City “corporation.” The City Manager, the City Clerk and the City Attorney are the only employees directly hired by the City Council. The City Manager oversees the hiring and management of the rest of the staff.



Primary Goals

The City Council has two primary tools to implement policy – the City’s yearly budget and the various priorities that the Council sets. For the year 2008-09, the Council expects to follow these efforts (among others) closely:

- Begin the design, engineering and environmental work associated with a new City Hall by the Central Library at 1000 Avocado.
- Continue to implement the updated General Plan.
- Effectively address traffic (including signal synchronization), so that residents, visitors and business owners can travel within the community safely and spend minimal time in traffic.
- Implement a detailed Master Facilities Program, including City Hall, the OASIS Senior Center, fire stations and other city facilities so that the City can comprehensively see and address its facilities’ needs over the next 20+ years.
- Maintain strong relationships with “Corridor Cities” (other cities impacted by John Wayne Airport both on the departure side and the approach side) so that we can keep JWA within its current curfew and flight restrictions.
- Benchmark the City’s already strong services, to promote “continuous improvement” among services most important to the community.
- Develop a Water Quality Master Plan to protect the Upper and Lower Newport Bay from sedimentation and pollution, to better conserve water and to keep our ocean beaches and near-shore zone free of contaminants.
- Limit the adverse impacts associated with the overconcentration of residential treatment homes and congregate living facilities.
- Complete planning for new parks, such as Marina Park and Sunset Ridge Park.

Allocation Plan

	2005-06 Actual*	2006-07 Actual*	2007-08 Estimated**	2008-09 Proposed**
Salaries and Benefits	\$ 258,922	\$ 229,203	\$ 249,181	\$ 196,311
Maintenance and Operations	\$ 1,791,445	\$ 1,474,011	\$ 1,054,918	\$ 975,918
Capital Outlay	\$ 3,419	\$ 462	\$ 7,000	\$ 7,000
Total	\$ 2,053,786	\$ 1,703,676	\$ 1,311,099	\$ 1,179,229
* Includes Spheres Issues and Centennial expenditures ** Includes Spheres Issues				

The City Council’s budget includes the costs of the City’s membership in key associations that work towards common municipal purposes, like the League of California Cities and the Southern California Association of Governments (SCAG).

CITY CLERK

Mission Statement

To provide service to the Mayor and City Council, City Manager, City Departments, and the public in a courteous, timely, and efficient manner while remaining neutral and impartial.

To improve the administration of the affairs of the City Clerk's office consistent with applicable laws and through sound management practices to provide easier access to local government and fulfill our responsibility to the residents of Newport Beach.

Department Organization

City Clerk's Office Staffing: 3 \$514,666
City Clerk Two Deputy City Clerks

Department Overview

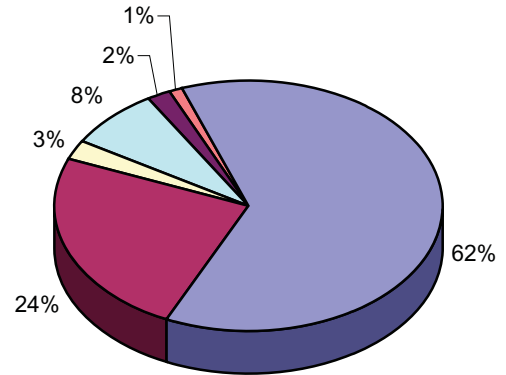
- Prepare and publish agendas for City Council meetings in accordance with the legal requirements for public meetings.
- Record and maintain the proceedings of the City Council meetings.
- Maintain official records associated with formal actions of the City Council.
- Assist the public with research and retrieval of information, and retrieve and certify public documents.
- Maintain the document imaging system in order to reduce staff time in searching, retrieving and copying records, as well as providing storage for permanent records.
- Provide staff and the residents with on-line access to the Newport Beach Municipal Code; Council Policy Manual; Boards, Commissions and Committees Manual; applications and vacancy notices for Boards and Commissions; and City Council agendas, minutes and staff reports.
- Assist the public in understanding and participating in the decision and policy making process.
- Maintain the Appointive List for Boards and Commissions as required under Maddy Appointive List Act.
- Process legal publications, postings and notices.
- Ensure accurate codification of City-adopted ordinances.
- Act as Filing Officer for the Political Reform Act of 1974 regulations (Campaign Disclosure Forms and Statements of Economic Interest).
- Receive and open bids for City projects.
- Receive and process Claims for Damages, and Summons and Complaints against the City.
- Serve as the City's Election Official and receive petitions relating to initiatives, referendums or recalls.
- Serve as custodian of the official records of the City and maintain custody of the City Seal.
- Execute all ordinances, resolutions and contracts.
- Administer oaths, affirmations and acknowledgements.
- Process passport applications in accordance with U.S. Department of State procedures.

NEWPORT BEACH, CALIFORNIA

Resource Allocation

Budget Overview 2008-2009 (\$414,666)
(Excludes Elections)

■ Salaries - \$259,063 (62%)
■ Benefits - \$99,799 (24%)
□ Advertising/Publications/General Liability - \$10,650 (3%)
■ Supplies/Maintenance - \$32,654 (8%)
■ Prof/Tech Services - \$8,400 (2%)
■ Travel/Meetings - \$4,100 (1%)



The City Clerk's Office provides service to the Mayor, City Council, City Manager, and administrative departments, as well as to the public. As a service providing department, the budget is primarily allocated to salaries and benefits with a small amount budgeted for maintenance and operation costs.

Performance Review

Service Indicators	2005-2006	2006-2007	2007-2008	2008-2009
	Actual	Actual	Estimated	Projected
Council Meetings, Regular	22	23	23	23
Council Meetings, Special or Adjourned	28	23	25	25
Resolutions adopted	86	95	80	85
Ordinances adopted	27	21	25	25
Claims/Summons and Complaints processed	116	118	140	120
Contracts/Agreements processed	131	117	130	120
Notices of Completion/Release Bonds	13	20	15	20
Documents processed to Orange County Recorder	26	36	30	35
Passports processed	457	453	450	320

Allocation Plan

	2005-06	2006-07	2007-08	2008-09
	Actual	Actual	Estimated	Proposed
Salaries and Benefits	\$ 326,349	\$ 314,754	\$ 339,929	\$ 358,862
Maintenance and Operations	\$ 97,730	\$ 50,733	\$ 59,804	\$ 55,804
Capital Outlay	\$ -	\$ 11,684	\$ -	
Total	\$ 424,079	\$ 377,171	\$ 399,733	\$ 414,666
Elections	\$ -	\$ 79,934	\$ 158,000	\$ 100,000
Grand Total	\$ 424,079	\$ 457,105	\$ 557,733	\$ 514,666

CITY MANAGER

Mission Statement

*To maintain the delivery of high quality municipal services and
legislate and manage the affairs of the city
according to law and
for the benefit of residents and property owners.*

Department Organization

TOTAL \$4,464,850
22 Positions, plus 8.06 FTE

City Manager Staffing: 6 plus .03 FTE \$1,185,850
City Manager Two Assistant City Managers Executive Assistant to the City Manager Administrative Assistant Department Assistant

Code & Water Quality Enforcement Division Staffing: 6 plus .25 FTE \$818,108
Division Manager Water Conservation Coordinator Four Code & Water Quality Enforcement Officers P/T Office Assistant

Public Information Division Staffing: 2 plus 1.88 FTE \$425,442
Public Information Manager Public Information Officer Nine P/T Production Assistants

Harbor Resources Division Staffing: 8 plus 6.28 FTE \$2,035,450
Division Manager Division Supervisor Harbor Resources Specialist Harbor Permit Technician Parking Lot Supervisor Parking Lot Crew Chief Marine Protection & Education Supervisor Maintenance Worker II 20 Parking Lot Attendants 10 Tidepool Rangers

Allocation Plan

	2005-06 Actual	2006-07 Actual	2007-08 Estimated	2008-09 Proposed
Salaries and Benefits	\$ 2,288,055	\$ 2,551,104	\$ 2,793,558	\$ 3,038,600
Maintenance and Operations	\$ 1,457,640	\$ 1,352,201	\$ 1,508,180	\$ 1,395,250
Capital Outlay	\$ 36,368	\$ 96,019	\$ 57,616	\$ 31,000
Total	\$ 3,782,063	\$ 3,999,324	\$ 4,359,354	\$ 4,464,850

Primary Goals

The City Manager

The City Council appoints the City Manager to make sure the City’s operations run effectively. The City’s Charter prescribes specific duties to the City Manager, including the power to appoint department directors and to develop the annual budget. The Charter also directs the City Manager to report back to the Council each year on the fiscal operations of the City, to see that the City follows the laws of the Charter and the State of California, and more. The City Manager implements the direction of the City Council to ensure that the priorities and interests of the Council are achieved.

In addition to attending Council meetings, the City Manager convenes meetings of the City’s Management Team (department directors) and of individuals and groups throughout the City. Other topics, more regional in nature, fall under the City Manager’s responsibilities. The City Manager’s Office monitors the political (including legislative in both Washington, D.C. and Sacramento), and economic environment outside the city to ensure that external forces do not compromise Newport Beach’s quality of life, public safety system or its finances.

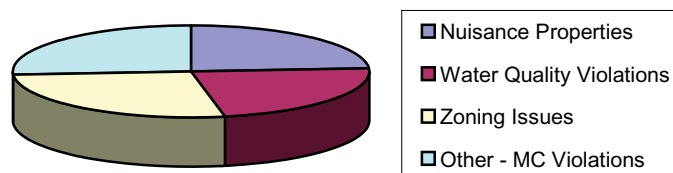
The City Manager’s budget includes three key divisions – Code & Water Quality Enforcement, Harbor Resources and Public Information. Because the strategic issues supervised by the City Manager’s Office can require the use of specialized expertise, this budget also includes funds for short-term contracts with consultants.

Code & Water Quality Enforcement Division

The City’s Code and Water Quality Enforcement Division is among the most respected in Orange County. Code & Water Quality Enforcement has two major emphases: protecting the community’s quality of life via the enforcement of the municipal code (regarding noise, nuisances, signage, zoning and more) and protecting Newport Bay and our ocean shoreline by implementing State and Federal clean water requirements. The Division will continue its proactive, face-to-face education and enforcement efforts regarding “best management practices” (BMPs) for water conservation and water quality.

The Division adopted a new approach in July 2007 that will continue through FY 2008-09 – that is to more aggressively improve nuisance properties (dilapidated structures, trash, weeds, boarding houses, illegal dwelling units, and more) in an effort to bring up some of the older parts of the community that may need improvement. As illustrated by the included pie chart, nuisance properties make up one quarter of the Division’s total workload.

Code & WQ Enforcement Division Workload



CITY MANAGER

Public Information

The City Council has made enhancing communication with residents a priority and the Public Information Division has a new strategic communication plan designed to help achieve that goal. The plan builds upon the City's existing resources and incorporates new communication tools and techniques to improve outreach efforts and communicate effectively. In FY 2008-09, the Division will use the City Manager Resident Newsletter, an improved City Web site, new NBTv programming, wider use of the e-SelectAlert program, and other time-tested methods of public outreach to share information about City programs, projects and policies.

The Division's established and expanding NBTv component – broadcast on Time Warner Channel 3 and Cox Channel 30/852 – will make even greater use of part-time personnel (for research, editing and camera work) under the direction of one manager creating new programs and public service announcements about City programs and projects. NBTv programming includes Newport Beach Study Sessions and City Council meetings, and original program productions on Newport Beach history, arts and culture, pet adoption, library services, city department functions and activities, protecting coastal and harbor resources and public safety.

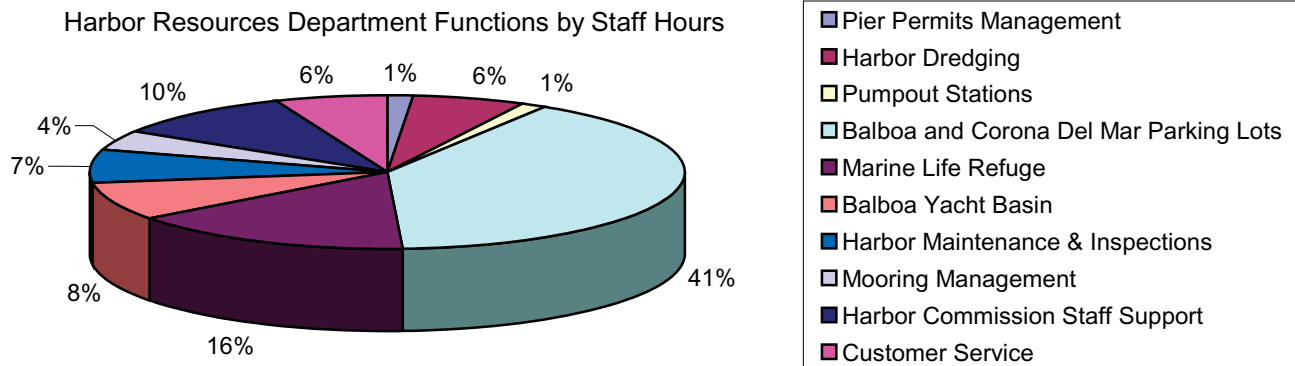
Harbor Resources Division

The Mission Statement of this division is to protect and improve the resources of Newport Harbor, Upper Newport Bay, and the ocean beaches to ensure their proper use and enjoyment by all things that derive life, recreation or commerce from our City's most important asset.

More than 1,200 individuals and businesses operate a pier, marina or mooring in Newport Harbor and therefore require a formal permit to access and use this resource. Habitat protection, water quality improvement and the myriad of regulations that direct the City's Title 17 and City Council Policy H-1 demand specific attention by the Harbor Resources staff. The Harbor Commission, a seven-member board appointed directly by the City Council – plays an important role here, too. The Harbor Resources Division includes parking lot administration and an innovative Marine Life Area protection program. Harbor Resources is located at the Balboa Yacht Basin off Harbor Island Drive.

Among the tasks that the Harbor Resources Division will undertake this year are:

- Beach sand replenishment projects on Balboa Island.
- Management planning of the Lower Bay's complex needs – from dredging to eelgrass to safe navigation.
- Realignment of the offshore mooring areas, and a possible change to the administration of moorings.





Performance Review

<u>Service Indicators</u>	<u>2005-06 Actual</u>	<u>2006-07 Actual</u>	<u>2007-08 Estimated</u>	<u>2008-09 Projected</u>
<i>Code & Water Quality Enforcement Division</i>				
Administrative Citations Issued	285	281	440	452
Notices of Violations Issued	547	652	1,111	1,300
Water Quality Education Impressions	680,000	700,000	720,000	740,000
<i>Harbor Resources Division</i>				
Dock Construction Permits Reviewed	122	82	90	80
Dredging Permits Reviewed	25	30	13	20
Fire Code Compliance Citations Issued	21	20	5	5
Other Harbor Compliance Warnings and Citations	15	10	25	25
Number of Vehicles at Balboa Pier Lot	229,000	226,000	235,000	235,000
Number of Vehicles at CDM Lot	119,000	130,000	145,000	150,000
Number of Students Trained/Educated and Public Contacts via Marine Life Refuge Program	74,200	76,000	70,000	70,000
Number of Classes Coordinated by MLR Program	245	275	290	300
<i>Public Information Division</i>				
NBTV News & Special Programs*	98	68	153	168
Outside Government Programming	-	39	93	120
Web Streaming of NBTV News Programs	36	40	91	100
City Manager Resident Newsletter	-	-	6	8
News Releases	19	21	24	36
Public Education / Tours	2	4	7	10

*Includes Study Sessions & City Council

HUMAN RESOURCES

Mission Statement

The Human Resources Department delivers innovative and timely human resource services and leadership to enable the City, departments and employees to provide exceptional services to our residents and visitors.

Department Overview

Human Resources partners with departments and employees to hire, compensate, support, and develop a workforce that is dedicated to delivering high-quality services to the community. We continue to provide the tools and training needed to keep current with employment-related laws and practices minimizing the City's liability in employment matters.

Automating HR processes and developing procedures for City-wide consistency continues to be a high priority, along with City-wide training and developing a strong safety program for all employees. This year, successful automated highlights include the online application and test development program through NeoGov, the Employee Access Center, and the online performance evaluation system. We are also completing a paperless workers' compensation claims project.

Recruitments continued to increase significantly with more applicants for entry-level positions and fewer applicants for professional-level positions. To meet the increasing demand and provide good customer service, we moved the recruitment staff into a Recruitment Center modular. This has been a big improvement, giving staff adequate space to work more efficiently and adding a conference room dedicated to recruitments.

After extensive labor negotiations, we implemented Memorandum of Understanding's with several employee groups which included a new retirement formula for fire safety and miscellaneous employees. Many employees in our workforce are at, or close to, retirement age, and we provided informational retirement sessions to assist these employees in making informed life decisions. In addition, we provided all supervisors and managers with Preventing Workplace Harassment, Discrimination, and Retaliation training which is required by AB 1825, and monthly Supervisory training through our Employee Relations Consortium.

Primary Goals

- Provide opportunities for growth of the organizational culture that supports the City's values
- Minimize the City's liability in employment matters
- Provide cost effective quality employment services
- Create and enhance policies, programs and systems that support sound management practices



Department Organization

**Risk Management
& Employee Benefits**

Staffing: 3.5
\$546,698

- Benefits Administration
- Contract Review & Insurance Compliance
- Disability Benefits & Retirements
- DMV Employer Pull Program
- DOT Drug Program
- Employee Assistance Program
- Employee Fitness Center Administration
- Employee Health Fair
- Employee & Retirement Counseling
- FMLA/HIPPA Compliance
- General Liability
- Insurance Procurement
- Loss Control
- New Employee Orientation
- Pre-employment Physical Exams
- Retiree Medical Insurance
- Safety Program
- Special Event Review
- Workers' Compensation Claims Administration

**Human Resources Administration
& Operations**

Staffing: 6.5 plus 1.5 FTE
\$1,456,868

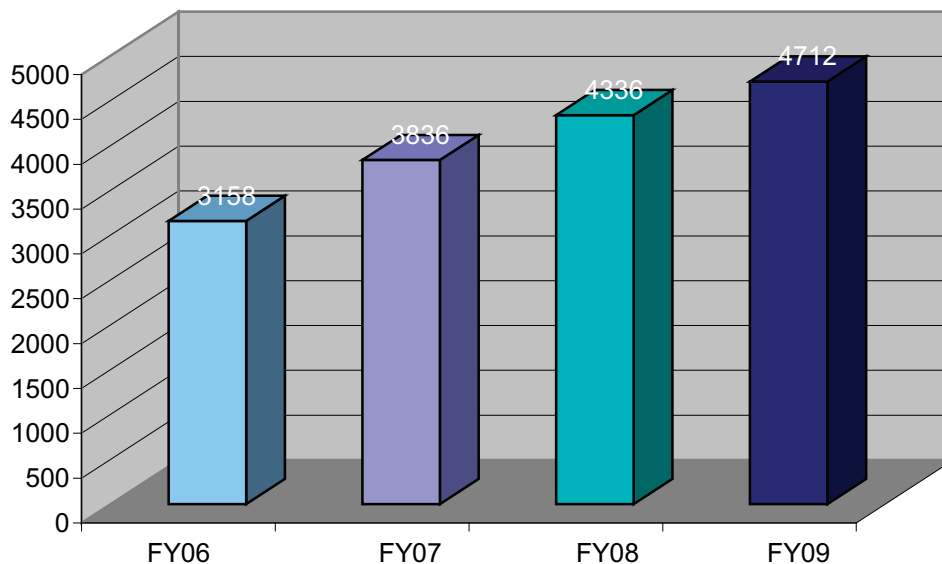
- City Employee Activities & Events
- City-Wide Training
- Civil Service Commission Support
- Classification & Compensation
- Deferred Compensation
- Employee Identification Cards & Parking Permits
- Employee Relations
- Employee Service Awards
- Employment Verifications
- Exit Interviews
- Grievances & Disciplines
- Labor Relations
- MOU Administration
- PERS/PARS Assistance & Coordination
- Personnel Policies & Procedures
- Personnel Transactions
- Records Management
- Recruitment/Selection
- Tuition Reimbursement
- Unemployment Administration

HUMAN RESOURCES

Performance Review

Service Indicators	2005-2006 Actual	2006-2007 Actual	2007-2008 Estimated	2008-2009 Projected
Full Time Recruitments	n/a	78	84	97
Part Time Recruitments	n/a	38	69	80
<i>Total Recruitments:</i>	88	116	153	177
Tuition Reimbursements	165	190	200	220
Unemployment Claims	20	21	23	25
Personnel Transactions	1,480	1,430	1,650	1,900
Classification/Compensation Studies	40	20	30	20
Surveys for other agencies	180	190	190	190
PERS and/or PARS Issues	105	110	160	110
Trainings Conducted	27	25	25	27
Contract Negotiations meetings	20	50	50	20
Employee Relations Issues	30	35	45	35
Benefit Transactions Actives & Retirees	930	1,480	1,700	1,850
General Liability Claims	45	135	87	111
Workers' Compensation & Disability Claims	133	176	150	163
Industrial Disability Retirements Processed	3	2	3	2
Retirements	25	32	20	25

Service Indicator Totals from FY06 to FY09





Allocation Plan

	2005-06 <u>Actual</u>	2006-07 <u>Actual</u>	2007-08 <u>Estimated</u>	2008-09 <u>Proposed</u>
Salaries and Benefits	\$ 962,811	\$ 1,116,823	\$ 1,204,290	\$ 1,322,387
Maintenance and Operations	\$ 582,767	\$ 623,378	\$ 580,362	\$ 675,178
Capital Outlay	\$ 10,152	\$ 10,605	\$ 164,360	\$ 6,000
Total	<u>\$ 1,555,730</u>	<u>\$ 1,750,806</u>	<u>\$ 1,949,012</u>	<u>\$ 2,003,565</u>



“Our mission is your success”

CITY ATTORNEY

Mission Statement

*To represent and/or advise
City Council, Boards and Commissions, and City Staff
with respect to all legal matters
pertaining to the City.*

Primary Goals

- To maintain an accessible attorney staff and provide timely responses to formal and informal requests for legal advice.
 - To work with other City department heads in developing legal strategies for implementing Council goals, identifying legal issues to surrounding community development proposals and responding to community concerns about traffic and quality of life.
 - To work with Risk Management to provide effective legal counsel to represent and appear for the City in all legal actions, or proceedings including defense of tort liability claims and enforcement of City codes, rules and regulations.
 - To be proactive to limit City liability and to present reasonable and cost effective solutions to legal problems without compromising the interests of the City, its officers, or employees.
-

Performance Review

<u>Service Indicators</u>	<u>2005-2006 Actual</u>	<u>2006-2007 Actual</u>	<u>2007-2008 Estimated</u>	<u>2008-2009 Projected</u>
Requests for Opinions/Advice (In-House)	5,500	6,000	6,000	6,200
Council, Board, and Commission Meetings	100	100	100	100
Preparation/Review of Contracts, MOUs, Agreements	400	500	600	550
Litigation Caseload	50	25	5	15
Code Enforcement Caseload	80	70	50	100
Development/review of Resolutions and Ordinances	85	100	100	100
Court and Hearing Appearances	80	40	10	20
Public Assistance (phone or in person, by attorney or secretarial staff)	7,200	7,000	7,200	8,000
Legislative Advocacies	20	20	5	5
Public Records Act Request	60	70	100	100

Department Organization

<p>City Attorney's Office Staffing: 4 plus 2.88 FTE \$1,513,322</p>
<p>City Attorney Two Assistant City Attorneys Administrative Assistant to the City Attorney Part-Time Office Assistant Two Part-Time Deputy City Attorneys Part-Time Paralegal</p>

Department Overview

The City Attorney acts as the legal advisor and counsel for the City Council, City Boards and Commissions, City Manager, and all City Departments. Some of the primary functions of this office are to:

- Render legal opinions and advice to City Council and City staff.
- Review and/or prepare proposed contracts, bond financing papers, and insurance requirements.
- Monitor, control, defend against liability claims and lawsuits, enforce Municipal Code.
- Attend meetings of the City Council and Planning Commission, as well as other boards, committees, and commissions as required and render legal advice on agenda items and open meeting laws.
- Prepare, review drafts, and assist in the negotiation of agreements to which the City is a party.
- Draft and analyze, support legislative efforts necessary to achieve City Council goals.
- Prepare or review ordinances, resolutions, deeds, pleadings, and other legal documents.
- Appear before courts and administrative tribunals to represent the City's interests in regulatory and personnel hearings and appeals.

