



The City of Newport Beach was incorporated September 1, 1906

The present City Seal was adopted June 22, 1957

## 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 work 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.

**CITY OF NEWPORT BEACH**  
**Resource Allocation Plan**  
**2004-2005**

**TABLE OF CONTENTS**

**RESOURCE ALLOCATION PLAN**

|  |     |
|--|-----|
| Table of Contents.....                 | i   |
| List of City Officials.....            | ii  |
| City Manager’s Transmittal Letter..... | iii |

**INTRODUCTION**

|                                   |   |
|-----------------------------------|---|
| User’s Guide.....                 | 1 |
| Organization Chart 2004-2005..... | 6 |

**SUMMARIES**

|   |    |
|---|----|
| Miscellaneous Statistical Information.....                  | 9  |
| Historical & Projected Revenues by Category.....            | 10 |
| Historical & Proposed Operating Expenditures by Fund.....   | 13 |
| Operating Expenditures by Department & Type.....            | 14 |
| Historical & Proposed Capital Improvement Expenditures..... | 15 |
| Operating Expenditures - All Funds.....                     | 16 |
| Summary of Estimated 2003-2004 Year End Fund Balances.....  | 20 |
| Summary of Estimated 2004-2005 Year End Fund Balances.....  | 23 |
| Projected Fund Transfers, All Funds.....                    | 26 |

**DEPARTMENT OPERATIONS**

|                                      |    |
|--------------------------------------|----|
| City Council.....                    | 32 |
| City Clerk.....                      | 34 |
| City Manager.....                    | 36 |
| Human Resources.....                 | 38 |
| City Attorney.....                   | 40 |
| Administrative Services.....         | 42 |
| Police.....                          | 48 |
| Fire.....                            | 52 |
| Planning.....                        | 58 |
| Building.....                        | 60 |
| General Services.....                | 66 |
| Recreation & Senior Services.....    | 72 |
| Library Services.....                | 76 |
| Public Works.....                    | 80 |
| Utilities.....                       | 84 |
| Internal Service Funds Program.....  | 88 |
| Debt Service & Other Activities..... | 90 |

**CAPITAL IMPROVEMENTS**

|                           |    |
|---------------------------|----|
| Capital Improvements..... | 96 |
|---------------------------|----|

**APPENDICES**

|   |     |
|---|-----|
| Tide & Submerged Land Fund.....                   | 102 |
| Capital Asset Schedule.....                       | 103 |
| Major Equipment Schedule.....                     | 107 |
| Rolling Stock and Aircraft in Service.....        | 108 |
| Seven-Year Comparison of Full-time Positions..... | 109 |
| Glossary.....                                     | 110 |

# NEWPORT BEACH CITY OFFICIALS

## City Council



Tod W. Ridgeway  
Mayor



Steven Rosansky  
Council Member



Garold B. Adams  
Mayor Pro Tem



Don Webb  
Council Member



Steve Bromberg  
Council Member



Richard A. Nichols  
Council Member



John Heffernan  
Council Member

## Principal Administrative Officers



LaVonne M. Harkless  
City Clerk



Homer L. Bludau  
City Manager



Robert H. Burnham  
City Attorney

Sharon Wood ..... Assistant City Manager/Director of Community & Economic Development  
 Dave Kiff ..... Assistant City Manager  
 Dennis C. Danner ..... Administrative Services Director/Treasurer  
 Bob McDonell ..... Chief of Police  
 Tim Riley ..... Fire Chief  
 David E. Niederhaus ..... General Services Director  
 Marie Knight ..... Recreation & Senior Services Director  
 Patricia L. Temple ..... Planning Director  
 Jay Elbettar ..... Building Director  
 Steve Badum ..... Public Works Director  
 Diana Axley ..... Human Resources Director  
 Eldon Davidson ..... Utilities Director  
 Linda Katsouleas ..... Library Services Director



# CITY OF NEWPORT BEACH

P.O. BOX 1764 NEWPORT BEACH, CA 92658-8915

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

Dear Mayor Ridgeway and Council Members:

As directed by the Newport Beach City Charter and as I have done for five years now, it is my pleasure to submit the 2004-2005 City Budget to you. As you know, the Budget is a plan of financial activity for the fiscal year that starts July 1, 2004 and ends June 30, 2005.

As has been past practice, the Budget is contained in three major volumes:

- **Resource Allocation Plan** (a reader-friendly version of the Budget and Capital Improvement Plan)
- **Budget Detail** (revenue estimates and line by line proposed expenditures for operations and maintenance of City services)
- **Capital Improvement Plan or "CIP"** (a description of the significant capital projects and infrastructure improvements planned for Fiscal Year 2004-05)

As we have in the past and 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.

In closing, let me once again express my appreciation to the very talented and dedicated members of all our City departments who labor over the details of this document to produce an accurate and understandable Budget each year. Two departments in particular deserve attention for extraordinary efforts. The **Administrative Services Department** has pulled together all the details and summaries to produce the completed budget document, and the **Public Works Department** has worked extensively on our outstanding **Capital Improvement Program**.

Sincerely,

Homer L. Bludau  
City Manager

## A Budget Overview

As we prepared the City's budget for Fiscal Year 2004-05, there are many significant issues facing the City today. Rising costs and a variety of uncertainties have resulted in the delivery of a prudently conservative budget. Some of the more significant issues we grappled with during this budget are the following:

- For the past several years, local government has been dealing with significant uncertainties given the State of California's imbalance between its revenues and its expenditures. At various times over the past months, legislators and the Governor have proposed reductions in the collection and distribution of Vehicle License Fees (VLF) and a "swap" of local sales tax for local property tax (known as the Triple Flip). While our new governor has had some successes since taking office, such as the successful passage of a \$15 billion recovery bond issue in March 2004, we still are not certain what new actions the State will take in the coming months that will affect our finances;
- Additional pension benefits granted to local government employees and lower than expected California Public Employees Retirement System (CalPERS) investment returns in 2001, 2002 and 2003 have resulted in dramatic increases to the amount the City (as an employer) must contribute to CalPERS to keep us meeting our retirement obligations to our employees;
- Timing of employee contract expiration is such that all contracts with our unions will expire during calendar year 2004. While the City Council must authorize any adjustments to those contracts, the course of the negotiation process with our unions is currently unknown;
- Rising costs and uncertainties have limited funding available for the City's General Fund contribution to our CIP. As such, while the CIP is higher in the proposed budget than it was in FY 2003-04, it is still not at our customary level; and
- As a practice, most cities (including our own) do not set-aside funds to replace or refurbish deteriorated facilities (like fire stations, libraries, and City Hall). In the coming years, the City will need to develop such a funding plan.

Even as those challenges daunt our budget planning, there are many good things going on that give us some reasons for an optimistic view of the future. These include:

- A strong housing market has kept property values (and resulting property taxes) high even as other revenues might decline;
- Our business community remains successful, showing continued strength in the retail market – sales from restaurants, autos, furnishings, and department stores are slightly above projections;
- A stable tourism base that has kept visitors coming to Newport Beach and spending their tax dollars in our restaurants and shops.

**REVENUE OUTLOOK.** Once the numbers are in, we are assuming that revenues will have grown a modest 3.79% between FYs 2002-03 and 2003-04. We project that total revenue growth for Fiscal Year 2004-05 will remain relatively flat, increasing only 1.31% over 2003-04. It is not that the City is impervious to the anticipated State funding cuts and relatively lackluster economic recovery – indeed, property tax revenue increases due (in part) to the newly annexed areas of

Newport Beach, the generally favorable real estate conditions, and continued property turnover have bolstered the City's revenue base. Sales tax growth is attributable to our strong retail market and stable tourism base. Most of the City's other top ten revenue sources have declined or remained flat relative to pre-recession levels of FY 2000-01.

Total projected City revenues for 2004-05 are estimated to be approximately \$165.6 million. Excluding internal service premiums collected to fund insurance reserves, equipment maintenance and replacement, and post employment medical benefits, total revenues from outside sources are estimated to be approximately \$152.6 million.

**EXPENDITURE OUTLOOK.** Total proposed City expenditures in 2004-05, including debt service and capital projects, is \$181,062,408. Excluding internal service premiums charged to fund insurance reserves, equipment maintenance and replacement, and post employment medical benefits, total expenditures to outside sources are proposed to be approximately \$177.3 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 \$177.3 million of proposed expenditures in Fiscal Year 2004-05, \$19.2 million are CIP projects that have been rebudgeted from a prior fiscal year because the project was delayed or is partially complete. 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.

Total FY 2004-05 operating expenditures excluding CIPs, and internal charges amount to \$144.7 million – that's a 5.3% increase of over the 2003-04 amended budget. This increase is primarily due to negotiated salary increases and a 50% increase in pension costs imposed by our CalPERS pension plan.

**CAPITAL IMPROVEMENT PROGRAM.** The CIP serves as a funding plan for public improvements, special projects, and 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, water and wastewater improvements, and some planning programs. The FY 2004-05 CIP totals \$36.4 million and consists of over 100 projects. Specific project plans for this budget year are discussed in more detail in the CIP section of the Budget documents.

**CONCLUSION.** As the City approaches its 100<sup>th</sup> birthday, we can be proud of our community, its citizens, and our unique assets. This financial plan for FY 2004-05 is a conservative, cautious, balanced plan that still attempts to competently address all known (and some uncertain) challenges we think we will face in the upcoming year. As always, we present this budget with great pride given its continued emphasis towards the delivery of quality services to the fine citizens of and visitors to Newport Beach.

Homer Bludau  
City Manager

# INTRODUCTION

# CITY OF NEWPORT BEACH

## BUDGET FOR FISCAL YEAR 2004-2005

### 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.

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 \$5000 in any Budget Activity or Capital Project. All budget amendment increases exceeding \$5000 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.)

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

**Summary Section** — includes a table of Miscellaneous Statistics for the City, Revenues by Source, Expenditures by Function, Estimated Fund Balances, and Schedule of Fund Transfers.

**Operating Budgets** — includes proposed operating budgets by department.

**Capital Improvement Program** — includes proposed capital improvement budgets by funding source.

**Appendix** — includes a summary of the Tide and Submerged Land Fund; a description of the Internal Service Funds; Land, Structures and Improvements for the City; a summary of Rolling Stock in Service; a Seven Year Comparison of Full-time Positions; a listing of Debt Service

obligations for the City; 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 68% 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).

**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 2004-05, the appropriations limit adopted by the City Council, in accordance with Revenue and Taxation Code Section 7910, was \$112,315,605. Calculations determining this amount, which is more than \$27 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 and Stabilization Reserve be created and that the balances in these reserves shall be maintained with not less than 10.0 percent and 2.0 percent respectively of the appropriation budget total within the General Fund of the City's annual approved budget." The balances in these reserves are currently at their targeted amounts. In addition, Policy F-2 includes a Reserve for Capital Improvement to fund replacement of City owned buildings.

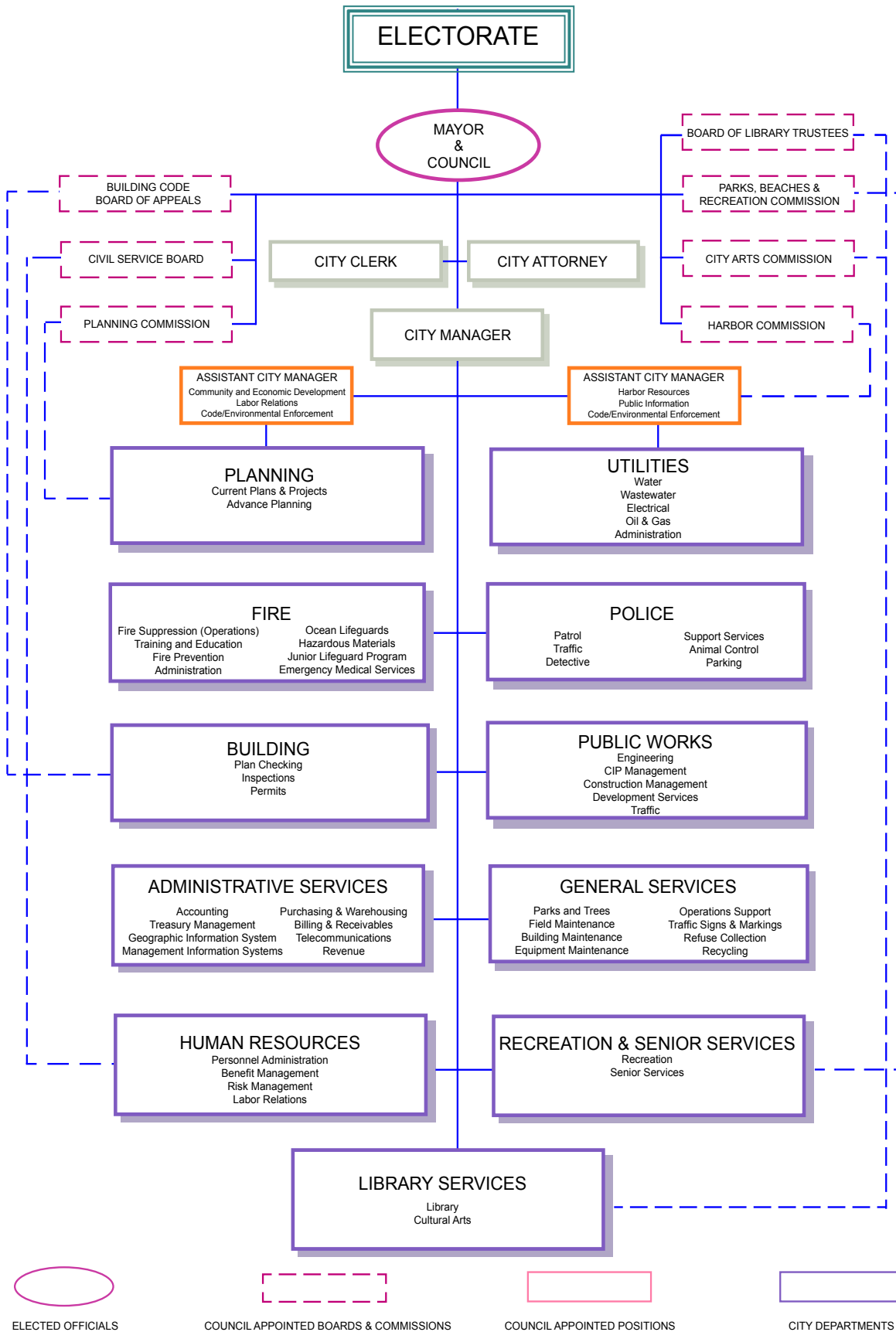
In addition to the General Fund's reserves, other reserve levels have been established. In the Tide and Submerged Land Fund, reserves are designated for Upper Newport Bay restoration projects. The City's Permanent Endowment Fund (Robinson Skinner Annuity) provides investment earning be reserved for dredging 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, retiree insurance, and disability.

***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 Activities.

***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 (or Time Deposits)
- Negotiable Certificates of Deposit
- Bankers Acceptances
- U.S. Treasury Issues
- Securities of Federal Agencies and Federal Instrumentalities
- 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
- Asset/Investment Management Agreements

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.



Fiscal Year 2004-2005

April 19, 2004

# SUMMARIES



**REVENUE SUMMARY 2004-05**

| <b>Fund/Revenue Category</b>       | <b>1999-00<br/>Actual<br/>Revenue</b> | <b>2000-01<br/>Actual<br/>Revenue</b> | <b>2001-02<br/>Actual<br/>Revenue</b> | <b>2002-03<br/>Actual<br/>Revenue</b> | <b>2003-04<br/>Estimated<br/>Revenue</b> | <b>2004-05<br/>Revenue<br/>Budget<br/>Estimate</b> | <b>Percent<br/>Increase<br/>(Decrease)</b> |
|------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|--|--|
| <b>GENERAL FUND</b>                |                                       |                                       |                                       |                                       |  |  |  |
| PROPERTY TAXES                     | 26,425,662                            | 28,858,182                            | 33,583,659                            | 39,474,865                            | 42,622,652                               | 44,216,619   | 3.74%                                      |
| TAXES OTHER THAN PROPERTY          | 32,218,358                            | 34,050,123                            | 31,876,781                            | 32,985,527                            | 34,707,000                               | 35,044,107   | 0.97%                                      |
| LICENSES AND PERMITS               | 2,224,373                             | 2,243,306                             | 1,956,365                             | 2,305,118                             | 2,961,418                                | 2,339,575  | -21.00%                                    |
| INTERGOVERNMENTAL                  | 6,622,084                             | 7,006,393                             | 7,253,139                             | 6,003,149                             | 4,647,937                                | 4,669,370  | 0.46%                                      |
| CHARGES FOR CURRENT SERVICES       | 9,052,994                             | 9,803,379                             | 10,318,366                            | 11,099,872                            | 11,624,241                               | 11,222,557   | -3.46%                                     |
| FINES, FORFEITURES & PENALTIES     | 3,231,348                             | 3,427,891                             | 3,252,387                             | 3,380,531                             | 3,468,600                                | 3,548,000  | 2.29%                                      |
| USE OF MONEY AND PROPERTY          | 6,069,011                             | 7,389,450                             | 7,232,430                             | 7,328,014                             | 6,588,100                                | 7,613,163  | 15.56%                                     |
| OTHER REVENUE                      | 1,453,319                             | 507,500                               | 1,212,707                             | 1,173,647                             | 619,519                                  | 690,800  | 11.51%                                     |
| <b>TOTAL GENERAL FUND</b>          | <b>87,297,149</b>                     | <b>93,286,224</b>                     | <b>96,685,834</b>                     | <b>103,750,723</b>                    | <b>107,239,467</b>                       | <b>109,344,190</b>                                 | <b>1.96%</b>                               |
| <b>ASSET FORFEITURE FUND</b>       |                                       |                                       |                                       |                                       |  |  |  |
| INTERGOVERNMENTAL                  | 153,623                               | 72,536                                | 46,258                                | 47,795                                | 23,551                                   | 215,230  | 813.89%                                    |
| USE OF MONEY AND PROPERTY          | 7,507                                 | 39,265                                | 28,143                                | 13,556                                | 5,000                                    | 5,000  | 0.00%                                      |
| OTHER REVENUE                      | 5,652                                 | 0                                     | 0                                     | 0                                     | 0  | 0  | 0.00%                                      |
| <b>TOTAL FORFEITURE FUND</b>       | <b>166,782</b>                        | <b>111,801</b>                        | <b>74,401</b>                         | <b>61,351</b>                         | <b>28,551</b>                            | <b>220,230</b>                                     | <b>671.36%</b>                             |
| <b>SLESF - COPS FUND</b>           |                                       |                                       |                                       |                                       |  |  |  |
| INTERGOVERNMENTAL                  | 164,608                               | 164,028                               | 144,141                               | 144,049                               | 119,119                                  | 120,000  | 0.74%                                      |
| USE OF MONEY AND PROPERTY          | 4,262                                 | 1,019                                 | 545                                   | 295                                   | 0  | 0  | 0.00%                                      |
| <b>TOTAL SLESF - COPS FUND</b>     | <b>168,870</b>                        | <b>165,047</b>                        | <b>144,686</b>                        | <b>144,344</b>                        | <b>119,119</b>                           | <b>120,000</b>                                     | <b>0.74%</b>                               |
| <b>LLEBG FUND</b>                  |                                       |                                       |                                       |                                       |  |  |  |
| INTERGOVERNMENTAL                  | 61,102                                | 59,465                                | 75,524                                | 37,847                                | 41,223                                   | 24,500   | -40.57%                                    |
| USE OF MONEY AND PROPERTY          | 0                                     | 3,772                                 | 4,375                                 | 933                                   | 0  | 0  | 0.00%                                      |
| <b>TOTAL LLEBG FUND</b>            | <b>61,102</b>                         | <b>63,237</b>                         | <b>79,899</b>                         | <b>38,780</b>                         | <b>41,223</b>                            | <b>24,500</b>                                      | <b>-40.57%</b>                             |
| <b>CDBG FUND</b>                   |                                       |                                       |                                       |                                       |  |  |  |
| INTERGOVERNMENTAL                  | 543,577                               | 498,000                               | 697,352                               | 3,235,483                             | 426,000                                  | 426,000  | 0.00%                                      |
| USE OF MONEY AND PROPERTY          | 0                                     | 0                                     | 0                                     | 28,085                                | 0  | 0  | 0.00%                                      |
| <b>TOTAL CDBG FUND</b>             | <b>543,577</b>                        | <b>498,000</b>                        | <b>697,352</b>                        | <b>3,263,568</b>                      | <b>426,000</b>                           | <b>426,000</b>                                     | <b>0.00%</b>                               |
| <b>STATE GAS TAX FUND</b>          |                                       |                                       |                                       |                                       |  |  |  |
| INTERGOVERNMENTAL                  | 1,357,266                             | 1,365,907                             | 1,208,426                             | 1,332,751                             | 1,262,500                                | 1,282,500  | 1.58%                                      |
| USE OF MONEY AND PROPERTY          | 206,802                               | 385,336                               | 273,788                               | 166,499                               | 87,500                                   | 43,750   | -50.00%                                    |
| OTHER REVENUE                      | 49,220                                | 0                                     | 0                                     | 0                                     | 0  | 0  | 0.00%                                      |
| <b>TOTAL GAS TAX FUND</b>          | <b>1,613,288</b>                      | <b>1,751,243</b>                      | <b>1,482,214</b>                      | <b>1,499,250</b>                      | <b>1,350,000</b>                         | <b>1,326,250</b>                                   | <b>-1.76%</b>                              |
| <b>TRAFFIC CONGESTION FUND</b>     |                                       |                                       |                                       |                                       |  |  |  |
| INTERGOVERNMENTAL                  | 0                                     | 572,150                               | 179,335                               | 192,176                               | 0  | 0  | 0.00%                                      |
| USE OF MONEY AND PROPERTY          | 0                                     | 0                                     | 32,100                                | 8,748                                 | 0  | 0  | 0.00%                                      |
| <b>TOTAL TRAFFIC CONGESTN FUND</b> | <b>0</b>                              | <b>572,150</b>                        | <b>211,435</b>                        | <b>200,924</b>                        | <b>0</b>                                 | <b>0</b>   | <b>0.00%</b>                               |
| <b>TIDELANDS FUND</b>              |                                       |                                       |                                       |                                       |  |  |  |
| LICENSES, PERMITS AND FEES         | 1,113,175                             | 1,124,359                             | 1,184,962                             | 1,039,967                             | 1,188,000                                | 1,217,700  | 2.50%                                      |
| INTERGOVERNMENTAL                  | 0                                     | 0                                     | 98,614                                | 18,333                                | 0  | 0  | 0.00%                                      |
| CHARGES FOR SERVICES               | 18,683                                | 31,920                                | 20,202                                | 56,422                                | 23,000                                   | 27,500   | 19.57%                                     |
| FINES, FORFEITURES & PENALTIES     | 995                                   | 2,106                                 | 131,778                               | 11,623                                | 0  | 0  | 0.00%                                      |
| USE OF MONEY AND PROPERTY          | 5,106,213                             | 6,641,364                             | 4,797,762                             | 5,374,101                             | 5,317,106                                | 5,713,784  | 7.46%                                      |
| OTHER REVENUE                      | 0                                     | -2,999                                | 286,496                               | 65,728                                | 0  | 0  | 0.00%                                      |
| <b>TOTAL TIDELANDS FUND</b>        | <b>6,239,066</b>                      | <b>7,796,750</b>                      | <b>6,519,814</b>                      | <b>6,566,174</b>                      | <b>6,528,106</b>                         | <b>6,958,984</b>                                   | <b>6.60%</b>                               |
| <b>CONTRIBUTIONS FUND</b>          |                                       |                                       |                                       |                                       |  |  |  |
| INTERGOVERNMENTAL                  | 550,152                               | 197,265                               | 69,683                                | 314,433                               | 1,376,605                                | 1,341,025  | -2.58%                                     |
| USE OF MONEY AND PROPERTY          | 0                                     | 0                                     | 4,374                                 | 0                                     | 0  | 0  | 0.00%                                      |
| OTHER REVENUE                      | 124,467                               | 25,000                                | 71,470                                | 54,625                                | 50,000                                   | 0  | -100.00%                                   |
| <b>TOTAL CONTRIBUTIONS FUND</b>    | <b>674,619</b>                        | <b>222,265</b>                        | <b>145,527</b>                        | <b>369,058</b>                        | <b>1,426,605</b>                         | <b>1,341,025</b>                                   | <b>-6.00%</b>                              |
| <b>CIRCULATION AND TRANS FUND</b>  |                                       |                                       |                                       |                                       |  |  |  |
| LICENSE, PERMITS AND FEES          | 170,967                               | 483,398                               | 56,454                                | 855,301                               | 250,000                                  | 200,000  | -20.00%                                    |
| USE OF MONEY AND PROPERTY          | 220,037                               | 418,864                               | 310,243                               | 249,237                               | 125,000                                  | 125,000  | 0.00%                                      |
| OTHER REVENUE                      | 165,662                               | 0                                     | 0                                     | 0                                     | 0  | 0  | 0.00%                                      |
| <b>TOTAL CIRCULATION FUND</b>      | <b>556,666</b>                        | <b>902,262</b>                        | <b>366,697</b>                        | <b>1,104,538</b>                      | <b>375,000</b>                           | <b>325,000</b>                                     | <b>-13.33%</b>                             |
| <b>BUILDING EXCISE TAX FUND</b>    |                                       |                                       |                                       |                                       |  |  |  |
| LICENSES, PERMITS AND FEES         | 322,859                               | 329,206                               | 152,778                               | 197,133                               | 150,000                                  | 150,000  | 0.00%                                      |
| USE OF MONEY AND PROPERTY          | 24,280                                | 54,448                                | 30,743                                | 12,405                                | 7,000                                    | 7,000  | 0.00%                                      |
| OTHER REVENUE                      | 644                                   | 0                                     | 0                                     | 0                                     | 0  | 0  | 0.00%                                      |
| <b>TOTAL BET FUND</b>              | <b>347,783</b>                        | <b>383,654</b>                        | <b>183,521</b>                        | <b>209,538</b>                        | <b>157,000</b>                           | <b>157,000</b>                                     | <b>0.00%</b>                               |

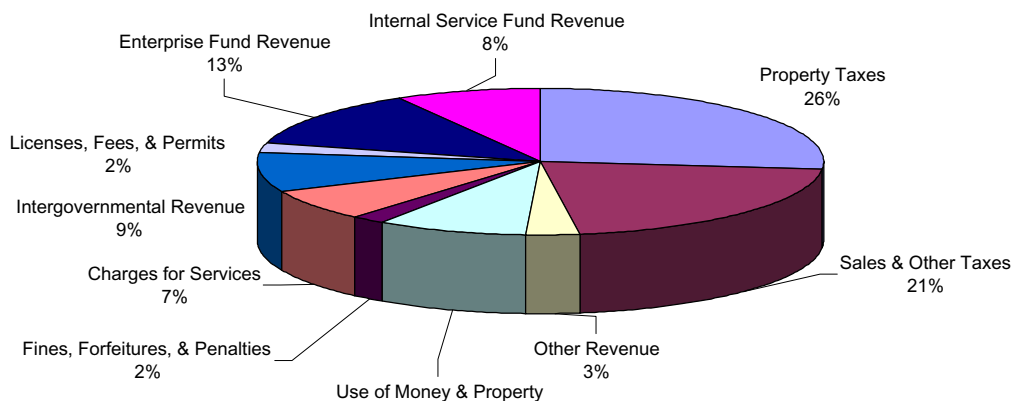
## REVENUE SUMMARY 2004-05

| Fund/Revenue Category                   | 1999-00<br>Actual<br>Revenue | 2000-01<br>Actual<br>Revenue | 2001-02<br>Actual<br>Revenue | 2002-03<br>Actual<br>Revenue | 2003-04<br>Estimated<br>Revenue | 2004-05<br>Revenue<br>Budget<br>Estimate | Percent<br>Increase<br>(Decrease) |
|---|------------------------------|------------------------------|------------------------------|------------------------------|---------------------------------|--|-----------------------------------|
| <b>MEASURE "M" FUND</b>                 |                              |                              |                              |                              |                                 |  |                                   |
| INTERGOVERNMENTAL                       | 977,680                      | 969,115                      | 1,083,034                    | 1,010,077                    | 1,010,077                       | 1,558,077                                | 54.25%                            |
| USE OF MONEY AND PROPERTY               | 39,054                       | 143,525                      | 113,266                      | 89,002                       | 38,750                          | 38,750                                   | 0.00%                             |
| OTHER REVENUE                           | 9,515                        | 0                            | 0                            | 0                            | 0                               | 0  | 0.00%                             |
| <b>TOTAL MEASURE "M" FUND</b>           | <u>1,026,249</u>             | <u>1,112,640</u>             | <u>1,196,300</u>             | <u>1,099,079</u>             | <u>1,048,827</u>                | <u>1,596,827</u>                         | <u>52.25%</u>                     |
| <b>BIKES &amp; TRAILWAYS FUND</b>       |                              |                              |                              |                              |                                 |  |                                   |
| INTERGOVERNMENTAL                       | 0                            | 0                            | 52,272                       | 0                            | 0                               | 0  | 0.00%                             |
| USE OF MONEY AND PROPERTY               | 1,937                        | 4,069                        | 3,264                        | 3,878                        | 0                               | 0  | 0.00%                             |
| <b>TOTAL BIKES &amp; TRAILWAYS FUND</b> | <u>1,937</u>                 | <u>4,069</u>                 | <u>55,536</u>                | <u>3,878</u>                 | <u>0</u>                        | <u>0</u>                                 | <u>0.00%</u>                      |
| <b>AHRP FUND</b>                        |                              |                              |                              |                              |                                 |  |                                   |
| INTERGOVERNMENTAL                       | 570,726                      | 6,273                        | 237,414                      | 366,441                      | 326,000                         | 0  | -100.00%                          |
| <b>TOTAL AHRP FUND</b>                  | <u>570,726</u>               | <u>6,273</u>                 | <u>237,414</u>               | <u>366,441</u>               | <u>326,000</u>                  | <u>0</u>                                 | <u>-100.00%</u>                   |
| <b>AIR QUALITY MGMT FUND</b>            |                              |                              |                              |                              |                                 |  |                                   |
| INTERGOVERNMENTAL                       | 81,636                       | 84,119                       | 79,546                       | 123,573                      | 121,000                         | 136,000                                  | 12.40%                            |
| USE OF MONEY AND PROPERTY               | 4,544                        | 9,857                        | 5,600                        | 0                            | 0                               | 0  | 0.00%                             |
| OTHER REVENUE                           | 2,862                        | 0                            | 0                            | 0                            | 0                               | 0  | 0.00%                             |
| <b>TOTAL AQMD FUND</b>                  | <u>89,041</u>                | <u>93,976</u>                | <u>85,146</u>                | <u>123,573</u>               | <u>121,000</u>                  | <u>136,000</u>                           | <u>12.40%</u>                     |
| <b>ENVIRONMENTAL LIABILITY FUND</b>     |                              |                              |                              |                              |                                 |  |                                   |
| OTHER REVENUE                           | 424,966                      | 373,655                      | 418,431                      | 414,803                      | 370,000                         | 370,000                                  | 0.00%                             |
| USE OF MONEY AND PROPERTY               | 0                            | 99,064                       | 93,710                       | 79,954                       | 40,000                          | 40,000                                   | 0.00%                             |
| <b>TOTAL ENVIRONMENTAL LIAB FC</b>      | <u>424,966</u>               | <u>472,719</u>               | <u>512,141</u>               | <u>494,757</u>               | <u>410,000</u>                  | <u>410,000</u>                           | <u>0.00%</u>                      |
| <b>OIL SPILL REMEDIATION FUND</b>       |                              |                              |                              |                              |                                 |  |                                   |
| TOTAL OTHER REVENUE                     | 0                            | 5,188,774                    | 0                            | 0                            | 0                               | 0  | 0.00%                             |
| USE OF MONEY AND PROPERTY               | 0                            | 276,132                      | 235,328                      | 76,455                       | 25,000                          | 0  | -100.00%                          |
| <b>TOTAL OIL SPILL FUND</b>             | <u>0</u>                     | <u>5,464,906</u>             | <u>235,328</u>               | <u>76,455</u>                | <u>25,000</u>                   | <u>0</u>                                 | <u>-100.00%</u>                   |
| <b>NEWPORT ANNEXATION FUND</b>          |                              |                              |                              |                              |                                 |  |                                   |
| INTERGOVERNMENTAL                       | 0                            | 0                            | 15,000,000                   | 0                            | 5,000,000                       | 0  | -100.00%                          |
| USE OF MONEY AND PROPERTY               | 0                            | 0                            | 447,774                      | 458,964                      | 422,500                         | 415,000                                  | -1.78%                            |
| <b>TOTAL ANNEXATION FUND</b>            | <u>0</u>                     | <u>0</u>                     | <u>15,447,774</u>            | <u>458,964</u>               | <u>5,422,500</u>                | <u>415,000</u>                           | <u>-92.35%</u>                    |
| <b>ASSESSMENT DISTRICT PROJECTS</b>     |                              |                              |                              |                              |                                 |  |                                   |
| OTHER REVENUE                           | 525                          | 3,428,762                    | 741,196                      | 2,127,087                    | 0                               | 0  | 0.00%                             |
| <b>TOTAL ASSESSMENT DISTRICT FUND</b>   | <u>525</u>                   | <u>3,428,762</u>             | <u>741,196</u>               | <u>2,127,087</u>             | <u>0</u>                        | <u>0</u>                                 | <u>0.00%</u>                      |
| <b>CIOISA FUND</b>                      |                              |                              |                              |                              |                                 |  |                                   |
| OTHER REVENUE                           | 85,483                       | 4,841,699                    | 28,227                       | 1,981                        | 0                               | 0  | 0.00%                             |
| USE OF MONEY AND PROPERTY               | 19                           | 64,693                       | 298,566                      | 218,056                      | 112,500                         | 112,500                                  | 0.00%                             |
| <b>TOTAL CIOISA FUND</b>                | <u>85,503</u>                | <u>4,906,392</u>             | <u>326,793</u>               | <u>220,037</u>               | <u>112,500</u>                  | <u>112,500</u>                           | <u>0.00%</u>                      |
| <b>BONITA CANYON DEV. FUND</b>          |                              |                              |                              |                              |                                 |  |                                   |
| OTHER REVENUE                           | 0                            | 0                            | 0                            | 0                            | 0                               | 0  | 0.00%                             |
| USE OF MONEY AND PROPERTY               | 594,609                      | 460,519                      | 223,319                      | 194,454                      | 64,634                          | 0  | -100.00%                          |
| <b>TOTAL BONITA CANYON DEV. FD</b>      | <u>594,609</u>               | <u>460,519</u>               | <u>223,319</u>               | <u>194,454</u>               | <u>64,634</u>                   | <u>0</u>                                 | <u>-100.00%</u>                   |
| <b>MARINERS LIBRARY</b>                 |                              |                              |                              |                              |                                 |  |                                   |
| INTERGOVERNMENTAL                       | 0                            | 0                            | 0                            | 0                            | 0                               | 2,873,376                                | 0.00%                             |
| OTHER REVENUE                           | 0                            | 0                            | 0                            | 1,069,732                    | 0                               | 0  | 0.00%                             |
| USE OF MONEY AND PROPERTY               | 0                            | 0                            | 0                            | 0                            | 0                               | 0  | 0.00%                             |
| <b>TOTAL BONITA CANYON DEV. FD</b>      | <u>0</u>                     | <u>0</u>                     | <u>0</u>                     | <u>1,069,732</u>             | <u>0</u>                        | <u>2,873,376</u>                         | <u>0.00%</u>                      |
| <b>FIRE STATION #7</b>                  |                              |                              |                              |                              |                                 |  |                                   |
| INTERGOVERNMENTAL                       | 0                            | 0                            | 0                            | 0                            | 2,500,000                       | 1,600,000                                | -36.00%                           |
| OTHER REVENUE                           | 0                            | 0                            | 0                            | 0                            | 0                               | 0  | 0.00%                             |
| USE OF MONEY AND PROPERTY               | 0                            | 0                            | 0                            | 0                            | 0                               | 0  | 0.00%                             |
| <b>TOTAL BONITA CANYON DEV. FD</b>      | <u>0</u>                     | <u>0</u>                     | <u>0</u>                     | <u>0</u>                     | <u>2,500,000</u>                | <u>1,600,000</u>                         | <u>-36.00%</u>                    |
| <b>WATER ENTERPRISE FUND</b>            |                              |                              |                              |                              |                                 |  |                                   |
| LICENSES, PERMITS AND FEES              | 40                           | 0                            | 0                            | 0                            | 0                               | 0  | 0.00%                             |
| INTERGOVERNMENTAL                       | 0                            | 10,953                       | -10,799                      | 0                            | 200,000                         | 667,300                                  | 233.65%                           |
| CHARGES FOR SERVICES                    | 17,355,539                   | 16,727,539                   | 16,620,928                   | 16,228,130                   | 16,667,000                      | 16,660,000                               | -0.04%                            |
| USE OF MONEY AND PROPERTY               | 509,273                      | 1,416,678                    | 1,144,197                    | 837,322                      | 475,000                         | 475,000                                  | 0.00%                             |
| OTHER REVENUE                           | 1,959,548                    | 84,510                       | 55,593                       | 261,152                      | 21,000                          | 16,000                                   | -23.81%                           |
| <b>TOTAL WATER FUND</b>                 | <u>19,824,400</u>            | <u>18,239,680</u>            | <u>17,809,919</u>            | <u>17,326,604</u>            | <u>17,363,000</u>               | <u>17,818,300</u>                        | <u>2.62%</u>                      |

## REVENUE SUMMARY 2004-05

| Fund/Revenue Category                                     | 1999-00<br>Actual<br>Revenue | 2000-01<br>Actual<br>Revenue | 2001-02<br>Actual<br>Revenue | 2002-03<br>Actual<br>Revenue | 2003-04<br>Estimated<br>Revenue | 2004-05<br>Revenue<br>Budget<br>Estimate | Percent<br>Increase<br>(Decrease) |
|---|------------------------------|------------------------------|------------------------------|------------------------------|---------------------------------|--|-----------------------------------|
| <b>PARKING FACILITY FUND</b>                              |                              |                              |                              |                              |                                 |  |                                   |
| USE OF MONEY AND PROPERTY                                 | 91,382                       | 119,157                      | 0                            | 0                            | 0                               | 0  | 0.00%                             |
| <b>TOTAL PARKING FUND</b>                                 | <u>91,382</u>                | <u>119,157</u>               | <u>0</u>                     | <u>0</u>                     | <u>0</u>                        | <u>0</u>                                 | <u>0.00%</u>                      |
| <b>WASTEWATER ENTERPRISE FUND</b>                         |                              |                              |                              |                              |                                 |  |                                   |
| INTERGOVERNMENTAL   | 0                            | 179                          | 0                            | 0                            | 0                               | 0  | 0.00%                             |
| CHARGES FOR SERVICES                                      | 2,705,798                    | 2,917,734                    | 2,923,583                    | 2,729,781                    | 2,878,000                       | 2,891,000                                | 0.45%                             |
| USE OF MONEY AND PROPERTY                                 | 83,695                       | 214,287                      | 199,883                      | 138,873                      | 75,000                          | 75,000                                   | 0.00%                             |
| OTHER REVENUE   | 76,183                       | 6,627                        | 22,221                       | 39,160                       | 9,000                           | 3,000                                    | -66.67%                           |
| <b>TOTAL WASTEWATER FUND</b>                              | <u>2,865,676</u>             | <u>3,138,827</u>             | <u>3,145,687</u>             | <u>2,907,814</u>             | <u>2,962,000</u>                | <u>2,969,000</u>                         | <u>0.24%</u>                      |
| <b>INSURANCE RESERVE FUND</b>                             |                              |                              |                              |                              |                                 |  |                                   |
| WORKERS' COMP PREMIUM                                     | 3,180,536                    | 3,179,926                    | 3,180,536                    | 3,199,425                    | 3,199,421                       | 3,199,421                                | 0.00%                             |
| GENERAL LIABILITY PREMIUM                                 | 1,779,783                    | 1,779,779                    | 1,862,778                    | 1,827,779                    | 1,828,697                       | 1,828,697                                | 0.00%                             |
| DISABILITY INSURANCE PREMIUM                              | 96,509                       | 225,207                      | 0                            | 0                            | 0                               | 0  | 0.00%                             |
| OTHER REVENUE   | 80,147                       | 403,485                      | 417,938                      | 328,917                      | 177,500                         | 177,500                                  | 0.00%                             |
| <b>TOTAL INSURANCE FUND</b>                               | <u>5,136,975</u>             | <u>5,588,397</u>             | <u>5,461,252</u>             | <u>5,356,121</u>             | <u>5,205,618</u>                | <u>5,205,618</u>                         | <u>0.00%</u>                      |
| <b>RETIREE MEDICAL FUND</b>                               |                              |                              |                              |                              |                                 |  |                                   |
| CHARGES FOR SERVICES                                      | 0                            | 1,119,000                    | 1,304,439                    | 1,532,299                    | 1,682,764                       | 1,689,907                                | 0.42%                             |
| USE OF MONEY AND PROPERTY                                 | 0                            | 1,582                        | 77,712                       | 72,743                       | 37,500                          | 37,500                                   | 0.00%                             |
| <b>TOTAL RETIREE MEDICAL FUND</b>                         | <u>0</u>                     | <u>1,120,582</u>             | <u>1,382,151</u>             | <u>1,605,042</u>             | <u>1,720,264</u>                | <u>1,727,407</u>                         | <u>0.42%</u>                      |
| <b>COMPENSATED ABSENCE FUND</b>                           |                              |                              |                              |                              |                                 |  |                                   |
| CHARGES FOR SERVICES                                      | 1,136,842                    | 1,228,997                    | 1,330,581                    | 1,455,909                    | 1,520,771                       | 1,578,335                                | 3.79%                             |
| USE OF MONEY AND PROPERTY                                 | 0                            | 81,862                       | 85,809                       | 61,062                       | 32,500                          | 32,500                                   | 0.00%                             |
| <b>TOTAL COMP. ABSENCE FUND</b>                           | <u>1,136,842</u>             | <u>1,310,859</u>             | <u>1,416,390</u>             | <u>1,516,971</u>             | <u>1,553,271</u>                | <u>1,610,835</u>                         | <u>3.71%</u>                      |
| <b>EQUIPMENT MAINTENANCE FUND</b>                         |                              |                              |                              |                              |                                 |  |                                   |
| INTERGOVERNMENTAL   | 0                            | 0                            | 0                            | 0                            | 0                               | 0  | 0.00%                             |
| EQUIPMENT MAINTENANCE                                     | 1,735,086                    | 1,784,022                    | 1,447,467                    | 1,523,806                    | 1,706,285                       | 1,828,178                                | 7.14%                             |
| EQUIPMENT REPLACEMENT                                     | 1,991,905                    | 2,219,600                    | 2,306,707                    | 2,696,264                    | 2,745,053                       | 2,896,038                                | 5.50%                             |
| OTHER REVENUE   | 197,341                      | 448,693                      | 615,203                      | 787,024                      | 330,200                         | 331,000                                  | 0.24%                             |
| <b>TOTAL EQUIPMENT FUND</b>                               | <u>3,924,332</u>             | <u>4,452,315</u>             | <u>4,369,377</u>             | <u>5,007,094</u>             | <u>4,781,538</u>                | <u>5,055,216</u>                         | <u>5.72%</u>                      |
| <b>ACKERMAN FUND</b>                                      |                              |                              |                              |                              |                                 |  |                                   |
| USE OF MONEY AND PROPERTY                                 | 8,500                        | 17,721                       | 14,553                       | 11,013                       | 19,400                          | 19,400                                   | 0.00%                             |
| OTHER REVENUE   | 185,000                      | 185,000                      | 185,000                      | 185,000                      | 1,977,874                       | 0  | -100.00%                          |
| <b>TOTAL ACKERMAN TRUST FUND</b>                          | <u>193,500</u>               | <u>202,721</u>               | <u>199,553</u>               | <u>196,013</u>               | <u>1,997,274</u>                | <u>19,400</u>                            | <u>-99.03%</u>                    |
| <b>BACK BAY DREDGING FUND</b>                             |                              |                              |                              |                              |                                 |  |                                   |
| USE OF MONEY AND PROPERTY                                 | 0                            | 0                            | 15                           | 132                          | 75                              | 23,750                                   | N/A                               |
| OTHER REVENUES  | 0                            | 0                            | 3,000                        | 0                            | 0                               | 3,800,000                                | N/A                               |
| <b>TOTAL BACK BAY DREDGING</b>                            | <u>0</u>                     | <u>0</u>                     | <u>3,015</u>                 | <u>132</u>                   | <u>75</u>                       | <u>3,823,750</u>                         | <u>N/A</u>                        |
| <b>TOTAL ALL FUNDS</b>                                    | <u>133,635,565</u>           | <u>155,875,427</u>           | <u>159,439,671</u>           | <u>157,358,496</u>           | <u>163,304,572</u>              | <u>165,616,408</u>                       | <u>1.42%</u>                      |
| Less: Internal Premiums                                   | (9,920,661)                  | (11,536,531)                 | (11,432,508)                 | (12,235,482)                 | (12,682,991)                    | (13,020,576)                             | N/A                               |
| <b>TOTAL ALL CITY FUNDS, NET OF<br/>INTERNAL PREMIUMS</b> | <u>123,714,904</u>           | <u>144,338,896</u>           | <u>148,007,163</u>           | <u>145,123,014</u>           | <u>150,621,581</u>              | <u>152,595,832</u>                       | <u>1.31%</u>                      |