Allocation Plan

	2005-06 <u>Actual</u>	2006-07 <u>Actual</u>	2007-08 <u>Estimated</u>	2008-09 <u>Proposed</u>
Salaries and Benefits	\$ 831,051	\$ 838,967	\$ 806,318	\$ 1,021,017
Maintenance and Operations	\$ 187,002	\$ 635,319	\$ 475,460	\$ 488,305
Capital Outlay	\$ 2,067	\$ 6,019	\$ 16,035	\$ 4,000
Total	\$ 1,020,120	\$ 1,480,305	\$ 1,297,813	\$ 1,513,322

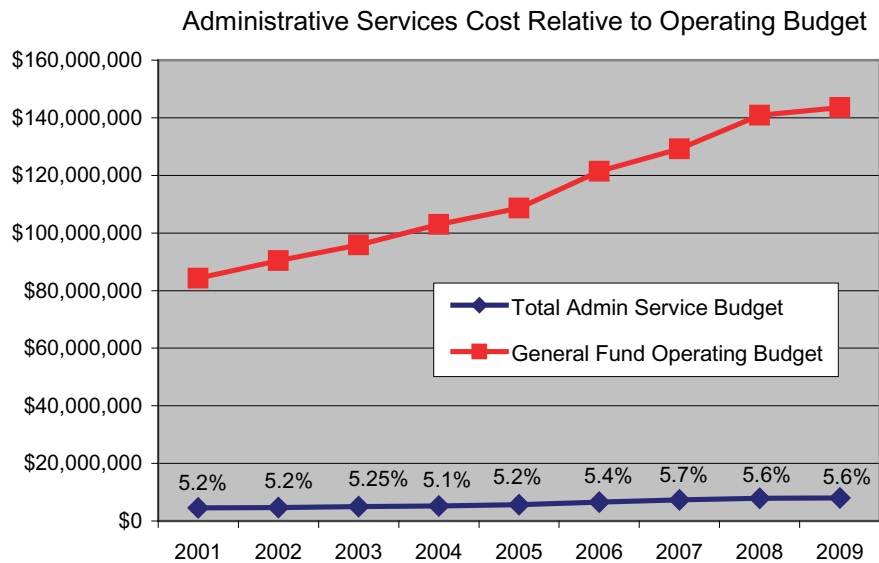
ADMINISTRATIVE SERVICES

Mission Statement

*To provide prudent financial management
of publicly entrusted resources and deliver the highest quality
Financial, Information Technology and related support services
to City Officials, the Public and Other Departments
in a cost effective manner.*

Primary Goals

The Administrative Services Department is a composite organization that performs a diverse collection of financial and technological services. The Resource Management Division is the executive division of the Department that oversees four functional divisions: Fiscal Services, Information Technology, Revenue, and Accounting. The Department's primary purpose is to act as the financial steward for the public but also to provide organization-wide financial and information technology services to the frontline public serving departments. In addition, the Revenue Division directly supports the public, serving nearly 85,000 residents and 22,000 businesses with municipal services and licensing needs.



Allocation Plan

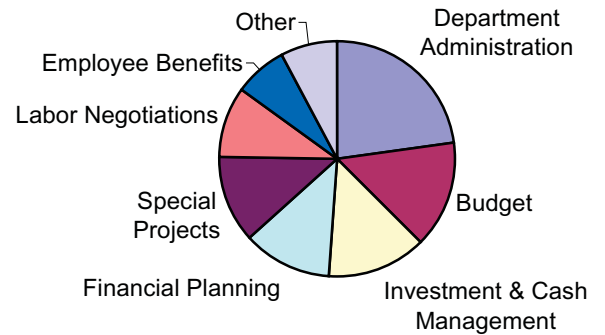
	2005-06 Actual	2006-07 Actual	2007-08 Estimated	2008-09 Proposed
Salaries and Benefits	\$ 5,209,234	\$ 5,668,347	\$ 6,046,597	\$ 6,498,301
Maintenance and Operations	\$ 992,121	\$ 1,071,724	\$ 1,488,516	\$ 1,224,347
Capital Equipment	\$ 386,101	\$ 479,882	\$ 402,459	\$ 382,719
Total	\$ 6,587,456	\$ 7,219,953	\$ 7,937,572	\$ 8,105,367

Resource Allocation

Resource Management Division

Providing executive and administrative support, the resource management division also provides financial planning, treasury management and a variety of specialized financial and technical guidance to the organization. Beyond the basic financial services, the Department also provides financial planning services that are critical to the City’s financial stability and ultimately, the City’s ability to provide and maintain the high quality of municipal services our residents have grown to expect. Staff assist other departments in budgeting, analyzing, and financing major equipment acquisitions and/or infrastructure improvements. Staff also manage debt financing levels appropriately, balancing the financial burden across the service life of the improvements.

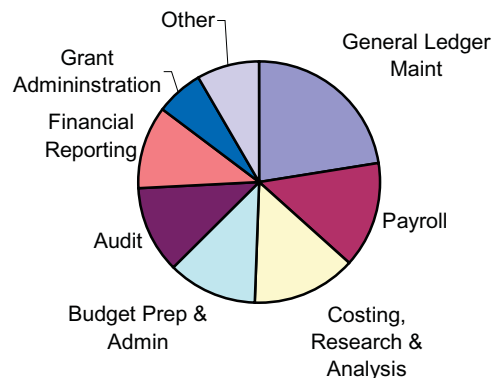
Resource Management Staffing: 3 \$538,135		
	Est. Cost	Allocation
Department Administration	\$ 122,694	22.80%
Budget	\$ 78,427	14.57%
Investment & Cash Management	\$ 74,305	13.81%
Financial Planning	\$ 64,784	12.04%
Special Projects	\$ 64,234	11.94%
Labor Negotiations	\$ 52,652	9.78%
Employee Benefits	\$ 38,458	7.15%
Other	\$ 42,581	7.91%
Total	\$ 538,135	100.00%



Accounting Division

In general, the Accounting Division is in charge of the overall accounting, financial reporting and audit management functions as well as the development and administration of the City’s operating budget. In this capacity, this division monitors and implements new accounting pronouncements to insure the City adheres to generally accepted accounting practices. This division also oversees several detailed accounting processes including: payroll processing; key internal control procedures over cash, investments and e-commerce; a myriad of detailed system interfaces; general ledger maintenance; capital asset, debt and assessment district administration; accounting for reserves, designations, grants and other restricted sources.

Accounting Staffing: 8 Plus 1.5 FTE \$1,143,359		
	Est. Cost	Allocation
General Ledger Maint	\$ 258,713	22.63%
Payroll	\$ 161,675	14.14%
Costing, Research & Analysis	\$ 156,658	13.70%
Budget Prep & Admin	\$ 137,748	12.05%
Audit	\$ 131,901	11.54%
Financial Reporting	\$ 128,303	11.22%
Grant Administration	\$ 72,143	6.31%
Other	\$ 96,219	8.42%
Total	\$ 1,143,359	100.00%

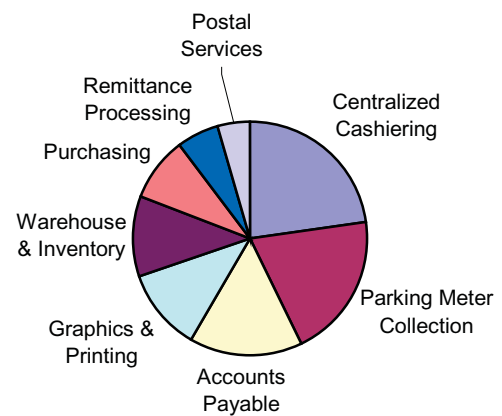


ADMINISTRATIVE SERVICES

Fiscal Services Division

Fiscal Services is a diverse Division of twenty full and part-time employees with primary support functions for the entire organization. Central Cashiering processes payments made to the City through several dozen billing systems. Continual effort is made to automate these systems to utilize e-payment alternatives and simplify payment methods for our customers. The Parking Meter Collection Crew is responsible for the maintenance of the City's parking meters and change machines. Their coin collection duties result in \$2.2 million of revenue each year. The Accounts Payable section processes vendor payments and the tax reporting of compensation and benefits on behalf of the City's vendors. Other activities include management of the Citywide purchasing card program, encumbrances, and contract administration. The Graphics & Printing section provides centralized management of the City's paper supply, large print production jobs, copier purchases and maintenance, and graphics work for most of the larger print jobs that are produced throughout the City. The Central Warehouse is responsible for control of inventory supplies, receives dock deliveries, and manages the disposal of surplus equipment. The Purchasing section provides centralized purchase order issuance and is committed to obtaining a high quality of goods and services at competitive prices. Mail Room functions include distribution of correspondence, the folding/insertion of materials, and remittance processing of all City billings.

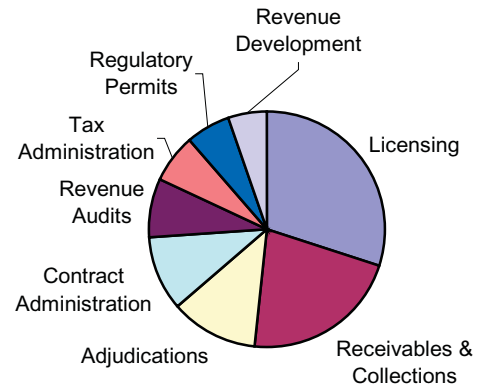
Fiscal Services		
Staffing: 16 Plus 2.82 FTE		
\$1,903,740		
	Est. Cost	Allocation
Centralized Cashiering	\$ 432,046	22.69%
Parking Meter Collection	\$ 380,455	19.98%
A/P	\$ 296,047	15.55%
Graphics, Printing & Production	\$ 216,476	11.37%
Warehouse & Inventory Control	\$ 216,077	11.35%
Purchasing	\$ 166,931	8.77%
Remittance Processing	\$ 111,226	5.84%
Postal Services	\$ 84,482	4.44%
Total	\$ 1,903,740	100.00%



Revenue Division

The Revenue Division is responsible for overall revenue administration, including development, recovery, and analysis. This plays a key role in the City's ability to maintain consistent service levels. Staff members monitor proposed legislative changes that affect the City's revenue streams. They often take a lead role in mounting opposition against bills that have a detrimental impact on municipal services. Staff reviews existing State laws mandating a higher level of service on the City, and pursues reimbursement of the additional costs imposed by the State. As local control over revenue streams has shifted to State and County agencies, Revenue staff's review of the accuracy of subventions from those agencies has increased. The Citywide consolidation of receivables management has increased efficiencies and expanded the Department's customer service responsibilities to its external customers – residents and visitors. Revenue has pioneered and manages a unique program to link like entities across diverse databases to consolidate customer information, and improve customer service and revenue recovery. Included in these customer services is the adjudication of all non-criminal actions taken by City Departments (e.g. parking and administrative citations). Revenue's income contract administration ensures compliance with agreements while maximizing the benefits arising from use of public property. Revenue specific compliance and allocation audits, license inspectors and other revenue enhancement measures ensure a level playing field for all taxpayers within each tax base.

Revenue		
Staffing: 12 Plus 1.6 FTE		
\$1,552,169		
	Est. Cost	Allocation
Licensing	\$ 465,712	30.00%
Receivables & Collections	\$ 337,761	21.76%
Adjudications	\$ 183,604	11.83%
Contract Administration	\$ 160,534	10.34%
Revenue Audits	\$ 124,166	8.00%
Tax Administration	\$ 105,769	6.81%
Regulatory Permits	\$ 93,561	6.03%
Revenue Development	\$ 81,063	5.22%
Total	\$ 1,552,169	100.00%

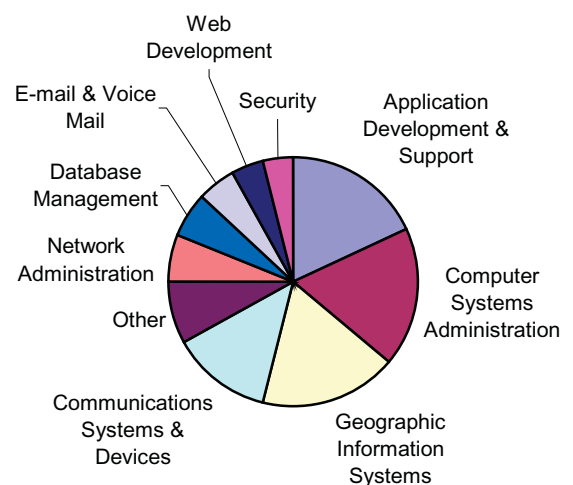


Information Technology Division

The mission of this division is to deliver automation solutions and communications services to all City Departments, the City Council, and members of the Public by consolidating, developing and maintaining a dynamic, progressive, service oriented, information technology system.

Information and communication technology is a fast moving, ever changing industry that the City must embrace and grow with in order to keep up with the demands of our Community and using Departments. Functions performed by the IT Division include: administration of shared computer systems, security, e-mail & voicemail; development and administration of the City's web sites; centralized database applications development and support; network administration and training. The IT Division also supports a Geographic Information System designed to provide complex analysis and mapping capabilities. The Telecommunications section operates and maintains all City telephone systems and communication devices.

Information Technology		
Staffing: 17 Plus .5 FTE		
\$2,967,963		
	Est. Cost	Allocation
Application Development & Support	\$ 534,233	18.00%
Computer Systems Administration	\$ 534,233	18.00%
Geographic Information Systems	\$ 534,233	18.00%
Communications Systems & Devices	\$ 385,835	13.00%
Other	\$ 237,437	8.00%
Network Administration	\$ 178,078	6.00%
Database Management	\$ 178,078	6.00%
E-mail & Voice Mail	\$ 148,398	5.00%
Web Development	\$ 118,719	4.00%
Security	\$ 118,719	4.00%
Total	\$ 2,967,963	100.00%



ADMINISTRATIVE SERVICES

New Initiatives

As a part of the City-wide performance measurement and benchmarking effort, the Administrative Services Department will be measuring the performance of the following three services:

- Information Technology – We will deliver automation solutions and communications services to all City Departments, the City Council, and members of the Public by consolidating, developing and maintaining a dynamic, progressive, service oriented, information technology system.
- Budgeting - We will deliver a meaningful annual operating financial plan that provides long-term sustainability, flexibility and stability, through preparation and monitoring of the annual budget and related documents.
- Purchase Requisitioning/Purchase Ordering – We will develop and maintain a dynamic, service oriented, procurement system to deliver the supplies, services, and other resources needed by City Departments to meet their missions. This includes orders, encumbrances, agreements, purchase card program, bid process, City vehicle fleet database/paperwork management.

In addition to these new initiatives, the Department will be working on two of the City Council's main priorities for 2008:

- The update of the Facilities Financing Plan
- The implementation of the City's new Fee Structure and Cost of Services Plan to ensure that most fee services pay for themselves

Other significant Department efforts for this fiscal year include:

- Tidelands Economic Analysis
- SB 1146 – legislation to create a reciprocal data exchange with the Franchise Tax Board
- Test claims before the Commission on State Mandates on Crime Statistics Reporting, Fire Safety Inspections of Care Facilities, Identity Theft, Peace Officers Procedural Bill of Rights II, Open Meetings Act II, Ethics Training and Compensation for Members of Local Agency Legislative Bodies
- Municipal Code revisions to sections imposing civil penalties and the Administrative Citation Ordinance
- Creation of a local government data clearinghouse
- Implementation of hourly parking at CdM State Beach parking lot
- TOT assessment of on-line travel companies
- Bus shelter agreement
- Reduce IT server inventory/footprint and increase ROI through hardware virtualization
- Develop implementation plan for data replication and offsite storage
- Develop deployment strategy for Microsoft Windows Vista operating system and Microsoft 2007 Office software applications
- Develop strategies for supplying real time Geographic Information System data to and receiving updates from City field personnel
- Develop strategies to implement both City Wide Area Network (WAN) primary and secondary higher bandwidth capable solutions

Performance Review

Service Indicators	2005-2006 Actual	2006-2007 Actual	2007-2008 Estimated	2008-2009 Projected
<i>Accounting</i>				
Financial Reporting Excellence Award	Yes	Yes	Yes	Yes
Audit Reportable Conditions	None	None	None	None
Single Audit Compliance Findings	None	None	None	None
Total Budget Administered	\$189,686,214	\$252,769,561	\$227,781,792	\$258,470,037
Paychecks Processed	27,150	27,405	27,700	27,720
<i>Fiscal Services</i>				
Accounts Payable Checks Issued	16,443	17,500	21,500	23,000
Total Value of Payables Processed	\$117,981,345	\$123,050,000	\$135,000,000	\$138,500,000
Checks Deposited	182,557	180,500	173,102	171,000
Value of Current Deposited	\$2,912,678	\$3,098,734	\$2,803,408	\$2,753,407
Purchase Orders Issued	636	640	655	660
Images Printed	4,443,911	4,046,245	4,286,014	4,174,956
Printing & Binding Jobs	4,854	4,354	4,052	4,504
Mail Processed	239,872	217,269	221,044	225,000
<i>Revenue</i>				
Municipal Statements	178,417	205,000	181,422	182,000
Accounts Receivable Billings	4,687	10,000	10,500	11,000
New Business Licenses	5,530	4,800	5,033	7,000
Business License Renewals	15,233	13,000	19,960	14,000
Dog Licenses Issued	1,525	3,600	5,516	6,700
Parking Citations Processed	73,012	75,000	70,105	71,000
Administrative Citations Processed	7,223	5,000	2,491	3,500
Ajudications	3,321	3,200	3,374	3,400
Business Tax Revenue	\$3,848,381	\$3,300,000	\$3,770,172	\$3,958,680
Business Tax Notices	6,891	13,000	32,030 **	47,500
Transient Tax Revenue	\$9,791,057	\$10,738,983	\$12,059,008	\$12,979,079
Transient Tax Notices	2,768	3,100	3,100	3,200
Film Permits	-	140	168	170
Contracts Administered	-	-	57	63
<i>Telecommunications</i>				
City Owned Telephone Units	865	835	853	865
Service & Repair Calls	1,953	1,911	1,927	1,900
Average Monthly Calls	81,358	82,967	85,789	86,000

* Budget Administered is limited to gross actual expenditures for FY06; while FY07 & FY08 represent the gross budget administered (including internal service charges)

** Prior to FY08 only Business Tax Notices sent to new businesses were calculated; FY08 includes notices sent to businesses renewing their business license

Administrative Services Department

Staffing: 56 plus 6.42 FTE

\$8,105,367

POLICE DEPARTMENT

Mission Statement

The Newport Beach Police Department is committed to providing our Community with the highest quality police services possible to maintain the quality of life that is cherished by those who reside, work, and visit here. Our mission is to:

*Respond positively to the Community's needs, desires, and values
and in so doing be recognized as an extension and reflection of those we serve.*

Strive to provide a safe and healthy environment for all, free from violence and property loss resulting from criminal acts, and injuries caused by traffic violators.

*Manage inevitable change and welcome the challenge of future problems
with creative solutions which are financially prudent and
consistent with Community values.*

Primary Goals

Community Outreach:

While the Department has been successful in increasing our involvement in the Community over the years, we will explore new and/or different tools to improve communication with various neighborhoods, homeowners' associations, Neighborhood Watch programs, residents, and business operators throughout the City. This will involve increased uniform presence in neighborhoods to improve our visibility and increased crime prevention education and information sharing. In order to improve our connectivity to the Community, we will also be upgrading the Department's website to provide contact information for area supervisors and investigators in the various divisions with geographic maps, which will enable residents to locate personnel assigned to their specific area of the City.

Addressing Alcohol-Related Impact on the Community:

The Department will explore methods of ensuring that we are effectively addressing the relationship between alcohol-related establishments and the Community. This will be a multi-faceted effort involving education, cooperation, and enforcement, while also soliciting assistance from other City departments that impact these efforts. Emphasis will be focused on controlling disruptive behavior and the reduction of DUI collisions, while putting the Community's safety and quality of life as the top priority.



CSI Corinna Lawton demonstrates fingerprinting techniques during Public Safety Day

Technology Projects:

The Department will complete ongoing and new technology projects that improve our daily operations and improve service to the Community. This will include enhancements to the Department’s website to provide improved functionality and explore options for electronic crime reporting and the purchasing of reports by residents.

Traffic Safety - Commercial Enforcement:

In an effort to improve overall traffic safety for the Community, we will explore the options on creating a commercial enforcement program. While commercial enforcement has been taking place on a limited basis with the assistance of outside agencies, our goal is to develop a program that will increase these enforcement efforts utilizing Department resources. This will involve the training of additional Traffic personnel in commercial enforcement, acquiring the necessary specialized equipment, and developing an enforcement strategy.