### 2004-05 Revenues by Source



**EXPENDITURES BY FUND**

| Function and Activities                         | 1999-00<br>Actual<br>Expenditures | 2000-01<br>Actual<br>Expenditures | 2001-02<br>Actual<br>Expenditures | 2002-03<br>Actual<br>Expenditures | 2003-04<br>Estimate<br>Expenditures | 2004-05<br>Proposed<br>Expenditures | % of<br>Total |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|-------------------------------------|---------------|
| <b>GENERAL FUND BUDGET</b>                      |                                   |                                   |                                   |                                   |                                     |                                     |               |
| <b>General Government</b>                       |                                   |                                   |                                   |                                   |                                     |                                     |               |
| City Council                                    | \$2,658,742                       | \$2,960,014                       | \$2,805,143                       | \$1,327,729                       | \$919,098                           | \$1,289,844                         | 0.89%         |
| City Clerk                                      | \$251,399                         | \$291,046                         | \$263,000                         | \$355,940                         | \$306,411                           | \$380,817                           | 0.26%         |
| City Manager                                    | \$596,040                         | \$707,175                         | \$842,723                         | \$994,278                         | \$1,732,866                         | \$1,714,179                         | 1.18%         |
| Human Resources                                 | \$814,658                         | \$958,994                         | \$1,174,414                       | \$1,146,646                       | \$1,232,007                         | \$1,289,551                         | 0.89%         |
| City Attorney                                   | \$886,127                         | \$676,286                         | \$688,672                         | \$868,117                         | \$1,038,396                         | \$1,013,702                         | 0.70%         |
| Administrative Services                         | \$4,253,053                       | \$4,570,498                       | \$4,710,577                       | \$4,996,566                       | \$5,331,449                         | \$5,949,938                         | 4.11%         |
| <b>Total General Government</b>                 | <b>\$9,460,019</b>                | <b>\$10,164,013</b>               | <b>\$10,484,529</b>               | <b>\$9,689,276</b>                | <b>\$10,560,227</b>                 | <b>\$11,638,031</b>                 | <b>8.04%</b>  |
| <b>Public Safety</b>                            |                                   |                                   |                                   |                                   |                                     |                                     |               |
| Police Department                               | \$24,995,572                      | \$27,247,244                      | \$28,055,340                      | \$30,385,765                      | \$32,702,413                        | \$34,720,409                        | 23.99%        |
| Fire Department                                 | \$16,292,281                      | \$17,514,345                      | \$19,340,449                      | \$22,014,685                      | \$24,090,309                        | \$25,747,769                        | 17.79%        |
| <b>Total Public Safety</b>                      | <b>\$41,287,853</b>               | <b>\$44,761,589</b>               | <b>\$47,395,789</b>               | <b>\$52,400,450</b>               | <b>\$56,792,722</b>                 | <b>\$60,468,178</b>                 | <b>41.79%</b> |
| <b>Community Development</b>                    |                                   |                                   |                                   |                                   |                                     |                                     |               |
| Planning  | \$1,467,235                       | \$1,444,496                       | \$1,865,009                       | \$2,447,129                       | \$2,982,162                         | \$2,178,862                         | 1.51%         |
| Building  | \$2,260,388                       | \$2,368,074                       | \$2,516,157                       | \$2,815,996                       | \$2,756,249                         | \$2,997,111                         | 2.07%         |
| <b>Total Community Development</b>              | <b>\$3,727,623</b>                | <b>\$3,812,570</b>                | <b>\$4,381,166</b>                | <b>\$5,263,125</b>                | <b>\$5,738,411</b>                  | <b>\$5,175,973</b>                  | <b>4.19%</b>  |
| <b>Public Works</b>                             |                                   |                                   |                                   |                                   |                                     |                                     |               |
| General Services                                | \$12,431,393                      | \$12,949,693                      | \$14,381,259                      | \$15,416,692                      | \$16,927,349                        | \$18,280,906                        | 12.63%        |
| Public Works                                    | \$3,151,221                       | \$3,219,225                       | \$3,630,882                       | \$3,503,545                       | \$3,921,971                         | \$4,063,053                         | 2.81%         |
| Utilities                                       | \$909,942                         | \$1,023,567                       | \$1,207,025                       | \$1,343,414                       | \$1,013,857                         | \$1,079,921                         | 0.75%         |
| <b>Total Public Works</b>                       | <b>\$16,492,556</b>               | <b>\$17,192,485</b>               | <b>\$19,219,166</b>               | <b>\$20,263,651</b>               | <b>\$21,863,177</b>                 | <b>\$23,423,880</b>                 | <b>16.19%</b> |
| <b>Community Services</b>                       |                                   |                                   |                                   |                                   |                                     |                                     |               |
| Recreation & Sr. Services                       | \$2,487,446                       | \$2,516,519                       | \$2,760,959                       | \$3,007,581                       | \$3,401,483                         | \$3,697,103                         | 2.55%         |
| Libraries & Arts                                | \$4,429,287                       | \$4,809,673                       | \$5,152,068                       | \$5,168,319                       | \$5,125,014                         | \$4,901,440                         | 3.39%         |
| <b>Total Community Services</b>                 | <b>\$6,916,733</b>                | <b>\$7,326,192</b>                | <b>\$7,913,027</b>                | <b>\$8,175,900</b>                | <b>\$8,526,497</b>                  | <b>\$8,598,543</b>                  | <b>5.94%</b>  |
| <b>General Fund Debt Service</b>                | \$992,885                         | \$974,410                         | \$960,747                         | \$0                               | \$48,000                            | \$0                                 | 0.00%         |
| <b>Total General Fund Op. Budget</b>            | <b>\$78,877,669</b>               | <b>\$84,231,259</b>               | <b>\$90,354,424</b>               | <b>\$95,792,402</b>               | <b>\$103,529,034</b>                | <b>\$109,304,605</b>                | <b>75.54%</b> |
| <b>General Fund CIPs</b>                        | \$5,049,821                       | \$5,433,285                       | \$7,655,747                       | \$4,379,362                       | \$6,846,056                         | \$7,813,303                         | 5.40%         |
| <b>Total General Fund Budget</b>                | <b>\$83,927,490</b>               | <b>\$89,664,544</b>               | <b>\$98,010,171</b>               | <b>\$100,171,764</b>              | <b>\$110,375,090</b>                | <b>\$117,117,908</b>                | <b>80.94%</b> |
| <b>ENTERPRISE FUNDS</b>                         |                                   |                                   |                                   |                                   |                                     |                                     |               |
| Water - Operations                              | \$10,793,143                      | \$10,887,196                      | \$11,945,173                      | \$11,372,485                      | \$13,148,709                        | \$13,895,984                        | 9.60%         |
| Water - CIP                                     | \$1,234,901                       | \$1,502,489                       | \$4,446,858                       | \$4,935,134                       | \$9,985,213                         | \$6,718,000                         | 4.64%         |
| Water - Debt Service                            | \$1,662,612                       | \$1,656,665                       | \$1,655,228                       | \$1,650,573                       | \$1,648,173                         | \$1,652,743                         | 1.14%         |
| Wastewater - Operations                         | \$1,454,570                       | \$1,607,382                       | \$1,754,157                       | \$1,893,290                       | \$2,132,065                         | \$2,284,229                         | 1.58%         |
| Wastewater - CIP                                | \$1,082,855                       | \$516,392                         | \$1,072,573                       | \$1,635,551                       | \$984,712                           | \$1,623,821                         | 1.12%         |
| <b>Total Enterprise Funds</b>                   | <b>\$16,228,081</b>               | <b>\$16,170,124</b>               | <b>\$20,873,989</b>               | <b>\$21,487,033</b>               | <b>\$27,898,872</b>                 | <b>\$26,174,777</b>                 | <b>18.09%</b> |
| <b>INTERNAL SERVICE FUNDS</b>                   |                                   |                                   |                                   |                                   |                                     |                                     |               |
| Insurance Reserve                               | \$3,116,958                       | \$3,455,995                       | \$3,350,000                       | \$8,776,529                       | \$4,769,935                         | \$5,418,072                         | 3.74%         |
| Equipment Fund - Operations                     | \$2,929,835                       | \$2,475,815                       | \$3,085,904                       | \$3,824,754                       | \$3,293,921                         | \$4,616,483                         | 3.19%         |
| Equipment Fund - CIP                            | \$17,974                          | \$12,016                          | \$44,582                          | \$111,346                         | \$207,607                           | \$152,000                           | 0.11%         |
| Equipment Fund - Debt Service                   | \$662,409                         | \$577,839                         | \$720,132                         | \$831,589                         | \$460,157                           | \$459,776                           | 0.32%         |
| Compensated Absences                            | \$1,292,220                       | \$1,547,506                       | \$1,300,000                       | \$1,807,921                       | \$1,200,000                         | \$1,200,000                         | 0.83%         |
| Retiree Medical                                 | \$0                               | \$979,768                         | \$867,000                         | \$1,132,143                       | \$1,039,500                         | \$1,158,250                         | 0.80%         |
| <b>Total Internal Service Funds</b>             | <b>\$8,019,395</b>                | <b>\$9,048,939</b>                | <b>\$9,367,618</b>                | <b>\$16,484,282</b>               | <b>\$10,971,120</b>                 | <b>\$13,004,581</b>                 | <b>8.99%</b>  |
| <b>OTHER FUNDS</b>                              |                                   |                                   |                                   |                                   |                                     |                                     |               |
| Police Grants                                   | \$464,476                         | \$424,880                         | \$510,102                         | \$309,680                         | \$415,530                           | \$364,730                           | 0.25%         |
| CDBG - Operations                               | \$0                               | \$0                               | \$0                               | \$150,623                         | \$200,054                           | \$177,950                           | 0.12%         |
| CDBG - Debt Service                             | \$0                               | \$0                               | \$0                               | \$72,846                          | \$214,050                           | \$187,056                           | 0.13%         |
| Tidelands - Harbor Resources                    | \$1,127,301                       | \$998,554                         | \$948,224                         | \$1,078,207                       | \$1,095,130                         | \$1,302,623                         | 0.90%         |
| Tidelands - Oil and Gas                         | \$329,266                         | \$394,351                         | \$382,202                         | \$357,693                         | \$354,665                           | \$354,646                           | 0.25%         |
| Tidelands - Debt Service                        | \$236,372                         | \$237,062                         | \$237,062                         | \$237,062                         | \$237,062                           | \$237,062                           | 0.16%         |
| AQMD  | \$76,808                          | \$40,798                          | \$105,000                         | \$130,641                         | \$121,000                           | \$85,676                            | 0.06%         |
| Environmental Liability                         | \$0                               | \$0                               | \$98,971                          | \$195,340                         | \$159,117                           | \$125,000                           | 0.09%         |
| Newport Annexation - Debt Service               | \$0                               | \$0                               | \$0                               | \$1,243,300                       | \$1,200,000                         | \$1,200,000                         | 0.83%         |
| Library - Debt Service                          | \$662,409                         | \$577,839                         | \$720,132                         | \$565,925                         | \$567,935                           | \$566,938                           | 0.39%         |
| Ackerman Fund                                   | \$138,066                         | \$240,648                         | \$185,000                         | \$128,500                         | \$1,190,272                         | \$110,000                           | 0.08%         |
| All Other CIP                                   | \$16,863,429                      | \$19,612,681                      | \$26,383,219                      | \$10,349,038                      | \$22,665,761                        | \$20,053,462                        | 13.86%        |
| <b>Total Other Funds</b>                        | <b>\$19,898,127</b>               | <b>\$22,526,813</b>               | <b>\$29,569,912</b>               | <b>\$14,818,855</b>               | <b>\$28,420,576</b>                 | <b>\$24,765,143</b>                 | <b>17.11%</b> |
| <b>TOTAL DEBT SERVICE</b>                       | \$4,216,687                       | \$4,023,815                       | \$4,293,301                       | \$4,601,295                       | \$4,375,377                         | \$4,303,575                         |               |
| <b>TOTAL OPERATING BUDGET</b>                   | \$103,824,114                     | \$110,333,557                     | \$118,218,711                     | \$131,551,503                     | \$136,976,309                       | \$144,701,823                       | 100.00%       |
| <b>TOTAL CIP</b>                                | \$24,248,980                      | \$27,076,863                      | \$39,602,979                      | \$21,410,431                      | \$40,689,349                        | \$36,360,586                        |               |
| <b>TOTAL CITY BUDGET</b>                        | <b>\$128,073,094</b>              | <b>\$137,410,420</b>              | <b>\$157,821,690</b>              | <b>\$152,961,934</b>              | <b>\$177,665,658</b>                | <b>\$181,062,409</b>                |               |
| <b>LESS: INTERNAL CHARGES</b>                   | <b>(\$9,920,661)</b>              | <b>(\$11,536,531)</b>             | <b>(\$11,758,631)</b>             | <b>(\$11,889,976)</b>             | <b>(\$12,345,448)</b>               | <b>(\$12,682,991)</b>               |               |
| <b>TOTAL BUDGET NET OF<br/>INTERNAL CHARGES</b> | <b>\$118,152,433</b>              | <b>\$125,873,889</b>              | <b>\$146,063,059</b>              | <b>\$141,071,958</b>              | <b>\$165,320,210</b>                | <b>\$168,379,418</b>                |               |

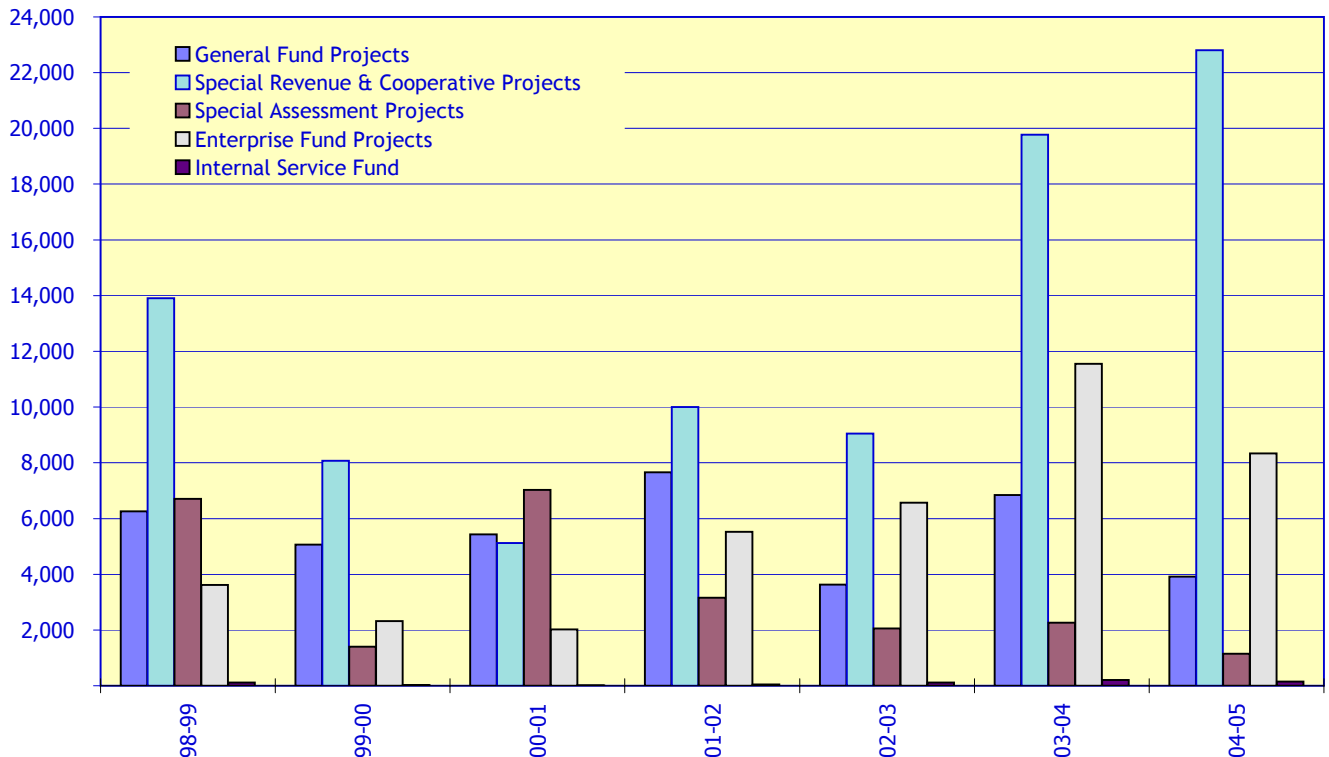
**2004-05 EXPENDITURES BY DEPARTMENT**

|   | <b>Salaries &amp; Benefits</b> | <b>% of Total</b>  | <b>Maintenance and Operation</b> | <b>% of Total</b> | <b>Capital Outlay</b> | <b>% of Total</b>  | <b>Debt Service</b>      | <b>Total Budget</b>  | <b>% of Total</b> |
|---|--------------------------------|--------------------|----------------------------------|-------------------|-----------------------|--------------------|--------------------------|----------------------|-------------------|
| <b>DEPARTMENT SERVICES</b>                  |                                |                    |                                  |                   |                       |                    |                          |                      |                   |
| City Council                                | \$255,279                      | 0.28%              | \$1,027,565                      | 2.25%             | \$7,000               | 0.17%              | \$0                      | \$1,289,844          | 0.71%             |
| City Clerk                                  | \$288,107                      | 0.32%              | \$92,710                         | 0.20%             | \$0                   | 0.00%              | \$0                      | \$380,817            | 0.21%             |
| City Manager                                | \$2,110,063                    | 2.33%              | \$866,039                        | 1.89%             | \$40,700              | 1.00%              | \$0                      | \$3,016,802          | 1.67%             |
| Human Resources                             | \$871,891                      | 0.96%              | \$409,660                        | 0.90%             | \$8,000               | 0.20%              | \$0                      | \$1,289,551          | 0.71%             |
| City Attorney                               | \$723,876                      | 0.80%              | \$278,826                        | 0.61%             | \$11,000              | 0.27%              | \$0                      | \$1,013,702          | 0.56%             |
| Administrative Services                     | \$4,618,923                    | 5.10%              | \$1,023,296                      | 2.24%             | \$307,719             | 7.59%              | \$0                      | \$5,949,938          | 3.29%             |
| Police                                      | \$29,613,337                   | 32.69%             | \$4,983,200                      | 10.89%            | \$123,872             | 3.06%              | \$0                      | \$34,720,409         | 19.18%            |
| Fire  | \$22,007,319                   | 24.29%             | \$3,553,066                      | 7.77%             | \$187,384             | 4.62%              | \$0                      | \$25,747,769         | 14.22%            |
| Planning                                    | \$1,610,942                    | 1.78%              | \$704,370                        | 1.54%             | \$41,500              | 1.02%              | \$0                      | \$2,356,812          | 1.30%             |
| Building                                    | \$2,691,847                    | 2.97%              | \$278,764                        | 0.61%             | \$26,500              | 0.65%              | \$0                      | \$2,997,111          | 1.66%             |
| General Services                            | \$8,363,438                    | 9.23%              | \$9,897,968                      | 21.63%            | \$19,500              | 0.48%              | \$0                      | \$18,280,906         | 10.10%            |
| Library Services (incl Cultural Arts)       | \$3,702,657                    | 4.09%              | \$1,178,783                      | 2.58%             | \$20,000              | 0.49%              | \$0                      | \$4,901,440          | 2.71%             |
| Recreation and Sr. Services                 | \$2,001,435                    | 2.21%              | \$1,680,668                      | 3.67%             | \$15,000              | 0.37%              | \$0                      | \$3,697,103          | 2.04%             |
| Public Works                                | \$3,310,604                    | 3.65%              | \$724,149                        | 1.58%             | \$28,300              | 0.70%              | \$0                      | \$4,063,053          | 2.24%             |
| Utilities                                   | \$4,826,115                    | 5.33%              | \$12,713,565                     | 27.79%            | \$75,100              | 1.85%              | \$0                      | \$17,614,780         | 9.73%             |
| <b>INTERNAL SERVICES</b>                    |                                |                    |                                  |                   |                       |                    |                          |                      |                   |
| Insurance Reserve                           | \$0                            | 0.00%              | \$5,418,072                      | 11.84%            | \$0                   | 0.00%              | \$0                      | \$5,418,072          | 2.99%             |
| Equipment Maint. & Replacement              | \$1,137,438                    | 1.26%              | \$496,545                        | 1.09%             | \$2,982,500           | 73.60%             | \$0                      | \$4,616,483          | 2.55%             |
| Compensated Absence                         | \$1,200,000                    | 1.32%              | \$0                              | 0.00%             | \$0                   | 0.00%              | \$0                      | \$1,200,000          | 0.66%             |
| Retiree Medical                             | \$1,158,250                    | 1.28%              | \$0                              | 0.00%             | \$0                   | 0.00%              | \$0                      | \$1,158,250          | 0.64%             |
| <b>DEBT SERVICE</b>                         |                                |                    |                                  |                   |                       |                    |                          |                      |                   |
| Office Equipment Leases                     | \$0                            | 0.00%              | \$0                              | 0.00%             | \$0                   | 0.00%              | \$0                      | \$0                  | 0.00%             |
| CDBG Balboa Village Loan                    | \$0                            | 0.00%              | \$0                              | 0.00%             | \$0                   | 0.00%              | \$187,056                | \$187,056            | 0.10%             |
| Balboa Yacht Basin Construction Loan        | \$0                            | 0.00%              | \$0                              | 0.00%             | \$0                   | 0.00%              | \$237,062                | \$237,062            | 0.13%             |
| Assessment District Relief                  | \$0                            | 0.00%              | \$0                              | 0.00%             | \$0                   | 0.00%              | \$1,200,000              | \$1,200,000          | 0.66%             |
| Central Library Construction                | \$0                            | 0.00%              | \$5,250                          | 0.01%             | \$0                   | 0.00%              | \$561,688                | \$566,938            | 0.31%             |
| Groundwater Improvement Bonds               | \$0                            | 0.00%              | \$5,000                          | 0.01%             | \$0                   | 0.00%              | \$1,647,743              | \$1,652,743          | 0.91%             |
| Rolling Stock Leases                        | \$0                            | 0.00%              | \$0                              | 0.00%             | \$0                   | 0.00%              | \$459,776                | \$459,776            | 0.25%             |
| <b>OTHER ACTIVITIES</b>                     |                                |                    |                                  |                   |                       |                    |                          |                      |                   |
| Narcotic Asset Forfeiture                   | \$0                            | 0.00%              | \$61,907                         | 0.14%             | \$158,323             | 3.91%              | \$0                      | \$220,230            | 0.12%             |
| SLESF                                       | \$109,721                      | 0.12%              | \$10,279                         | 0.02%             | \$0                   | 0.00%              | \$0                      | \$120,000            | 0.07%             |
| LLEBG                                       | \$0                            | 0.00%              | \$24,500                         | 0.05%             | \$0                   | 0.00%              | \$0                      | \$24,500             | 0.01%             |
| AQMD  | \$0                            | 0.00%              | \$85,676                         | 0.19%             | \$0                   | 0.00%              | \$0                      | \$85,676             | 0.05%             |
| Environmental Liability Fund                | \$0                            | 0.00%              | \$125,000                        | 0.27%             | \$0                   | 0.00%              | \$0                      | \$125,000            | 0.07%             |
| Ackerman Donation                           | \$0                            | 0.00%              | \$110,000                        | 0.24%             | \$0                   | 0.00%              | \$0                      | \$110,000            | 0.06%             |
| <b>Capital Improvement Projects</b>         | \$0                            | 0.00%              | \$0                              | 0.00%             | \$0                   | 0.00%              | \$0                      | \$36,360,586         | 20.08%            |
| <b>Total Budget</b>                         | <b>\$90,601,242</b>            | <b>100.00%</b>     | <b>\$45,754,858</b>              | <b>100.00%</b>    | <b>\$4,052,398</b>    | <b>100%</b>        | <b>\$4,293,325</b>       | <b>\$181,062,408</b> | <b>100.00%</b>    |
| <b>Less: Internal Charges</b>               | <b>(6,402,956)</b>             |                    | <b>(6,280,035)</b>               |                   | <b>-</b>              |                    | <b>-</b>                 | <b>(12,682,991)</b>  |                   |
| <b>Total Budget Net of Internal Charges</b> | <b>\$84,198,286</b>            |                    | <b>\$39,474,823</b>              |                   | <b>\$4,052,398</b>    |                    | <b>\$4,293,325</b>       | <b>\$168,379,417</b> |                   |
|   | <b>TOTAL</b>                   | <b>% OF BUDGET</b> | <b>% OF TOTAL BUDGET</b>         |                   | <b>GENERAL FUND</b>   | <b>% OF BUDGET</b> | <b>% OF TOTAL BUDGET</b> |                      |                   |
| <b>OPERATING BUDGET</b>                     | \$90,601,242                   | 62.61%             | 50.04%                           |                   | \$81,714,612          | 74.76%             | 72.17%                   |                      |                   |
| Maintenance and Operation                   | \$45,754,858                   | 31.62%             | 25.27%                           |                   | \$26,766,118          | 24.49%             | 23.64%                   |                      |                   |
| Capital Outlay                              | \$4,052,398                    | 2.80%              | 2.24%                            |                   | \$823,875             | 0.75%              | 0.73%                    |                      |                   |
| Debt Service                                | \$4,293,325                    | 2.97%              |                                  |                   | \$0                   | 0.00%              |                          |                      |                   |
| <b>Total Operating Budget</b>               | <b>\$144,701,823</b>           | <b>100.00%</b>     | <b>79.92%</b>                    |                   | <b>\$109,304,605</b>  | <b>100.00%</b>     | <b>96.54%</b>            |                      |                   |
| <b>CAPITAL IMPROVEMENTS</b>                 | \$36,360,586                   | 100.00%            | 20.08%                           |                   | \$3,914,099           | 100.00%            | 3.46%                    |                      |                   |
| <b>TOTAL BUDGET</b>                         | <b>\$181,062,409</b>           | <b>100.00%</b>     | <b>100.00%</b>                   |                   | <b>\$113,218,704</b>  | <b>100.00%</b>     | <b>100.00%</b>           |                      |                   |

# Historical Capital Projects Spending

(dollars in thousands)

|   | 1998-99<br><u>Actual</u> | 1999-2000<br><u>Actual</u> | 2000-01<br><u>Actual</u> | 2001-02<br><u>Actual</u> | 2002-03<br><u>Actual</u> | 2003-04<br><u>Estimated</u> | 2004-05<br><u>Projected</u> |
|---|--------------------------|----------------------------|--------------------------|--------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>General Fund Projects</b>                      |                          |                            |                          |                          |                          |                             |                             |
| General Fund                                      | 6,259                    | 5,068                      | 5,433                    | 7,656                    | 3,625                    | 6,846                       | 3,914                       |
| <b>Special Revenue &amp; Cooperative Projects</b> |                          |                            |                          |                          |                          |                             |                             |
| CDBG  | 808                      | 544                        | 288                      | 526                      | 1,826                    | 814                         | 300                         |
| Gas Tax   | 1,123                    | 2,593                      | 1,785                    | 2,107                    | 1,622                    | 3,485                       | 1,738                       |
| Tidelands   | 1,127                    | 758                        | 561                      | 958                      | 858                      | 1,612                       | 1,757                       |
| Contributions                                     | 6,609                    | 655                        | 174                      | 166                      | 834                      | 3,449                       | 3,590                       |
| Circulation & Transportation                      | 2,762                    | 1,724                      | 569                      | 247                      | 957                      | 1,684                       | 2,295                       |
| Building Excise Tax                               | 436                      | 314                        | 271                      | 640                      | 180                      | 273                         | 343                         |
| Measure M   | 1,038                    | 922                        | 1,123                    | 972                      | 985                      | 2,472                       | 2,212                       |
| Bike & Trailways                                  | -                        | -                          | -                        | -                        | 58                       | -                           | -                           |
| AHRP Fund   | -                        | 567                        | -                        | 527                      | 679                      | 308                         | -                           |
| Traffic Congestion Relief                         | -                        | -                          | -                        | 539                      | 363                      | 34                          | -                           |
| American Trader Oil Spill Remediation             | -                        | -                          | 345                      | 3,319                    | 564                      | 1,325                       | 882                         |
| Newport Coast Annexation                          | -                        | -                          | -                        | -                        | 32                       | 23                          | -                           |
| Mariners Library                                  | -                        | -                          | -                        | -                        | 90                       | 4,293                       | 3,852                       |
| Fire Station #7                                   | -                        | -                          | -                        | -                        | -                        | -                           | 5,842                       |
| <b>Special Assessment Projects</b>                |                          |                            |                          |                          |                          |                             |                             |
| Assessment Districts                              | 161                      | 151                        | 2,183                    | 1,670                    | 1,697                    | 1,841                       | 258                         |
| CIOSA Development                                 | 6,541                    | 111                        | 765                      | 148                      | 295                      | 344                         | 800                         |
| Bonita Canyon Development                         | 4                        | 1,139                      | 4,085                    | 1,343                    | 63                       | 82                          | 85                          |
| <b>Enterprise Fund Projects</b>                   |                          |                            |                          |                          |                          |                             |                             |
| Water   | 2,102                    | 1,235                      | 1,502                    | 4,447                    | 4,935                    | 9,769                       | 6,718                       |
| Sewer   | 1,515                    | 1,083                      | 516                      | 1,073                    | 1,636                    | 1,779                       | 1,624                       |
| <b>Internal Service Fund</b>                      |                          |                            |                          |                          |                          |                             |                             |
| Equipment Maintenance                             | 112                      | 18                         | 12                       | 45                       | 111                      | 208                         | 152                         |
| <b>Annual Totals</b>                              | <b>30,597</b>            | <b>16,882</b>              | <b>19,612</b>            | <b>26,383</b>            | <b>21,410</b>            | <b>40,641</b>               | <b>36,361</b>               |



**OPERATING EXPENDITURES - ALL FUNDS**

| Acct Code | Activity - Function                   | Council 0100   | City Clerk 0200 | City Mgr. 0300   | HR 0400        | City Atty. 0500 | Admin Svc. 0600  | Police 1800       |
|-----------|---------------------------------------|----------------|-----------------|------------------|----------------|-----------------|------------------|-------------------|
| 7000      | SALARIES - MISC                       | 100,000        | 219,303         | 1,368,060        | 669,141        | 516,051         | 3,309,144        | 5,021,539         |
| 7010      | SALARIES - SAFETY                     | -              | -               | -                | -              | -               | -                | 12,073,368        |
| 7020      | SALARIES - PERM PART TIME & TEMP      | -              | -               | 273,102          | -              | 57,200          | 200,760          | 649,140           |
| 7040      | OVERTIME, MISC                        | -              | 1,118           | 19,807           | 2,081          | -               | 15,577           | 229,337           |
| 7041      | OVERTIME, SAFETY                      | -              | -               | -                | -              | -               | -                | 885,616           |
| 7042      | OVERTIME, PLANNED                     | -              | -               | -                | -              | -               | -                | -                 |
| 7043      | OVERTIME, VACATION RELIEF             | -              | -               | -                | -              | -               | -                | -                 |
| 7044      | OVERTIME, UNCONTROLLED                | -              | -               | -                | -              | -               | -                | -                 |
| 7059      | PACKER/CALLBACK/STANDBY PAY           | -              | -               | -                | -              | -               | -                | -                 |
| 7060      | COPTER,TILLER, & HAZ MAT PAY          | -              | -               | -                | -              | -               | -                | 8,400             |
| 7062      | NIGHT DIFF, MISC                      | -              | -               | 4,500            | -              | -               | -                | 49,947            |
| 7063      | CERTIFICATION PAY & LONGEVITY PAY     | -              | -               | -                | -              | -               | -                | 51,623            |
| 7070      | SCHOLASTIC ACHIEVEMENT                | -              | -               | -                | -              | -               | -                | 420,246           |
| 7072      | HOLIDAY PAY, MISC & SAFETY            | -              | -               | -                | -              | -               | -                | 769,790           |
| 7085      | UNEMPLOYMENT & TERMINATION PAY        | -              | -               | -                | -              | -               | -                | -                 |
| 7088      | PAID FLEX/SPILLOVER PAY               | -              | -               | -                | -              | -               | -                | -                 |
| 7095      | SALARY REIMBURSEMENT                  | -              | -               | -                | -              | -               | -                | -                 |
| 7100      | COUNCIL ALLOWANCES                    | 90,258         | -               | -                | -              | -               | -                | -                 |
| 7210      | HEALTH/DENTAL/VISION                  | 47,561         | 20,383          | 118,902          | 61,150         | 33,972          | 339,720          | 1,680,773         |
| 7224      | RETIREE INS RESERVE                   | 2,521          | 840             | 4,500            | 2,280          | 1,320           | 12,119           | 56,995            |
| 7225      | RETIREE INSURANCE                     | 10,167         | 3,389           | 18,155           | 9,198          | 5,325           | 48,896           | 229,957           |
| 7250      | SALARY SAVINGS                        | -              | -               | -                | -              | -               | -                | (85,000)          |
| 7270      | OTHER MISC BENEFITS                   | -              | -               | -                | -              | -               | -                | -                 |
| 7290      | LIFE INSURANCE                        | 80             | 342             | 1,949            | 1,088          | 549             | 5,527            | 26,815            |
| 7295      | EMPLOYEE ASSISTANCE                   | -              | 76              | 441              | 227            | 126             | 1,260            | 5,972             |
| 7370      | WORKERS' COMP, MISC                   | -              | 3,524           | 37,957           | 6,368          | 9,550           | 88,609           | 82,890            |
| 7371      | WORKERS' COMP, SAFETY                 | -              | -               | -                | -              | -               | -                | 1,072,348         |
| 7373      | COMPENSATED ABSENCES                  | -              | 6,579           | 41,042           | 20,074         | 15,482          | 99,274           | 512,468           |
| 7425      | MEDICARE FRINGES                      | 1,309          | 3,180           | 21,561           | 9,703          | 8,312           | 41,703           | 196,001           |
| 7438      | LIUNA CONTRIBUTION                    | -              | 3,290           | 18,102           | 10,037         | 7,741           | 49,637           | 3,390             |
| 7439      | PERS EMPLOYEE CNTRBN-MISC             | -              | 15,878          | 107,045          | 49,404         | 41,570          | 245,502          | 409,175           |
| 7440      | PER EMPLOYER CONTRBN-MISC             | -              | 10,206          | 68,930           | 31,141         | 26,678          | 160,487          | 265,211           |
| 7441      | PERS EMPLOYER CNTRBN-SAFE             | -              | -               | -                | -              | -               | -                | 3,771,852         |
| 7442      | PERS EMPLOYEE CNTRBN-SAFE             | -              | -               | -                | -              | -               | -                | 1,216,574         |
| 7460      | RETIREMENT PART TIME/TEMP             | 3,385          | -               | 6,011            | -              | -               | 707              | 8,909             |
|           | <b>SUBTOTAL SALARY &amp; BENEFITS</b> | <b>255,279</b> | <b>288,107</b>  | <b>2,110,063</b> | <b>871,891</b> | <b>723,876</b>  | <b>4,618,923</b> | <b>29,613,337</b> |
| 8010      | ADVERT & PUB RELATIONS                | 4,000          | 10,000          | -                | 40,000         | -               | -                | 16,385            |
| 8020      | AUTOMOTIVE SERVICE                    | -              | -               | 3,550            | -              | -               | 2,350            | 219,353           |
| 8022      | EQUIPMENT MAINTENANCE                 | -              | -               | 27,289           | -              | -               | 15,771           | 31,838            |
| 8024      | EQUIPMENT REPLACEMENT                 | -              | -               | 27,185           | -              | -               | 18,919           | 553,745           |
| 8030      | MAINT & REPAIR - EQUIP                | 150            | 2,500           | 9,641            | 8,000          | 675             | 390,970          | 78,958            |
| 8040      | MAINT & REPAIR - FACILITIES           | -              | -               | 36,000           | -              | -               | -                | 199,613           |
| 8050      | PSTGE,FREIGHT,EXPRESS NOC             | 1,000          | 3,500           | 11,800           | 11,500         | 3,500           | 42,250           | 49,251            |
| 8060      | PUBLICATIONS & DUES NOC               | 30,000         | 650             | 10,400           | 3,000          | 1,900           | 8,800            | 22,232            |
| 8070      | RENTAL/PROP & EQUIP NOC               | -              | -               | 5,700            | -              | -               | 3,780            | 238,005           |
| 8080      | SERVICES-PROF & TECH NOC              | 709,000        | 63,400          | 389,242          | 194,000        | 250,000         | 138,090          | 570,305           |
| 80802     | SERVICES-OTHER SPECIAL                | -              | -               | 220,000          | -              | -               | 48,600           | -                 |
| 80805     | SERVICES-TREE RELATED                 | -              | -               | -                | -              | -               | -                | -                 |
| 8081      | SERVICES-JANITORIAL                   | -              | -               | -                | -              | -               | -                | 77,169            |
| 8091      | SERVICES-COMPUTER CONSULT             | -              | -               | -                | -              | -               | -                | 36,620            |
| 8100      | TRAVEL & MEETINGS NOC                 | 7,000          | 4,100           | 11,550           | 6,500          | 1,500           | 16,750           | 9,770             |
| 8105      | TRAINING                              | 5,000          | -               | 5,000            | 10,000         | 3,150           | 25,500           | 142,233           |
| 8106      | TRAINING, POST                        | -              | -               | -                | -              | -               | -                | 94,750            |
| 8107      | TRAINING, CITY WIDE                   | -              | -               | -                | 64,000         | -               | -                | -                 |
| 8110      | UTILITIES NOC                         | -              | -               | 51,600           | -              | -               | -                | -                 |
| 8112      | UTILITIES - TELEPHONE                 | -              | 600             | 9,700            | 2,660          | 1,800           | 164,740          | 130,723           |
| 8114      | UTILITIES - NATURAL GAS               | -              | -               | -                | -              | -               | -                | 3,800             |
| 8116      | UTILITIES - ELECTRICITY               | -              | -               | -                | -              | -               | -                | 111,500           |
| 8117      | UTILITIES-ELCTRIC VEH PGM             | -              | -               | -                | -              | -               | -                | -                 |
| 8118      | UTILITIES - WATER                     | -              | -               | 8,500            | -              | -               | -                | 4,000             |
| 8140      | SUPPLIES- OFFICE NOC                  | 4,000          | 7,000           | 17,000           | 15,000         | 5,550           | 63,841           | 48,569            |
| 8142      | SUPPLIES- COMPUTER/COPY MACHINE       | -              | -               | -                | -              | -               | -                | 41,500            |
| 8145      | SUPPLIES-AUTO PARTS EXPNS             | -              | -               | -                | -              | -               | -                | 107,000           |
| 8148      | SUPPLS-CHKS/INVOICES/FRMS             | -              | -               | -                | -              | -               | 7,800            | -                 |
| 8150      | SUPPLIES- JANITORIAL NOC              | -              | -               | 1,500            | -              | -               | 100              | 13,000            |
| 8155      | WASTEWATER/SEWER PROGRAMS             | -              | -               | -                | -              | -               | -                | -                 |
| 8156      | WELLS & STATION MAINTENANCE           | -              | -               | -                | -              | -               | -                | -                 |
| 8160      | MAINT & REPAIR MATRLS NOC             | -              | 600             | 6,468            | -              | -               | 4,500            | 5,000             |
| 8165      | MAINT - IRRIGATION REPAIR             | -              | -               | -                | -              | -               | -                | -                 |
| 8166      | MAINT - STORM DRAINS                  | -              | -               | -                | -              | -               | -                | -                 |
| 8170      | MAINT - BEACH CLEANING                | -              | -               | -                | -              | -               | -                | -                 |

| Fire<br>2300 | Planning<br>2700 | Building<br>2900 | Gen. Svcs.<br>3100 | Library<br>4000 | Rec&Sr Svc<br>4500 | Pub. Works<br>5000 | Utilities<br>5900 | Internal Svc<br>6000 | Other<br>Activities | Total      |
|--------------|------------------|------------------|--------------------|-----------------|--------------------|--------------------|-------------------|----------------------|---------------------|------------|
| 763,697      | 1,193,709        | 1,956,429        | 5,510,364          | 2,061,790       | 1,152,228          | 2,481,206          | 3,132,658         | 788,017              | -                   | 30,243,336 |
| 10,107,475   | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 22,180,843 |
| 1,056,253    | 15,321           | 75,184           | 22,745             | 841,886         | 385,779            | 59,043             | 249,642           | -                    | -                   | 3,886,055  |
| -            | 18,500           | 43,031           | 378,415            | 8,044           | 2,695              | 5,928              | 98,800            | 7,921                | -                   | 831,254    |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 885,616    |
| 409,435      | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 409,435    |
| 1,321,232    | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 1,321,232  |
| 789,133      | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 789,133    |
| 68,681       | -                | -                | 76,786             | -               | -                  | -                  | 69,500            | 1,013                | -                   | 215,980    |
| 26,065       | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 34,465     |
| -            | 150              | -                | -                  | 9,242           | 475                | -                  | 2,325             | -                    | -                   | 66,639     |
| 170,091      | -                | -                | 13,500             | -               | -                  | -                  | 25,700            | 3,500                | -                   | 264,414    |
| 297,114      | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 717,360    |
| 305,018      | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 1,074,808  |
| -            | -                | -                | -                  | -               | -                  | -                  | 1,800             | 825,000              | -                   | 826,800    |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | 375,000              | -                   | 375,000    |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | 109,721             | 109,721    |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 90,258     |
| 1,039,277    | 122,299          | 190,243          | 740,590            | 251,393         | 149,477            | 217,421            | 360,403           | 101,916              | -                   | 5,475,480  |
| 35,397       | 4,440            | 6,840            | 26,278             | 8,999           | 4,920              | 7,799              | 12,659            | 3,600                | -                   | 191,507    |
| 142,815      | 17,912           | 27,595           | 106,022            | 36,309          | 21,785             | 31,468             | 51,075            | 14,524               | -                   | 774,592    |
| -            | -                | (8,500)          | -                  | -               | -                  | -                  | -                 | 1,158,250            | -                   | 1,064,750  |
| 25,300       | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 25,300     |
| 16,601       | 1,988            | 3,019            | 11,151             | 3,906           | 2,168              | 3,612              | 5,698             | 1,548                | -                   | 86,041     |
| 3,704        | 454              | 706              | 2,747              | 932             | 554                | 806                | 1,310             | 378                  | -                   | 19,693     |
| 23,448       | 24,714           | 49,139           | 590,560            | 61,170          | 50,917             | 69,074             | 286,394           | 84,373               | -                   | 1,468,687  |
| 658,386      | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 1,730,734  |
| 334,935      | 35,811           | 58,693           | 165,311            | 60,150          | 34,567             | 74,436             | 93,266            | 26,247               | -                   | 1,578,335  |
| 96,326       | 14,530           | 23,287           | 54,300             | 35,538          | 20,892             | 29,475             | 29,943            | 8,829                | -                   | 594,889    |
| 11,791       | 17,906           | 29,346           | 14,440             | 30,268          | 14,014             | 34,871             | 10,736            | 2,018                | -                   | 257,587    |
| 57,527       | 87,081           | 142,741          | 392,506            | 163,634         | 91,854             | 178,525            | 237,054           | 56,825               | -                   | 2,276,321  |
| 37,550       | 55,553           | 92,213           | 256,870            | 105,578         | 58,775             | 115,484            | 155,307           | 36,730               | -                   | 1,476,713  |
| 3,148,834    | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 6,920,686  |
| 1,024,204    | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 2,240,778  |
| 37,030       | 575              | 1,881            | 853                | 23,817          | 10,336             | 1,458              | 1,846             | -                    | -                   | 96,808     |
| 22,007,319   | 1,610,942        | 2,691,847        | 8,363,438          | 3,702,657       | 2,001,435          | 3,310,604          | 4,826,115         | 3,495,688            | 109,721             | 90,601,242 |
| 5,500        | 8,000            | -                | 1,000              | 20,000          | -                  | -                  | 4,000             | -                    | 14,460              | 123,345    |
| 89,844       | 500              | 8,000            | 147,300            | 2,000           | 17,000             | 8,000              | 52,500            | 5,000                | 1,000               | 556,397    |
| 386,326      | 7,546            | 31,380           | 911,802            | 3,175           | 41,863             | 43,295             | 304,527           | 23,365               | -                   | 1,828,177  |
| 739,665      | 6,706            | 35,210           | 1,008,572          | 2,423           | 51,989             | 36,636             | 387,044           | 19,598               | 8,347               | 2,896,039  |
| 88,305       | 4,000            | 28,000           | 8,600              | 105,600         | 4,000              | 246,310            | 6,200             | 4,000                | -                   | 985,909    |
| 128,000      | -                | -                | 58,662             | 11,200          | 71,850             | -                  | 27,500            | -                    | -                   | 532,825    |
| 23,120       | 12,000           | 3,400            | 1,300              | 14,000          | 37,250             | 5,100              | 60,000            | -                    | -                   | 278,971    |
| 24,278       | 12,000           | 4,450            | 1,250              | 3,810           | 3,865              | 8,050              | 6,550             | 1,500                | -                   | 142,735    |
| 134,340      | -                | 500              | 12,000             | 11,200          | 99,000             | -                  | 6,200             | -                    | 10,279              | 521,004    |
| 880,370      | 144,000          | 102,000          | 2,848,435          | 18,020          | 886,155            | 117,061            | 217,000           | 26,500               | 800                 | 7,554,378  |
| -            | -                | -                | 792,179            | -               | -                  | -                  | -                 | -                    | -                   | 1,060,779  |
| -            | -                | -                | 130,000            | -               | -                  | -                  | -                 | -                    | -                   | 130,000    |
| -            | -                | -                | 68,579             | 61,180          | 74,000             | -                  | 1,500             | -                    | -                   | 282,428    |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 36,620     |
| 63,120       | 8,000            | 5,600            | 4,050              | 9,050           | 5,250              | 8,000              | 5,250             | 3,500                | -                   | 168,990    |
| 46,742       | 6,500            | 17,500           | 4,400              | 2,900           | 12,700             | 12,150             | 18,700            | 5,000                | 25,800              | 343,275    |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 94,750     |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 64,000     |
| 90,860       | -                | -                | -                  | 1,980           | 500                | -                  | 1,760,500         | -                    | -                   | 1,905,440  |
| 50,000       | 750              | 11,045           | 18,600             | 4,870           | 10,500             | 10,200             | 28,400            | 3,000                | -                   | 447,588    |
| -            | -                | -                | 18,000             | 2,730           | 7,100              | -                  | -                 | 5,000                | -                   | 36,630     |
| -            | -                | -                | 130,000            | 142,900         | 62,000             | -                  | -                 | 15,000               | -                   | 461,400    |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | 8,000                | -                   | 8,000      |
| 8,300        | -                | -                | 587,000            | 12,954          | 22,303             | -                  | 26,500            | -                    | -                   | 669,557    |
| 27,500       | 12,000           | 12,100           | 6,350              | 36,700          | 25,448             | 19,850             | 5,600             | 250                  | -                   | 306,758    |
| 95,000       | -                | -                | -                  | 5,000           | -                  | -                  | -                 | -                    | -                   | 141,500    |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | 266,500              | -                   | 373,500    |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 7,800      |
| 18,500       | -                | -                | 46,750             | 11,750          | 19,578             | -                  | 1,000             | -                    | -                   | 112,178    |
| -            | -                | -                | -                  | -               | -                  | -                  | 15,000            | -                    | -                   | 15,000     |
| -            | -                | -                | -                  | -               | -                  | -                  | 189,000           | -                    | -                   | 189,000    |
| 26,820       | 1,500            | -                | 30,000             | 9,950           | 7,000              | 2,000              | 285,000           | -                    | -                   | 378,838    |
| -            | -                | -                | 24,000             | -               | -                  | -                  | -                 | -                    | -                   | 24,000     |
| -            | -                | -                | 37,000             | -               | -                  | -                  | -                 | -                    | -                   | 37,000     |
| -            | -                | -                | 16,000             | -               | -                  | -                  | -                 | -                    | -                   | 16,000     |

**OPERATING EXPENDITURES - ALL FUNDS**

| Acct Code | Activity - Function                    | Council 0100     | City Clerk 0200 | City Mgr. 0300   | Human Res 0400   | City Atty. 0500  | Admin Svc. 0600  | Police 1800       |
|-----------|--|------------------|-----------------|------------------|------------------|------------------|------------------|-------------------|
| 8173      | MAINT-BLDG/PLYGRND EQ RPR              | -                | -               | -                | -                | -                | -                | -                 |
| 8176      | MAINT - TRAFFIC CONTROL                | -                | -               | -                | -                | -                | -                | -                 |
| 8178      | ABLE - JPA MAINT REIMBURSEMENT         | -                | -               | -                | -                | -                | -                | 354,961           |
| 8179      | ABLE - CAPITAL REPLACEMENT             | -                | -               | -                | -                | -                | -                | 193,807           |
| 8180      | MAINT - OUTSIDE LABOR                  | -                | -               | -                | -                | -                | -                | -                 |
| 8181      | MAINT-COMP SOFTWARE                    | -                | -               | -                | -                | -                | -                | 232,960           |
| 8182      | MAINT-COMP HARDWARE                    | -                | -               | -                | -                | -                | -                | 66,845            |
| 8183      | MAINT-BACKFLOW & SCADA                 | -                | -               | -                | -                | -                | -                | -                 |
| 8190      | WATER PROGRAMS                         | -                | -               | -                | -                | -                | -                | -                 |
| 8200      | SPECIAL DEPT SUPPLIES NOC              | 2,000            | -               | 9,530            | -                | 10,075           | 57,500           | 101,889           |
| 8202      | COMPUTER SUPPLIES                      | -                | -               | 1,500            | -                | -                | -                | -                 |
| 8204      | UNIFORM EXPENSE                        | -                | -               | -                | -                | -                | -                | 120,000           |
| 8206      | PRISONER CUSTODY EXPENSE               | -                | -               | -                | -                | -                | -                | 61,000            |
| 8208      | PHOTO EXPENSE                          | -                | -               | -                | -                | -                | -                | 20,000            |
| 8209      | SHOOTING RANGE SUPPLIES                | -                | -               | -                | -                | -                | -                | 40,525            |
| 8210      | S.W.A.T. SUPPLIES                      | -                | -               | -                | -                | -                | -                | 12,443            |
| 8211      | CANINE SUPPLIES                        | -                | -               | -                | -                | -                | -                | 12,590            |
| 8212      | STREET CLEANING EXPENSE                | -                | -               | -                | -                | -                | -                | -                 |
| 8214      | CARPENTER SHOP SUPPLIES                | -                | -               | -                | -                | -                | -                | -                 |
| 8216      | SAFETY EQUIPMENT                       | -                | -               | -                | -                | -                | 500              | -                 |
| 8220      | SIGN SHOP SUPPLIES                     | -                | -               | -                | -                | -                | -                | -                 |
| 8222      | TRAFFIC SUPPLIES                       | -                | -               | -                | -                | -                | -                | -                 |
| 8224      | ROADWAY PAINTS & BARS                  | -                | -               | -                | -                | -                | -                | -                 |
| 8228      | SIGNS AND SIGN MATERIALS               | -                | -               | -                | -                | -                | -                | -                 |
| 8232      | SIGN INSTALLATION MATRLS               | -                | -               | -                | -                | -                | -                | -                 |
| 8234      | INSCTCDES/HRBCDES/FNGCDES              | -                | -               | -                | -                | -                | -                | -                 |
| 8235      | PLANT MATERIALS                        | -                | -               | -                | -                | -                | -                | -                 |
| 8236      | FERTILIZER/TOP SOIL/AMENDMENTS         | -                | -               | -                | -                | -                | -                | -                 |
| 8238      | ASPHALT/CONCRETE MATERIALS             | -                | -               | -                | -                | -                | -                | -                 |
| 8240      | TOOLS, INSTRUMENTS, ETC                | -                | -               | 800              | -                | -                | 3,000            | 4,500             |
| 8250      | SPECIAL DEPT EXPENSE NOC               | 220,240          | -               | -                | 25,000           | -                | 2,100            | 150,927           |
| 8254      | CITY GRANTS                            | 25,000           | -               | -                | -                | -                | -                | -                 |
| 8255      | TUITION REIMBURSEMENT                  | -                | -               | -                | 30,000           | -                | -                | -                 |
| 8257      | SISTER CITIES                          | -                | -               | -                | -                | -                | -                | -                 |
| 8259      | EMPLOYEE RIDESHARE PRGM                | -                | -               | -                | -                | -                | -                | -                 |
| 8260      | LIBRARY MATERIALS                      | -                | -               | -                | -                | -                | -                | -                 |
| 8265      | FIREWORKS                              | 20,000           | -               | -                | -                | -                | -                | -                 |
| 8295      | IMPORTED WATER EXP - MWD               | -                | -               | -                | -                | -                | -                | -                 |
| 8296      | IMPORTED WATER EXP - OCWD              | -                | -               | -                | -                | -                | -                | -                 |
| 8297      | RECLAIMED WATER EXP-OCWD               | -                | -               | -                | -                | -                | -                | -                 |
| 8293      | GENERAL PLAN UPDATE & LCP CERT         | -                | -               | -                | -                | -                | -                | -                 |
| 8298      | OTHER AGENCY FEES                      | -                | -               | -                | -                | -                | -                | -                 |
| 8303      | WATER CNSERV EDU & PUB REL             | -                | -               | -                | -                | -                | -                | -                 |
| 8330      | SVC CHARGE-ADMINISTRATIVE              | -                | -               | -                | -                | -                | -                | -                 |
| 8340      | GENERAL INSURANCE                      | 175              | 360             | 1,009            | -                | 676              | 7,434            | 805,434           |
| 8360      | PROPERTY TAXES                         | -                | -               | 1,075            | -                | -                | -                | -                 |
| 8510      | UCI SCHOLARSHIP TRUST                  | -                | -               | -                | -                | -                | -                | -                 |
| 8511      | CITY SCHOLARSHIP TRUST                 | -                | -               | -                | -                | -                | -                | -                 |
| 8551      | ECONOMIC DEVELOPMENT                   | -                | -               | -                | -                | -                | -                | -                 |
| 8638      | EXCESS INSURANCE                       | -                | -               | -                | -                | -                | -                | -                 |
| 8701      | LLEBG EXPENDITURES                     | -                | -               | -                | -                | -                | -                | -                 |
| N/A       | WORKERS' COMPENSATION                  | -                | -               | -                | -                | -                | -                | -                 |
| N/A       | GENERAL LIABILITY                      | -                | -               | -                | -                | -                | -                | -                 |
|           | <b>SUBTOTAL MAINT. &amp; OPERATION</b> | <b>1,027,565</b> | <b>92,710</b>   | <b>866,039</b>   | <b>409,660</b>   | <b>278,826</b>   | <b>1,023,296</b> | <b>4,983,200</b>  |
| 9000      | OFFICE EQUIPMENT                       | -                | -               | 15,000           | 8,000            | 4,000            | 53,119           | -                 |
| 9010      | COMPUTER EQUIPMENT                     | -                | -               | 6,700            | -                | -                | 250,000          | 10,000            |
| 9020      | FITNESS EQUIPMENT                      | -                | -               | -                | -                | -                | -                | 5,000             |
| 9100      | ROLLING EQUIPMENT                      | -                | -               | -                | -                | -                | -                | -                 |
| 9102      | CONTRACTED SET UP                      | -                | -               | -                | -                | -                | -                | -                 |
| 9106      | EQUIPMENT RENOVATION                   | -                | -               | -                | -                | -                | -                | -                 |
| 9200      | SHOP EQUIPMENT                         | -                | -               | -                | -                | -                | 2,500            | -                 |
| 9300      | EQUIPMENT, N.O.C.                      | -                | -               | 19,000           | -                | -                | -                | 107,500           |
| 9400      | OFFICE FURNITURE/FIXTURES              | 7,000            | -               | -                | -                | 7,000            | 2,100            | 1,372             |
|           | <b>SUBTOTAL CAPITAL OUTLAY</b>         | <b>7,000</b>     | <b>-</b>        | <b>40,700</b>    | <b>8,000</b>     | <b>11,000</b>    | <b>307,719</b>   | <b>123,872</b>    |
|           | <b>TOTAL OPERATING EXPENSES</b>        | <b>1,289,844</b> | <b>380,817</b>  | <b>3,016,802</b> | <b>1,289,551</b> | <b>1,013,702</b> | <b>5,949,938</b> | <b>34,720,409</b> |
|           | <b>CAPITAL IMPROVEMENT PROJECTS</b>    |                  |                 |                  |                  |                  |                  |                   |
|           | <b>DEBT SERVICE</b>                    |                  |                 |                  |                  |                  |                  |                   |
|           | <b>TOTAL</b>                           | <b>1,289,844</b> | <b>380,817</b>  | <b>3,016,802</b> | <b>1,289,551</b> | <b>1,013,702</b> | <b>5,949,938</b> | <b>34,720,409</b> |