Leadership Development:

As the recruitment of new personnel continues, and we experience more and more turnover due to retirements in supervisory ranks, we will need to prepare our future leaders in order to maintain our quality service to the Community. In 2007, the Department reinstated the highly successful Leadership Development Program. We will continue to offer this training for prospective promotional candidates in both sworn and non-sworn ranks. In the future, we plan to make this leadership course available to other City employees as well. We will also look to develop current sworn and non-sworn supervisors to help them prepare for higher ranking positions within the Department.



Officer Mike Fletcher and his police canine, Jardo, spread Holiday Cheer at Fashion Island

Allocation Plan

	2005-06 Actual	2006-07 Actual	2007-08 Estimated	2008-09 Proposed
Salaries and Benefits	\$ 32,049,368	\$ 33,231,570	\$ 35,211,740	\$ 37,596,216
Maintenance and Operations	\$ 5,316,408	\$ 6,405,503	\$ 6,943,864	\$ 6,903,307
Capital Outlay	\$ 806,260	\$ 386,122	\$ 519,350	\$ 297,413
Internal Service Fund	\$ 413,133	\$ 403,054	\$ 529,816	\$ 643,000
Total	\$ 38,585,169	\$ 40,426,249	\$ 43,204,770	\$ 45,439,936
Sworn Personnel	148	148	149	149
Non-Sworn Personnel	90	92	92	92
Total Personnel	238	240	241	241

POLICE DEPARTMENT

Department Organization

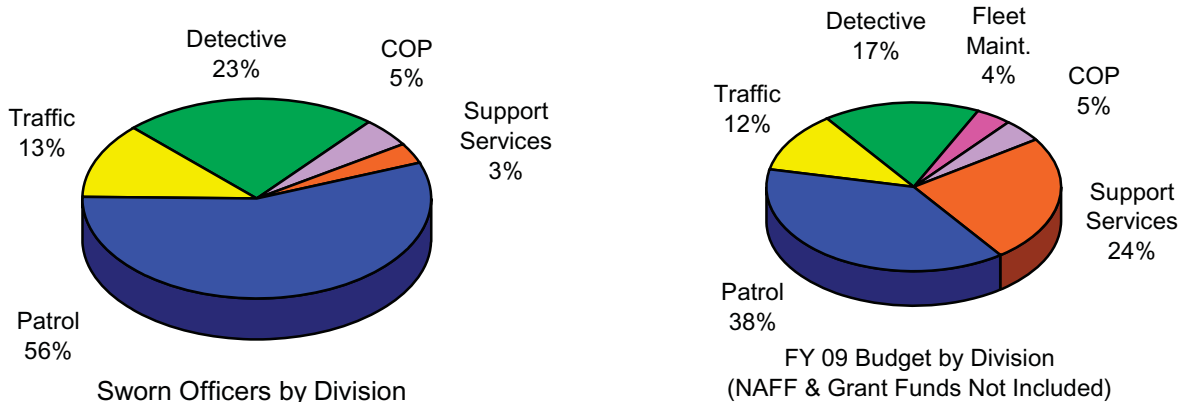
TOTAL \$44,796,936
241 Positions, plus 15.55 FTE

<p>Chief of Police Staffing: 10 plus 0.49 FTE \$2,047,882</p> <p>Professional Standards D.A.R.E. Media Relations Environmental Services Community Relations Legal Affairs Crime Prevention Citizens' Academy</p>	<p>Traffic Staffing: 33 plus 3.74 FTE \$5,235,670</p> <p>Traffic Services Accident Investigations Motors Parking Control Crossing Guard Traffic Education Animal Control Special Events Planning</p>	<p>Fleet Maintenance Staffing: 2 \$1,714,469</p> <p>Parts Inventory Automotive Service Equipment Replacement Collision Repair Vehicle Maintenance</p>
<p>Patrol Staffing: 97 plus 4.29 FTE \$17,335,026</p> <p>Watch One Watch Two Watch Three Jail Unit S.W.A.T. Bicycle Unit Canine Unit Disaster Planning Helicopter Program (A.B.L.E.) Volunteer Program Reserve Officer Unit Hostage Negotiation Unit</p>	<p>Support Services Staffing: 55 plus 6.84 FTE \$10,690,615</p> <p>Alarms Officer Communications Video Unit Property Unit Polygraph Unit Fiscal Services Records Section Training Section Range/Armory Computer Systems Planning/Research Facility Maintenance Electronic Equipment Repair</p>	<p>Detectives Staffing: 44 plus 0.19 FTE \$7,773,273</p> <p>Detective Services Crimes Against Persons Property Crimes Juvenile/Sex Crimes Narcotics Section Economic Crimes Crime Scene Investigations Photo Unit Vice/Intelligence Crime Suppression Unit Crime Analysis Auto Theft Task Force (O.C.A.T.T.) School Resource Regional Narcotic Suppression Program (R.N.S.P.)</p>

(Figures do not include Asset Seizure or other grant funds)

Resource Allocation

The Police Department is comprised of the following divisions of responsibility: Office of the Chief of Police, Patrol/Traffic, Detectives, Support Services, and Fleet Maintenance. Under the leadership of Chief John Klein, the Department's management team includes three Captains and eight Lieutenants. Of the Department's authorized strength of 149 sworn officers, over 90% are assigned to field or investigative positions. Personnel related costs comprise approximately 83% of the Police Department's total budget, with the remainder devoted to training, technology, office equipment, supplies, and other operational costs.





Sergeant Tom Fischbacher coordinates clean-up efforts at the scene of a lumber truck rollover

Performance Review

<u>Service Indicators</u>	<u>2005-2006 Actual</u>	<u>2006-2007 Actual</u>	<u>2007-2008 Estimated</u>	<u>2008-2009 Projected**</u>
Part One Crimes*	3,045	3,083	3,055	3,065
Adult Arrests	2,999	3,289	3,196	3,213
Juvenile Detentions	264	308	267	301
Crime and Miscellaneous Reports	10,182	10,278	10,289	10,301
Calls for Service	62,429	69,299	69,524	69,749
CAD Events	83,343	94,223	84,851	85,902
Domestic Violence Cases Investigated	245	228	221	234
Number of Cases Assigned for Investigation	4,317	4,464	4,321	4,404
Number of Cases Assigned per Detective	309	312	315	315
Value of Property Recovered	3,832,647	3,787,506	2,865,401	3,971,854
Field Interviews Conducted	4,965	5,109	4,422	4,834
False Alarms Handled	3,727	3,681	3,719	3,476
Animals Impounded	558	509	550	576
Animal Control Citations Issued	886	898	815	879
Fatal Traffic Collisions	4	6	6	5
Injury Traffic Collisions	508	529	539	525
Property Damage Collisions	861	875	867	851
Vehicle Code Citations/Warnings Issued	18,151	16,342	17,828	17,023
Other Citations Issued	3,578	3,274	2,996	3,257
Parking Citations Issued	74,780	67,170	70,150	73,737

* Part One are the eight most serious crimes (Homicide, Forcible Rape, Robbery, Aggravated Assault, Burglary, Larceny-Theft, Auto Theft, and Arson) as defined by the FBI in the Uniform Crimes Reports.

** Projected Service Indicators for 2008/2009 Fiscal Year are derived from mathematical formulas based on historical data and are not indicative of recent downward trends.

FIRE DEPARTMENT

Mission Statement

***To reduce the loss of life and property
from fire, medical, marine, and environmental emergencies
through education, prevention, hazard reduction, and response.***

Primary Goals

The mission statement above provides the framework for all of the goals and activities of the Newport Beach Fire Department. The Department's 154 full-time employees and over 225 seasonal employees provide 24-hour protection and response to the City's residents and visitors.

- Identify and reduce fire and environmental hazards that may threaten life and property.
 - Provide a safe, effective, and expeditious response to requests for assistance.
 - Develop an adequately trained work force to effectively perform their duties.
 - Participate in the community development planning process to improve fire and life safety.
 - Encourage Department personnel to assume leadership roles in the organization.
 - Plan for response to natural and man-made disasters that affect the community.
 - Educate and train City employees and the community to assist them in maintaining a safe environment.
-

Department Overview

With strong roots and a long history, the Fire Department continues to develop and enhance its mission of superior safety, service, and professionalism. The Fire Department continues to build on past successes and strives to meet the future demands of a unique and expanding community. Today, the Newport Beach Fire Department places emphasis on Emergency Services, Fire Prevention, Disaster Preparedness, and the training and education of those who serve as well as those to be served.

Emergency Services

Emergency Medical Services

Our paramedics and emergency medical service responders strive to stay on the forefront of the newest medical treatment and technology available. Enhancements to our medical equipment will help to increase survivability of our patients, improve the outcome of our medical calls and provide the highest quality of care possible.



Firefighter and Lifeguard Operations

The Newport Beach Fire Department will continue to provide the same high level of services that our community has come to expect.

Fire Operations

Permanent Population: 83,361
Firefighters on duty per day: 39

- 117 Regular Full-time Suppression Staff
- 3 Battalion Chiefs
- 30 Fire Captains
- 30 Engineers
- 21 Paramedics
- 33 Firefighters
- 2 Firefighter/Paramedics on all Paramedic Rescue Ambulances

Fire Equipment

- 8 Engines
- 2 Trucks
- 3 Paramedic Vans
- 1 Battalion Chief Vehicle

Average work week:
56 hours (per FLSA standards)

Lifeguard Operations

Beach Population (Summer) per day: 100,000+
Lifeguards on Duty (Summer) per day: 70

- 17 Full-time Staff
- 225 Seasonal Lifeguards
- 38 Lifeguard Towers staffed on summer days
- 8 Patrol Units
- 3 Supervisor Vehicles
- 3 30' Rescue Boats

- 35 Jr. Lifeguard Instructors
- 1200 Jr. Lifeguard participants



FIRE DEPARTMENT

Fire Prevention

The goal of the Fire Prevention Division is to safeguard the community from fire and environmental hazards through programs providing for adherence to fire regulations, public education, and hazard mitigation. To meet this goal, the Division's responsibilities include:

Fire Safety Inspections

- 6500 Commercial occupancies in the Division's inspection program
- 750 Hazard Reduction Inspections in the Buck Gully and Morning Canyon areas

Plan Review

In conjunction with Building, Planning, and Public Works, the Fire Prevention Division will review Fire plans according to the local regulations and those of the California State Fire Marshal. The Fire Prevention Division reviews over 200 plans per year.

Pre-submittal Review

For improved customer service, consultation services to architects, developers, contractors, and property owners prior to plan submittal are available.

Fire Investigation

The Fire Department will continue to investigate all fires with our six professional fire investigators (two per shift). When the need arises they will work with the Newport Beach Police Department and assist in criminal investigations by determining the origin and cause of fires.

Hazardous Materials Disclosure

Will continue to collect hazardous materials disclosure information and business emergency planning. Improvements in our inspection procedures have increased the total number of disclosures to 171 in this year's program from 150 businesses last year. This information becomes immediately available to fire incident commanders in the event of a fire at one of the disclosing businesses.



Disaster Preparedness

The primary goal of the Disaster Preparedness Section of the Training Division is to continue to provide education and training to all City employees and residents. This year is an exceptional one.

City and Employee Preparedness

- The City's Emergency Management Plan (EMP) will be updated this year. The EMP is our official plan to coordinate and manage large scale disaster operations. In order to be compliant with the State, our EMP must be updated every three years to be eligible for pre- and post-disaster funding. Updates to the plan will include: incorporating the National Incident Management System (NIMS), adding new hazards that pose a threat to our City, planning for special needs populations, and expanding the hazard mitigation section. Once the EMP is updated, it will be submitted to the City Council for final approval.
- "Day of Preparedness" - November 13, 2008 - All jurisdictions in California will be participating in the Statewide Exercise, "Golden Guardian." This exercise is very unique from drills in previous years as all government agencies, hospitals, school districts, businesses, and citizens will take a few hours to train and prepare for a disaster on the same day. On this day, our City's Emergency Preparedness Committee (EPC), which is comprised of a representative from each department, will be participating in the City's Emergency Operations Center (EOC) annual exercise.

Community Preparedness

Disaster Preparedness presentations are provided to any requesting group in the city, such as homeowner's associations, civic groups, businesses, and schools. The Fire Department advertises these presentations and actively encourages organizations to schedule one for their group.

- The Disaster Preparedness workshop is a three-hour workshop held throughout the year and covers specific topics such as tsunamis and earthquakes.
- The three-hour Neighborhood Disaster Preparedness class continues to be provided to any requesting group. The course covers the City's emergency management plan, family emergency planning, and home safety measures.
- The Community Emergency Response Team (CERT) program continues to be offered four times each year. The 24-hour FEMA-certified program teaches residents how to prepare, be self-sufficient, and respond to any large scale disaster. CERT graduates are certified Disaster Service Workers, ready to help their community in the event of an unexpected disaster.
- The disaster preparedness public outreach to all 165 homeowner's associations in the city is continuous and on-going, with the ultimate goal of building a Neighborhood Disaster Preparedness Team of trained CERT volunteers in each community.



FIRE DEPARTMENT

Training and Education

The Newport Beach Fire Department continues to strive for excellence in training and education for both Department employees and our community. Department employees participate in a combination of classroom instruction and field drills. Newport Beach Fire and Lifeguard personnel consistently receive the highest scores in the training classes completed.

Firefighter Training

Firefighter Training continues to improve with the addition of our new Santa Ana Heights Training Facility. We will continue to utilize this location to train our firefighters in the newest equipment, firefighting and rescue techniques, and latest in medical procedures.

Community Fire and Beach Safety Education

The Fire Department also provides excellent community education. Department members provide safety instruction and training to school-age children every year through the Junior Firefighter Safety Academy.

- Junior Firefighter Camp
- Junior Lifeguard Program
- Lifeguard Cadet Program
- "CPR in the Schools, Working Together to Save Lives"

The Fire Department will also be launching its improved website with better public information. Better communication with the community will continue to be a top priority.

Events

- Firefighters regularly attend community events for educational purposes.
- Public Safety Day: October 12, 2008. The community has come to anticipate this event, and our firefighters look forward to hosting it each year.

Allocation Plan

	2005-06 Actual	2006-07 Actual	2007-08 Estimated	2008-09 Proposed
Salaries and Benefits	\$ 22,638,749	\$ 23,512,534	\$ 25,085,228	\$ 26,199,978
Maintenance and Operations	\$ 3,858,731	\$ 4,337,647	\$ 4,948,162	\$ 5,040,779
Capital Outlay	\$ 323,666	\$ 758,996	\$ 466,163	\$ 274,810
Total	<u>\$ 26,821,147</u>	<u>\$ 28,609,177</u>	<u>\$ 30,499,553</u>	<u>\$ 31,515,567</u>
Non-Sworn Personnel	15	15	15	15
Sworn Personnel	<u>135</u>	<u>138</u>	<u>141</u>	<u>141</u>
Total Full-time Personnel	150	153	156	156
Seasonal - (FTE)	30.78	31.77	33.13	33.13

Department Organization

<p style="text-align: center;">Safety Operations</p> <p style="text-align: center;">Staffing: 133 plus 21.39 FTE \$24,417,388</p> <p style="text-align: center;">Fire Suppression EMS Response & Transportation Ocean Safety/Beach Rescue Dive Team Rescue Boats Hazardous Materials Response Hazardous Situation Mitigation Fire Prevention Inspections</p>	<p style="text-align: center;">Administration</p> <p style="text-align: center;">Staffing: 8.5 plus 1 FTE \$1,583,889</p> <p style="text-align: center;">Apparatus & Equipment Budgeting Communications Facility Management Mapping Personnel Purchasing and Procurement</p>	<p style="text-align: center;">Emergency Medical Services</p> <p style="text-align: center;">Staffing: 1.5 \$2,265,952</p> <p style="text-align: center;">EMS Financial Management Continuing Education Employee Health Exposure Control Medical Quality Assurance Medical Disaster Planning</p>
<p style="text-align: center;">Training</p> <p style="text-align: center;">Staffing: 7 plus 10.74 FTE \$1,985,243</p> <p style="text-align: center;">Fire Training Lifeguard Training Junior Lifeguard Program Lifeguard Cadet Program Junior Firefighter Camp Community Relations & Education Public Information Disaster Preparedness Emergency Management C.E.R.T. Program Community Disaster Preparedness</p>	<p style="text-align: center;">Fire Prevention</p> <p style="text-align: center;">Staffing: 6 \$1,263,095</p> <p style="text-align: center;">Fire Code Enforcement Hazardous Materials Regulation Hazardous Vegetation Management Knox Box Access System Fire & Arson Investigation Fire Code Plan Checks Fire Code Building Inspections Special Event Management</p>	

Performance Review

<u>Service Indicators</u>	<u>2005-2006</u> Actual	<u>2006-2007</u> Actual	<u>2007-2008</u> Estimated	<u>2008-2009</u> Projected
Fire Responses	214	175	393	300
Medical Responses	5,382	5,772	6,874	6,000
Fire Medics Membership	5,840	6,529	6,500	7,000
Water Rescues	2,257	3,916	3,848	5,000
Lifeguard Medical Aids	8,905	5,291	4,924	7,000
Boats in Distress/ Warnings	91	128	216	100
Preventative Actions	70,862	84,949	78,992	85,000
Fire Alarm Responses	693	791	812	1,250
Other Emergency Responses	2,736	1,671	2,387	3,000
Public Education Contacts	4,402	7,262	7,000	8,000
Fire Inspections	6,470	7,136	7,250	7,250
New Construction Inspections	801	917	931	1,100
Beach Attendance	6,758,342	7,580,988	7,315,536	10,000,000

PLANNING DEPARTMENT

Mission Statement

To guide community development in the public interest as a responsive, responsible, and knowledgeable planning team.

Department Overview

Planning Division:

- Planners prepare and implement short and long-term strategies that promote City Council priorities for enhancing the physical environment, and the character and quality of neighborhoods in Newport Beach.
- Planners are responsible for interpreting and applying the provisions of the General Plan, Zoning Code, Local Coastal Program, and related codes.
- Planners work with customers in determining appropriate uses of properties, in identifying suitable site plan configurations, and in designing buildings of size, scale, and character consistent with traditions of excellence that define Newport Beach.
- Planners provide the staffing resources for the Planning Commission and the City Council for a variety of land use and development projects requiring public hearings pursuant to the Newport Beach Municipal Code.

Economic Development Division:

- Staff in the Economic Development Division develop and implement the City's economic development policies and programs, including the Strategic Plan for Fiscal and Economic Sustainability.
- Economic Development staff are the City's liasons to the Economic Development Committee, four Business Improvement Districts (BIDs) and many of the City's business associations and community-based organizations like the CdM Farmer's Market and the Newport Beach Film Festival.
- Economic Development Staff administer the City's Community Development Block Grant program.



Bayview Landing Senior Apartments

Department Organization

Planning Division
 Staffing: 20 plus .40 FTE
 \$2,475,760

<p>Department Administration Staffing: 6</p>
<p>City Council Staff Support Planning Commission Staff Support Project Assignment and Monitoring Staff Training and Professional Development Budgeting Inter-departmental Coordination Information Systems Management</p>

<p>Strategic Planning Staffing: 2</p>
<p>General Plan Administration Zoning Code Updates Local Coastal Program Implementation Housing Programs Special Studies Inter-agency Collaboration Legislative Monitoring</p>

<p>Code Compliance Staffing: 6</p>
<p>Public Information Counter Real Property Information General Plan and Zoning Inquiries Local Coastal Program Inquiries Zoning Code Interpretation Development Plan Check Use Permit Monitoring Minor Use and Modification Permit Approvals Comprehensive Sign Program Approvals Condo Conversion and Parcel Map Approvals Code Enforcement Support</p>

<p>Development Services Staffing: 6</p>
<p>Land Use Public Hearings Site Plan and Development Review Major Use Permits Variances Tract Maps Reports and Recommendations to City Council Reports and Recommendations to Planning Commission Specific Plans and Planned Community Texts Coastal Residential Development Permits Appeals and Permit Revocation Hearings</p>

<p>Economic Development Division Staffing: 3 \$641,606*</p>
<p>ED Strategic Plan Implementation Business Retention and Recruitment Liaisons to Business Improvement Districts Wayfinding Sign Programs Special Studies / Projects Community Development Block Grant Administration</p>

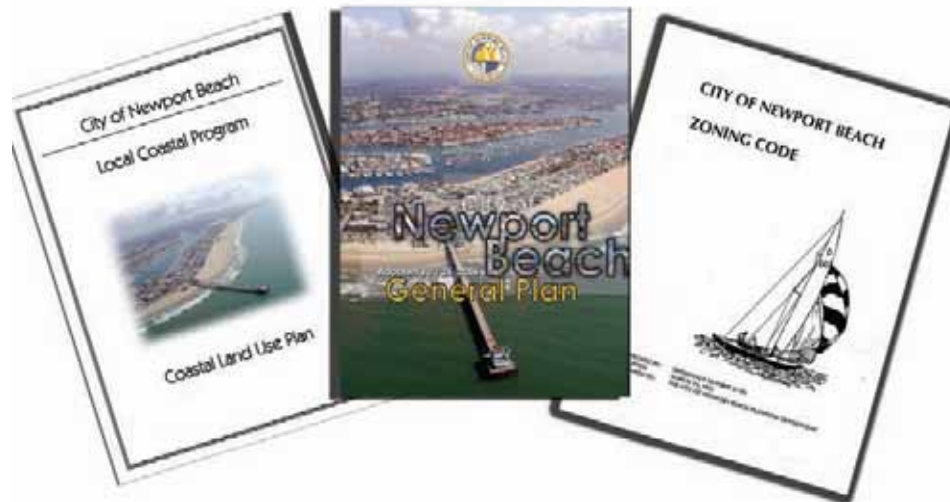


* Excludes CDBG Fund

PLANNING DEPARTMENT

Primary Goals

- Implement the General Plan
 - Complete comprehensive Zoning Code update
 - Gain State certification of the updated General Plan Housing Element
 - Gain California Coastal Commission certification of revised Coastal Land Use Plan
 - Gain California Coastal Commission certification of Local Coastal Program Implementation Plan
 - Housing In-Lieu fee
- Continue to implement Strategic Plan for Fiscal and Economic Sustainability
- Continue to improve customer service and streamline discretionary project processing
- Continue to reduce the average zoning plan check to two weeks or less for first plan submittal
- Enhance planners' expertise and customer service skills through ongoing in-house and outside professional development and training courses
- Continue planning case files electronic format archival program
- Prepare and administer new development review processes as required after adoption of the new Local Coastal Program and Zoning Code

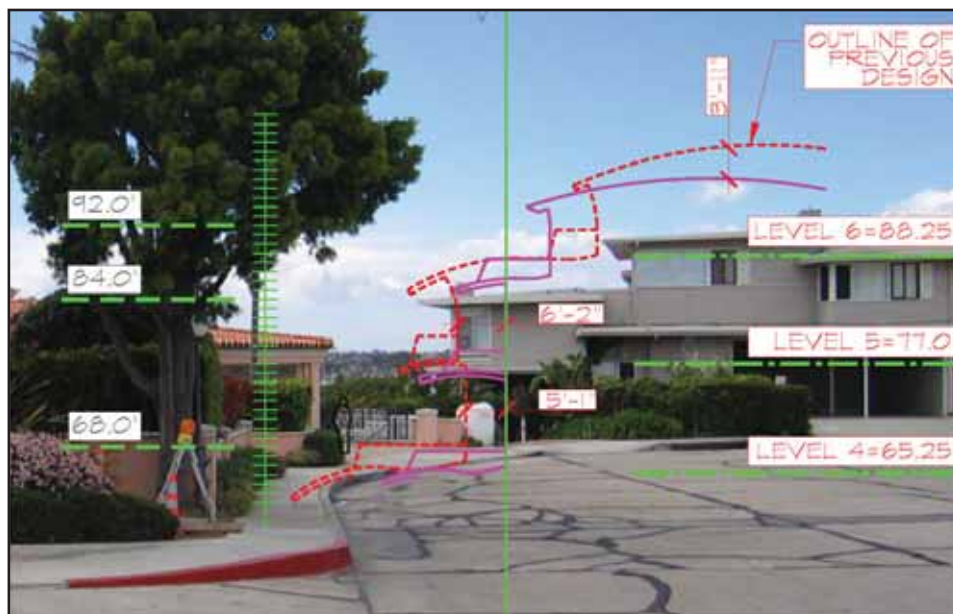


Allocation Plan

	2005-06 Actual	2006-07 Actual	2007-08 Estimated	2008-09 Proposed
Salaries and Benefits	\$ 1,833,686	\$ 1,948,136	\$ 2,357,960	\$ 2,482,378
Maintenance and Operations	\$ 1,448,136	\$ 850,740	\$ 1,846,960	\$ 608,988
Capital Outlay	\$ 12,374	\$ 117,614	\$ 62,980	\$ 26,000
CDBG Fund	\$ 187,326	\$ 114,061	\$ 140,707	\$ 124,487
Total	\$ 3,481,522	\$ 3,030,551	\$ 4,408,607	\$ 3,241,853

Performance Review

<u>Service Indicators</u>	<u>2005-2006 Actual</u>	<u>2006-2007 Actual</u>	<u>2007-2008 Estimated</u>	<u>2008-2009 Projected</u>
General Plan Amendments	10	3	6	6
Code Amendments	9	9	3	10
Use Permits	34	41	36	30
Variances	2	1	2	2
Tract Maps/Parcel Maps	71	28	38	35
Modification Permits	149	98	70	45
Condo Conversions	40	5	7	7
Lot Line Adjustments	14	17	15	10



BUILDING DEPARTMENT

Mission Statement

To ensure the quality of life of those who live, work, and visit the City by promoting building safety through regulating building use and occupancy.