| Fire<br>2300 | Planning<br>2700 | Building<br>2900 | Gen. Svcs.<br>3100 | Library<br>4000 | Rec&Sr Svc<br>4500 | Pub. Works<br>5000 | Utilities<br>5900 | Internal Svc<br>6000 | Other<br>Activities | Total       |
|--------------|------------------|------------------|--------------------|-----------------|--------------------|--------------------|-------------------|----------------------|---------------------|-------------|
| -            | -                | -                | 15,000             | -               | -                  | -                  | -                 | -                    | -                   | 15,000      |
| -            | -                | -                | 7,000              | -               | -                  | -                  | -                 | -                    | -                   | 7,000       |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 354,961     |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 193,807     |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | 30,000               | -                   | 30,000      |
| -            | -                | -                | -                  | 2,200           | -                  | -                  | -                 | -                    | -                   | 235,160     |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 66,845      |
| -            | -                | -                | -                  | -               | -                  | -                  | 219,000           | -                    | -                   | 219,000     |
| -            | -                | -                | -                  | -               | -                  | -                  | 315,000           | -                    | -                   | 315,000     |
| 271,310      | 5,500            | 14,500           | 31,500             | 31,110          | 128,004            | 15,167             | 252,000           | 30,000               | -                   | 960,085     |
| 19,900       | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 21,400      |
| 147,899      | -                | -                | 46,750             | -               | -                  | -                  | -                 | -                    | -                   | 314,649     |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 61,000      |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 20,000      |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 40,525      |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 12,443      |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 12,590      |
| -            | -                | -                | 30,000             | -               | -                  | -                  | -                 | -                    | -                   | 30,000      |
| -            | -                | -                | 3,000              | -               | -                  | -                  | -                 | -                    | -                   | 3,000       |
| -            | -                | -                | 4,000              | -               | -                  | -                  | -                 | -                    | -                   | 4,500       |
| -            | -                | -                | 16,000             | -               | -                  | -                  | -                 | -                    | -                   | 16,000      |
| -            | -                | -                | 9,000              | -               | -                  | -                  | -                 | -                    | -                   | 9,000       |
| -            | -                | -                | 31,000             | -               | -                  | -                  | -                 | -                    | -                   | 31,000      |
| -            | -                | -                | 35,700             | -               | -                  | -                  | -                 | -                    | -                   | 35,700      |
| -            | -                | -                | 15,000             | -               | -                  | -                  | -                 | -                    | -                   | 15,000      |
| -            | -                | -                | 4,000              | -               | -                  | -                  | -                 | -                    | -                   | 4,000       |
| -            | -                | -                | 6,000              | -               | -                  | -                  | -                 | -                    | -                   | 6,000       |
| -            | -                | -                | 9,500              | -               | -                  | -                  | -                 | -                    | -                   | 9,500       |
| -            | -                | -                | 434,000            | -               | -                  | -                  | -                 | -                    | -                   | 434,000     |
| 800          | 500              | 1,000            | 11,350             | -               | -                  | 1,250              | 7,900             | 6,000                | -                   | 37,100      |
| 67,184       | 150,080          | -                | 1,870,800          | -               | 59,000             | -                  | 121,000           | 2,000                | 100,926             | 2,769,257   |
| -            | -                | -                | -                  | 40,000          | -                  | -                  | -                 | -                    | -                   | 65,000      |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 30,000      |
| -            | -                | -                | -                  | 11,500          | -                  | -                  | -                 | -                    | -                   | 11,500      |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | 6,500               | 6,500       |
| -            | -                | -                | -                  | 597,740         | -                  | -                  | -                 | -                    | -                   | 597,740     |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 20,000      |
| -            | -                | -                | -                  | -               | -                  | -                  | 3,350,000         | -                    | -                   | 3,350,000   |
| -            | -                | -                | -                  | -               | -                  | -                  | 2,800,000         | -                    | -                   | 2,800,000   |
| -            | -                | -                | -                  | -               | -                  | -                  | 80,000            | -                    | -                   | 80,000      |
| -            | 135,000          | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 135,000     |
| -            | -                | -                | -                  | -               | -                  | -                  | 185,000           | -                    | -                   | 185,000     |
| -            | -                | -                | -                  | -               | -                  | -                  | 15,000            | -                    | -                   | 15,000      |
| -            | -                | -                | -                  | -               | -                  | -                  | 1,759,490         | -                    | -                   | 1,759,490   |
| 119,383      | 11,838           | 4,079            | 406,539            | 2,841           | 34,313             | 191,080            | 201,204           | 42,332               | -                   | 1,828,697   |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 1,075       |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | 100,000             | 100,000     |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | 10,000              | 10,000      |
| -            | 177,950          | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 177,950     |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | 125,000             | 125,000     |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | 24,500              | 24,500      |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | 2,658,840            | -                   | 2,658,840   |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | 2,759,232            | -                   | 2,759,232   |
| 3,553,066    | 704,370          | 278,764          | 9,897,968          | 1,178,783       | 1,680,668          | 724,149            | 12,713,565        | 5,914,617            | 427,612             | 45,754,858  |
| -            | 25,500           | -                | -                  | 20,000          | 5,500              | 21,100             | 2,500             | -                    | -                   | 154,719     |
| 17,200       | -                | 18,500           | 15,500             | -               | 7,500              | -                  | 27,000            | 2,200                | 37,710              | 392,310     |
| 10,500       | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | -                   | 15,500      |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | 2,673,000            | -                   | 2,673,000   |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | 67,300               | -                   | 67,300      |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | 203,000              | -                   | 203,000     |
| -            | -                | -                | -                  | -               | -                  | -                  | 500               | 10,000               | -                   | 13,000      |
| 159,684      | -                | -                | 4,000              | -               | 2,000              | -                  | 44,100            | 27,000               | 120,613             | 483,897     |
| -            | 16,000           | 8,000            | -                  | -               | -                  | 7,200              | 1,000             | -                    | -                   | 49,672      |
| 187,384      | 41,500           | 26,500           | 19,500             | 20,000          | 15,000             | 28,300             | 75,100            | 2,982,500            | 158,323             | 4,052,398   |
| 25,747,769   | 2,356,812        | 2,997,111        | 18,280,906         | 4,901,440       | 3,697,103          | 4,063,053          | 17,614,780        | 12,392,805           | 695,656             | 140,408,498 |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | 36,360,585          | 36,360,585  |
| -            | -                | -                | -                  | -               | -                  | -                  | -                 | -                    | 4,293,325           | 4,293,325   |
| 25,747,769   | 2,356,812        | 2,997,111        | 18,280,906         | 4,901,440       | 3,697,103          | 4,063,053          | 17,614,780        | 12,392,805           | 41,349,566          | 181,062,408 |

**SUMMARY OF ESTIMATED 2003-04 YEAR END FUND BALANCES**

| Fund / Account                       | Actual                  | Estimated          | Transfers  |            | Estimated                         | Estimated                          | Estimated                           |
|--------------------------------------|-------------------------|--------------------|------------|------------|-----------------------------------|------------------------------------|-------------------------------------|
|                                      | Fund Balance<br>2002-03 | Revenue<br>2003-04 | In         | Out        | Budget<br>Expenditures<br>2003-04 | Capital<br>Improvements<br>2003-04 | Year End<br>Fund Balance<br>2003-04 |
| General Fund                         |                         | 107,239,467        | 7,662,565  | 6,149,110  | 106,207,367                       | 2,545,554                          | -                                   |
| Contingency Reserve                  | 10,827,245              |                    | 1,072,182  |            |                                   |                                    | 11,899,427                          |
| Stabilization Reserve                | 2,165,449               |                    | 214,436    |            |                                   |                                    | 2,379,885                           |
| Actual Fair Market Value Adj.        | 776,245                 |                    |            | 776,245    |                                   |                                    | -                                   |
| Future Fair Market Value Adj.        | 1,000,000               |                    |            |            |                                   |                                    | 1,000,000                           |
| Appropriations Reserve (operating)   | 4,285,710               |                    | 3,124,741  | 7,286,618  |                                   |                                    | 123,833                             |
| Appropriations Reserve (capital)     | 2,517,858               |                    | 2,266,169  | 2,517,858  |                                   |                                    | 2,266,169                           |
| Reserve for Inventories              | 170,739                 |                    |            |            |                                   |                                    | 170,739                             |
| Reserve for Prepaid Items            | 256,703                 |                    |            |            |                                   |                                    | 256,703                             |
| Reserve for Encumbrances             | 3,915,976               |                    |            | 16,772     |                                   |                                    | 3,899,204                           |
| Reserve for Long term receivable     | 50,000                  |                    |            |            |                                   |                                    | 50,000                              |
| Paramedic Program (Hoag)             | 223,551                 |                    | 26,449     |            |                                   |                                    | 250,000                             |
| Recreation Instruction Reserve       | 138,718                 |                    | 28,000     |            |                                   |                                    | 166,718                             |
| Senior Citizen Site                  | 12,871                  |                    | 2,500      |            |                                   |                                    | 15,371                              |
| Park In Lieu Fees                    | 872,299                 |                    | 344,704    | 1,018,888  |                                   |                                    | 198,115                             |
| Off Street Parking                   | 55,574                  |                    | 23,772     |            |                                   | 16,772                             | 62,574                              |
| In Lieu Parking Fees                 | 169,685                 |                    | 72,000     |            |                                   |                                    | 241,685                             |
| Neighborhood Enhancement Res. A      | 59,955                  |                    | 28,000     |            |                                   |                                    | 87,955                              |
| Neighborhood Enhancement Res. B      | 567,991                 |                    | 300,000    | 266,499    |                                   | 99,505                             | 501,987                             |
| Oceanfront Encroachment              | 256,215                 |                    |            |            |                                   |                                    | 256,215                             |
| Reserve for Capital Improvement      | 2,000,000               |                    |            |            |                                   |                                    | 2,000,000                           |
| Reserve for PERS Rate                | 6,000,000               |                    | 3,000,000  |            |                                   |                                    | 9,000,000                           |
|                                      | 36,322,784              | 107,239,467        | 18,165,518 | 18,031,990 | 106,207,367                       | 2,661,831                          | 34,826,580                          |
| Ackerman Donation Fund               |                         |                    |            |            |                                   |                                    |                                     |
| Appropriations Reserve               |                         | 17,736             |            |            | 17,736                            |                                    | -                                   |
| Appropriations Reserve - Scholarship | 186,030                 | 14,421             | 1,271      |            | 11,271                            |                                    | 190,451                             |
| Appropriations Reserve - Hi Tech     | 95,043                  | 33,164             | 3,815      |            | 2,094                             |                                    | 129,928                             |
| Perm Scholarship Endowment Reserve   |                         | 482,988            |            |            | 289,793                           |                                    | 193,195                             |
| Perm Equipment Endowment Reserve     |                         | 1,448,965          |            |            | 869,379                           |                                    | 579,586                             |
| Fair Value Adj. Reserve              | 5,086                   |                    |            | 5,086      |                                   |                                    | -                                   |
| Reserve for Encumbrance              |                         |                    |            |            |                                   |                                    | -                                   |
| CDBG Fund                            |                         |                    |            |            |                                   |                                    |                                     |
| Appropriations Reserve               | 370,941                 | 426,000            | 462,554    | 31,500     | 414,104                           | 813,891                            | -                                   |
| Reserve for Encumbrance              | 725,845                 |                    |            | 462,554    |                                   |                                    | 263,291                             |
| AQMD Fund                            |                         |                    |            |            |                                   |                                    |                                     |
| Appropriations Reserve               |                         | 121,000            |            |            | 121,000                           |                                    | -                                   |
| Reserve for Encumbrance              |                         |                    |            |            |                                   |                                    | -                                   |
| Asset Forfeiture Fund                |                         |                    |            |            |                                   |                                    |                                     |
| Appropriations Reserve               | 216,420                 | 28,551             | 11,388     |            | 256,359                           |                                    | -                                   |
| Fair Value Adj. Reserve              | 1,631                   |                    |            | 1,631      |                                   |                                    | -                                   |
| Reserve for Encumbrances             | 12,272                  |                    |            | 9,757      |                                   |                                    | 2,515                               |
| SLESF - COPS Fund                    |                         | 119,171            |            |            | 119,171                           |                                    | -                                   |
| Local Law Enforcement Block Grant    |                         |                    |            |            |                                   |                                    |                                     |
| Appropriations Reserve               |                         | 41,223             | 1,458      |            | 40,000                            |                                    | 2,681                               |
| Fair Value Adj. Reserve              | 1,458                   |                    |            | 1,458      |                                   |                                    | -                                   |
| State Gas Tax Fund                   |                         |                    |            |            |                                   |                                    |                                     |
| Appropriations Reserve               | 2,599,430               | 1,350,000          |            | 164,000    |                                   | 3,434,932                          | 350,498                             |
| Fair Value Adj. Reserve              | 76,897                  |                    | 4,000      |            |                                   |                                    | 80,897                              |
| Reserve for Encumbrances             | 1,130,425               |                    |            |            |                                   |                                    | 1,130,425                           |
| Traffic Congestion Relief Fund       |                         |                    |            |            |                                   |                                    |                                     |
| Appropriations Reserve               | 78,416                  |                    | 4,040      |            |                                   | 82,456                             | -                                   |
| Fair Value Adj. Reserve              | 4,040                   |                    |            | 4,040      |                                   |                                    | -                                   |
| Reserve for Encumbrances             |                         |                    |            |            |                                   |                                    | -                                   |
| Measure M Fund                       |                         |                    |            |            |                                   |                                    |                                     |
| Turnback                             | 1,185,979               | 1,048,827          | 41,105     |            |                                   | 1,740,821                          | 535,090                             |
| Fair Value Adj. Reserve              | 41,105                  |                    |            | 41,105     |                                   |                                    | -                                   |
| Turnback Encumbrances                | 668,821                 |                    |            |            |                                   |                                    | 668,821                             |
| Competitive                          | 52,098                  |                    |            |            |                                   | 643,942                            | (591,844)                           |
| Competitive Encumbrances             |                         |                    |            |            |                                   |                                    | -                                   |

**SUMMARY OF ESTIMATED 2003-04 YEAR END FUND BALANCES**

| Fund / Account                      | Actual                  | Estimated          | Transfers |           | Estimated                         | Estimated                          | Estimated                           |
|-------------------------------------|-------------------------|--------------------|-----------|-----------|-----------------------------------|------------------------------------|-------------------------------------|
|                                     | Fund Balance<br>2002-03 | Revenue<br>2003-04 | In        | Out       | Budget<br>Expenditures<br>2003-04 | Capital<br>Improvements<br>2003-04 | Year End<br>Fund Balance<br>2003-04 |
| Bikes & Trailways SB821             |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 54,359                  |                    | 1,791     |           |                                   |                                    | 56,150                              |
| Fair Value Adj. Reserve             | 1,791                   |                    |           | 1,791     |                                   |                                    | -                                   |
| Reserve for Encumbrances            |                         |                    |           |           |                                   |                                    | -                                   |
| AHRP Fund                           |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve              | (598,917)               | 326,000            |           |           |                                   | 308,037                            | (580,954)                           |
| Reserve for Encumbrances            |                         |                    |           |           |                                   |                                    | -                                   |
| Tide and Submerged Land Fund        |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               |                         | 6,528,106          | 40,815    | 3,789,462 | 1,686,857                         | 1,092,602                          | -                                   |
| Fair Value Adj. Reserve             | 40,815                  |                    |           | 40,815    |                                   |                                    | -                                   |
| Reserve for Encumbrances            | 457,777                 |                    |           |           |                                   |                                    | 457,777                             |
| Upper Bay Reserve                   | 187,251                 |                    | 75,000    |           |                                   | 157,744                            | 104,507                             |
| Oil and Gas                         | 40,000                  |                    | 40,000    |           |                                   |                                    | 80,000                              |
| Contributions Fund                  |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve              | (457,464)               | 1,426,605          | 550,000   |           |                                   | 2,776,693                          | (1,257,552)                         |
| Reserve for Encumbrances            |                         |                    |           |           |                                   |                                    | -                                   |
| Circulation and Transportation Fund |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve              | 4,381,601               | 375,000            | 115,109   |           |                                   | 1,704,256                          | 3,167,454                           |
| Fair Value Adj. Reserve             | 115,109                 |                    |           | 115,109   |                                   |                                    | -                                   |
| Reserve for Encumbrances            | 567,388                 |                    |           |           |                                   |                                    | 567,388                             |
| Building Excise Tax Fund            |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve              | 187,774                 | 157,000            | 40,762    |           |                                   | 190,543                            | 194,993                             |
| Fair Value Adj. Reserve             | 5,729                   |                    |           | 5,729     |                                   |                                    | -                                   |
| Reserve for Encumbrances            | 83,797                  |                    |           | 35,033    |                                   |                                    | 48,764                              |
| Environmental Liability Fund        |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 1,708,192               | 410,000            | 457,923   | 419,259   | 159,117                           |                                    | 1,997,739                           |
| Fair Value Adj. Reserve             | 36,927                  |                    |           | 36,927    |                                   |                                    | -                                   |
| Reserve for Encumbrances            | 1,737                   |                    |           | 1,737     |                                   |                                    | -                                   |
| Oil Spill Remediation Fund          |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 1,259,871               | 25,000             | 288,482   |           |                                   | 691,673                            | 881,680                             |
| Fair Value Adj. Reserve             | 35,310                  |                    |           | 35,310    |                                   |                                    | -                                   |
| Reserve for Encumbrances            | 253,172                 |                    |           | 253,172   |                                   |                                    | -                                   |
| Newport Annexation Funds            |                         |                    |           |           |                                   |                                    |                                     |
| Receipt Fund                        | 6,662,265               | 5,177,500          | 137,734   | 1,377,500 |                                   |                                    | 10,599,999                          |
| Fair Value Adj. Reserve-Receipt     | 137,734                 |                    |           | 137,734   |                                   |                                    | -                                   |
| Allocation Fund                     |                         |                    | 1,200,000 |           | 1,200,000                         |                                    | -                                   |
| Fair Value Adj. Reserve-Allocation  |                         |                    |           |           |                                   |                                    | -                                   |
| Building Fund                       | 7,026,757               | 245,000            | 70,782    |           |                                   | 623,322                            | 6,719,217                           |
| Fair Value Adj. Reserve-Building    | 70,782                  |                    |           | 70,782    |                                   |                                    | -                                   |
| Reserve for Encumbrances-Building   | 23,322                  |                    |           |           |                                   |                                    | 23,322                              |
| Library Debt Service Fund           |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               |                         |                    | 567,935   |           | 567,935                           |                                    | -                                   |
| Reserve for Debt Service            | 566,317                 |                    |           |           |                                   |                                    | 566,317                             |
| Assessment District Projects        |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 445,328                 |                    |           |           |                                   | 2,749,308                          | (2,303,980)                         |
| Reserve for Encumbrances            | 211,446                 |                    |           |           |                                   |                                    | 211,446                             |
| Fair Value Adj. Reserve             | 17,271                  |                    |           |           |                                   |                                    | 17,271                              |
| CIOSA Fund                          |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 5,041,934               | 112,500            | 100,709   |           |                                   | 344,372                            | 4,910,771                           |
| Fair Value Adj. Reserve             | 100,709                 |                    |           | 100,709   |                                   |                                    | -                                   |
| Reserve for Encumbrances            | 86,077                  |                    |           |           |                                   |                                    | 86,077                              |
| Bonita Canyon Development Fund      |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 943,510                 | 64,634             |           | 550,000   |                                   | 81,704                             | 376,440                             |
| Reserve for Encumbrances            |                         |                    |           |           |                                   |                                    | -                                   |
| Mariners Library Fund               |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 596,800                 |                    | 382,900   |           |                                   | 442,032                            | 537,668                             |
| Reserve for Encumbrances            | 382,900                 |                    |           | 382,900   |                                   |                                    | -                                   |

**SUMMARY OF ESTIMATED 2003-04 YEAR END FUND BALANCES**

| Fund / Account                    | Actual                  | Estimated          | Transfers         |                   | Estimated                         | Estimated                          | Estimated                           |
|-----------------------------------|-------------------------|--------------------|-------------------|-------------------|-----------------------------------|------------------------------------|-------------------------------------|
|                                   | Fund Balance<br>2002-03 | Revenue<br>2003-04 | In                | Out               | Budget<br>Expenditures<br>2003-04 | Capital<br>Improvements<br>2003-04 | Year End<br>Fund Balance<br>2003-04 |
| <b>Fire Station #7 Fund</b>       |                         |                    |                   |                   |                                   |                                    |                                     |
| Appropriation Reserve             | -                       | 2,500,000          | 592,000           | -                 | -                                 | -                                  | 3,092,000                           |
| Reserve for Encumbrances          | -                       | -                  | -                 | -                 | -                                 | -                                  | -                                   |
| <b>Newport Bay Dredging Fund</b>  |                         |                    |                   |                   |                                   |                                    |                                     |
| Permanent Endowment               | 3,000                   |                    |                   |                   |                                   |                                    | 3,000                               |
| Appropriation Reserve             | 86                      | 75                 | 20                | 15                |                                   |                                    | 166                                 |
| Fair Value Adj. Reserve           | 61                      |                    |                   | 5                 |                                   |                                    | 56                                  |
| <b>Insurance Reserve Fund</b>     |                         |                    |                   |                   |                                   |                                    |                                     |
| Workers' Compensation Reserve     | 2,949,840               | 3,288,171          | 144,491           |                   | 1,969,935                         |                                    | 4,412,567                           |
| Liability Reserve                 |                         | 1,917,447          | 2,500,000         |                   | 2,800,000                         |                                    | 1,617,447                           |
| Fair Value Adj. Reserve           | 144,491                 |                    |                   | 144,491           |                                   |                                    | -                                   |
| <b>Retiree Medical Fund</b>       |                         |                    |                   |                   |                                   |                                    |                                     |
| Current Contributions             |                         | 1,409,702          |                   |                   | 1,039,500                         |                                    | 370,202                             |
| Sinking Fund                      | 1,681,737               | 310,562            | 30,111            |                   |                                   |                                    | 2,022,410                           |
| Fair Value Adj. Reserve           | 30,111                  |                    |                   | 30,111            |                                   |                                    | -                                   |
| <b>Compensated Absence Fund</b>   |                         |                    |                   |                   |                                   |                                    |                                     |
| Appropriation Reserve             | 262,697                 | 1,553,271          | 528,201           |                   | 1,200,000                         |                                    | 1,144,169                           |
| Fair Value Adj. Reserve           | 28,201                  |                    |                   | 28,201            |                                   |                                    | -                                   |
| <b>Equipment Fund</b>             |                         |                    |                   |                   |                                   |                                    |                                     |
| Equipment Maintenance             |                         | 1,706,285          |                   | 142,364           | 1,563,921                         |                                    | -                                   |
| Equipment Replacement             | 6,229,687               | 3,075,253          | 161,448           | 125,000           | 2,190,157                         | 55,607                             | 7,095,624                           |
| Fair Value Adj. Reserve           | 144,084                 |                    |                   | 144,084           |                                   |                                    | -                                   |
| Reserve for Encumbrances          | 937,408                 |                    |                   |                   |                                   |                                    | 937,408                             |
| <b>Water Enterprise Fund</b>      |                         |                    |                   |                   |                                   |                                    |                                     |
| Water System Reserve              | 4,143,113               | 17,363,000         | 7,202,495         |                   | 14,796,882                        | 9,985,213                          | 5,178,909                           |
| Stabilization Reserve             | 2,959,366               |                    | 1,035,796         |                   |                                   |                                    | 3,699,221                           |
| Future Infrastructure Reserve     | 11,323,845              |                    |                   | 8,978,145         |                                   |                                    | 2,345,700                           |
| Fair Value Adj. Reserve           | 365,961                 |                    |                   |                   |                                   |                                    | 365,961                             |
| Reserve for Encumbrances          | 1,425,518               |                    |                   |                   |                                   |                                    | 1,425,518                           |
|                                   | <u>20,217,803</u>       | <u>17,363,000</u>  | <u>8,978,145</u>  | <u>8,978,145</u>  | <u>14,796,882</u>                 | <u>9,985,213</u>                   | <u>13,015,308</u>                   |
| <b>Wastewater Enterprise Fund</b> |                         |                    |                   |                   |                                   |                                    |                                     |
| Wastewater System Reserve         | 1,309,032               | 2,962,000          | 949,323           |                   | 2,132,065                         | 984,712                            | 1,492,446                           |
| Stabilization Reserve             | 467,511                 |                    | 183,414           |                   |                                   |                                    | 519,505                             |
| Future Infrastructure Reserve     | 1,184,731               |                    |                   | 1,184,731         |                                   |                                    | -                                   |
| Fair Value Adj. Reserve           | 64,138                  |                    |                   |                   |                                   |                                    | 64,138                              |
| Reserve for Encumbrances          | 226,860                 |                    |                   |                   |                                   |                                    | 226,860                             |
|                                   | <u>3,252,272</u>        | <u>2,962,000</u>   | <u>1,184,731</u>  | <u>1,184,731</u>  | <u>2,132,065</u>                  | <u>984,712</u>                     | <u>2,302,949</u>                    |
| <b>TOTAL</b>                      | <u>110,331,570</u>      | <u>163,304,624</u> | <u>36,884,237</u> | <u>36,884,237</u> | <u>139,654,643</u>                | <u>31,565,691</u>                  | <u>101,837,913</u>                  |

**SUMMARY OF ESTIMATED 2004-05 YEAR END FUND BALANCES**

| Fund / Account                       | Estimated               | Estimated          | Transfers |           | Estimated                         | Estimated                          | Estimated                           |
|--------------------------------------|-------------------------|--------------------|-----------|-----------|-----------------------------------|------------------------------------|-------------------------------------|
|                                      | Fund Balance<br>2003-04 | Revenue<br>2004-05 | In        | Out       | Budget<br>Expenditures<br>2004-05 | Capital<br>Improvements<br>2004-05 | Year End<br>Fund Balance<br>2004-05 |
| General Fund                         |                         | 109,344,190        | 6,538,427 | 2,091,672 | 111,180,964                       | 2,609,981                          | -                                   |
| Contingency Reserve                  | 11,899,427              |                    |           |           |                                   |                                    | 11,899,427                          |
| Stabilization Reserve                | 2,379,885               |                    |           |           |                                   |                                    | 2,379,885                           |
| Actual Fair Market Value Adj.        |                         |                    |           |           |                                   |                                    | -                                   |
| Future Fair Market Value Adj.        | 1,000,000               |                    |           |           |                                   |                                    | 1,000,000                           |
| Appropriation Reserve (operating)    | 123833                  |                    | 31,406    |           |                                   |                                    | 155,239                             |
| Appropriation Reserve (capital)      | 2,266,169               |                    |           | 2,266,169 |                                   |                                    | -                                   |
| Reserve for Inventories              | 170,739                 |                    |           |           |                                   |                                    | 170,739                             |
| Reserve for Prepaid Items            | 256,703                 |                    |           |           |                                   |                                    | 256,703                             |
| Reserve for Encumbrances             | 3,899,204               |                    |           |           |                                   |                                    | 3,899,204                           |
| Reserve for Long term receivables    | 50,000                  |                    |           |           |                                   |                                    | 50,000                              |
| Paramedic Program (Hoag)             | 250,000                 |                    |           |           |                                   |                                    | 250,000                             |
| Recreation Instruction Reserve       | 166,718                 |                    | 28,000    |           |                                   |                                    | 194,718                             |
| Senior Citizen Site                  | 15,371                  |                    | 2,500     |           |                                   |                                    | 17,871                              |
| Park In Lieu Fees                    | 198,115                 |                    | 68,940    |           |                                   |                                    | 267,055                             |
| Off Street Parking                   | 62,574                  |                    | 7,000     |           |                                   |                                    | 69,574                              |
| In Lieu Parking Fees                 | 241,685                 |                    | 1,058,888 |           |                                   | 1,018,888                          | 281,685                             |
| Neighborhood Enhancement Res. A      | 87,955                  |                    | 28,000    |           |                                   |                                    | 115,955                             |
| Neighborhood Enhancement Res. B      | 501,987                 |                    | 300,000   | 75,000    |                                   | 285,230                            | 441,757                             |
| Oceanfront Encroachment              | 256,215                 |                    |           |           |                                   |                                    | 256,215                             |
| Reserve for Capital Improvement      | 2,000,000               |                    |           |           |                                   |                                    | 2,000,000                           |
| Reserve for PERS Rate Changes        | 9,000,000               |                    |           |           |                                   |                                    | 9,000,000                           |
|                                      | 34,826,580              | 109,344,190        | 8,063,161 | 4,432,841 | 111,180,964                       | 3,914,099                          | 32,706,027                          |
| Ackerman Donation Fund               |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve               |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve - Scholarship | 190,451                 | 4,850              |           |           | 10,000                            |                                    | 185,301                             |
| Appropriations Reserve - Hi Tech     | 129,928                 | 14,550             |           |           | 100,000                           |                                    | 44,478                              |
| Perm Scholarship Endowment Reserve   | 193,195                 |                    |           |           |                                   |                                    | 193,195                             |
| Perm Equipment Endowment Reserve     | 579,586                 |                    |           |           |                                   |                                    | 579,586                             |
| Fair Value Adj. Reserve              |                         |                    |           |           |                                   |                                    | -                                   |
| Reserve for Encumbrance              |                         |                    |           |           |                                   |                                    | -                                   |
| CDBG Fund                            |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve               |                         | 426,000            | 254,456   | 15,450    | 365,006                           | 300,000                            | -                                   |
| Reserve for Encumbrance              | 263,291                 |                    |           | 254,456   |                                   |                                    | 8,835                               |
| AQMD Fund                            |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve               |                         | 136,000            |           |           | 85,676                            |                                    | 50,324                              |
| Reserve for Encumbrance              |                         |                    |           |           |                                   |                                    | -                                   |
| Asset Forfeiture Fund                |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve               |                         | 220,230            |           |           | 220,230                           |                                    | -                                   |
| Fair Value Adj. Reserve              |                         |                    |           |           |                                   |                                    | -                                   |
| Reserve for Encumbrances             | 2,515                   |                    |           |           |                                   |                                    | 2,515                               |
| SLESF - COPS Fund                    |                         | 120,000            |           |           | 120,000                           |                                    | -                                   |
| Local Law Enforcement Block Grant    |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve               | 2,681                   | 24,500             |           |           | 24,500                            |                                    | 2,681                               |
| Fair Value Adj. Reserve              |                         |                    |           |           |                                   |                                    | -                                   |
| State Gas Tax Fund                   |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve               | 350,498                 | 1,326,250          | 221,345   | 160,000   |                                   | 1,737,600                          | 493                                 |
| Fair Value Adj. Reserve              | 80,897                  |                    |           |           |                                   |                                    | 80,897                              |
| Reserve for Encumbrances             | 1,130,425               |                    |           | 221,345   |                                   |                                    | 909,080                             |
| Traffic Congestion Relief Fund       |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve               |                         |                    |           |           |                                   |                                    | -                                   |
| Fair Value Adj. Reserve              |                         |                    |           |           |                                   |                                    | -                                   |
| Reserve for Encumbrances             |                         |                    |           |           |                                   |                                    | -                                   |
| Measure M Fund                       |                         |                    |           |           |                                   |                                    |                                     |
| Turnback                             | 535,090                 | 1,048,827          |           |           |                                   | 1,254,000                          | 329,917                             |
| Fair Value Adj. Reserve              |                         |                    |           |           |                                   |                                    | -                                   |
| Turnback Encumbrances                | 668,821                 |                    |           |           |                                   |                                    | 668,821                             |
| Competitive                          | (591,844)               | 548,000            |           |           |                                   | 957,907                            | (1,001,751)                         |
| Competitive Encumbrances             |                         |                    |           |           |                                   |                                    | -                                   |

**SUMMARY OF ESTIMATED 2004-05 YEAR END FUND BALANCES**

| Fund / Account                      | Estimated               | Estimated          | Transfers |           | Estimated                         | Estimated                          | Estimated                           |
|-------------------------------------|-------------------------|--------------------|-----------|-----------|-----------------------------------|------------------------------------|-------------------------------------|
|                                     | Fund Balance<br>2003-04 | Revenue<br>2004-05 | In        | Out       | Budget<br>Expenditures<br>2004-05 | Capital<br>Improvements<br>2004-05 | Year End<br>Fund Balance<br>2004-05 |
| Bikes & Trailways SB821             |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 56,150                  |                    |           |           |                                   |                                    | 56,150                              |
| Fair Value Adj. Reserve             |                         |                    |           |           |                                   |                                    | -                                   |
| Reserve for Encumbrances            |                         |                    |           |           |                                   |                                    | -                                   |
| AHRP Fund                           |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve              | (580,954)               |                    |           |           |                                   |                                    | (580,954)                           |
| Reserve for Encumbrances            |                         |                    |           |           |                                   |                                    | -                                   |
| Tide and Submerged Land Fund        |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               |                         | 6,958,984          |           | 3,606,808 | 1,894,331                         | 1,457,845                          | -                                   |
| Fair Value Adj. Reserve             |                         |                    |           |           |                                   |                                    | -                                   |
| Reserve for Encumbrances            | 457,777                 |                    |           |           |                                   |                                    | 457,777                             |
| Upper Bay Reserve                   | 104,507                 |                    | 75,000    |           |                                   | 298,856                            | (119,349)                           |
| Oil and Gas                         | 80,000                  |                    | 40,000    |           |                                   |                                    | 120,000                             |
| Contributions Fund                  |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve              | (1,257,552)             | 1,341,025          |           |           |                                   | 3,589,718                          | (3,506,245)                         |
| Reserve for Encumbrances            |                         |                    |           |           |                                   |                                    | -                                   |
| Circulation and Transportation Fund |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve              | 3,167,454               | 325,000            |           | 80,000    |                                   | 2,295,050                          | 1,117,404                           |
| Fair Value Adj. Reserve             |                         |                    |           |           |                                   |                                    | -                                   |
| Reserve for Encumbrances            | 567,388                 |                    |           |           |                                   |                                    | 567,388                             |
| Building Excise Tax Fund            |                         |                    |           |           |                                   |                                    |                                     |
| Appropriations Reserve              | 194,993                 | 157,000            |           |           |                                   | 343,495                            | 8,498                               |
| Fair Value Adj. Reserve             |                         |                    |           |           |                                   |                                    | -                                   |
| Reserve for Encumbrances            | 48,764                  |                    |           |           |                                   |                                    | 48,764                              |
| Environmental Liability Fund        |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 1,997,739               | 410,000            |           |           | 125,000                           |                                    | 2,282,739                           |
| Fair Value Adj. Reserve             |                         |                    |           |           |                                   |                                    | -                                   |
| Reserve for Encumbrances            |                         |                    |           |           |                                   |                                    | -                                   |
| Oil Spill Remediation Fund          |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 881,680                 |                    |           |           |                                   | 881,680                            | -                                   |
| Fair Value Adj. Reserve             |                         |                    |           |           |                                   |                                    | -                                   |
| Reserve for Encumbrances            |                         |                    |           |           |                                   |                                    | -                                   |
| Newport Annexation Funds            |                         |                    |           |           |                                   |                                    |                                     |
| Receipt Fund                        | 10,599,999              | 200,000            |           | 1,400,000 |                                   |                                    | 9,399,999                           |
| Fair Value Adj. Reserve-Receipt     |                         |                    |           |           |                                   |                                    | -                                   |
| Allocation Fund                     |                         |                    | 1,200,000 |           | 1,200,000                         |                                    | -                                   |
| Fair Value Adj. Reserve-Allocation  |                         |                    |           |           |                                   |                                    | -                                   |
| Building Fund                       | 6,719,217               | 215,000            |           |           |                                   |                                    | 6,934,217                           |
| Fair Value Adj. Reserve-Building    |                         |                    |           |           |                                   |                                    | -                                   |
| Reserve for Encumbrances-Building   | 23,322                  |                    |           |           |                                   |                                    | 23,322                              |
| Library Debt Service Fund           |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               |                         |                    | 566,938   |           | 566,938                           |                                    | -                                   |
| Reserve for Debt Service            | 566,317                 |                    |           |           |                                   |                                    | 566,317                             |
| Assessment District Projects        |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | (2,303,980)             |                    |           |           |                                   | 257,775                            | (2,561,755)                         |
| Reserve for Encumbrances            | 211,446                 |                    |           |           |                                   |                                    | 211,446                             |
| Fair Value Adj. Reserve             | 17,271                  |                    |           |           |                                   |                                    | 17,271                              |
| CIOSA Fund                          |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 4,910,771               | 112,500            |           |           |                                   | 800,000                            | 4,223,271                           |
| Fair Value Adj. Reserve             |                         |                    |           |           |                                   |                                    | -                                   |
| Reserve for Encumbrances            | 86,077                  |                    |           |           |                                   |                                    | 86,077                              |
| Bonita Canyon Development Fund      |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 376,440                 |                    |           |           |                                   | 85,000                             | 291,440                             |
| Reserve for Encumbrances            |                         |                    |           |           |                                   |                                    | -                                   |
| Mariners Library Fund               |                         |                    |           |           |                                   |                                    |                                     |
| Appropriation Reserve               | 537,668                 | 2,873,376          |           |           |                                   | 3,851,740                          | (440,696)                           |
| Reserve for Encumbrances            |                         |                    |           |           |                                   |                                    | -                                   |

**SUMMARY OF ESTIMATED 2004-05 YEAR END FUND BALANCES**

| Fund / Account                | Estimated               | Estimated          | Transfers         |                   | Estimated                         | Estimated                          | Estimated                           |
|-------------------------------|-------------------------|--------------------|-------------------|-------------------|-----------------------------------|------------------------------------|-------------------------------------|
|                               | Fund Balance<br>2003-04 | Revenue<br>2004-05 | In                | Out               | Budget<br>Expenditures<br>2004-05 | Capital<br>Improvements<br>2004-05 | Year End<br>Fund Balance<br>2004-05 |
| Fire Station #7               |                         |                    |                   |                   |                                   |                                    |                                     |
| Appropriation Reserve         | 3,092,000               | 1,600,000          |                   |                   |                                   | 5,842,000                          | (1,150,000)                         |
| Reserve for Encumbrances      |                         |                    |                   |                   |                                   |                                    | -                                   |
| Newport Bay Dredging Fund     |                         |                    |                   |                   |                                   |                                    |                                     |
| Permanent Endowment           | 3,000                   | 3,800,000          |                   |                   |                                   |                                    | 3,803,000                           |
| Appropriation Reserve         | 166                     | 23,750             |                   |                   |                                   |                                    | 23,916                              |
| Fair Value Adj. Reserve       | 56                      |                    |                   |                   |                                   |                                    | 56                                  |
| Insurance Reserve Fund        |                         |                    |                   |                   |                                   |                                    |                                     |
| Workers' Compensation Reserve | 4,412,567               | 3,288,171          |                   |                   | 2,658,840                         |                                    | 5,041,898                           |
| Liability Reserve             | 1,617,447               | 1,917,447          |                   |                   | 2,759,232                         |                                    | 775,662                             |
| Fair Value Adj. Reserve       |                         |                    |                   |                   |                                   |                                    | -                                   |
| Retiree Medical Fund          |                         |                    |                   |                   |                                   |                                    |                                     |
| Current Contributions         | 370,202                 | 1,416,845          |                   |                   | 1,158,250                         |                                    | 628,797                             |
| Sinking Fund                  | 2,022,410               | 310,562            |                   |                   |                                   |                                    | 2,332,972                           |
| Fair Value Adj. Reserve       |                         |                    |                   |                   |                                   |                                    | -                                   |
| Compensated Absence Fund      |                         |                    |                   |                   |                                   |                                    |                                     |
| Appropriation Reserve         | 1,144,169               | 1,610,835          |                   |                   | 1,200,000                         |                                    | 1,555,004                           |
| Fair Value Adj. Reserve       |                         |                    |                   |                   |                                   |                                    | -                                   |
| Equipment Fund                |                         |                    |                   |                   |                                   |                                    |                                     |
| Equipment Maintenance         |                         | 1,828,178          |                   | 125,000           | 1,644,183                         | 152,000                            | (93,005)                            |
| Equipment Replacement         | 7,095,624               | 3,227,038          |                   | 125,000           | 3,432,076                         |                                    | 6,765,586                           |
| Fair Value Adj. Reserve       |                         |                    |                   |                   |                                   |                                    | -                                   |
| Reserve for Encumbrances      | 937,408                 |                    |                   |                   |                                   |                                    | 937,408                             |
| Water Enterprise Fund         |                         | 17,818,300         | 4,711,573         | 263,146           | 15,548,727                        | 6,718,000                          | -                                   |
| Water System Reserve          | 5,178,909               |                    | 263,146           |                   |                                   |                                    | 5,442,054                           |
| Stabilization Reserve         | 3,699,221               |                    |                   | 2,365,873         |                                   |                                    | 1,333,348                           |
| Future Infrastructure Reserve | 2,345,700               |                    |                   | 2,345,700         |                                   |                                    | -                                   |
| Fair Value Adj. Reserve       | 365,961                 |                    |                   |                   |                                   |                                    | 365,961                             |
| Reserve for Encumbrances      | 1,425,518               |                    |                   |                   |                                   |                                    | 1,425,518                           |
|                               | 13,015,308              | 17,818,300         | 4,974,719         | 4,974,719         | 15,548,727                        | 6,718,000                          | 8,566,881                           |
| Wastewater Enterprise Fund    |                         | 2,969,000          | 939,050           |                   | 2,284,229                         | 1,623,821                          | -                                   |
| Wastewater System Reserve     | 1,492,446               |                    | 106,515           | 794,544           |                                   |                                    | 804,416                             |
| Stabilization Reserve         | 519,505                 |                    |                   | 251,021           |                                   |                                    | 268,484                             |
| Future Infrastructure Reserve |                         |                    |                   |                   |                                   |                                    | -                                   |
| Fair Value Adj. Reserve       | 64,138                  |                    |                   |                   |                                   |                                    | 64,138                              |
| Reserve for Encumbrances      | 226,860                 |                    |                   |                   |                                   |                                    | 226,860                             |
|                               | 2,302,949               | 2,969,000          | 1,045,565         | 1,045,565         | 2,284,229                         | 1,623,821                          | 1,363,899                           |
| <b>TOTAL</b>                  | <b>101,837,913</b>      | <b>165,616,408</b> | <b>16,441,184</b> | <b>16,441,184</b> | <b>146,578,182</b>                | <b>36,360,586</b>                  | <b>84,515,553</b>                   |

## 2004-05 FUND TRANSFERS - ALL FUNDS

### General Fund

#### Transfer In (From General Fund Reserves):

|                                    |              |
|------------------------------------|--------------|
| Current Year Operations            | \$ 2,341,169 |
| Contingency Reserve                | -            |
| Stabilization Reserve              | -            |
| Actual Fair Market Value Adj.      | -            |
| Appropriations Reserve (operating) | 31,406       |

#### Transfer In (From Current Year Operations):

|                                  |           |
|----------------------------------|-----------|
| Appropriations Reserve (capital) | -         |
| Paramedic Program (Hoag)         | -         |
| Recreation Instruction Reserve   | 28,000    |
| Senior Citizen Site              | 2,500     |
| Park In Lieu Fees                | 68,940    |
| Off Street Parking               | 7,000     |
| In Lieu Parking Fees             | 1,058,888 |
| Neighborhood Enhancement Res. A  | 28,000    |
| Neighborhood Enhancement Res. B  | 300,000   |
| Reserve for Capital Improvement  | -         |
| Reserve for PERS Rate Changes    | -         |

#### Transfer In (From Other Funds):

|                                   |           |
|-----------------------------------|-----------|
| Gas Tax Fund                      | 160,000   |
| Tidelands Fund                    | 3,491,808 |
| CDBG Fund                         | 15,450    |
| AQMD Fund                         | -         |
| Circulation & Transportation Fund | 80,000    |
| Equipment Maintenance Fund        | 125,000   |
| Equipment Replacement Fund        | 125,000   |
| Newport Annexation Funds          | 200,000   |

**Total Transfers In** **\$ 8,063,161**

### General Fund

#### Transfer Out (To General Fund Reserves):

|                                    |              |
|------------------------------------|--------------|
| Current Year Operations            | \$ 1,524,734 |
| Contingency Reserve                | -            |
| Stabilization Reserve              | -            |
| Actual Fair Market Value Adj.      | -            |
| Appropriations Reserve (operating) | -            |

#### Transfer Out (To Current Year Operations):

|                                  |           |
|----------------------------------|-----------|
| Appropriations Reserve (capital) | 2,266,169 |
| 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  | 75,000    |
| Reserve for Capital Improvement  | -         |

#### Transfer Out (To Other Funds):

|                           |         |
|---------------------------|---------|
| Library Debt Service Fund | 566,938 |
|                           | -       |
|                           | -       |
|                           | -       |
|                           | -       |
|                           | -       |
|                           | -       |
|                           | -       |
|                           | -       |

**Total Transfers Out** **\$ 4,432,841**

### Ackerman Donation Fund

#### Transfer In (From):

|                       |      |
|-----------------------|------|
| Appropriation Reserve | \$ - |
|-----------------------|------|

**Total Transfers In** **\$ -**

### Ackerman Donation Fund

#### Transfer Out (To):

|              |      |
|--------------|------|
| Fund Balance | \$ - |
|--------------|------|

**Total Transfers Out** **\$ -**

### CDBG Fund

#### Transfer In (From):

|                       |            |
|-----------------------|------------|
| Appropriation Reserve | \$ 254,456 |
|-----------------------|------------|