Department Overview

The Building Department ensures the health and welfare of the residents of Newport Beach by regulating the construction, use, and occupancy of buildings and other alterations through the application of standardized model building codes. It continues a tradition that can be traced through recorded history for over 4,000 years in which people have become increasingly aware of their ability to avoid the catastrophic consequences of building construction failures.

The Building Department ensures that the standards set by these codes for construction are met through plan review, permit issuance and on-site inspections. The Newport Beach Building Department was a key member of the uniformity effort to develop a uniform set of codes throughout Orange County. The Building Department promotes building safety through regulating building use and occupancy by taking a customer-oriented approach to finding educated, cost effective solutions.

Administration Division

- Provide customer service for telephone and walk-in customers; process utility releases; process applications for requests for modifications, alternate material or method of construction, and exemption from disabled access
- Set department policy and standard operating procedures
- Inform and teach new California codes to public
- Track and file building plans for all departments involved in development review
- Design and update building forms; responsible for correspondence and department web page
- Provide FEMA flood zone determinations
- Process complaints regarding unsafe or illegal construction
- Assist customers with retrieving archived records, including plans, permits and support documents from microfiche and the digital database
- Archive all documents, including plans, permits, supporting documents and microfiche into a digital database



New Code training for customers



Active project plans



Customer reviews building records on microfiche and computer



New house plan delivered to customer

Plan Check/Permits Services Division

- Process applications and associated drawings for construction permits
- Review construction documents for code compliance for structural, architectural, grading, and fire safety
- Provide assistance on the technical requirements of codes over the counter to homeowners, contractors, architects and design engineers by Building Department staff engineers
- Provide over the counter plan check service by appointment
- Provide quality and timely processing of all construction documents and permits
- Produce a variety of statistical reports
- Consistently meet the stated goal of 90% of plan reviews within four weeks or less



Over counter plan check



Busy building counter

BUILDING DEPARTMENT



Building inspector reviewing plans prior to inspection



Wireless connection to City network provides real time inspection results for inspectors in the field

Inspections Division

- Ensure compliance with the approved plans and applicable codes, and local ordinances
- Confirm that site conditions are accurately reflected on the approved plans
- Provide Residential Building Records (RBR) inspections upon the sale or transfer of residential properties
- Utilize combination inspections
- Maintain inspection records electronically in real time
- Provide investigation of customer complaints on building safety, etc.
- Initiate code enforcement action when appropriate

Department Organization

TOTAL \$4,806,199
34 Positions, plus 1.16 FTE

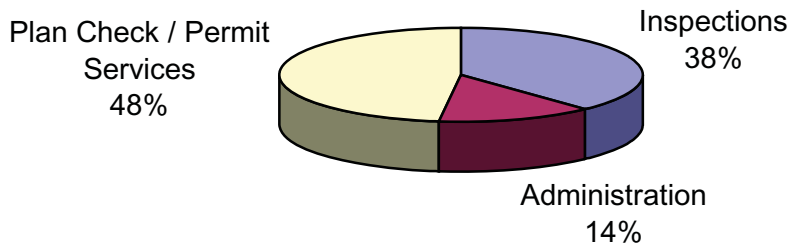
Administration*
 Staffing: 5 plus .33 FTE
 \$561,645

Plan Check/Permit Services
 Staffing: 16 plus .83 FTE
 \$2,457,827

Inspections
 Staffing: 13
 \$1,786,727

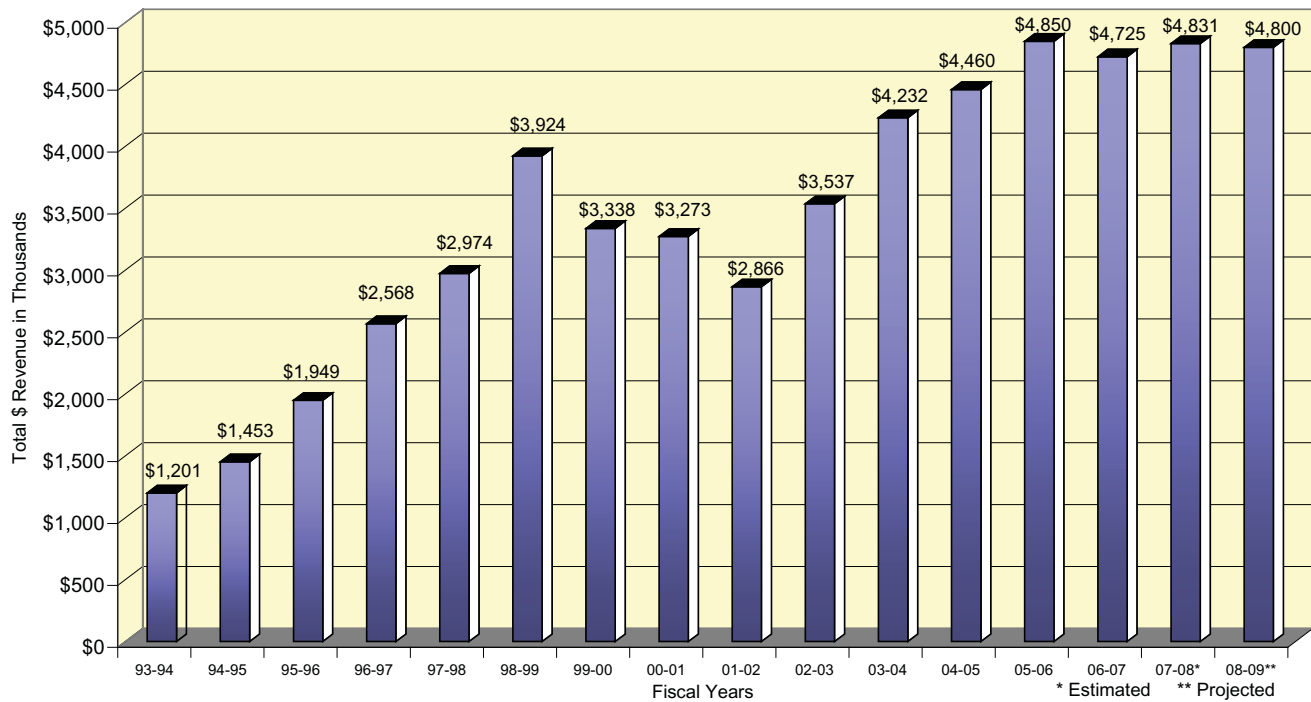
*The Building Department pools clerical support staff for all three divisions under the Administration Division.

Resource Allocation



The Building Department is responsible for reviewing construction drawings and inspecting building construction to verify compliance with minimum building safety standards required by local and State construction codes. The Building Department budget is divided into three sections: Administration, Plan Check/Permits Services, and Inspections. The department revenue is generated by collecting fees for the services it provides.

Department Revenue



Primary Goals

- Maintain a management system that effectively and efficiently utilizes resources to achieve the mission of the organization.
- Continue enhancements to the “Accela” permit tracking and processing system.
- Continue to look for ways to improve service delivery to our customers.
- Facilitate compliance with City-adopted codes and State-mandated standards.
- Continue to train staff on the new 2007 State building codes.
- Continue to update correction lists, forms, handouts, standard plans, policies, and inspection standards according to the newly adopted 2007 State building codes.
- Continue the quality assurance program for all department activities.
- Continue to process permit applications efficiently and complete 90% of all plan reviews within four weeks turn-around goal.
- Utilize new technological advances to make customer dealings with the Building Department more efficient and convenient.
- Achieve consistency in plan check, inspections, and interpretations through staff training and interaction.
- Continue to catalog and integrate the County records as they are received from the County of Orange for Newport Coast and West Santa Ana Heights for customer and staff access.

BUILDING DEPARTMENT

- Continue to improve plan tracking and storage methodologies to provide access to plans and permits as easy as possible.
- Expand our current on-line inspection information to enable our customers to read inspection comments on line.
- Develop performance benchmarks for permit processing, plan check and inspection services.
- Implement Building Department staff reorganization according to City Council approved plan.
- Convert digital archive to GIS, allowing for easy access to permit and plan information in a centralized, web-based environment.

Allocation Plan

	2005-06 Actual	2006-07 Actual	2007-08 Estimated	2008-09 Proposed
Salaries and Benefits	\$ 3,197,202	\$ 3,384,868	\$ 3,731,769	\$ 4,305,826
Maintenance and Operations	\$ 590,009	\$ 678,087	\$ 960,344	\$ 469,473
Capital Outlay	\$ 13,950	\$ 23,363	\$ 41,708	\$ 30,900
Total	\$ 3,801,161	\$ 4,086,318	\$ 4,733,821	\$ 4,806,199

Performance Review

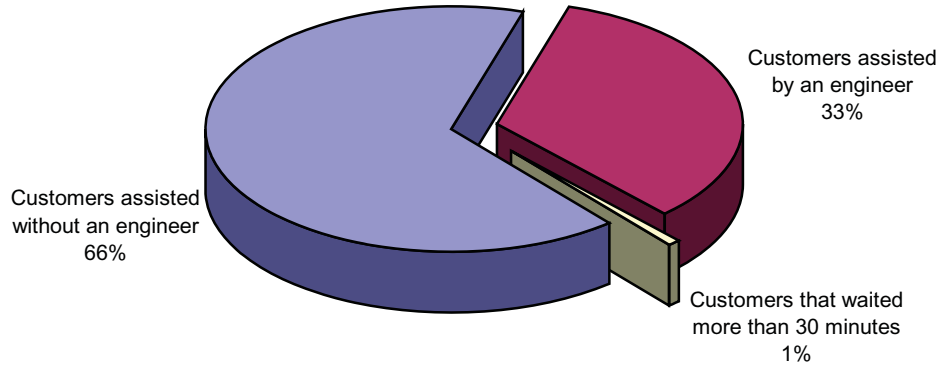
<u>Service Indicators</u>	<u>2005-2006 Actual</u>	<u>2006-2007 Actual</u>	<u>2007-2008 Estimated**</u>	<u>2008-2009 Projected**</u>
Plan Submittals	2,851	2,496	2,400	2,200
<i>Permits Issued</i>				
Building/Combination Permits Issued *	3,396	2,852	2,800	2,600
Grading Permits *	306	220	200	180
Electrical Permits *	2,637	1,531	1,200	1,100
Plumbing Permits *	1,694	1,122	1,000	900
Mechanical Permits *	1,288	862	800	750
Pool/Spa Permits	176	155	150	135
Harbor Permits	111	91	110	100
Residential Building Records Permits	1,347	1,084	700	600
Fire Permits	527	402	350	310
<i>Total Permits Issued:</i>	11,482	8,319 *	7,310 *	6,675 *
<i>Inspections</i>				
Building Code Enforcement	193	185	180	160
Inspections related to complaints	948	1,011	900	800
RBR Inspections	922	674	500	400
Construction Inspections	33,846	30,538	30,000	28,000
<i>Total Inspections:</i>	35,909	32,408	31,580	29,360

* Combination permit issued in lieu of sub permits effective November 2006; this affects the total number of permits.

** Seasonal conditions and economic factors can significantly affect future projections.

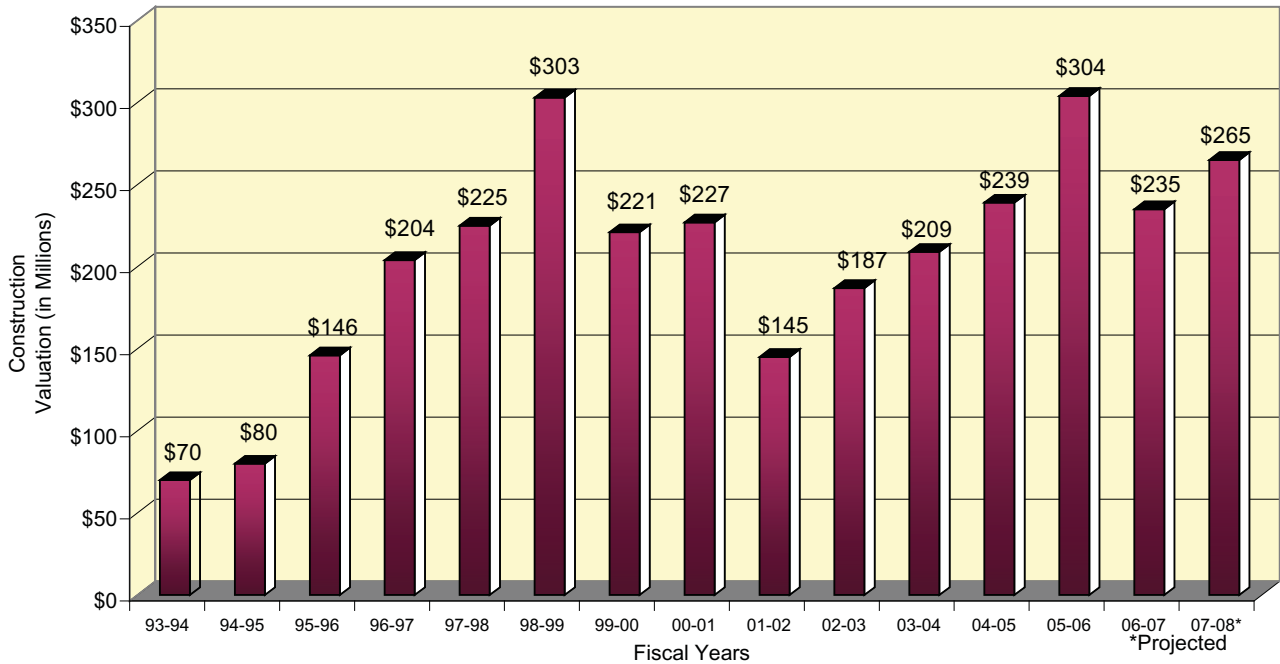
Number of Customers Assisted

22,604 Total Customers
Jan. 2007 to Feb. 2008



Projected Construction Activity for Fiscal Year 2007-08

Total Construction Valuation:	\$265,000,000	Number of Plan Submittals:	2,400
Number of Building Permits:	2,800	Total Inspections:	31,580
Total Number of Permits:	7,310		



GENERAL SERVICES

Mission Statement

To provide cost-effective service in order to maintain a clean and safe city infrastructure to ensure a high quality of life for residents, the enjoyment of visitors, and the support of all other city departments.

Department Overview

The General Services Department is responsible for providing maintenance support services to residents, visitors, and other city departments. The department is divided into six functional divisions that are responsible for residential refuse collection and recycling; maintenance of the City's urban forest, parks and landscaped areas, storm drains, tide valves, beaches, traffic signs, pavement markings, and public facilities; management and replacement of the City fleet of vehicles and equipment; and improvement of public streets and sidewalks.

Department Organization

TOTAL \$27,118,687
122 Positions, plus 3.5 FTE

<p>Administration Staffing: 6 \$846,851</p> <p>Administrative Functions Customer Service Financial Management</p>	<p>Equipment Maintenance Staffing: 15 plus .75 FTE \$3,935,322</p> <p>Maintain, Repair, and Replace City Vehicles Ensure Safety & Environmental Compliance</p>	<p>Field Maintenance Staffing: 23 plus .75 FTE \$4,035,927</p> <p>Roadway, Sidewalks, Curb/Gutter Repair & Replacement Street Signage</p>
<p>Operations Support Staffing: 32 plus 1.5 FTE \$5,945,421</p> <p>Cleaning & Repair of Facilities & Beaches Street Sweeping Storm Drain Maintenance Tidal Valve Operation Graffiti Abatement</p>	<p>Parks and Street Trees Staffing: 18 \$6,255,293</p> <p>Tree Health & Safety Park & Median Maintenance Coordinate New Development & Public Works Projects</p>	<p>Refuse Staffing: 28 plus .5 FTE \$6,099,873</p> <p>Residential Refuse & Recyclable Collection Transfer Station Operation</p>

Primary Goals

- Complete construction of CNG station at City Corporation Yard
 - Approve contract for the purchase of CNG refuse equipment and street sweepers
 - Open Household Hazardous Waste ABOP & E-waste collection facility at City Corporation Yard
 - Analyze refuse collection methods
-

Division Overview

Administration

Core Services

- Coordinate department operations
- Provide administrative and financial support to department staff
- Manage contracts including refuse collection franchise contracts

Primary Objectives

- Ensure that the delivery of services aligns with the priorities and directives of Council and City Manager
- Ensure compliance with Federal, State, and municipal laws, regulations, and mandates
- Facilitate intradepartmental and community communication
- Contract administration

Equipment Maintenance

Core Services

- Vehicle maintenance and repair
- Vehicle specifications, purchase, and salvage
- Ensure compliance with Federal, State, and Air Resources mandates and regulations

Primary Objectives

- Preventative maintenance and repair of all City vehicles (except Police)
- Contract administration



The General Services Department provides support on a variety of projects throughout the city.

GENERAL SERVICES

Division Overview (continued)

Field Maintenance

Core Services

- Inspection and repair of asphalt and concrete surfaces including roadways, sidewalks, curbs, and gutters
- Marking of streets, parking lots, and curbs, and maintenance of traffic and street signs
- Special event and project management and support

Primary Objectives

- Maintenance of infrastructure
- Contract administration

Operations Support

Core Services

- Facilities maintenance
- Storm drain and tidal valve maintenance
- Street sweeping
- Beach maintenance
- Graffiti abatement

Primary Objectives

- Clean streets, sidewalks, and beaches
- Clean and maintain city buildings
- Monitor and maintain storm drain and tidal valve system
- Fabricate and repair fixtures and furnishings
- Fabricate signs, banners, decals, and custom signage requests
- Provide operational and logistical support of city departments that operate on the beach (Lifeguards, Police, and Recreation)
- Coordinate CIP and construction projects
- Contract administration

Parks and Street Trees

Core Services

- Park, median, and tree maintenance
- Special event coordination
- Provide technical support for project review and development

Primary Objectives

- Schedule plant and tree maintenance in parks and rights-of-way
- Plan review and on-site inspection of new development and Public Works projects including repair and restitution of encroached/damaged public properties
- Irrigation management and water conservation practices
- Weed abatement for fire safety
- Special events support and traffic control
- Staff support to Parks, Beaches & Recreation (PB&R) Commission
- Contract administration

Division Overview (continued)

Refuse

Core Services

- Collection, transfer, and recycling of the residential waste stream
- Management of commercial franchise program and Newport Coast residential contract
- Compliance with state materials diversion mandate for environmental protection

Primary Objectives

- Collection of residential refuse
- Operation of Transfer Station
- Mandated diversion of recyclable materials
- Contract administration



A single storm surge can bring over 500 tons of debris onto the beaches and into the bay.

Resource Allocation

Administration

Personnel \$750,000

Equipment Maintenance

Personnel \$1,513,000

Automotive Parts \$369,000

Field Maintenance

Personnel \$2,215,000

Asphalt Materials \$308,000

Concrete Materials \$288,000

Vehicle Replacement \$205,000

Operations Support

Personnel \$3,151,000

Contract Services \$402,000

Vehicle Replacement \$420,000

Vehicle Maintenance \$411,000

Janitorial Services \$291,000

Parks and Street Trees

Contract Services \$2,920,000

Personnel \$1,748,000

Tree Reforestation \$90,000

Ficus Tree Maintenance \$60,000

Refuse

Personnel \$2,630,000

Disposal Fees \$1,463,000

Newport Coast Contract \$589,000

Vehicle Replacement \$484,000

Vehicle Maintenance \$427,000

GENERAL SERVICES

Performance Review

Service Indicators	2005-2006	2006-2007	2007-2008	2008-2009
	Actual	Actual	Estimated	Projected
Residential Refuse Collected (tons)	45,626	37,927	46,000	46,000
Beach Debris Collected (tons)	3,000	1,244	1,485	1,500
Diversion Rate	50%	54%	54%	58%
Newport Coast Residential Refuse Contract	\$652,250	\$722,650	\$763,816	\$588,816
Sidewalk Repair (square feet)	55,000	59,459	58,000	56,000
Curb & Gutter Replacement (miles)	3,200	5,002	4,000	4,000
Street Sweeping (tons)	5,635	6,502	6,550	6,600
Street & Pavement Marking (linear feet)	980,000	998,570	1,090,000	1,000,000
Graffiti Incidents	2,300	3,282	2,500	2,600
Parks Maintained	54	54	56	57
Landscaped Acres Maintained	560	560	607	608
Trees Trimmed	14,890	17,713	15,550	16,000



Maintenance and Refuse crews provide excellent customer service everyday.