**Total Transfers In** **\$ 254,456**

### CDBG Fund

#### Transfer Out (To):

|                         |           |
|-------------------------|-----------|
| General Fund            | \$ 15,450 |
| Reserve for Encumbrance | 254,456   |

**Total Transfers Out** **\$ 269,906**

## 2004-05 FUND TRANSFERS - ALL FUNDS

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

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

|                           |                   |
|---------------------------|-------------------|
| <b>State Gas Tax Fund</b> |                   |
| Transfer In (From):       |                   |
| Fund Balance              | \$ 221,345        |
| Total Transfers In        | \$ <u>221,345</u> |

|                           |                   |
|---------------------------|-------------------|
| <b>State Gas Tax Fund</b> |                   |
| Transfer Out (To):        |                   |
| General Fund              | \$ 160,000        |
| Appropriation Reserve     | -                 |
| Reserve for Encumbrance   | <u>221,345</u>    |
| Total Transfers Out       | \$ <u>381,345</u> |

|                                      |                       |
|--------------------------------------|-----------------------|
| <b>Traffic Congestion Relief Fd.</b> |                       |
| Transfer In (From):                  |                       |
| Appropriation Reserve                | \$ <u>          -</u> |
| Total Transfers In                   | \$ <u>          -</u> |

|                                      |                       |
|--------------------------------------|-----------------------|
| <b>Traffic Congestion Relief Fd.</b> |                       |
| Transfer Out (To):                   |                       |
| Fund Balance                         | \$ <u>          -</u> |
| Total Transfers Out                  | \$ <u>          -</u> |

|                          |                       |
|--------------------------|-----------------------|
| <b>Measure M Funds</b>   |                       |
| Transfer In (From):      |                       |
| Turnback Fund Balance    | \$ -                  |
| Turnback Encumbrances    | -                     |
| Competitive Encumbrances | -                     |
| Competitive Fund Balance | <u>-</u>              |
| Total Transfers In       | \$ <u>          -</u> |

|                          |                       |
|--------------------------|-----------------------|
| <b>Measure M Funds</b>   |                       |
| Transfer Out (To):       |                       |
| Turnback Fund Balance    | \$ -                  |
| Turnback Encumbrances    | -                     |
| Competitive Encumbrances | -                     |
| Competitive Fund Balance | <u>-</u>              |
| Total Transfers Out      | \$ <u>          -</u> |

|                                      |                       |
|--------------------------------------|-----------------------|
| <b>Bikes &amp; Trailways (SB821)</b> |                       |
| Transfer In (From):                  |                       |
| Fund Balance                         | \$ -                  |
| Total Transfers In                   | \$ <u>          -</u> |

|                                      |                       |
|--------------------------------------|-----------------------|
| <b>Bikes &amp; Trailways (SB821)</b> |                       |
| Transfer Out (To):                   |                       |
| Appropriation Reserve                | \$ -                  |
| Reserve for Encumbrance              | <u>-</u>              |
| Total Transfers Out                  | \$ <u>          -</u> |

|                     |                       |
|---------------------|-----------------------|
| <b>AHRP Fund</b>    |                       |
| Transfer In (From): |                       |
| Fund Balance        | \$ <u>          -</u> |
| Total Transfers In  | \$ <u>          -</u> |

|                     |                       |
|---------------------|-----------------------|
| <b>AHRP Fund</b>    |                       |
| Transfer Out (To):  |                       |
| Fund Balance        | \$ <u>          -</u> |
| Total Transfers Out | \$ <u>          -</u> |

|                          |                   |
|--------------------------|-------------------|
| <b>Tidelands Fund</b>    |                   |
| Transfer In (From):      |                   |
| Reserve for Encumbrances | \$ -              |
| Tidelands Fund           | 115,000           |
| Total Transfers In       | \$ <u>115,000</u> |

|                          |                     |
|--------------------------|---------------------|
| <b>Tidelands Fund</b>    |                     |
| Transfer Out (To):       |                     |
| General Fund             | \$ 3,491,808        |
| Reserve for Encumbrances | -                   |
| Upper Bay Reserve        | 75,000              |
| Oil & Gas Reserve        | <u>40,000</u>       |
| Total Transfers Out      | \$ <u>3,606,808</u> |

## 2004-05 FUND TRANSFERS - ALL FUNDS

### Contributions Fund

#### Transfer In (From):

|                           |             |
|---------------------------|-------------|
| Fund Balance              | \$ -        |
| <b>Total Transfers In</b> | <b>\$ -</b> |

### Contributions Fund

#### Transfer Out (To):

|                            |             |
|----------------------------|-------------|
| Appropriation Reserve      | \$ -        |
| <b>Total Transfers Out</b> | <b>\$ -</b> |

### Circulation Fund

#### Transfer In (From):

|                           |             |
|---------------------------|-------------|
| Fund Balance              | \$ -        |
| Reserve for Encumbrance   | -           |
| <b>Total Transfers In</b> | <b>\$ -</b> |

### Circulation Fund

#### Transfer Out (To):

|                            |                  |
|----------------------------|------------------|
| General Fund               | \$ 80,000        |
| Appropriation Reserve      | -                |
| Reserve for Encumbrance    | -                |
| <b>Total Transfers Out</b> | <b>\$ 80,000</b> |

### Building Excise Tax Fund

#### Transfer In (From):

|                           |             |
|---------------------------|-------------|
| Appropriations Reserve    | \$ -        |
| Reserve for Encumbrances  | -           |
| Fund Balance              | -           |
| <b>Total Transfers In</b> | <b>\$ -</b> |

### Building Excise Tax Fund

#### Transfer Out (To):

|                            |             |
|----------------------------|-------------|
| Reserve for Encumbrances   | \$ -        |
| Appropriation Reserve      | -           |
| Fund Balance               | -           |
| <b>Total Transfers Out</b> | <b>\$ -</b> |

### Environmental Liability Fund

#### Transfer In (From):

|                           |             |
|---------------------------|-------------|
| Appropriation Reserve     | \$ -        |
| <b>Total Transfers In</b> | <b>\$ -</b> |

### Environmental Liability Fund

#### Transfer Out (To):

|                            |             |
|----------------------------|-------------|
| Fund Balance               | \$ -        |
| <b>Total Transfers Out</b> | <b>\$ -</b> |

### Oil Spill Remediation Fund

#### Transfer In (From):

|                           |             |
|---------------------------|-------------|
| Appropriation Reserve     | \$ -        |
| <b>Total Transfers In</b> | <b>\$ -</b> |

### Oil Spill Remediation Fund

#### Transfer Out (To):

|                            |             |
|----------------------------|-------------|
| Fund Balance               | \$ -        |
| <b>Total Transfers Out</b> | <b>\$ -</b> |

### Newport Annexation Funds

#### Transfer In (From):

|                           |                     |
|---------------------------|---------------------|
| Receipt Fund              | \$ -                |
| Allocation Fund           | 1,200,000           |
| Building Fund             | -                   |
| <b>Total Transfers In</b> | <b>\$ 1,200,000</b> |

### Newport Annexation Funds

#### Transfer Out (To):

|                            |                     |
|----------------------------|---------------------|
| General Fund               | \$ 200,000          |
| Receipt Fund               | 1,200,000           |
| Building Fund              | -                   |
| <b>Total Transfers Out</b> | <b>\$ 1,400,000</b> |

### Library Debt Service Fund

#### Transfer In (From):

|                           |                   |
|---------------------------|-------------------|
| General Fund              | \$ 566,938        |
| <b>Total Transfers In</b> | <b>\$ 566,938</b> |

### Library Debt Service Fund

#### Transfer Out (To):

|                            |             |
|----------------------------|-------------|
| Fund Balance               | \$ -        |
| <b>Total Transfers Out</b> | <b>\$ -</b> |

## 2004-05 FUND TRANSFERS - ALL FUNDS

| <b>Assessment Districts Fund</b> |                    |
|----------------------------------|--------------------|
| <b>Transfer In (From):</b>       |                    |
| Appropriation Reserve            | \$ -               |
| Reserve for Encumbrance          | -                  |
| Fund Balance                     | -                  |
| <b>Total Transfers In</b>        | <b>\$ <u>-</u></b> |

| <b>Assessment Districts Fund</b> |                    |
|----------------------------------|--------------------|
| <b>Transfer Out (To):</b>        |                    |
| Appropriation Reserve            | \$ -               |
| Reserve for Encumbrance          | -                  |
| Fund Balance                     | -                  |
| <b>Total Transfers Out</b>       | <b>\$ <u>-</u></b> |

| <b>CIOSA Fund</b>          |                    |
|----------------------------|--------------------|
| <b>Transfer In (From):</b> |                    |
| Fund Balance               | \$ -               |
| <b>Total Transfers In</b>  | <b>\$ <u>-</u></b> |

| <b>CIOSA Fund</b>          |                    |
|----------------------------|--------------------|
| <b>Transfer Out (To):</b>  |                    |
| Appropriation Reserve      | \$ -               |
| <b>Total Transfers Out</b> | <b>\$ <u>-</u></b> |

| <b>Retiree Medical Fund</b> |                    |
|-----------------------------|--------------------|
| <b>Transfer In (From):</b>  |                    |
| Fund Balance                | \$ -               |
| <b>Total Transfers In</b>   | <b>\$ <u>-</u></b> |

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

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

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

| <b>Equipment Fund</b>      |                    |
|----------------------------|--------------------|
| <b>Transfer In (From):</b> |                    |
| Equipment Maintenance      | \$ -               |
| <b>Total Transfers In</b>  | <b>\$ <u>-</u></b> |

| <b>Equipment Fund</b>      |                          |
|----------------------------|--------------------------|
| <b>Transfer Out (To):</b>  |                          |
| General Fund Overhead      | \$ 125,000               |
| General Fund Overhead      | 125,000                  |
| Equipment Replacement      | -                        |
| <b>Total Transfers Out</b> | <b>\$ <u>250,000</u></b> |

| <b>Water Enterprise Fund</b>  |                            |
|-------------------------------|----------------------------|
| <b>Transfer In (From):</b>    |                            |
| Water Operations              | \$ 263,146                 |
| Future Infrastructure Reserve | 2,345,700                  |
| Stabilization Reserve         | 2,365,873                  |
| <b>Total Transfers In</b>     | <b>\$ <u>4,974,719</u></b> |

| <b>Water Enterprise Fund</b> |                            |
|------------------------------|----------------------------|
| <b>Transfer Out (To):</b>    |                            |
| Water Operations             | \$ -                       |
| Water System Reserve         | 263,146                    |
| Water Fund Balance           | 4,711,573                  |
| <b>Total Transfers Out</b>   | <b>\$ <u>4,974,719</u></b> |

| <b>Wastewater Enterprise Fund</b> |                            |
|-----------------------------------|----------------------------|
| <b>Transfer In (From):</b>        |                            |
| Wastewater System Reserve         | \$ 794,544                 |
| Reserve for Encumbrance           | -                          |
| Stabilization Reserve             | 251,021                    |
| <b>Total Transfers In</b>         | <b>\$ <u>1,045,565</u></b> |

| <b>Wastewater Enterprise Fund</b> |                            |
|-----------------------------------|----------------------------|
| <b>Transfer Out (To):</b>         |                            |
| Wastewater Operations             | 939,050                    |
| Wastewater Infrastructure. Rsv.   | \$ 106,515                 |
| Reserve for Encumbrance           | -                          |
| <b>Total Transfers Out</b>        | <b>\$ <u>1,045,565</u></b> |

|                        |                             |
|------------------------|-----------------------------|
| <b>TOTAL TRANSFERS</b> | <b>\$ <u>16,441,184</u></b> |
|------------------------|-----------------------------|

|                        |                             |
|------------------------|-----------------------------|
| <b>TOTAL TRANSFERS</b> | <b>\$ <u>16,441,184</u></b> |
|------------------------|-----------------------------|

# DEPARTMENT OPERATIONS

# CITY COUNCIL

*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*

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## **THE NEWPORT BEACH CITY COUNCIL**

Running a city is a bit like running a corporation. The seven members of the Newport Beach City Council – each of whom represent one of seven districts but are elected to their positions by the voters of the entire city – serve as the City's "board of directors." Being a council member is considered a part-time job, although the time commitment -- from early morning meetings with residents to Council meetings that can run late into the night -- often requires 30+ hours per week. In accordance with the City Charter, the City Council hires 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 city employees directly hired by the City Council.

The City Council has two primary tools to implement policy – the City's yearly budget (summarized as this *Resource Allocation Plan*) and the various priorities that the Council sets at its twice-a-month public meetings. For the year 2004-05, the Council will follow these efforts closely:



**--- 2004-05 Council Efforts ---**

- Managing the City’s resources prudently as the State of California works its way out of its funding deficit and as the economy attempts to recover.
- Continuing to work with the community to update the City’s General Plan (the document that guides Newport Beach’s residential, commercial, open space, industrial, and other land uses) and to develop and certify a Local Coastal Program (LCP).
- Aggressively improving water quality and habitat in Newport Bay and the along the ocean shoreline.
- Ensuring the timely completion of projects that improve our streets, water and wastewater systems, and parks and medians.
- Planning and constructing a state-of-the-art joint-use library at Mariners Elementary School.
- Working on “sphere issues” with the County of Orange that could result in transfers of the Santa Ana Heights Redevelopment Project Area, certain tidelands, and the Coyote Canyon Landfill to the City along with a more cooperative approach to John Wayne Airport 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).

|                            | 2001-02<br>Actual*  | 2002-03<br>Actual*  | 2003-04<br>Estimated** | 2004-05<br>Approved*** |
|----------------------------|---------------------|---------------------|------------------------|------------------------|
| Salaries and Benefits      | \$ 141,368          | \$ 146,530          | \$ 142,573             | \$ 255,279             |
| Maintenance and Operations | \$ 2,633,606        | \$ 1,129,255        | \$ 744,525             | \$ 1,002,565           |
| Capital Outlay             | \$ 5,169            | \$ 11,943           | \$ 7,000               | \$ 7,000               |
| City Grants                | \$ 25,000           | \$ 40,000           | \$ 25,000              | \$ 25,000              |
| <b>Total</b>               | <b>\$ 2,805,143</b> | <b>\$ 1,327,728</b> | <b>\$ 919,098</b>      | <b>\$ 1,289,844</b>    |

\* Includes Airport Growth Control expenditures  
 \*\* Includes Airport Growth Control and Spheres Issues expenditures  
 \*\*\* Includes Spheres Issues expenditures

# CITY CLERK

## Mission Statement

*To provide service to the Mayor and City Council, City Manager, administrative 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 Responsibilities

The City Clerk attends all meetings of the City Council and serves as Clerk of the Council. Some of the primary responsibilities performed by the City Clerk are:

- Prepares and publishes agendas for City Council meetings in accordance with the legal requirements for public meetings.
- Records and maintains the proceedings of the City Council meetings, including an index of the City Council actions.
- Maintains official records associated with formal actions of the City Council, assists the public with research and retrieval of information and retrieves and certifies public documents.
- Maintains the document imaging system in order to reduce staff time in searching, retrieving and copying records, as well as providing storage for permanent records.
- Provides staff and the residents with online access to the Newport Beach Municipal Code; Council Policy Manual; Boards, Commissions and Committees Manual; application blanks and vacancy notices for Boards and Commissions; City Council agendas, minutes, and staff reports.
- Assists the public in understanding and participating in the decision and policy making process.
- Maintains Appointive List as required under Maddy Appointive List Act (for Boards and Commissions).
- Processes legal publications, postings and notices.
- Ensures accurate codification of City-adopted ordinances.
- Acts as Filing Officer for the Political Reform Act of 1974 regulations (campaign disclosure forms and statements of economic interest).
- Receives and opens bids for City projects.
- Receives and processes claims for damages and, summons and complaints against the City.
- Serves as the City's Election Official and receives petitions relating to initiatives, referendums or recalls.
- Serves as custodian of the official records of the City and maintains custody of the City Seal.
- Executes all ordinances, resolutions and contracts.
- Administers oaths, affirmations and acknowledgements.
- Processes passport applications in accordance with U.S. Department of State procedures.



Since the City was incorporated in 1906, the City Clerk's office has kept the official records of the City Council. The office is also responsible for the preparation of agendas, minutes, and agenda packets for City Council meetings, as well as processing legal publications and claims. In addition, the City Clerk serves as the City's Elections Official and acts as Filing Officer for campaign disclosure forms and statements of economic interest in accordance with the Political Reform Act of 1974. The City Clerk's office is designated as an official Passport Acceptance Facility by the U.S. Department of State.

### Service Indicators

|   | 2001-2002<br>Actual | 2002-2003<br>Actual | 2003-2004<br>Estimated | 2004-2005<br>Projected |
|---|---------------------|---------------------|------------------------|------------------------|
| Council Meetings, Regular                     | 23                  | 24                  | 23                     | 24                     |
| Council Meetings, Special or Adjourned        | 25                  | 21                  | 21                     | 21                     |
| Resolutions adopted                           | 92                  | 72                  | 80                     | 80                     |
| Ordinances adopted                            | 28                  | 28                  | 25                     | 25                     |
| Municipal elections                           | 1                   | 1                   | 0                      | 1                      |
| Registered voters                             | 52,212              | 51,864              | 55,997                 | 56,500                 |
| Municipal Code Supplement pages distributed   | 56,595              | 52,626              | 45,000                 | 45,000                 |
| Claims/Summons and Complaints processed       | 157                 | 194                 | 180                    | 180                    |
| Contracts/Agreements processed                | 119                 | 120                 | 120                    | 120                    |
| Notices of Completion/Release Bonds           | 26                  | 28                  | 30                     | 30                     |
| Documents processed to Orange County Recorder | 28                  | 38                  | 40                     | 40                     |
| Pages scanned into Document Imaging System    | 33,600              | 34,500              | 35,000                 | 35,000                 |
| Passports processed                           | 265 *               | 672                 | 800                    | 900                    |

\* Passport services began (2/4/02)

|                            | 2001-02<br>Actual | 2002-03<br>Actual | 2003-04<br>Estimated | 2004-05<br>Approved |
|----------------------------|-------------------|-------------------|----------------------|---------------------|
| Salaries and Benefits      | \$ 230,725        | \$ 250,802        | \$ 263,479           | \$ 288,107          |
| Maintenance and Operations | \$ 30,785         | \$ 50,448         | \$ 42,932            | \$ 37,710           |
| Capital Outlay             | \$ 1,238          | \$ 6,005          | \$ -                 | \$ -                |
| Total                      | \$ 262,748        | \$ 307,255        | \$ 306,411           | \$ 325,817          |
| Elections                  | \$ -              | \$ 48,685         | \$ -                 | \$ 55,000           |
| Grand Total                | \$ 262,748        | \$ 355,940        | \$ 306,411           | \$ 380,817          |

Allocation Plan

# CITY MANAGER

*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*

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## **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 prepare and present 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 department directors and of individuals and groups throughout the City. Other topics more regional in nature are also on the City Manager's plate. The City Manager's Office monitors the political and economic environment outside the city to ensure that outside forces do not compromise Newport Beach's quality of life, public safety system, or its finances. In 2004-05, these external issues may include:

- The State of California's operating deficit and the State's past willingness to take local governments' revenues to solve previous deficits.
- Administration of programs currently run by the County of Orange that could more effectively be run by the City, including planning for the future of John Wayne Airport.
- Positioning the City to effectively compete for State grant funding for new projects.



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 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 water quality and water conservation efforts expanded significantly in FY 2003-04 given the community's strong interest in improving our recreational waters (the Bay and ocean shoreline). This division -- which has its roots in the Planning Department -- was one of the very few parts of city government to expand last year. The Division will not grow further in 2004-05, but it will continue its proactive, face-to-face education and enforcement efforts regarding "best management practices" (BMPs) for water conservation and water quality. At the same time, the Division ensures that community standards remain high (traditional code enforcement).

**Public Information Division**

The Public Information Office follows a comprehensive Plan designed to improve communication between the City and our residents and businesses. The Plan includes e-mailed newsletters, effective use of the Web site, and community cable TV programming. The Division will focus on completing two new cable franchise agreements in 2004-05 and implementing the public, governmental, and educational ("PEG") programming that may result from the agreements.

**Harbor Resources Division**

More than 1200 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 regulations that direct the City to comply with the federal Clean Water Act, the Coastal Act, and the City's Harbor Policy demand specific attention by the Harbor Resources staff. The Harbor Commission, a seven-member all-volunteer board appointed directly by the City Council -- plays an important role here, too. The Harbor Resources Division includes parking lot administration and an innovative Tidepool Rangers program. Harbor Resources is housed at the Balboa Yacht Basin off of Harbor Island Drive.

|                            | 2001-02<br>Actual   | 2002-03<br>Actual   | 2003-04*<br>Estimated | 2004-05<br>Approved |
|----------------------------|---------------------|---------------------|-----------------------|---------------------|
| Salaries and Benefits      | \$ 1,498,430        | \$ 1,550,992        | \$ 1,906,815          | \$ 2,110,063        |
| Maintenance and Operations | \$ 268,764          | \$ 505,245          | \$ 870,680            | \$ 866,039          |
| Capital Outlay             | \$ 23,753           | \$ 16,248           | \$ 50,500             | \$ 40,700           |
| Total                      | <u>\$ 1,790,947</u> | <u>\$ 2,072,485</u> | <u>\$ 2,827,995</u>   | <u>\$ 3,016,802</u> |

\* Code & Water Quality Enforcement Division added.

# HUMAN RESOURCES

*To increase the City's effectiveness through recruitment and retention of employees committed to providing quality public service that meets the goals and objectives set by the City Council and the City Manager.*

*We further this mission by the development of systems which recognize the value of each employee and provide the necessary tools to recruit, retain, and develop a workforce capable of high performance.*

*We accomplish this mission by having a "customer first" attitude; demonstrating a spirit of cooperation; being a trusted and valued source of human resources knowledge and expertise; and by being responsive to and aware of internal and external customer needs.*

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## Department Highlights for FY 2003-04

The Human Resources Department continued its focus on improving our processes which enables it to provide excellent employment and benefit information to City Departments and the public.

The Department continued to assist various City Departments with their recruitment needs. It worked closely with the Fire Department to revise the Firefighter pre-employment background process by splitting it into two phases. This provides the Fire Department with candidates ready to begin employment when needed. In coordination with the General Services Department, a practical exam was developed to administer to candidates for the Refuse Worker I position. The practical exam allowed us to see first hand if candidates were able to perform the physical demands of the tasks required of Refuse Workers. We also partnered with the Police and Recreation Departments to create a system to fingerprint Recreation Instructors with the Live Scan System which resulted in a much shorter turn around time for new hires to be cleared to start work.

Technology again played an important role this fiscal year. Working in coordination with the MIS staff, an online job notification system has been running successfully for the last year. This system sends an e-mail notification when a particular job becomes available to those who have registered through the system. The HR Web site has also been enhanced with additional information including updated job specifications, salary ranges, and MOU's for improved accessibility to the public and employees.

The Department continued to improve on our past successes for the the City's employee benefit program through developing an effective and informative open enrollment packet, hosting the most comprehensive and well-attended health fair to date for employees and retirees alike.

Effective with the new calendar year the administration of the City's COBRA program was transferred to Triad. To assist in the proper transition of our COBRA administration, the Risk Manager coordinated with our health insurance carriers and MIS to develop a dependent database. The Risk Manager was the lead in the city-wide Broker Selection and also for the ABLE JPA helicopter program between the City of Newport Beach and the City of Costa Mesa. These efforts resulted in increased customer service and satisfaction.

The Department has started organizing files in work areas and storage spaces in order to comply with the City's newly adopted records retention policy.

The Risk Manager and the HR Operations Manager conducted training in the areas of Sexual Harassment Prevention, Workplace Violence Prevention, and Alcohol/Drug and Risk Management as a training module in the Fire Department's Leadership Academy. The Sexual Harassment Prevention Training was also presented separately to the permanent Lifeguard staff.

Two new staff members joined the Human Resources Department this year, Diana Axley as the Director and Christine Musial as the HR Benefits Specialist.

The department provides the following services and programs:

- Recruitment and Selection
- Employee Training
- Discipline and Grievances
- MOU Administration
- Performance Evaluation System
- Safety Program
- Employee Assistance Program
- Classification and Compensation
- Labor Relations
- Personnel Policies
- Civil Service Board Support
- Records Management
- Wellness and Fitness Center
- Deferred Compensation
- Employee Orientation
- Benefits Administration
- General Liability
- Retiree Medical
- Workers' Compensation
- Disability Retirement

**Human Resources Objectives FY 2004-2005**

- Continue development of the City-wide performance evaluation system complete with instructional manual and supervisor training
- Continued training of full-time employees on our new drug/alcohol policy
- Develop and implement FMLA and HIPPA training and procedures
- Coordinate with MIS to create an online personnel action form (PAF)
- Conduct Basic Workers' Compensation training for Supervisors and Managers
- Develop an accident investigation process and training with the Fire Department Safety Committee

**Budget Highlights FY 2004-2005**

The HR Department will continue to provide the tools and training needed to keep current with human resources related laws and practices. City-wide training is still a high priority with FMLA and FLSA supervisor training being the critical training areas that will be addressed this fiscal year.