Special Projects

In addition to scheduled maintenance, the General Services Department provides support to all city departments as a skilled labor force. Storm surges, athletic events, and city-wide celebrations are some of the scenarios in which cross-trained staff members can provide specialized support in order to maintain safety and mitigate damage.

Conclusion

Communication is both the key driver and measure of success of the General Services Department. Residents, visitors, and other city departments provide daily feedback on how well their service needs are being addressed and how the process can be improved. This direct communication enables the Department to more efficiently and effectively fulfill its core mission of maintaining a clean and safe city infrastructure.

Allocation Plan

	2005-06 <u>Actual</u>	2006-07 <u>Actual</u>	2007-08 <u>Estimated</u>	2008-09 <u>Proposed</u>
Salaries and Benefits	\$ 8,891,618	\$ 9,442,308	\$ 10,192,551	\$ 10,494,853
Maintenance and Operations	\$ 10,800,632	\$ 9,609,291	\$ 12,973,974	\$ 12,636,412
Capital Outlay	\$ 37,928	\$ 75,046	\$ 63,100	\$ 52,100
Internal Service Funds	\$ 4,228,344	\$ 3,837,663	\$ 5,376,702	\$ 3,935,322
Total *	<u>\$ 23,958,522</u>	<u>\$ 22,964,308</u>	<u>\$ 28,606,327</u>	<u>\$ 27,118,687</u>
Personnel	124	125	127	122

* Includes Equipment Maintenance and Replacement Fund Expenditures (Internal Service Fund)

<u>Major Contract Services</u>	<u>Annual Cost</u>
Alley Sweeping	\$78,000
Biological Monitoring Services (Back Bay View Park)	\$12,559
Biological Monitoring Services (Morning Canyon Park)	\$7,618
Bonita Canyon Sports Park Landscape Maintenance	\$164,338
City Catch Basin & V-Ditch Cleaning	\$135,000
City Yard & City Hall Custodial Services	\$29,960
Materials Recovery Facility	\$1,291,055
Materials Recovery Facility Consulting Services	\$33,490
Median & Roadside Landscaping	\$654,035
Newport Coast Landscape Maintenance	\$495,278
Newport Coast Residential Refuse Collection	\$588,816
On-Call Striping & Sign Installation	\$116,000
Park/Facility Landscape Maintenance	\$528,997
Sidewalk Grinding	\$25,000
Sidewalk Steam Cleaning	\$136,000
Tree Trimming & Pruning	\$817,997
Weekend Park & Beach Restroom Cleaning	\$42,096



Native plants flourishing after revegetation efforts at Castaways Park.

PUBLIC WORKS

Mission Statement

*Protecting and providing quality
public improvements and services*



Public Works - A Well-Engineered Machine

Department Overview

The Department of Public Works is responsible for meeting the current and future needs of infrastructure with the delivery of the Capital Improvement Program including planning, design, and construction of the City's roads, intersections, bridges, sidewalks, storm drains, traffic signals, water quality and environmental improvements, piers, water and sewer systems, streetlighting, public building facilities, and parks. Another core service area focuses on the use of engineering expertise to solve problems and to promote a safe and efficient transportation system. Public Works adds quality and safety to our lives through the use of engineered controls and measures such as traffic signals, signage, and pavement maintenance.

The Department also protects public property from unpermitted encroachments, ensures the safe construction of private parties working in the public right-of-way, and reviews plans for residential and commercial development as they relate to the public right-of-way.



Mariners Park Improvements

Resource Allocation

The Public Works Team consists of 33 dedicated full time employees and is comprised of two divisions: Administration and Engineering Services. The Engineering Services Division is further divided into sections including Capital Improvement Program Delivery, Construction Management, and Transportation and Development Services. To accomplish the Department’s mission, staff manages a combination of contract employees, consultants, and contractors to deliver projects and services.

Department Organization



Mesa-Birch Park

TOTAL \$5,559,564
33 Positions, plus 2.58 FTE

<p>Administration Division Staffing: 9 plus .47 FTE \$1,203,033</p>
<p>Strategic planning Organizational development Budget development / administration CIP management Contracts administration Customer service / communications Permit issuance Centralized clerical services Records management Geographical information systems</p>

<p>Engineering Services Staffing: 24 plus 2.11 FTE \$4,356,531</p>	
<p>CIP Delivery</p>	<p>Transportation & Development Services</p>
<p>Feasibility studies, planning, permitting, master plans Right-of-way acquisition, utilities coordination Environmental programming Project and grant administration Construction management Public right-of-way inspection Community outreach / education Utility undergrounding district administration and coordination</p>	<p>Traffic engineering, traffic studies, and transportation planning Traffic signal system operations, coordination and maintenance Neighborhood traffic calming Plan check services Subdivision engineering Land use coordination Surveying and mapping Encroachment permits and temporary street closures</p>

PUBLIC WORKS

Primary Goals

Traffic congestion reduction improvements are a top priority. This year, we will complete the first phase and start the second and third phase projects of our multi-year program to modernize and update the City's traffic signal system. The resultant updated system will allow the flexibility to implement real time adjustability and improve the efficiency of our system during peak hours, special events, construction activities, and emergencies. In addition to the signal work, the department will be focusing on prioritizing improvements for key intersections identified in the City's newly approved General Plan. We will also be initiating discussions with Caltrans regarding the potential relinquishment of Coast Highway to gain control of State owned traffic signals and the opportunity to design and build congestion reduction improvements.

The delivery of the City's Capital Improvement Program (CIP) is also a top priority for the department. Major facilities projects such as City Hall and Park, Oasis Senior Center, Sunset Ridge Park, and Marina Park will receive priority focus within this year's CIP. The department will continue to pursue excellence in CIP project delivery to efficiently deliver quality public improvements.

From a service standpoint, Newport Beach poses extraordinary opportunities and challenges. The City's development is mostly built-out and established. We are charged with maintaining and protecting unique features that come with a harbor, miles of beaches, and the Back Bay. We are also subject to greater environmental scrutiny and regulatory processes to maneuver. Newport Beach is not a "grid" city like many of our neighbors. With limited alternative routes, construction on main arterials must be done with care and sensitivity to the traveling public. Numerous projects take place in tight quarters, such as Balboa Peninsula, Balboa Island, Lido Isle, and Old Town Corona del Mar. Minimizing disruptions to the public requires special attention to phasing and peak hour restrictions that can slow project completions and add complications and costs. Work schedules are further complicated by seasonal restrictions dictated by environmental regulations, community special events, and weather cycles. Funding availability and grant requirements also impact the timing of work plans.

Our City's responsiveness to problems and quick action to resolve them are highly prized attributes of the organization. These values, however, enable project scopes to grow and new projects are regularly added into the current program. Our projects delivery team of engineers, support staff and consultants are tasked with managing greater workloads while maintaining high quality standards. Creative project management solutions, alternative project delivery methods and staff training and development will play key parts in our future success. The CIP planned for FY 2008-09 is described in more detail in the section of this document entitled Capital Improvements.



McFadden Square Groundbreaking Ceremony

Allocation Plan

	2005-06 <u>Actual</u>	2006-07 <u>Actual</u>	2007-08 <u>Estimated</u>	2008-09 <u>Proposed</u>
Salaries and Benefits	\$ 3,723,059	\$ 3,651,831	\$ 4,115,458	\$ 4,565,308
Maintenance and Operations	\$ 813,474	\$ 892,003	\$ 1,142,164	\$ 951,256
Capital Outlay	\$ 24,647	\$ 129,223	\$ 58,613	\$ 43,000
Total	<u>\$ 4,561,180</u>	<u>\$ 4,673,057</u>	<u>\$ 5,316,235</u>	<u>\$ 5,559,564</u>

Performance Review

<u>Service Indicators</u>	<u>2006-2007 Actual</u>	<u>2007-2008 Estimated</u>	<u>2008-2009 Projected</u>
CIP Funds Managed*	\$44,232,205	\$43,925,093	\$70,922,650
City Council Staff Reports	116	125	130
Developments for Plan Check Review	539	425	420
Encroachment Permits Issued	581	595	570
Professional Services Agreements Administered	68	73	80
Special Event Permit Review	243	250	250
Temporary Street Closure Permits	738	800	780
Traffic Service Request / Work Orders	196	190	195
Underground Assessment Districts Managed	16	14	11
Total Department Personnel	33	33	33

* Does not include assessment district project funds nor encumbered funds for work in progress



Public Works - A Well-Engineered Machine

UTILITIES

Mission Statement

To provide quality, cost effective utility services to the community of Newport Beach.

Primary Goals

- Meet the current and future needs for infrastructure, services, and resources for citizens and visitors.
- Provide the City a safe and reliable water supply.
- Operate and maintain the City's water, wastewater, oil and gas, and street lighting systems in an efficient and innovative manner.
- Provide outstanding customer service and education to the public, other departments, and agencies.
- Promote team spirit and pride through our actions and activities.
- Encourage continuous employee assessment and development programs.
- Facilitate the flow of information by maintaining a records management system.



Department Overview

The Utilities Department is responsible for providing water service, wastewater collection, oil and gas production, electrical services, and street lights to the citizens of Newport Beach. Water is delivered to the tap, wastewater is transported for treatment, and streets and beach parking lots are made safer with lighting. The Utilities Department has four divisions: Electrical, Oil & Gas, Water, and Wastewater.

NEWPORT BEACH, CALIFORNIA

Department Organization

TOTAL \$21,883,857
53 Positions, plus 8.5 FTE

<p>Electrical Staffing: 5 plus .5 FTE \$1,442,780</p>
<p>City Facilities Electrical Service Recreational Field Lighting Parking Lot Lighting Street Lighting</p>

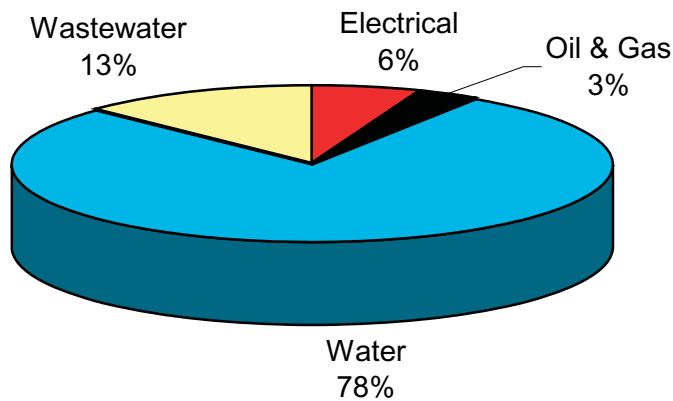
<p>Oil & Gas Staffing: 0 \$696,482</p>
<p>Oil Production Gas Production Oil & Gas Remediation</p>

<p>Water Staffing: 35 plus 6.25 FTE \$16,903,836</p>
<p>Water Production Water Quality Water Conservation Meter Reading Reclaimed Water Customer Service & Education Water Maintenance & Repair Underground Service Locating</p>

<p>Wastewater Staffing: 13 plus 1.75 FTE \$2,840,759</p>
<p>Sewer Main Cleaning Sewer Mainline Repair Pump Station Maintenance Sewer Lateral/Cleanout Replacement</p>

Resource Allocation

FY 09 Budget by Division



UTILITIES

Performance Review

Service Indicators	2005-2006 Actual	2006-2007 Actual	2007-2008 Estimated	2008-2009 Projected
<i>Electrical Division</i>				
Miles Street Light Cable Installed/Pulled	5	1	1.14	1.13
Street Light Devices Replaced	906	922	1,205	1,000
Emergency Responses	63	69	66	60
Number of Service Calls	1,052	1,072	1,070	1,075
<i>Oil & Gas Division</i>				
Barrels of Oil Produced	34,255	31,060	32,300	34,300
MCF of Gas Produced*	13,897	13,029	13,400	13,800
Barrels of Water Injected	396,527	350,694	359,246	368,200
<i>Water Division</i>				
Acre Feet Water Purchased/Produced**	17,557	18,725	17,875	18,150
Acre Feet of Reclaimed Water Used**	249	300	300	400
Number of Fire Hydrants Serviced	783	1,183	1,053	1,200
Number of Water Meters Read	78,206	78,165	78,090	78,162
Number of Main Breaks	5	11	7	5
Number of Service Calls	513	1,135	997	800
<i>Wastewater Division</i>				
Miles of Pipe Cleaned	335	226	212	230
Miles of Pipe Video Taped	11	12	38	40
Number of Dig Outs	76	80	56	60
Number of Service Calls	485	602	425	425

* MCF = one thousand cubic feet

** Acre Foot = 325,850 gallons

Allocation Plan

	2005-06 Actual	2006-07 Actual	2007-08 Estimated	2008-2009 Proposed
Salaries and Benefits	\$ 5,120,703	\$ 5,417,281	\$ 5,766,961	\$ 6,125,001
Maintenance and Operations	\$ 12,303,939	\$ 14,463,414	\$ 14,464,920	\$ 15,688,206
Capital Outlays	\$ 32,984	\$ 37,228	\$ 93,150	\$ 70,650
CIP	\$ 5,625,721	\$ 3,418,431	\$ 5,341,804	\$ 6,877,793
Total Expenditures	\$ 23,083,347	\$ 23,336,353	\$ 25,666,835	\$ 28,761,650
Charges for Services	\$ 19,228,609	\$ 21,328,711	\$ 21,671,415	\$ 21,976,475
Intergovernmental	\$ 1,932,347	\$ -	\$ -	\$ -
Use of Money & Property	\$ 381,917	\$ 735,751	\$ 829,500	\$ 480,000
Sales of Oil & Gas	\$ 1,773,101	\$ 1,725,754	\$ 1,306,650	\$ 2,400,000
Other Revenue	\$ (210,646)	\$ 156,367	\$ 19,184	\$ 69,248
Transfer (To) From Reserves	\$ (21,981)	\$ (610,231)	\$ 1,840,086	\$ 3,835,927
Total Revenue	\$ 23,083,347	\$ 23,336,353	\$ 25,666,835	\$ 28,761,650



The **Electrical Division** staff of five field personnel is responsible for the maintenance and operation of electrical services at all City facilities. These facilities include park sites, community buildings, water and sewer pump stations, oil wells, emergency generators, and over 6,500 street and parking lot lights. Staff responds to over 1,000 service requests each year.

The **Oil & Gas Division** provides contract administration and oversight for a small oil tank farm consisting of 16 wells in West Newport Beach. The operation and maintenance of the oil operation is out sourced.



The **Water Division**, which consists of four sections (Water Maintenance and Repair, Water Meters, Water Production, and Water Quality), delivers water from both local and imported sources. A staff of 28 field personnel operates the pumps, reservoirs, and pressure reducing stations, performs water testing, provides meter reading services, responds to customer service requests, and performs year-round preventative maintenance of 2,619 fire hydrants, 8,389 shut-off valves, over 215 miles of transmission mains, and 82 miles of distribution mains.

The **Wastewater Division** staff of 13 field personnel operate 20 pump stations and maintains over 200 miles of wastewater collection system that transports the City's wastewater to the County's trunk system for treatment at the Huntington Beach plant. The Wastewater Division's closed circuit television unit is working towards video taping the 200 miles of sewer main by 2009 to meet the General Waste Discharge Requirements for the State of California.



LIBRARY SERVICES

Mission Statement

To serve as the cultural, educational, and informational heart of the City through the Central Library and branch libraries.



Department Overview

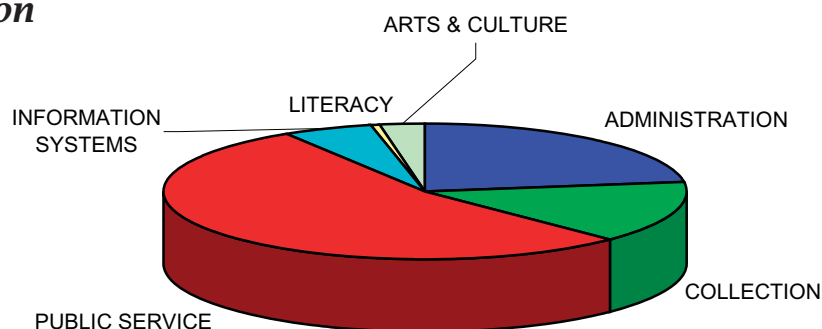
Library Service is the Newport Beach community's most valuable resource for educational, informational, and cultural enrichment. Under the direction of the Board of Library Trustees, the Central Library and its three branches, Balboa, Corona del Mar and the Donna & John Crean Mariners Branch, offer a diverse range of materials, information and special programs for every age group in our community. The Library connects with over 900,000 customers during the 3,550 hours that the doors are open each year. We also have resources available to our customers on-line 24/7.

The department's core services are:

- Provide current information that meets the varying needs of the Community through print, media and on-line resources.
- Deliver quality service to customers by providing accurate answers, quick responses and assistance.
- Create an inviting and educational experience for the children & teens.
- Have a commitment to Branches Libraries
- Plan programming for audiences of all ages.
- Provide Literacy Services
- Support Arts & Cultural events and programming

Library Services and Cultural Arts are supported by many volunteers including The Board of Library Trustees, Newport Beach Public Library Foundation, Friends of the Newport Beach Public Library, Newport Beach Library Literacy Board, City Arts Commission, Sister City Association, and City Arts Foundation.

Resource Allocation



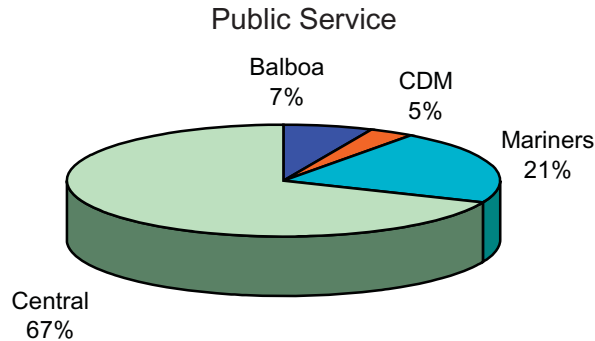
Department Organization

TOTAL \$6,574,946
43 Positions, plus 26.48 FTE

<p>Administration Staffing: 6 plus 2.99 FTE \$1,063,791</p> <p>Support of the Library Board Trustees, the Friends of the Library and Library Foundation</p> <p>Provide support for the areas of personnel, recordkeeping and marketing</p> <p>Facilities maintenance</p> <p>Financial monitoring & budgeting</p>	<p>Public Services Staffing: 31 plus 23.09 FTE \$3,959,879</p> <p>Serve customers at the Central Library and Branches seven days a week</p> <p>Circulate over a million items each year from a large collection of books, magazines, movies and audio discs for all age groups</p> <p>Information staff is available to answer questions and assist customers in person, by phone and via email</p> <p>Provide technology training to customers</p> <p>Plan and host programs for children, teens and adults throughout the year</p> <p>Create and update the Library's Website to keep it user-friendly and informative</p>
<p>Information Systems Staffing: 1 \$373,273</p> <p>Maintain the Library's 230 computers and associated software</p> <p>Operate the Library automated system which is associated with the circulation, purchasing, processing of materials as well as how they display in the public catalog</p> <p>Maintain the Library network including internet access, WIFI access and customer's access to printing and copying</p>	<p>Collection Staffing: 4 \$960,873</p> <p>Purchase materials in various formats to meet the needs of the Community</p> <p>Technical Processing support to order, receive and label materials</p>
<p>Literacy* Staffing: .40 FTE \$22,760</p> <p>Provide tutoring for adult literacy learners</p> <p>Support the Library Literacy Board in raising funds and setting educational goals</p> <p><i>*The Literacy staff consists of 2 part-time employees; one of which is totally funded through donations and grants.</i></p>	<p>Arts & Cultural Services Staffing: 1 \$194,371</p> <p>Support the City Arts Commission and the Sister City Association</p> <p>Arrange exhibitions at the City Hall & Library Galleries and Juried Art Shows</p> <p>Administer Arts & Cultural Grants</p> <p>Plan and execute programs and cultural events</p>

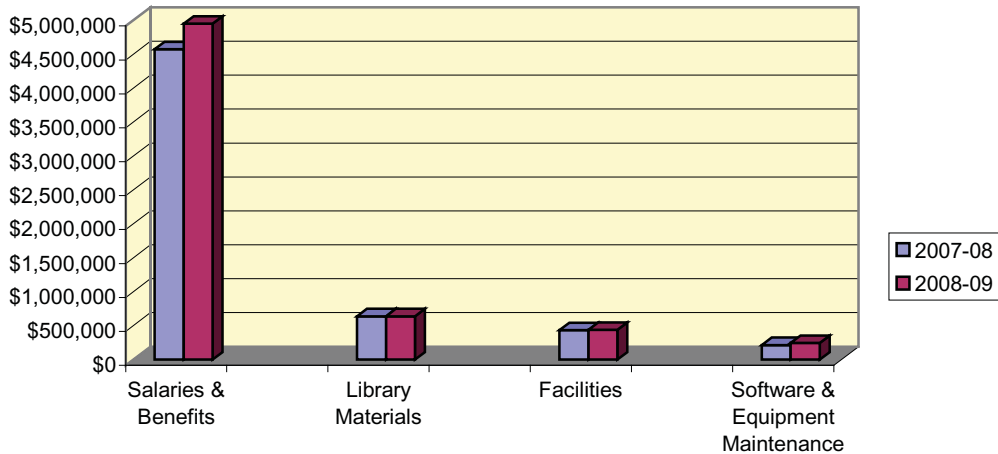
LIBRARY SERVICES

Public Service includes the Central Library and Branches. This chart shows what percentage of the \$3,959,879 budget is allocated to each location.



Major Areas of Expenditures

	Salaries & Benefits	Library Materials	Facilities	Software & Equipment
2007-08	\$4,573,473	\$639,740	\$434,207	\$215,444
2008-09	\$4,950,968	\$639,740	\$439,529	\$246,094



Allocation Plan

	2005-06 Actual	2006-07 Actual	2007-08 Estimated	2008-09 Proposed
Salaries and Benefits	\$ 3,894,898	\$ 4,125,533	\$ 4,583,232	\$ 4,950,968
Maintenance and Operations	\$ 1,417,614	\$ 1,369,905	\$ 1,500,300	\$ 1,512,878
Capital Outlay	\$ 100,656	\$ 140,856	\$ 182,200	\$ 111,100
Total Expenditures	\$ 5,413,168	\$ 5,636,294	\$ 6,265,732	\$ 6,574,946

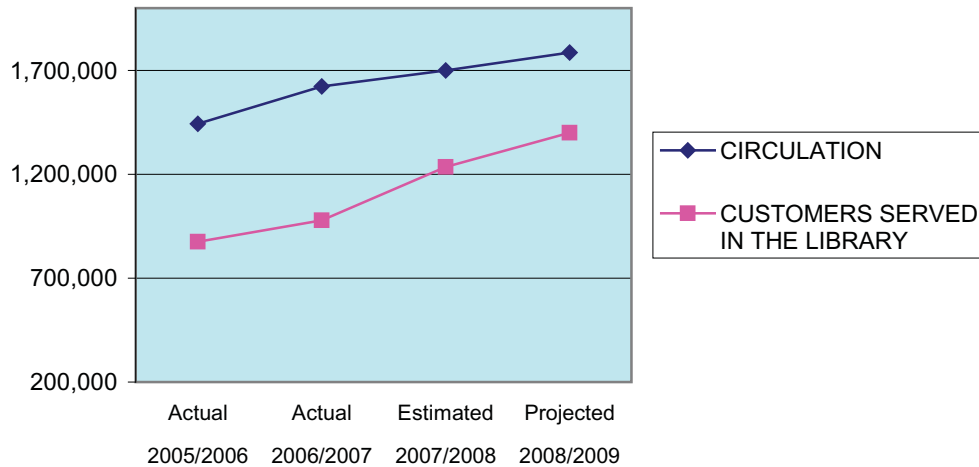
Arts and Cultural Services reach out to the citizens each year with programs and events such as:

- Concerts in the Park
- OC Juried Art Show
- Library Art Receptions
- City Hall Art Exhibits
- Imagination Celebration
- Shakespeare in the Park
- Newport Beach Film Festival



Performance Review

<u>Service Indicators</u>	<u>2005-2006</u> <u>Actual</u>	<u>2006-2007</u> <u>Actual</u>	<u>2007-2008</u> <u>Estimated</u>	<u>2008-2009</u> <u>Projected</u>
Circulation	1,443,078	1,622,573	1,700,500	1,785,500
Customers Served in the Library	874,854	977,720	1,235,000	1,400,000
Reference Questions Asked	170,972	182,445	187,918	193,500
Program Attendance	44,286	37,280	40,834	42,000
Web Page Usage		22,408	38,000	52,000



RECREATION & SENIOR SERVICES

Mission Statement

***To enhance the quality of life by providing diverse opportunities
in safe and well maintained facilities and parks.
We pledge to respond to community needs by creating quality educational,
recreational, cultural, and social programs for people of all ages.***

Primary Department Goals

- Participate in and support efforts for the design and development of Sunset Ridge Park, Marina Park, OASIS Senior Center, Coastal Peak Park, Community Youth Center remodel and City Hall in the Park.
 - Work with and align marketing and advertising with the Public Information Office, to include monthly Recreation & Senior Services NBTv Shows.
 - Recreation and Senior Services Divisions to work cooperatively to house Senior programs and services during the Oasis remodel.
-

Department Overview

The Department consists of three divisions: Administration, Recreation Services, and Senior Services. Under the guidance of the Department Director, and leadership of the Parks, Beaches & Recreation Commission, the Department is responsible for the creation, coordination, and implementation of recreational and social opportunities that serve a population ranging from infants to the very active retired community. In addition, this Department oversees the use of the City's 66 parks and facilities. The backbone of the Department's success is the numerous part-time staff out in the field serving the community as well as the numerous volunteers who join us on a daily basis to fulfill our mission. Their assistance to our full-time staff creates a solid foundation of a talented, skilled, and service oriented team.

Recreation Services

The Recreation Division offers a wide variety of programs for tots, youth, and adults. These programs include year-round sports leagues, seasonal swim lessons, and many lifelong learning and fitness classes. Over 150 contractors provide class instruction offered in the Newport Navigator (quarterly brochure) or umpires for adult sports leagues. Trained staff work in the swim programs, after-school programs, youth recreational sports programs, and day camps.

The Division is staffed with eight full-time recreation professionals and up to 50 part-time staff such as recreation leaders, recreation clerks, lifeguards and swim instructors. The Division also includes four full-time field and building maintenance workers, and two full-time department assistants and one Marketing Specialist.

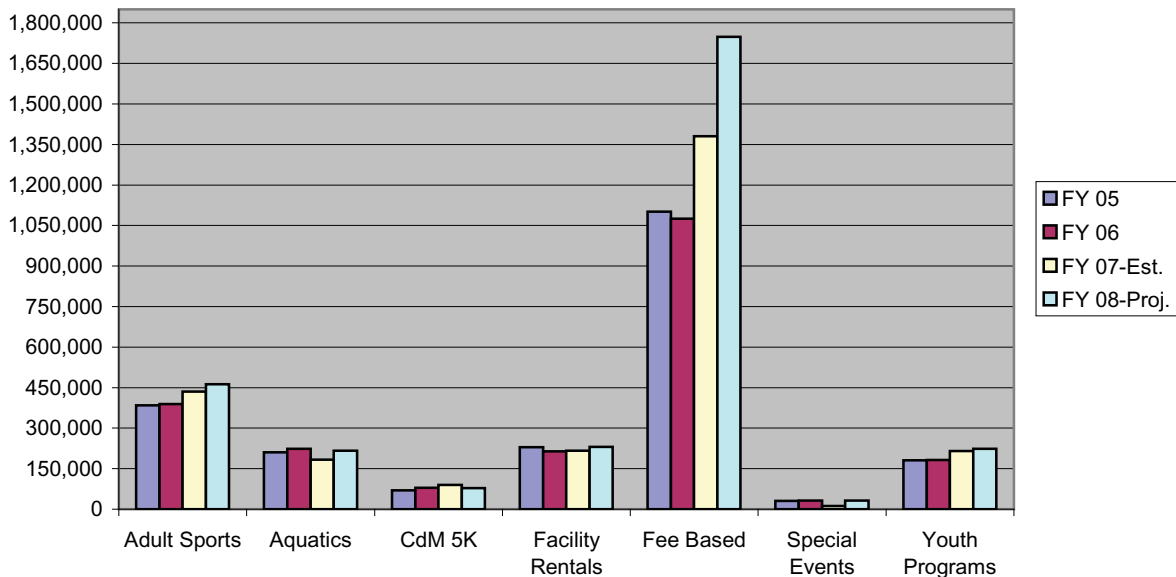
City operated youth sports programs attract over 1000 children annually and Youth Sport Organization Members such as youth soccer and baseball serve over 6000 youth annually.

The Division sponsored annual special events include a Surf Contest, Corona del Mar Scenic 5K, Sunday Fun-Day, Winter Wonderland, Special Olympics, Rose Parade Excursion, Spring Flashlight Egg Hunt, and the Independence Day Parade and Picnic. Picnic areas, fields, and meeting rooms are available for reservation and staff processes over 1000 requests each year. There are over 30 playgrounds throughout the City for children ages 2-12. In the coming year this Division will continue the refurbishment of various park sites with new playground equipment and play surfaces. The playground maintenance/inspector staff will concentrate on making the existing playgrounds safer and increasing life expectancy through regular ongoing maintenance. The Division is also the coordinator of Special Event Permits for the City of Newport Beach and processes over 320 permits per year for events large and small.

The FY 2007/08 brought the opening of the Newport Coast Community Center (NCCC) which has been a huge benefit to the community. The center has also grown the department and our revenue. It is projected that the center will bring in an additional \$400,000 on an annual basis.



Recreation Revenue by Program Area



Recreation Services Goals

- Implement the Marketing Plan for the Department.
- Continue to raise the quality of customer service, instruction and safety in programs through the Benchmarking process.
- Raise the level of service expectations in contracted officials and instructors through audits and trainings.
- Provide additional Park Patrol services to meet increased demand.

RECREATION & SENIOR SERVICES

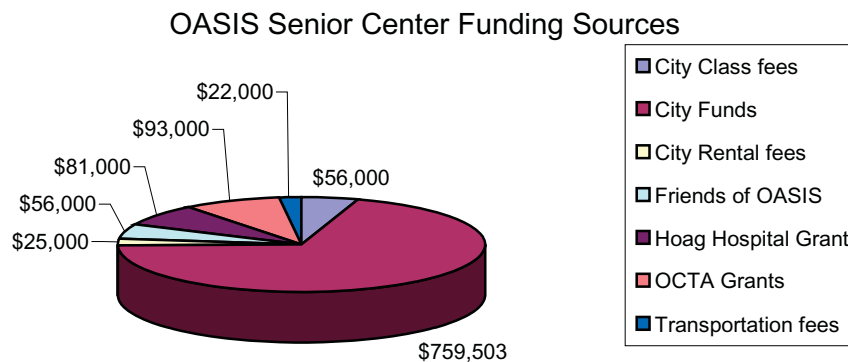
Senior Services

The Senior Services Division is responsible for the operation of the OASIS Senior Center as well as numerous human service activities that reach out to our senior population. The goal of this Division is to provide older adults with activities and services that enrich their lives, prevent isolation, and provide them with a purpose in life.

The Senior Services Division provides a variety of services which enhance the lives of seniors creating positive and successful aging experiences. The Division accomplishes this by providing programs and activities which address the older adults' evolving needs. Staff stays current on programming activities that are most helpful to the senior population by assessing needs and welcoming senior participation in program ideas. The Senior Services Division has been successful at meeting the challenge of the ever-changing needs of older adults and has developed activities that are intellectually stimulating and physically active.

The staff at OASIS has relationships with many community organizations in order to enhance and expand the services provided to the community, which include: South County Senior Services, OC Department of Health, Coastline Community College, University of California Irvine, Hoag Hospital, Braille, Health Insurance Counseling and Advocacy Program, and OCTA.

This coming year the focus of this Division will be on the completion of the new building plans, fund raising efforts to support the re-build, and a smooth transition of classes from the existing facility to temporary sites. The new Senior Center will have an additional 12,000 sf and will include a Health and Wellness Center, a large multipurpose room, a family room area, an informal library space, teaching lab for computers, 56 garden plots and additional parking spaces. The challenge for this Division will be to continue with a cohesive set of senior services in an efficient and effective manner.



Senior Services Goals

- Work with the Architect to insure that the design of a new facility is in accordance with the needs and desires of the current users and staff.
- Work with the Senior Center Building Fund Committee to raise 4.5 million dollars.
- To maintain continuity in service while under construction.



Department Organization

Administration Staffing: 3 plus .5 FTE \$605,163
Front Office and Public Counter Services Fiscal Services Web Site and Online Registration Parks, Beaches & Recreation Commission Support

TOTAL \$7,063,045
28 Positions, plus 26.94 FTE

Recreation Services Staffing: 15 plus 26.31 FTE \$5,367,278
Youth Programs/Sports Aquatic Programs Adult Sports Special Events City Youth Council Playground/Park Development Special Event Permits Youth Sports Commission Field/Facility Maintenance Facility Management/Reservations Contract Classes Marketing and PR Park Patrol Newport Coast Community Center

Senior Services Staffing: 10 plus .13 FTE \$1,090,604
Recreational Programs Educational Classes Congregate and Home Delivered Meals Transportation Program Outreach Services Family Support Special Events Information and Referral Facility Management/Reservations

Performance Review

Service Indicators	2005-2006 Actual	2006-2007 Actual	2007-2008 Estimated	2008-2009 Projected
<i>Recreation Services</i>				
Special Event Permits	321	297	243	320
Facility Rentals	1,158	1,091	1,378	1,400
Program Attendance	324,127	324,689	325,000	335,000
Co-Sponsored Youth Programs	194,722	201,258	225,054	226,000
<i>Senior Services</i>				
Programs/Classes	77,118	76,800	82,578	75,000
Human Services	18,399	20,599	22,906	23,000
Transportation Services	12,628	14,728	15,148	17,000

Allocation Plan

	2005-06 Actual	2006-07 Actual	2007-08 Estimated	2008-09 Proposed
Salaries and Benefits	\$ 2,431,541	\$ 2,594,683	\$ 3,103,669	\$ 3,527,832
Maintenance and Operations	\$ 2,071,165	\$ 2,505,814	\$ 3,181,266	\$ 3,479,213
Capital Outlay	\$ 26,711	\$ 36,650	\$ 159,317	\$ 56,000
Total Expenditures	\$ 4,529,417	\$ 5,137,147	\$ 6,444,252	\$ 7,063,045
General Tax Revenue	\$ 1,961,264	\$ 2,241,512	\$ 3,039,527	\$ 3,038,822
Fees for Services	\$ 2,066,315	\$ 2,390,256	\$ 2,860,800	\$ 3,433,783
Other Miscellaneous Revenue	\$ 501,838	\$ 505,379	\$ 543,925	\$ 590,440
Total Revenue	\$ 4,529,417	\$ 5,137,147	\$ 6,444,252	\$ 7,063,045

Other Budgets

FISCAL YEAR 2008-2009



CITY OF NEWPORT BEACH
2008-2009 RESOURCE ALLOCATION PLAN

DESCRIPTION OF INTERNAL SERVICE FUNDS

The City continues to provide for the financing of certain functions through the use of Internal Service Funds (ISF). The purpose of these funds is to facilitate the management of some types of expenditures on a centralized, as opposed to decentralized (by department) basis, without losing the visibility of each Department's share of the overall cost. Each Department has been required to budget for the cost of these functions at a pre-determined rate, as opposed to attempting to project actual costs at the Department level, which would be required if there was no ISF mechanism. Funds are then collected from each Department at the pre-determined rate by the Internal Service Fund during the course of the year. All actual expenditures for the function in question (for the City as a whole) are then made from the Internal Service Fund. The City has established four Internal Service Funds – Insurance Reserve Fund, Retiree Medical Insurance Fund, Compensated Absences Fund, and Equipment Maintenance and Replacement Fund.

Insurance Reserve Fund. The Insurance Reserve Fund is used to pay all Workers' Compensation and General Liability expenses of the City. This includes insurance premiums, consultant fees, medical expenses, contract attorney costs, payments for judgments and settlements, and all other expenses connected with this function. The amounts paid into this Fund by the individual Departments vary. Each Department's budget base for Liability expenses was established by examining a ten-year history of claims and determining each Department's appropriate share, based on the nature of the claims themselves. That share was then used to establish each Department's percentage of the funding being set aside in the Insurance Reserve Fund for anticipated Liability expenses this year, and to address at least part of any reserve deficiencies. This year's contribution by departments, which constitutes revenue to the ISF, is projected to be \$3,328,697. This should constitute sufficient resources to fund short term expenditures and accumulate resources to pay long-term claims.

Each Department's share of the City's anticipated Workers' Compensation expenses was determined by an analysis of claims history by labor class in Newport Beach as compared to the same information for the State as a whole. Based on this data, appropriate rates were established for each labor class in the City. These rates were then used to determine the budget base needed in each Department to accumulate the total anticipated Insurance Reserve Fund requirement to pay all Workers' Compensation claims and related expenses for this budget year (approximately \$2,472,650). Similar to the situation with Liability, there is an accumulated deficit for Workers' Compensation. Therefore \$3,199,421, or a projected excess of \$726,771 is being collected to cover the deficit.

Retiree Medical Insurance Fund. In January 2006, the City has implemented a new defined contribution Retiree Medical Insurance Fund instead of the prior defined benefit program which will ultimately reduce the City's long-term liability for this program. The transition to the new program will take an estimated twenty years or more to fully implement, but our operating expenses will eventually be capped as we will only need to fund contributions for current employees and the City's unfunded liability will be zero. The contribution amount is based on a formula currently provided for in the Memorandum of Understanding between the City and the employees. This year, the City's cost for contributions for eligible full-time employees is projected to be \$171,660.

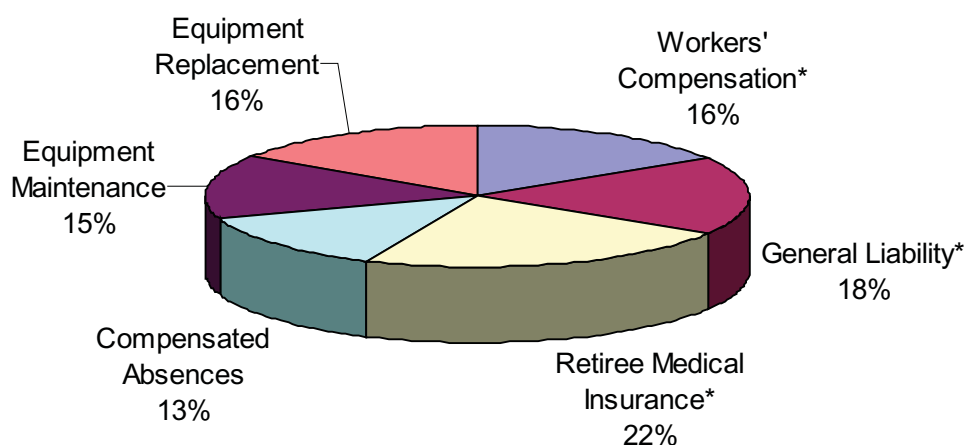
Compensated Absences Fund. Departmental payments into the Compensated Absences Internal Service Fund are based on a percentage of salary. That percentage is set at a level which will accumulate a sufficient monetary base within the fund to accommodate current year expenses. This year's contribution level is 3.5% of salary resulting in a budgeted amount of \$2,264,567. Any amounts collected in excess of the annual expense, reduce the long-term unfunded liability in this fund.

Equipment Maintenance and Replacement Fund. The Equipment Maintenance and Replacement Fund is used to provide funding for the maintenance of almost all of the City's fleet of Rolling Equipment, and to accumulate funds for the eventual replacement of that equipment. Based on the City's maintenance experience, anticipated equipment life span, and projected replacement costs, rates were established for each class and type of equipment. These rates function much like vehicle rental rates from the perspective of the using Departments.

Funds for replacement and for maintenance remain segregated. Maintenance funds are used to fully fund the General Services Equipment Maintenance Division, including the Auto Parts Warehouse, and certain other General Services Department overhead expenses which are directly attributable to rolling equipment maintenance, but are contained in the budgets of other divisions. Each Department Budget unit's share of this cost, based on the equipment it has in service, is contained on line 8022 of the respective M&O budget sheets. The Police Department has their own equipment replacement and maintenance program including a Police Fleet Maintenance Division.

Recommendations for rolling stock replacement are made by each Department to the City Manager through the General Services Director. The City Manager then includes his final recommendation for Equipment Replacement action to the City Council as part of the annual budget submission. Money accumulated in the Equipment Replacement portion of this Fund can only be used for equipment replacement unless specifically reprogrammed by the City Manager. Each Department Budget unit's "contributions" to this fund, based on the equipment it has in service, can be found on line 8024 of the respective M&O budget sheets.

For Fiscal Year 2008-2009, City expenditures from Internal Service Funds are projected as follows:



*Includes legal services, insurance premiums, contract administration, claims & settlements, and payments to providers of medical service.

***CITY OF NEWPORT BEACH
2008-2009 RESOURCE ALLOCATION PLAN***

DEBT SERVICE & OTHER ACTIVITIES

Most of the City budget is dedicated to a one-year operating plan for each department. However, certain budgetary components do not fit within this definition.

Capital Improvement Projects (CIP) and debt service expenditures benefit more than one operating period. Since CIPs may have significant useful lives, expenditures are deemed to benefit both the current and future operating periods while debt service expenditures are deemed to benefit current, future, and past operating periods. An entire section of the budget document is dedicated to CIP expenditures; however Debt Service expenditures can be adequately covered within this section.

Some proposed expenditures in the budget only benefit the current operating period but do not readily fit within the operating plan of any one department and/or its funding source cannot be relied upon to fund routine department operations. For lack of a more descriptive term, we often refer to non-departmental expenditures of this nature as other activities.

Debt Service Expenditures

Since the City does not issue debt instruments to finance operating activities, Debt Service Expenditures are the result of capital financing ventures. There are two principal reasons why debt instruments are issued. The first circumstance is when the cash flow for the construction or purchase of a long-term asset would cause a significant strain on the City's cash flow and the asset to be financed will benefit many service periods. In no instance would the City select the duration of a given debt instrument to extend beyond the expected life of the asset financed. The second scenario arises when an asset to be purchased may not cause a significant cash flow strain but it would be economically advantageous to finance the asset rather than to purchase it outright (e.g. occasionally the City can borrow money at a lower rate than its investment portfolio is earning).

Library Certificates of Participation (COPs)

In 1992 the City issued \$7.5 million in COPs to finance the construction of the Central Library. The issue was subsequently refinanced in 1998 to reduce total debt service payments that resulted in an economic gain of \$495,745. The Refunded Certificates Principal payments range from \$245,000 to \$535,000 from June 1, 2000 through June 1, 2019, at an interest rate ranging from 3.60 percent to 5.15 percent and are serviced by the General Fund. The Certificates outstanding at June 30, 2008, amounted to \$4,665,000.

Boating and Waterways Loan

The City also has a loan from the California Department of Boating and Waterways for the purchase and rehabilitation of the Balboa Yacht Basin. The original loan in 1987 was for \$3,300,000. This

loan is payable in thirty annual installments of \$237,062 at a 4.50 percent rate of interest, which began on August 1, 1987. The outstanding balance at June 30, 2008, amounted to \$1,298,254. The loan is funded entirely by Tide and Submerged Lands Fund revenue sources.

Office Equipment Leases

The City occasionally enters into lease-purchase agreements to finance the acquisition of copiers, computers, telecommunications or other office equipment and upgrades. The terms of the leases normally range from three to five years and are typically payable monthly. Currently there are no outstanding leases of this nature. Debt of this nature is serviced by whichever fund derives the benefit of the equipment. In most circumstances the General Fund enjoys the benefit of office equipment purchases of this type and would therefore service this debt.

Rolling Stock Leases

Most City vehicle purchases do present a cash flow challenge and are therefore purchased outright except when financially advantageous conditions exist. However, the City does own and operate some rolling stock including fire engines, ladder trucks, vactor trucks and other heavy equipment that can be several hundred thousand dollars per vehicle. These items are periodically financed through lease-purchase agreements, but at this time we have no lease-purchase agreements.

Water Revenue Bonds

In 1995, the City issued \$17,100,000 of water revenue bonds to finance the construction and acquisition of groundwater storage and transmission facilities. This debt was refinanced July 1, 1998 for an economic gain of \$418,469. The bonds are secured by a pledge of net revenues of the Water Fund. The bonds bear interest ranging from 3.60 percent to 4.50 percent. Semi-annual debt service payments are payable on February 1 and August 1 (totaling \$1.6 million per annum). At June 30, 2008, the outstanding balance was \$3,095,000.

Newport Coast Special Assessment District Relief

Because the Newport Coast area was not incorporated into the City limits when much of the public improvements that serve this area were constructed, the improvements were financed by private property special assessments. Had the Newport Coast area been incorporated within the City limits at the time the improvements were constructed, the City would have likely participated in funding much of the public improvements. Before this area was officially annexed into the City limits, the City entered into a pre-annexation agreement with the Newport Coast Committee of 2000 where the City agreed to reimburse residents and thereby reduce the cost of certain private property special assessments. As a part of the pre-annexation agreement, the Irvine Ranch Water District (IRWD) transferred \$25 million to the City in exchange for the right to continue to provide water utility service to this area. With this \$25 million from IRWD, the City dedicated \$7 million toward the construction of the Newport Coast Community Center which opened in 2007 and will reduce the special assessment levies by \$1.2 million a year for 15 years. At June 30, 2008, \$10,800,000 was outstanding.

Community Development Block Grant (CDBG) Loan

The CDBG program is a federal revenue source that is restricted to programs and projects that benefit low and moderate income areas. In August of 2002, the City was granted a \$2.4 million loan that is secured and will be repaid by future block grant allocations to partially finance the Balboa Village improvements. Commonly known as a "Section 108 Loan," this loan will be repaid over 20 years in \$215,000 installments. As of June 30, 2008, the outstanding balance of this loan was \$2,056,000.

Sunset Ridge Park Purchase Agreement Payable

In 2006, the City entered into an agreement with the California Department of Transportation (Caltrans) for the purchase of a 15.05 acre parcel of land at the corner of Superior Avenue and Coast Highway. The purchase price was \$5 million, paid in three installments with 4.75% interest: 1) \$2.0 million by December 31, 2006; 2) \$1.5 million by December 31, 2007 (plus \$142,000 in interest); and 3) \$1.5 million by December 31, 2008 (plus \$71,250 in interest). As of June 30, 2008, the outstanding balance of this purchase was \$1,500,000.

Debt Service Estimates									
FY 2008-09									
	Original Issuance	Balance 07/01/2008	Additions	Deletions	Balance 06/30/2009	2009		Principal Paid to Date	Year of Final Payment
						Total Payments	Interest		
Sunset Ridge Park*	5,000,000	1,500,000	-	(1,500,000)	-	1,571,250	71,250	5,000,000	2009
Water Revenue Refunding Bonds	14,225,000	3,095,000	-	(1,510,000)	1,585,000	1,581,325	71,325	12,640,000	2009
Balboa Marina Loan	3,457,930	1,298,254	-	(178,641)	1,119,613	237,062	58,421	2,338,317	2016
Pre-Annexation Agreement	18,000,000	10,800,000	-	(1,200,000)	9,600,000	1,200,000	-	8,400,000	2017
Refunding Library COP	7,330,000	4,665,000	-	(330,000)	4,335,000	565,463	235,463	2,995,000	2019
Section 108 Loan	2,400,000	2,056,000	-	(84,000)	1,972,000	196,253	112,253	428,000	2024
Total Debt Service	50,412,930	23,414,254	-	(4,802,641)	18,611,613	5,351,353	548,712	31,801,317	

* Purchase Agreement Payable

Other Activities

Asset Forfeiture Funds

Funds derived from the City's participatory share of State and Federal assets seizures are accounted for separately from other funds due to special restrictions placed on the use of these proceeds. These funds can only be used to supplement but not subsidize law enforcement activities. Therefore, this funding source is not used to fund regular departmental operations.

Office of Traffic Safety DUI Grant (OTS)

The City received a grant award from the Office of Traffic Safety to provide federal funding for the Selective Traffic Enforcement Program (STEP). This program provides funds to be used for DUI checkpoints and saturation patrols, as well as, the hiring of one full-time traffic enforcement officer with a vehicle and other job-related equipment. The grant stipulates that these funds are to be segregated from departmental operations.

Supplemental Law Enforcement Service Fund (SLESF)

State Assembly Bill 3229 provides funds to the City to be used exclusively for front line law enforcement services. The Bill stipulates that SLES funds are to be segregated and used to increase policing efforts and not be used to supplement departmental operations.

Air Quality Management District Funds (AQMD)

State Assembly Bill 2766 provides cities with a modest annual budget to encourage the reduction of air emissions. The City uses its AQMD funds to support the employee rideshare program and to subsidize the cost of the electric vehicles used to supply City services.

Ackerman Donation

The City is the beneficiary of lease proceeds of certain commercial property donated by the Carl Ackerman Family Trust. The property was given to the City subject to a December 18, 1992, 15-year lease. The lease gave the lessee an option to purchase the property and sets out in detail the method to exercise the option, the option price, and conditions of the purchase. On August 8, 2003, the lessee exercised the option to purchase in the amount of \$1,940,000. As a condition of the lease, 60 percent of the proceeds were paid to the University of California, Irvine Foundation and the City is required to create a permanent endowment with the remaining 40 percent. Interest earned from the endowment will be accounted for and used to purchase high tech library equipment and for a City administered scholarship program.

Environmental Liability Fund

As part of the City's franchise agreements with commercial solid waste haulers, the City collects 5.50 percent of their gross receipts that are set aside to defray the cost of any legal or environmental costs that might arise connected with the collecting, hauling and dumping of waste originating within the City. These funds are used to provide the City with environmental liability insurance and to conduct waste related environmental assessments.

CAPITAL IMPROVEMENT PROGRAM

The City of Newport Beach Capital Improvement Program (CIP) serves as a plan for the provision of public improvements, special projects, on-going maintenance programs, and the implementation of the City's master plans. Projects in the CIP include improvements and major maintenance on arterial highways, local streets, and alleys; storm drain and water quality improvements; bay, pier, and beach improvements; park and facility improvements; water and wastewater system improvements; transportation safety and traffic signal improvements; and planning programs and studies.



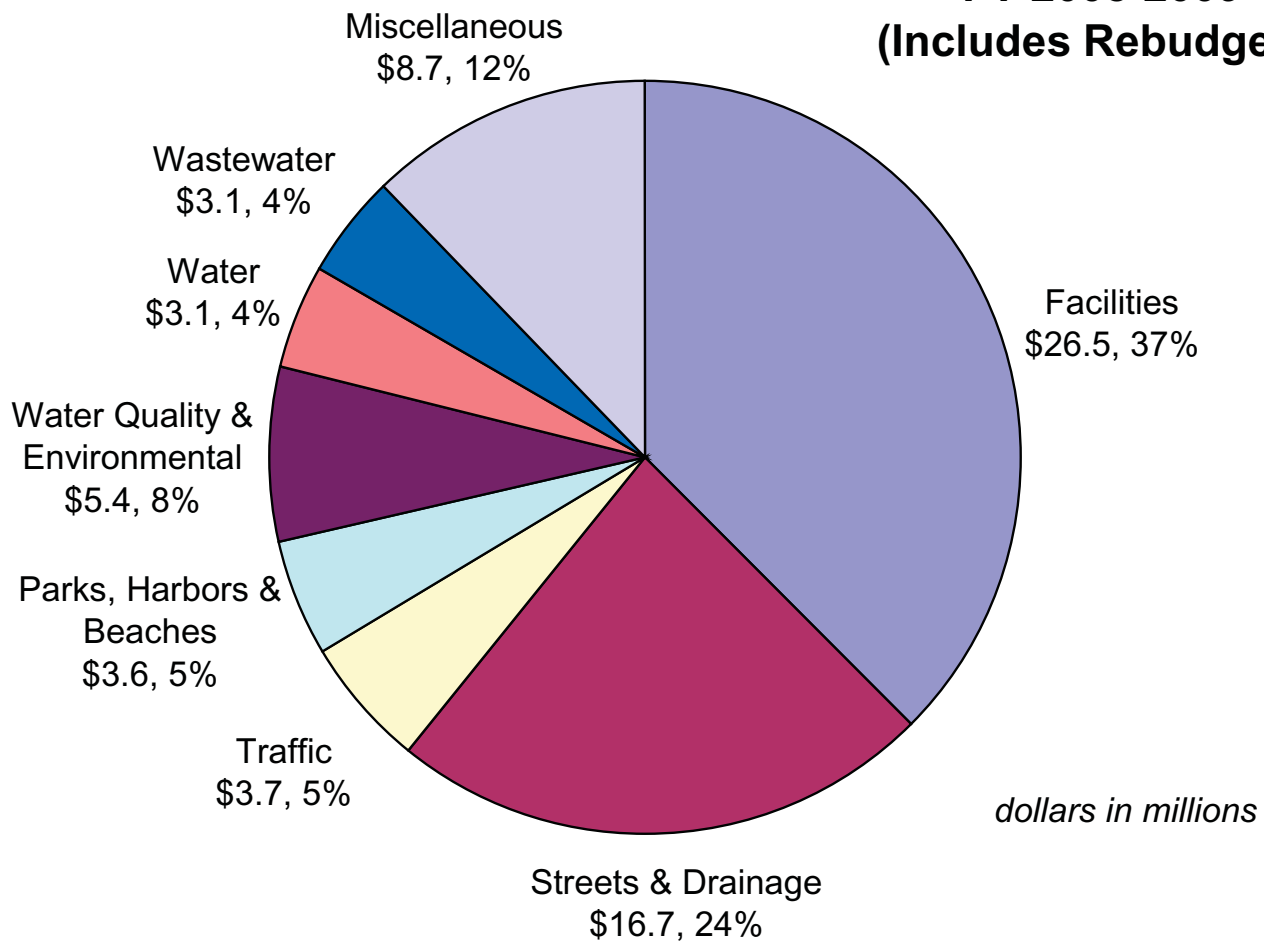
The FY 2008-09 CIP consists of 109 projects representing over \$48 million in new appropriations and more than \$22 million in rebudgeted funds for a total CIP budget of \$70,922,650. Partial or full funding for major facilities projects such as City Hall and Park, Oasis Senior Center, and Sunset Ridge Park is included in this CIP.

The CIP was developed with input from all City departments, citizens, and City Council members. Projects were prioritized and summarized by available funds and reviewed by the Public Works CIP team. Representatives from each department were given an opportunity to discuss their funding priorities. The projects recommended for approval were presented to the City Manager in March and were again discussed with each department. The preliminary CIP was finalized in April and packaged for distribution to the City Council for review in May. Recommended changes to the preliminary CIP were considered by the City Council at a public meeting in June and the final CIP budget was adopted at the same time.



Projects are organized by primary function or benefit into one of the following categories: Facilities; Streets and Drainage; Traffic; Parks, Harbors and Beaches; Water Quality and Environmental; Water; Wastewater; and Miscellaneous. The following chart demonstrates the greater priority given to financing improvements to major facilities.

CIP Budget by Category FY 2008-2009 (Includes Rebudgets)



Highlights of the new appropriations are presented by category as follows:

Facilities

Projects organized under Facilities include construction, rehabilitation and repair of City buildings and facilities. Major projects within this category exceed \$26.5 million and include:

- Design and/or construction of facilities in the Major Facilities Master Plan, including City Hall and Park, Oasis Senior Center, and needs assessments for the Police Facility and Lifeguard Headquarters (\$23,610,550)
- Repairs and improvements to existing public safety facilities, including the Police Facility, Fire Stations and Lifeguard Headquarters (\$1,199,210)
- Repairs and improvements to other City facilities, including Back Bay Science Center, Corporation Yard, Community Youth Center, Little Corona restroom and Santa Ana Heights equestrian facility (\$1,734,990)

Streets and Drainage

Projects organized under Streets and Drainage include construction, rehabilitation and repair of City roads, medians, bridges, sidewalks, streetlights, storm drains, tide structures, and parking lots. Projects within this category approximate \$16.7 million and major highlights include:

- Street and alley construction and rehabilitation, including various street rehabilitation projects for Corona del Mar, Bayside Drive, Dove Street, Dover Drive / Westcliff Drive, Kings Road / Kings Place, Lido Isle / Via Lido, Tustin Avenue, Avon Street, Ocean View, Balboa Village Alley Replacement, Jamboree Road Widening, Jamboree Road Improvements at Bristol North and Fairchild, and Irvine Avenue Realignment (\$9,225,740)
- Bridge improvements (\$1,584,500)
- Sidewalk improvements (\$1,130,800)
- Storm drains and tide structures (\$1,392,600)
- Streetlighting (\$1,098,000)
- Slurry seal projects (\$830,000)
- Median and landscape improvements (\$1,129,500)
- Other studies and minor improvements (\$305,000)



Traffic

Projects organized under Traffic include traffic signal system maintenance and improvements, neighborhood traffic management, pedestrian improvements and signage. Projects within this category exceed \$3.7 million and major highlights include:

- Traffic signal modernization (\$1,150,155)
- Other traffic signal installation, maintenance and improvements (\$250,000)
- Pedestrian improvements (\$1,228,300)
- Signs (\$335,000)
- Studies (\$95,000)

Parks, Harbors and Beaches

Projects organized under Parks, Harbors and Beaches include improvements or repairs to the City's parks, harbors, docks, wharfs, piers and beaches. Projects within this category exceed \$3.6 million and major highlights include:

- Park improvements, including Marina Park, Sunset Ridge Park, Bonida Creek Park artificial turf study, tennis court fencing and Back Bay View Park enhancements (\$1,539,025)
- Harbor improvements, including public docks access improvements, Rhine Wharf Channel Wharf Repair and Public Dock, planning for Newport Harbor dredging (\$1,104,000)
- Beach improvements, including sand replenishment, eelgrass mitigation, and pier repairs (\$986,130)

Water Quality and Environmental

Projects organized under Water Quality and Environmental include studies, improvements and programs that benefit the City's natural resources. Projects within this category approximate \$5.4 million and major highlights include:

- Buck Gully Canyon Stabilization and Flood Control (\$2,300,000)
- Areas of Special Biological Significance Protection (\$1,180,250)
- Runoff reduction and irrigation improvements (\$964,200)
- Various studies, assessments and restoration projects (\$579,300)
- Semeniuk Slough dredging (\$350,000)

Water and Wastewater

Projects organized under Water and Wastewater are funded from respective service charges and are used for the rehabilitation and expansion of these services. Projects within these categories exceed \$6.2 million and major highlights include:

- Water transmission and water main improvements (\$2,728,500)
- Water well rehabilitation (\$400,000)
- Sewer force main and lateral improvements (\$600,000)
- Sewer pump station improvements (\$2,200,000)
- Wastewater master plan and system evaluation (\$286,900)

Miscellaneous

Projects organized under Miscellaneous are ones that do not fit into any other category and include capital purchases and special projects. Projects within these categories exceed \$8.7 million and highlights include:

- Santa Ana Heights utility undergrounding (\$7,357,200)
- Oil Field improvements (\$451,750)
- Slope repairs and project management (\$290,950)
- Equipment purchases (\$417,300)
- Tsunami warning system (\$198,100)

Conclusion

The City continues to undertake an ambitious and wide-ranging capital improvement program. The projects, both significant and diverse, will serve all areas of the City. It is the City's policy to appropriate sufficient funds for all projects scheduled during the coming budget year. Many of the projects require multiple year terms to complete them. In such cases, only the current phase identified to be completed during FY 2008-2009 is budgeted and appropriated. Subsequent phases of a project and projects requiring more time or funding are reconsidered at the appropriate time. Our projects delivery team of engineers, support staff and consultants are tasked with managing greater workloads while maintaining high quality standards. Creative project management solutions and alternative project delivery methods will play a key role in our future success.

Appendices

FISCAL YEAR 2008-2009



TIDE & SUBMERGED LAND FUND

Estimated Funds Available

Estimated Beginning Fund Balance	\$0	
Estimated Revenue for 2008-2009 - All Sources	<u>\$10,346,602</u>	
Total Funds Available		<u>\$10,346,602</u>

Estimated Chargeable Expenditures

Fire	\$11,945,154 *	
General Services	2,841,046 *	
Police	8,243,033 *	
Public Works	56,378 *	
Administrative Services	90,886 *	
City Manager - Water Quality & Code Enforcement	490,865 *	
City Manager - Harbor Resources	2,035,450	
Utilities - Oil & Gas	696,482	
Capital Projects	3,077,800	
Debt Services Expenditures	<u>237,062</u>	
Total of All Proposed Expenditures		<u>\$29,714,156</u>

Estimated Ending Fund Balance

(\$19,367,554)

* Although these expenditures are considered Tideland expenditures, they post to the General Fund. The amounts are calculated as a percentage of the total department budget, based on the 1995-96 Full Cost Allocation Plan.

CAPITAL ASSET SCHEDULE

as of June 30, 2007

Description	Year of Acquisition	Historical Cost
Administration and Services		
City Hall Complex	1930	\$2,347,623
Corporate Yard - General Services	1955	\$6,131,259
Safety		
Fire Station #1 - Balboa	1962	\$81,615
Fire Station #2 - Headquarters	1966	\$94,419
Fire Station #3 - Fashion Island	1971	\$888,366
Fire Station #4 - Balboa Island	1994	\$1,420,602
Fire Station #5 - Corona del Mar	1950	\$237,135
Fire Station #6 - Irvine Avenue	1957	\$376,073
Fire Station #7 - Santa Ana Heights	2005	\$4,402,221
Fire Station #8 - Newport Coast	2002	\$1,816,350
Lifeguard Headquarters	1989	\$556,483
Police Station	1973	\$3,318,746
Libraries		
Balboa	1906	\$223,225
Central	1992	\$15,268,031
Corona del Mar	1958	\$240,465
Mariners	1957	\$7,649,146
Harbors, Beaches, and Recreation		
15th Street Restrooms	1956	\$532,415
19th Street Restrooms	1940	\$2,000
38th Street Park	1925	\$212,988
Arroyo Park	2003	\$17,578,871
Back Bay View Park	2006	\$2,650,000
Beach and Harbor Right of Way	various	\$52,705,580
Balboa Community Center	1956	\$156,246
Balboa Island Park	1973	\$162,397
Balboa Beach - Parking Lots and Booth	1986	\$1,619,492
Balboa Pier	1940	\$3,613,669
Balboa Pier - Concession	1982	n/a *
Balboa Pier Restroom	1957	\$245,489
Balboa Theater	1998	\$480,000
Balboa Yacht Basin - Apartments/Garages/Parking	1960	\$150,110
Balboa Yacht Basin - Galley Café	1988	\$44,000
Balboa Yacht Basin - Headquarters/Restrooms	1984	\$158,746
Balboa Yacht Basin - Land	1930	\$1,276,308

* Leasehold improvements made by Lessee not valued

CAPITAL ASSET SCHEDULE

as of June 30, 2007 (continued)

Description	Year of Acquisition	Historical Cost
Balboa Yacht Basin - Piers and Docks	1984	\$3,079,395
Bayside Park	1926	\$490,865
Bayview Park	1985	\$3,917,422
Begonia Park	1926	\$373,609
Big Canyon - Land	1959	\$9,696,650
Bob Henry Park	1997	\$4,480,305
Bolsa Park	1994	\$99,474
Bonita Canyon Sports Park	2002	\$3,726,351
Bonita Creek Park	2002	\$7,071,802
Boy Scout House	1960	\$2,000
Boys and Girls Club	1971	n/a *
Buck Gully Restrooms	1956	\$13,442
Buffalo Hills Park	1970	\$4,371,663
Bulkheads	various	\$2,357,628
Canyon & Harbor Watch Park	2006	\$850,000
Castaways Park	1997	\$803,052
CDM Beach - Concession	1970	\$30,994
CDM Beach - Parking Lot and Booth	1957	\$5,574,889
CDM Beach - Recreation	2003	\$180,896
CDM Beach - Restrooms	1956	\$54,883
Channel Place Park	1958	\$504,202
Cliff Drive Park	1917	\$1,026,091
Cliff Drive View Park	1975	\$147,668
Eastbluff Park	1965	\$557,822
Ensign Park	1973	\$804,466
Ferry Landing Restrooms	1962	\$28,917
Galaxy Park	1962	\$255,697
Gateway Park	1999	\$1,014,620
Girl Scout House	1956	\$24,665
Grant Howald Park	1964	\$278,216
Grant Howald Park - Community Youth Center	1988	\$867,529
Harbor View Nature Park	1974	\$4,167,542
Inspiration Point	1953	\$16,000
Irvine Terrace Park	1960	\$1,703,456
Jasmine Creek Park	1959	\$48,961
Kings Road Park	1974	\$210,482
L Street Park	1924	\$41,948
Las Arenas Park	1956	\$133,438
Lido Park	1973	\$94,219

* Leasehold improvements made by Lessee not valued

CAPITAL ASSET SCHEDULE

as of June 30, 2007 (continued)

Description	Year of Acquisition	Historical Cost
Lookout Point	1953	\$16,000
Los Trancos Canyon View Park	2006	\$1,280,000
Marine Education Facility	2003	\$511,687
M Street Park	1930	\$12,763
Mariners Park	1957	\$1,695,300
Newport Aquatic Center	1987	n/a *
Newport Coast Community Center	2006	\$5,340,000
Newport Island Park	1938	\$110,256
Newport Pier	1940	\$3,503,624
Newport Pier - Concession	1990	n/a *
Newport Pier - Restrooms	1989	\$305,188
Newport Shores Park	1906	\$57,258
Newport Theater Arts	1973	\$359,002
Newport Village Park	2006	\$2,290,000
Oasis Senior Center	1975	\$2,022,104
Ocean Front Parking Lot	1919	\$302,258
Old School Park	1917	\$24,829
Peninsula Park	1929	\$651,343
Rhine Wharf Park	1974	\$52,620
San Joaquin Hills Park	1965	\$1,162,974
San Miguel Park	1983	\$2,796,293
Spyglass Hill Park	1970	\$499,239
Spyglass Reservoir Park	1970	\$312,377
Sunset Park	1970	\$311,435
Sunset Ridge Park	2006	\$5,175,000
Veterans Park	1994	\$52,795
Washington Street Restrooms	1935	\$320,945
West Jetty View Park	1917	\$8,276
West Newport Community Center	1988	\$1,200,000
West Newport Park	1972	\$5,592,191
Westcliff Park	1962	\$729,952
Other		
26th Street Parking Lot	1965	\$85,848
30th Street Parking Lot	1987	\$1,039,429
Balboa Bay Club - Land	1918	\$1,049,252
Bayside and Marguerite Parking Lot	1950	\$83,494
Beacon Bay - Land	1919	\$750,103

* Leasehold improvements made by Lessee not valued

CAPITAL ASSET SCHEDULE

as of June 30, 2007 (continued)

Description	Year of Acquisition	Historical Cost
Buck Gully	2006	\$16,180,000
Cannery Village Parking Lot	1989	\$1,146,634
John Wayne Gulch	2006	\$3,920,000
Mariners Mile Parking Lot	1976	\$642,081
Palm Street Parking Lot	1906	\$55,721
Vacant Land behind Central Library	1992	\$6,448,622
Equipment		
Rolling Equipment	various	\$20,786,624
Other Equipment	various	\$3,951,201
Infrastructure		
Road System	various	\$1,776,528,116
Storm Drain System	various	\$55,909,994
Bicycle Paths	various	\$42,975,504
Oil Wells	various	\$1,145,496
Walls	various	\$1,860,103
Water System		
Utility Yard	1987	\$2,222,243
Water Reducers	various	\$82,079
Water Meters	various	\$1,184,301
Water Lines/Mains	various	\$67,863,312
Fire Hydrants	various	\$341,839
Reservoirs:		
Big Canyon	1959	\$24,086,298
Spyglass	1972	\$418,244
16th Street	1996	\$3,800,000
Capitalized Interest	1995	\$1,034,462
Pump Stations	various	\$8,125,224
Wells	1996	\$3,417,000
Equipment	various	\$148,191
Sewer System		
Sewer Lines/Mains	various	\$33,824,165
Pump Stations	various	\$8,457,500
TOTAL		<u><u>\$2,312,000,118</u></u>

* Leasehold improvements made by Lessee not valued

EQUIPMENT MAINTENANCE AND REPLACEMENT FUND

Schedule of Rolling Equipment Replacement (FY 2008-09)

Public Safety Departments

Police Department

Support Services Sedan	\$	28,000
Support Services Truck	\$	30,000
Patrol/Traffic Sedans (4)	\$	100,000
Patrol Station Wagons (3)	\$	114,000
Police Motorcycles (5)	\$	95,000
Patrol/Traffic Truck (4)	\$	96,000
Detective Sedan (2)	\$	56,000
Sub Total	\$	519,000

Fire Department

Fire Pumper (2)	\$	850,000
Medic Van	\$	152,000
Truck, 1/4 Ton, 4x4 (3)	\$	75,000
Station Wagon, 4x4	\$	36,000
Truck, 1 Ton Stakebed	\$	34,000
Sub Total	\$	\$1,147,000

Other Departments

Building Department

Station Wagon	\$	18,000
---------------	----	--------

Public Works

Station Wagon	\$	24,000
---------------	----	--------

Recreation & Senior Services

Bus, 12 Passenger	\$	53,000
-------------------	----	--------

Utilities

Truck, 1 1/4 Ton Utility Body	\$	35,000
Truck, 3/4 Ton (4x4)	\$	30,000
Truck, 3/4 Ton	\$	26,000
Truck, 1/2 Ton	\$	25,000
Truck, 1/4 Ton	\$	19,500
Sub Total	\$	135,500

PUBLIC SAFETY TOTAL **\$ 1,666,000**

OTHER DEPARTMENTS TOTAL **\$ 230,500**

TOTAL ALL DEPARTMENTS **\$ 1,896,500**

ROLLING STOCK IN SERVICE

	Fiscal Year 2006-07 Changes & Adjustments	Fiscal Year 2006-07 Final Inventory	Fiscal Year 2007-08 Changes & Adjustments	Fiscal Year 2007-08 Final Inventory	Fiscal Year 2008-09 Changes & Adjustments	Fiscal Year 2008-09 Final Inventory
<u>General City Operations</u>						
Passenger Cars	0	52	+4	56	+2	58
Jeeps	0	2	0	2	0	2
Trucks	+3	108	+1	109	-3	106
Fire Trucks	0	14	0	14	0	14
Loadpackers	0	25	0	25	0	25
Street Sweepers	+1	9	0	9	0	9
Tractors and Graders	0	4	0	4	0	4
Backhoes and Loaders	0	6	0	6	0	6
Beach Cleaners	0	3	0	3	0	3
Trailers	+1	38	+1	39	-4	35
Special Equipment	0	13	0	13	0	13
Total General City Operations	5	274	6	280	-5	275
<u>Police Department</u>						
Passenger Cars	0	58	1	59	0	59
Trucks	0	20	0	20	0	20
Motorcycles	0	17	0	17	0	17
Trailers	0	1	0	1	0	1
Special Equipment	0	6	1	7	0	7
Total Police Department	0	102	2	104	0	104
<u>Utility Enterprise*</u>						
Passenger Cars	0	4	-1	3	0	3
Trucks	0	46	1	47	0	47
Tractors and Graders	0	3	-1	2	0	2
Backhoes and Loaders	0	6	0	6	0	6
Trailers	0	11	0	11	0	11
Special Equipment	0	17	0	17	0	17
Total Utility Enterprise	0	87	-1	86	0	86
GRAND TOTAL	5	463	7	470	-5	465

* Includes vehicles in both the Water and Wastewater Sections

THREE-YEAR COMPARISON OF FULL-TIME AND FTE POSITIONS

	2006-07		2007-08		2008-09	
	F/T	FTE	F/T	FTE	F/T	FTE
GENERAL CITY GOVERNMENT						
City Council	0.00	0.07	0.00	0.07	0.00	0.07
City Clerk	3.00	0.00	3.00	0.00	3.00	0.00
City Manager	7.00	0.97	8.00	1.53	8.00	1.91
Human Resources	9.00	0.75	9.00	1.50	10.00	1.50
City Attorney	5.00	0.80	3.00	2.88	4.00	2.88
Administrative Services	56.00	5.83	56.00	6.42	56.00	6.42
Total	80.00	8.42	79.00	12.40	81.00	12.78
PUBLIC SAFETY						
Police	240.00	15.55	241.00	15.55	241.00	15.55
Fire	153.00	31.77	156.00	33.13	156.00	33.13
Total	393.00	47.32	397.00	48.68	397.00	48.68
COMMUNITY DEVELOPMENT						
City Manager - Code Enforcement	6.00	0.25	6.00	0.25	6.00	0.25
Planning	23.00	0.00	23.00	0.40	23.00	0.40
Building	29.00	2.56	33.00	1.16	34.00	1.16
Total	58.00	2.81	62.00	1.81	63.00	1.81
PUBLIC WORKS						
Public Works	33.00	2.57	33.00	2.83	33.00	2.58
Utilities - Electrical	5.00	0.50	5.00	0.50	5.00	0.50
General Services	110.00	0.75	112.00	1.25	107.00	2.75
Total	148.00	3.82	150.00	4.58	145.00	5.83
COMMUNITY SERVICES						
Library	40.00	25.73	40.00	27.06	42.00	26.48
Arts & Cultural	1.00	0.00	1.00	0.00	1.00	0.00
Recreation	12.00	17.33	14.00	22.75	15.00	26.31
Senior Services	10.00	0.13	10.00	0.13	10.00	0.13
Recreation & Senior Services Admin	3.00	0.50	3.00	0.50	3.00	0.50
Total	66.00	43.69	68.00	50.44	71.00	53.42
GENERAL FUND	745.00	106.06	756.00	117.91	757.00	122.52
TIDELANDS FUND						
City Manager - Harbor Resources	7.00	6.71	8.00	6.28	8.00	6.28
WATER ENTERPRISE FUND	34.00	7.25	35.00	6.25	35.00	6.25
SEWER ENTERPRISE FUND	13.00	1.75	13.00	1.75	13.00	1.75
EQUIPMENT FUND	15.00	0.00	15.00	0.00	15.00	0.75
TOTALS	814.00	121.77	827.00	132.19	828.00	137.55

Historical Capital Projects Spending

(dollars in thousands)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Projected</u>
General Fund Projects							
General Fund	3,625	4,594	5,790	6,505	5,369	12,722	11,836
Special Revenue							
CDBG	1,826	721	59	704	77	180	35
Gas Tax	1,622	1,549	1,476	2,231	1,065	3,923	2,736
Prop 1B	-	-	-	-	-	-	1,355
Tidelands	858	910	887	942	1,092	2,133	3,078
Contributions	834	1,857	2,204	1,837	6,720	4,876	4,669
Circulation & Transportation	957	1,122	508	1,616	869	1,894	1,428
Building Excise Tax	180	154	170	297	252	226	271
Measure M	985	1,248	1,044	1,607	2,208	2,425	4,303
Bike & Trailways	58	-	-	-	-	-	-
AHRP Fund	679	85	-	72	1,219	653	-
Cooperative Projects							
Environmental Liability	-	-	-	-	-	677	-
Traffic Congestion Relief	363	84	-	255	736	176	750
American Trader Oil Spill Remediation	564	609	54	802	101	6	14
Misc SAH Projects	-	-	-	102	82	519	7,396
Facilities / Parks							
Newport Coast Community Center	32	7	375	850	6,032	125	-
Mariners Library	90	299	1,785	4,219	311	161	-
Fire Station #7	-	-	4,402	575	6,569	470	50
City Hall	-	-	235	417	37	137	3,072
Marina Park	-	-	-	-	-	833	237
Sunset Ridge Park	-	-	-	-	-	-	800
Police Facility	-	-	-	-	-	-	330
Lifeguard Headquarters	-	-	-	-	-	-	150
Oasis Senior Center	-	-	-	-	-	1,680	20,058
Back Bay Science Center	-	-	25	450	5,895	1,245	100
SAH Community Center	-	-	-	101	-	-	-
Special Assessment Projects							
Assessment Districts	1,697	782	12,373	504	1,327	3,547	-
CIOSA Development	295	516	1,245	225	-	-	1,754
Bonita Canyon Development	63	82	856	22	93	-	-
Enterprise Fund Projects							
Water	4,935	5,007	6,179	4,395	1,900	4,435	3,419
Sewer	1,636	688	1,269	1,213	1,510	885	3,002
Internal Service Fund							
Equipment Maintenance	111	69	93	348	102	-	80
Annual Totals	21,410	20,385	41,027	30,286	43,565	43,925	70,923

GLOSSARY

Fund Descriptions

Ackerman Donation Fund - Used to account for the disbursement of funds received from the Ackerman Trust. Such funds must be used for library and scholarship purposes.

Air Quality Management District (AQMD) Fund - Used to account for revenues received from the South Coast Air Quality Management District restricted for the use of reducing air pollution.

Arterial Highway Rehabilitation Program (AHRP) Fund – Used to account for federal funds available through the Federal Highway Administration Arterial Highway Rehabilitation Program to share the cost of rehabilitating certain arterial roadways in the City.

Assessment District Fund - Used to account for the receipt and expenditure of funds received from 1911 Act and 1915 Act Assessment Districts for capital improvement projects.

Asset Forfeiture Fund - Established to account for revenues resulting from the seizure of assets in conjunction with criminal cases (primarily drug trafficking). The City's policy is that all such funds be used for enhancement of law enforcement programs.

Back Bay Science Center Fund – Used to account for revenues and expenditures related to construction of the Back Bay Science Center.

Bonita Canyon Development Fund – Used to account for the receipt and expenditure of funds for the Bonita Canyon Public Facilities Agreement. The improvements include certain public parks and recreation facilities, and street improvements and facilities.

Building Excise Tax Fund - Used to account for revenues received from builders or developers on building or remodeling projects within the City. Expenditures from this fund are used exclusively for public safety, libraries, parks, beaches, or recreational activities.

CIOSA Construction Fund - Used to account for the receipt and expenditure of funds for the Circulation Improvement and Open Space Agreement (CIOSA). The improvements include street and frontage improvements.

Circulation and Transportation Fund - Used to account for fair share revenues collected from developers and restricted for capital improvement projects meeting the circulation element of the City's General Plan.

Civic Center/Fire Station Construction Fund - Used to account for activities related to the possible re-building or relocation of the existing City Hall complex including the Fire Station.

Community Development Block Grant (CDBG) Fund - Used to account for revenues and expenditures related to the City's Community Development Block Grant program. These funds are received from the Federal Department of Housing and Urban Development and must be expended exclusively on programs for low or moderate income individuals or families.

Compensated Absence Fund – Used to account for the City's accumulated liability for compensated absences.

Contributions Fund - Used to account for revenues received from other government agencies or private developers and expended for specific projects.

Environmental Liability Fund - Used to account for solid waste fees restricted for mitigation of future environmental liability relating to the handling of solid waste.

Equipment Fund - Used to account for the cost of maintaining and replacing the City's rolling stock fleet and the rental of the fleet to operating departments.

Fire Station #7 Fund – Used to account for receipt of revenue intended to fund the construction of a new Fire Station 7 located in the Santa Ana Heights area of the City.

General Fund - Used to account for fiscal resources, which are: a) dedicated to the general government operations of the City, and b) not required to be accounted for in another fund.

Insurance Reserve Fund - Used to account for the City's self-insured general liability and workers' compensation program.

Justice Assistance Grant (JAG) Fund – Formerly called the Local Law Enforcement Block Grant Fund. Used to account for federal support of law enforcement activities.

Library Debt Service Fund – Used to account for the debt service transactions related to the Certificates of Participation used to finance the construction of the Central Library.

Lifeguard Headquarters Fund – Used to account for revenues and expenditures associated with the development and construction of a new Lifeguard headquarters.

Marina Park Fund – Used to account for revenues and expenditures associated with the development and construction of Marina Park.

Mariners Library Fund – Used to account for receipt of revenue intended to fund the construction of a new Mariners Branch Library.

Measure M Fund – Used to construct transportation improvement and traffic congestion relief projects. Funding is one percent of retail transaction and use tax.

Miscellaneous Santa Ana Heights Projects – Used to account for revenue and expenditures related to miscellaneous projects in Santa Ana Heights.

Newport Annexation Fund – Used to account for receipt of revenue from the Irvine Ranch Water District intended to repay Newport Coast property owners for a portion of assessment district costs, and for construction of a community center in Newport Coast.

Newport Bay Dredging Fund – Used to account for the receipt of permanent endowments intended to fund the ongoing cost of maintaining and dredging of the Upper Newport Bay.

Oasis Senior Center Fund – Used to account for revenues and expenditures associated with the development and construction of the new Oasis Senior Center.

Oil Spill Remediation Fund – Used to account for the receipt of the settlement proceeds from the American Trader Company. These funds must be used on projects affecting the areas damaged by the spill.

Police Facility Fund – Used to account for revenues and expenditures associated with the development and construction of a new Police Facility.

Proposition 1B Fund – Used to account for state funds available through Proposition 1B to fund the maintenance and improvement of local transportation facilities.

Retiree Insurance Fund – Used to account for the cost of providing post-employment health care benefit.

State Gas Tax Fund - Accounts for all State Gas Tax related revenues and expenditures, including street repair, construction, and maintenance. State law requires that these funds be used exclusively for maintenance of the street and highway system.

Sunset Ridge Park Fund – Used to account for revenues and expenditures associated with the development and construction of Sunset Ridge Park.

Supplemental Law Enforcement Services Fund (SLESF) – Used to account for revenues received from the County to be used exclusively for front-line law enforcement activities.

Tide and Submerged Land Fund - Used to account for all revenues and expenditures related to the operation of the City's tidelands, including beaches and marinas.

Traffic Congestion Relief Fund – Used to account for all revenues received from the State Treasury as per Assembly Bill 2928. These funds must be used only for maintenance or reconstruction costs on public streets or roads.

Wastewater Enterprise Fund - Used to account for the activities associated with providing sewer services by the City to its users.

Water Enterprise Fund - Used to account for the activities associated with the transmission and distribution of potable water by the City to its users.

Accounting Terms

Accrual Basis - The basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent. The accrual basis of accounting is used to account for all proprietary (enterprise and internal service funds) fund types.

Activity - Departmental efforts that contribute to the achievement of a specific set of program objectives; the smallest unit of the program budget.

Appropriation - A legal authorization to incur obligations and to make expenditures for specific purposes.

Assessed Valuation - The valuation set upon real estate and certain personal property by the Assessor as a basis for levying property taxes.

Authorized Positions - Employee positions, which are authorized in the adopted budget, to be filled during the year.

Available (Undesignated) Fund Balance - This refers to the funds remaining from the prior year that are available for appropriation and expenditure in the current year.

Bond Refinancing - The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Bonds – A form of borrowing (debt financing) which reflects a written promise from the City to repay a sum of money on a specific date at a specified interest rate.

Budget - A plan of financial activity for a specified period of time indicating all planned revenues and expenses for the budget period.

Budget Calendar - The schedule of key dates that a government follows in the preparation and adoption of the budget.

Budgetary Basis - This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.

Budgetary Control - The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

Capital Budget - The appropriation of bonds or operating revenue for improvements to facilities, and other infrastructure.

Capital Improvements - Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Improvements Program (CIP) - A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

Capital Outlay - Fixed assets which have a value of \$500 or more and have a useful economic lifetime of more than one year; or, assets of any value if the nature of the item is such that it must be controlled for custody purposes as a fixed asset.

Capital Project - Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life. Also called capital improvements.

Capital Reserve - An account used to segregate a portion of the government's equity to be used for future capital program expenditures. The amount of capital reserve is roughly equal to the government's annual equipment depreciation and an amount identified as being needed for future capital acquisition.

Cash Basis - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Certificate of Participation – A debt issue similar to issuing bonds, but less restrictive.

Charges for Services - Those charges levied to individuals or organizations for the use or consumption of services provided by the City.

Consumer Price Index (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Debt Service - The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

Deficit - The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department - The basic organizational unit of government which is functionally unique in its delivery of services.

Depreciation - Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

Development Fees - Those fees and charges generated by building, development and growth in a community. Included are building and street permits, development review fees, and zoning, platting and subdivision fees.

Disbursement - The expenditure of moneys from an account.

Distinguished Budget Presentation Awards Program - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Employee (or Fringe) Benefits - Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included is the government's share of costs for various pensions, medical and life insurance plans, etc.

Encumbrance - The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Enterprise Fund - Used to account for City operations that are financed and operated in a manner similar to private business enterprises. The objective of segregating activities of this type is to identify the costs of providing the services, and to finance them through user charges.

Expenditure - The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service, or settling a loss.

Expense - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest, or other charges.

Fiscal Policy - A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs, and capital investment. Fiscal policy provides an agreed upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year - A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Newport Beach's fiscal year is July 1 through June 30.

Fixed Assets - Assets that are intended to continue to be held or used long-term, such as land, buildings, machinery, furniture, and other equipment. Fixed assets are also called capital assets.

Full-time Equivalent Position (FTE) - A part-time position converted to the decimal equivalent of a full-time position based on 2080 hours per year. For example, a part-time fiscal clerk working 20 hours per week would be the equivalent to .5 of a full-time position.

Function - A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible (e.g., public safety).

Fund - A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity.

Fund Balance - The excess of the assets of a fund over its liabilities, reserves, and carryover.

GAAP - Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

General Obligation (G.O.) Bond - This type of bond is backed by the full faith, credit, and taxing power of the government.

Goal - A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

Governmental Accounting Standards Board (GASB) – The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

Grants - A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

Indirect Cost - A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Infrastructure - The physical assets of a government (e.g., streets, water, sewer, public buildings, and parks).

Intergovernmental Revenue - Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Service Charges - The charges to user departments for internal services provided by another government agency, such as equipment maintenance and replacement charges, or insurance funded from a central pool.

Lapsing Appropriation - An appropriation made for a certain period of time, generally for the budget year. At the end of the specified period any unexpended or unencumbered balance lapses or ends, unless otherwise provided by law.

Levy - To impose taxes for the support of government activities.

Line-item Budget – A budget prepared along departmental lines that focuses on what is to be bought.

Long-term Debt – Debt with a maturity of more than one year after the date of issuance.

Maintenance and Operations – Expendable materials and operating supplies necessary to conduct departmental operations.

Modified Accrual Basis – The basis of accounting in which revenues are recognized when they become both “measurable” and “available” to finance expenditures or the current period. All governmental and fiduciary fund types are accounted for using the modified accrual basis of accounting.

Net Budget – The legally adopted budget less all interfund transfers and interdepartmental charges.

Object of Expenditure – An expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, asphalt, etc.

Obligations – Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Expenses – The cost for personnel, materials, and equipment required for a department to function.

Operating Revenue – Funds that the government receives as income to pay for on-going operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Performance Budget – A budget wherein expenditures are based primarily upon measurable performance of activities and work programs.

Prior-Year Encumbrances – Obligations from previous fiscal years in the form of purchase orders, contracts, or salary commitments which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Program – A group of related activities performed by one or more organizational unit for the purpose of accomplishing a function for which the government is responsible.

Program Budget – A budget that allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.

Program Performance Budget – A method of budgeting whereby the services provided to the residents are broken down in identifiable service programs or performance units. A unit can be a department, a division, or a workgroup. Each program has an identifiable service or output and objectives to effectively provide the service. The effectiveness and efficiency of providing the service by the program is measured by performance indicators.

Program Revenue (Income) - Revenues earned by a program, including fees for services, license and permit fees, and fines.

Purpose - A broad statement of the goals, in terms of meeting public service needs, that a department is organized to meet.

Reserve - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources - Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue - Sources of income financing the operations of government.

Revenue Bond - A bond that is backed only by the revenues from a specific enterprise or project, such as a hospital or toll road.

Secured Property Tax – A tax levied on both real and personal property according to the property's valuation and the tax rate.

Service Indicators - Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Source of Revenue - Revenues are classified according to their source or point of origin.

Supplemental Appropriation - An additional appropriation made by the governing body after the budget year has started.

Tax Levy - The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Taxes - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Transfers In/Out - Amounts transferred from one fund to finance the services for the recipient fund.

Transient Occupancy Tax – A tax paid to the City for short-term lodging/residency within the City limits. Short-term is defined as 30 days or less.

Unencumbered Balance - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

Unreserved Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

Unsecured Property Tax – The property tax on unsecured property such as business inventory or moveable equipment.

User Charges - The payment of a fee for direct receipt of a public service by the party who benefits from the service.

Working Capital - Excess of readily available assets over current liabilities. Or cash on hand equivalents which may be used to satisfy cash flow needs.

City of Newport Beach
3300 Newport Blvd.
Newport Beach, CA 92663
(949) 644-3123
www.city.newport-beach.ca.us