In the area of Risk Management, our insurance renewals have started to stabilize, but higher than normal increases are still expected in the excess workers' compensation insurance markets.

One Human Resources Director  
 One HR Operations Manager  
 One Risk Manager  
 One Administrative Assistant to the HR Director  
 Two HR Specialists  
 Two HR Analysts  
 One Department Assistant

|                            | 2001-02<br>Actual | 2002-03<br>Actual | 2003-04<br>Estimated | 2004-05<br>Approved |
|----------------------------|-------------------|-------------------|----------------------|---------------------|
| Salaries and Benefits      | \$ 673,207        | \$ 763,010        | \$ 822,346           | \$ 871,891          |
| Maintenance and Operations | \$ 491,388        | \$ 352,050        | \$ 401,660           | \$ 409,660          |
| Capital Outlay             | \$ 9,819          | \$ 31,585         | \$ 8,000             | \$ 8,000            |
| Total                      | \$ 1,174,414      | \$ 1,146,645      | \$ 1,232,006         | \$ 1,289,551        |

Department  
Organization

Allocation  
Plan

# 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 in-house defense of tort liability claims by full-time Deputy City Attorney, and support code enforcement efforts when litigation becomes necessary.
- To present reasonable and cost effective solutions to legal problems without compromising the interests of the City, its officers, or employees.

## Service Indicators

|   | 2002-2003<br>Actual | 2003-2004<br>Estimated | 2004-2005<br>Projected |
|---|---------------------|------------------------|------------------------|
| Requests for Opinions/Advice (In-house)                                   | 3,200               | 5,250                  | 5,500                  |
| Council, Board, and Commission Meetings                                   | 100                 | 100                    | 100                    |
| Preparation/Review of Contracts, MOUs, Agreements                         | 200                 | 300                    | 300                    |
| Litigation Caseload   | 150                 | 150                    | 50                     |
| Code Enforcement Caseload   | 100                 | 120                    | 80                     |
| Development/review of Resolutions and Ordinances                          | 75                  | 75                     | 85                     |
| Court and Hearing Appearances   | 100                 | 100                    | 80                     |
| Public Assistance (phone or in person, by attorney and secretarial staff) | 5,400               | 7,200                  | 7,200                  |
| Legislative Advocacies  | 25                  | 20                     | 20                     |
| Public Records Act Requests   | 26                  | 29                     | 40                     |

One City Attorney  
 One Assistant City Attorney  
 One Deputy City Attorney  
 One Administrative Assistant to the City Attorney  
 One Department Assistant  
 One Part-time Contract Attorney

**Department Functions**

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 proposed contracts, bond financing papers, and insurance policies.
- Monitor, control, defend against liability claims and lawsuits.
- 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.
- Prepare, review drafts, and assist in the negotiation of agreements to which the City is a party.
- Draft, analyze, and lobby for legislation 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.

|                            | 2001-02<br>Actual | 2002-03<br>Actual | 2003-04<br>Estimated | 2004-05<br>Approved |
|----------------------------|-------------------|-------------------|----------------------|---------------------|
| Salaries and Benefits      | \$ 565,631        | \$ 631,502        | \$ 683,580           | \$ 723,876          |
| Maintenance and Operations | \$ 120,591        | \$ 233,651        | \$ 350,816           | \$ 278,826          |
| Capital Outlay             | \$ 2,450          | \$ 2,965          | \$ 4,000             | \$ 11,000           |
| Total                      | \$ 688,672        | \$ 868,118        | \$ 1,038,396         | \$ 1,013,702        |

# ADMINISTRATIVE SERVICES

Mission Statement

*To provide highest quality Management Information Services, Financial Management, and a variety of support services for City Officials, the public, and other departments*

## The Organization

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, Management Information Services, Revenue, and Accounting. On the surface, our primary purpose is to provide financial and information technology services to the frontline public serving departments. However, we are also charged with the most paramount objective of a public agency; that is to provide prudent custodial services of publicly entrusted resources. Treasury, Debt Management, Budgeting, Internal Control, Property Control, Purchasing, and Annual Financial Reporting are all examples of Administrative Services' responsibility to be the financial steward for the entire organization.

Although many of the services provided by the Department, including payroll, accounts payable, print shop/mail room, purchasing/warehousing, and Management Information Services, are provided in support of other City Departments, in some cases the Department serves the public directly. Examples of services provided directly to the public by the Department include: licensing, cashiering, water billing and maintenance of the City's Web Site.

Department Organization

|  |   |
|--|---|
| <b>Accounting</b><br>Staffing: 7 plus .75 FTE<br>\$731,681   | <b>Fiscal Services</b><br>Staffing: 12 plus 2.89 FTE<br>\$1,176,337   |
| General Accounting<br>Payroll<br>Property Control & Fixed Asset Tracking<br>Audit Coordination<br>Debt Administration<br>Financial Reporting | Cash Management<br>Purchasing<br>Warehousing & Inventory Control<br>Printing & Reproduction<br>Postal Services<br>Remittance Processing<br>Accounts Payable |

|   |   |  |
|---|---|--|
| <b>Mgt. Information Services</b><br>Staffing: 17 plus .5 FTE<br>\$2,468,798   | <b>Resource Management</b><br>Staffing: 3<br>\$437,994  | <b>Revenue</b><br>Staffing: 11 plus 1.59 FTE<br>\$1,135,127  |
| Computer Applications Support<br>Telecommunications<br>Geographic Information System<br>PC Technical Support<br>Network Management<br>Database Management | Budget Management<br>Investment Management<br>Internal Control<br><br>*does not include Ackerman Scholarship fund | Municipal Billing<br>Intergovernmental Transfers<br>Licenses<br>Regulatory Permits<br>Revenue Development<br>Receivables & Collections |

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## Mission and Goals

The Department's Mission and day-to-day activities cover a wide range of functions for the City. The Department's customers consist of a large number of members of the public, as well as every department in the City. A necessary function of the organization is to impose structure and control on a variety of procedures, such as budgeting, purchasing, vendor payables, property control, travel claims, and employee reimbursements. However, it is important for the Department's energy to focus on customer service and innovation, rather than on enforcing restrictions, in the process of achieving the Department's primary goals:

- To provide efficient and secure cash management and investment service, emphasizing safety, liquidity, and yield, in that order.
- To consolidate, develop, and maintain a dynamic, progressive, service oriented Management Information System for the City. This includes hardware, software, and networking. It encompasses PC operations, Citywide "mainframe" applications, the Geographic Information System, and Telecommunications support.
- To maintain functional and cost effective payroll and benefit services.
- To develop and maintain a revenue structure, including tax based revenues, fees, and charges, which is fair, equitable, and efficient.
- To provide appropriate municipal licensing and regulatory services as directed.
- To develop, operate, and maintain reliable and responsive accounts payable and municipal billing/receivables systems.
- To provide thorough, accurate, timely, and award-worthy accounting and financial reporting.
- To provide responsive and cost effective centralized purchasing, contract administration, and fixed asset tracking services.
- To insure security of City assets through an effective internal control program, as well as property control, warehouse, and property disposal systems.
- To provide highly responsive and cost effective printing, duplicating, and postal services for all City Departments.
- To provide a work environment which encourages an innovative spirit, a customer service orientation, and a strong sense of responsibility by Department employees.
- To help ensure coverage of all functions by a dedicated work force through increased cross-training and other appropriate measures.

# ADMINISTRATIVE SERVICES (Continued)

## Financial Services

Every budgetary Division of the Department provides financial services in one capacity or another. Three Divisions composed of Fiscal Services, Revenue, and Accounting, are the primary points of contact for our customers, while the Resource Management Division provides the executive, administrative, and overall coordination of the Department as a whole. The core financial services include licensing, revenue development, tax administration, cashiering, treasury, billing, purchasing, accounts payable, payroll, inventory, fixed assets, budgeting, accounting, internal control, financial reporting, and audit coordination. These vital services support the operations of all frontline departments providing this City's broad scope of Municipal Services.

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. Departmental personnel assist other departments in budgeting, analyzing, and financing major equipment acquisitions and/or infrastructure improvements. Departmental personnel also manage debt financing levels appropriately, balancing the financial burden across the service life of the improvements.

The **Fiscal Services Division** is composed of five primary work groups: 1) Central Cashiering; 2) Accounts Payable; 3) Print Shop Multigraphics; 4) Mail Room and Remittance Processing and, 5) Purchasing and Central Warehouse operations. Fiscal Services is a diverse Division of sixteen full and part-time employees with primary support functions for the Administrative Services Department and the entire organization. The Division's activities include contract administration, encumbrances and payments processing, and the purchase of materials, equipment, and services for all City Departments. The Central Warehouse, located at the Corporation Yard is responsible for control management of inventory supplies used by numerous field crews of multiple departments. The Warehouse also assists in property control management and the disposal of surplus equipment. Central Cashiering processes all of the payments made to the City for a multitude of billing systems. In addition, Central Cashiering handles incoming telephone calls and difficult customer service situations regarding parking citations management. The Print Shop produces numerous duplicating and multigraphics jobs for an extensive number of customers and works diligently to produce the City's Comprehensive Annual Financial Report (CAFR) and both the Preliminary and Final Budget book sets. Mail Room functions include incoming and outgoing U.S. Postal mail, the insertion of all City billings, and remittance processing of all City billings. With the additional responsibilities associated with vendor payables, Fiscal Services is now also coordinating the tax reporting of compensation and benefits on behalf of vendors.



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

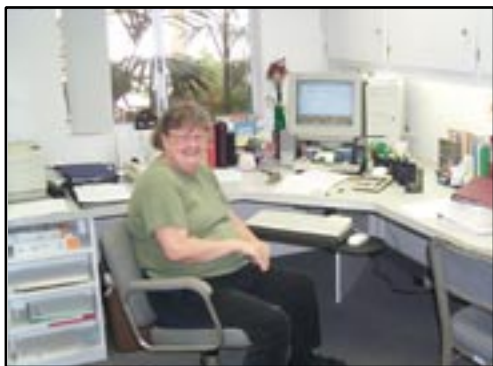
on municipal services. Staff reviews existing State laws mandating a higher level of service on the City, and pursues reimbursement of the additional costs imposed by the State. As local control over revenue streams has shifted to State and County agencies, Revenue staff's review of the accuracy of subventions 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.



The **Accounting Division** acts as the financial historian for the City, accounting for and reporting the results of operation for a given period, and documenting the City's financial position at each fiscal year-end. Consequently, Accounting staff members are often utilized to satisfy information requests, analyze past operation results, as well as estimate the cost of future ventures. Budgeting is also a natural fit for this Division and is the home of most budget preparation. Although cities are not required to file an income tax return, cities are not exempt from many federal and state imposed excise tax filings and annual reports. In charge of City payroll, this Division also coordinates the tax reporting of compensation and benefits on behalf of employees and employee benefit plans. After the coordination of the budgeting, accounting, and financial reporting processes, this Division then assumes the role as the audit liaison for all financial, compliance, and grant related audits.

## Information Technology

The **Management Information Systems (MIS) Division**, which is the largest Division in the Department, has the challenge of taking the lead not only for the Administrative Services Department, but also for the entire City in this critical area. The specific functions at issue involve every Division at the most fundamental level.

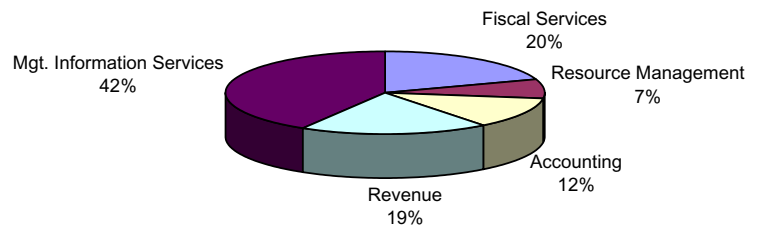


Information and communication technology is a fast moving, ever changing industry that the City must embrace and grow with in order to keep up with the demands of our Community and using Departments. This area of service includes administration of shared computer systems, Internet/Intranet access and firewalls, development and

# ADMINISTRATIVE SERVICES (Continued)

administration of the City's Web site, centralized database applications development and support, software training, and personal computer purchasing, support, and network administration. Network administration and support includes telecommunications and Wide Area Networking (WAN). The Telecommunications Section operates and maintains the City telephone systems, including City owned and operated pay telephones, and provides LAN and WAN support of hardware and software components required to provide connectivity to all City remote sites. The MIS Division also supports a complex Geographic Information System (GIS) designed to provide analysis and mapping capabilities.

Expenditures by Division



## The Future

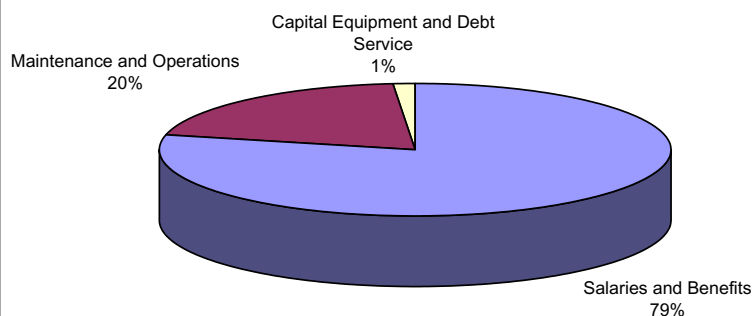
The Administrative Services Department continues to take the lead in providing automation solutions and communications services to all City Departments, the City Council, and members of the public.

City LAN/WAN infrastructure, personal computers and software applications will continue to be upgraded to take advantage of the latest in hardware and software technologies. Wireless networking will become more and more prevalent. Wireless access to all City network resources have been made available from any location within the City Hall facility and wireless technology solutions have been implemented between remote sites in order to provide faster, more efficient, cost effective connectivity.

Applications including: core accounting, billing, and HRM modules; GIS; document imaging and management; and Interactive Voice Response (IVR) systems will continue to be developed and expanded. The Internet and Intranet Web sites will continue to be developed and expanded with an emphasis towards providing an advanced, more efficient means of communicating and presenting information to citizens and employees. Additionally, the focus on development of these Web sites will be geared towards implementing improved solutions and tools designed to provide better, more efficient customer service.

The MIS Division is committed to providing enterprise solutions to all City departments. Careful consideration is given toward developing open systems that are able to readily communicate and share information. The move is toward developing and implementing systems that are "user friendly." The Division also maintains a strong commitment towards providing training and guidance to all City Departments in related information systems areas.

Expenditures by Type



| <b>Service Indicators</b>          | 2001-2002<br>Estimated | 2002-2003<br>Estimated | 2003-2004<br>Estimated | 2004-2005<br>Projected |
|------------------------------------|------------------------|------------------------|------------------------|------------------------|
| Budget Administered                | \$136,198,611          | \$158,930,430          | \$167,229,174          | \$181,062,409          |
| Warrants Issued                    | 25,500                 | 19,300                 | 20,290                 | 20,000                 |
| Value of Payments Processed        | \$75,084,000           | \$99,850,000           | \$100,232,519 *        | \$100,500,000          |
| Checks Deposited                   | 169,320                | 175,400                | 177,879                | 175,000                |
| Value of Currency Deposited        | \$2,276,040            | \$2,737,900            | \$2,794,560            | \$2,800,000            |
| Annual Payroll & Benefits          | \$66,721,100           | \$73,312,610           | \$83,249,130           | \$88,156,993           |
| Paychecks Processed                | 23,000                 | 25,500                 | 26,200                 | 27,700                 |
| Purchase Orders                    | 835                    | 873                    | 760                    | 750                    |
| Multilith Impressions              | 4,963,833              | 4,965,000              | 5,055,731              | 5,100,000              |
| Printing & Binding Jobs            | 4,125                  | 4,200                  | 4,351                  | 4,600                  |
| Mail Room Volume                   | 486,909                | 379,500                | 219,000 **             | 226,000                |
| Municipal Statements               | 200,000                | 200,000                | 200,000                | 205,000                |
| Accounts Receivable Billings       | 54,000                 | 62,000                 | 31,000 ***             | 10,000                 |
| New Business Licenses              | 3,100                  | 3,600                  | 4,000                  | 4,000                  |
| Business License Renewals          | 13,200                 | 12,000                 | 13,000                 | 20,000                 |
| Dog Licenses Issued                | 2,300                  | 2,500                  | 3,000                  | 3,200                  |
| Marine Charter Permits             | 1,200                  | 1,000                  | 1,100                  | 1,500                  |
| Parking Citations Processed        | 88,000                 | 88,300                 | 88,000                 | 72,000                 |
| Administrative Citations Processed | 1,200                  | 1,800                  | 1,500                  | 2,500                  |
| Ajudications                       | 4,700                  | 4,700                  | 4,700                  | 5,000                  |
| City Owned Telephone Units         | 757                    | 810                    | 825                    | 835                    |
| Service & Repair Calls             | 1,831                  | 1,875                  | 1,890                  | 1,944                  |
| Average Monthly Calls              | 63,250                 | 71,250                 | 75,000                 | 79,135                 |

\* Increase due to direct pays not included until FY 03.

\*\* Decrease due to outsourcing of municipal services statements.

\*\*\* Decrease due to consolidation of billings on municipal statements.

|                            | 2001-02<br>Actual   | 2002-03<br>Actual   | 2003-04<br>Estimated | 2004-05<br>Approved |
|----------------------------|---------------------|---------------------|----------------------|---------------------|
| Salaries and Benefits      | \$ 3,714,476        | \$ 3,970,814        | \$ 4,307,006         | \$ 4,618,923        |
| Maintenance and Operations | \$ 938,023          | \$ 949,132          | \$ 968,224           | \$ 1,273,296        |
| Capital Equipment          | \$ 58,078           | \$ 76,620           | \$ 56,219            | \$ 57,719           |
| <b>Total</b>               | <b>\$ 4,710,577</b> | <b>\$ 4,996,566</b> | <b>\$ 5,331,449</b>  | <b>\$ 5,949,938</b> |

Performance  
Review

Allocation  
Plan

# 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.



*In response to a suspicious substance the First Responder training pays off as City Departments interact with other First Responder agencies.*

*In support of our mission, the Department will:*

- Build on the Department’s successful recruitment, hiring, and promotional process, to reach our authorized staffing levels as we continue to deal with a significant number of planned retirements.
- Continue the Department’s leadership role in the implementation of the Countywide Integrated Law and Justice System Strategic Plan.
- Maintain the Department’s focus on technological improvements such as the implementation of a wireless Local Area Network, Automated Vehicle Location System, and the replacement of the existing Mobile Video System. Many of these improvements are made possible through several on-going State and Federal grants.
- Continue the Department’s Critical Incident preparation in both First Responder training as well as coordinated Homeland Security efforts with Local, State, and Federal agencies.



*A.B.L.E. pilots, mechanics, and staff at the dedication of the new Eurocopter EC-120 Helicopter.*

- Complete the necessary improvements and equipment acquisitions to upgrade and modernize the Department’s jail facility.
- Further develop the Department’s efforts in Community Policing by enhancing through technological improvements the access of information to all field units and within the Department as well as continuing our efforts in Crime Prevention, Crime Awareness, Identity Theft, and Personal Safety.



*Demonstrating the dangers of impaired driving as part of the “Every 15 Minutes” program to the students of Newport Harbor High School. Funding provided by a State grant.*

|                            | 2001-02<br>Actual    | 2002-03<br>Actual    | 2003-04<br>Estimated | 2004-05<br>Approved  |
|----------------------------|----------------------|----------------------|----------------------|----------------------|
| Salaries and Benefits      | \$ 23,736,311        | \$ 25,908,035        | \$ 27,664,914        | \$ 29,613,337        |
| Maintenance and Operations | \$ 4,170,432         | \$ 4,340,691         | \$ 4,731,424         | \$ 4,983,200         |
| Capital Outlay             | \$ 148,598           | \$ 189,451           | \$ 306,075           | \$ 123,872           |
| <b>Total</b>               | <b>\$ 28,055,340</b> | <b>\$ 30,438,177</b> | <b>\$ 32,702,413</b> | <b>\$ 34,720,409</b> |
| Sworn Personnel            | 149                  | 148                  | 148                  | 148                  |
| Non-Sworn Personnel        | 89                   | 89                   | 89                   | 89                   |
| <b>Total Personnel</b>     | <b>238</b>           | <b>237</b>           | <b>237</b>           | <b>237</b>           |

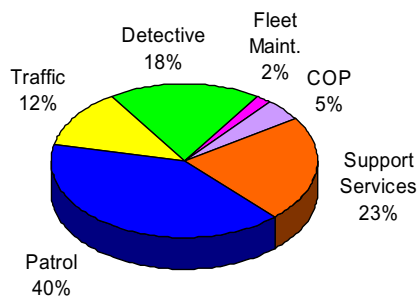
# POLICE DEPARTMENT (Continued)

|  |  |   |
|--|--|---|
| <p><b>Chief of Police</b><br/>Staffing: 10, plus .49 FTE<br/>\$1,633,101</p> <p>Professional Standards<br/>D.A.R.E.<br/>Media Relations<br/>Environmental Services<br/>Community Relations<br/>Legal Affairs<br/>Crime Prevention<br/>Citizen's Academy</p>  | <p><b>Traffic</b><br/>Staffing: 32, plus 3.74 FTE<br/>\$4,247,071</p> <p>Traffic Services<br/>Accident Investigations<br/>Motors<br/>Parking Control<br/>Crossing Guard<br/>Traffic Education<br/>Animal Control<br/>Special Events Planning</p>   | <p><b>Fleet Maintenance</b><br/>Staffing: 2<br/>\$631,839</p> <p>Parts Inventory<br/>Automotive Service<br/>Equipment Replacement<br/>Collision Repair<br/>Vehicle Maintenance</p>  |
| <p><b>Patrol</b><br/>Staffing: 96, plus 4.29 FTE<br/>\$13,777,024</p> <p>Watch One<br/>Watch Two<br/>Watch Three<br/>Jail Unit<br/>S.W.A.T.<br/>Bicycle Unit<br/>Canine Unit<br/>Disaster Planning<br/>Helicopter Program (A.B.L.E.)<br/>Volunteer Program<br/>Reserve Officer Unit<br/>Hostage Negotiation Unit</p> | <p><b>Support Services</b><br/>Staffing: 53, plus 7.91 FTE<br/>\$8,060,277</p> <p>Alarms Officer<br/>Communications<br/>Video Unit<br/>Property Unit<br/>Personnel Unit<br/>Polygraph Unit<br/>Fiscal Services<br/>Records Section<br/>Training Section<br/>Range/Armory<br/>Computer Systems<br/>Planning/Research<br/>Facility Maintenance<br/>Electronic Equipment Repair</p> | <p><b>Detectives</b><br/>Staffing: 44, plus .19 FTE<br/>\$6,371,097</p> <p>Detective Services<br/>Crimes Persons<br/>Property Crimes<br/>Juvenile/Sex Crimes<br/>Narcotics Section<br/>Economic Crimes<br/>Crime Scene Investigations<br/>Photo Unit<br/>Vice/Intelligence<br/>Crime Suppression Unit<br/>Crime Analysis<br/>Auto Theft Task Force (OCATT)<br/>School Resource<br/>Regional Narcotic Suppression<br/>Program (R.N.S.P.)</p> |

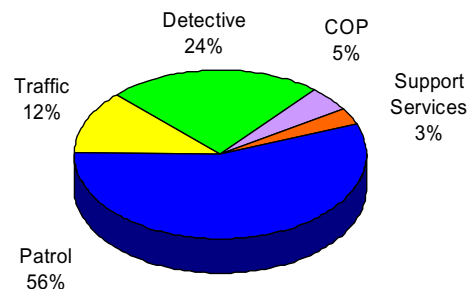
(Figures do not include Asset Seizure or other grant funds)

## Resource Distribution

The Police Department is currently comprised of the Office of the Chief of Police and three Divisions: Support Services, Patrol/Traffic, and Detectives. Under the direction of the Chief of Police, Bob McDonell, each Division is headed by a Captain. Included in the Support Services Division are many items that pertain to the entire Department, such as building maintenance, utilities, office equipment, uniforms, training, dispatch, records, etc. Of the Police Department's total budget, 84% is devoted to personnel related costs. Of those personnel costs, approximately 82% are attributable to the direct delivery of service to the community, while the remainder involves such costs as records support, personnel and training, clerical support, administrative support, etc.



**FY 05 Budget by Division**



**Sworn Officers by Division**



*The Galaxy Incident crime scene and subsequent fire highlighted the excellent working relationship between a variety of City Departments, including the Police and Fire Departments in dealing with rapidly changing critical incidents.*

## Service Indicators

|  | 2001-2002<br>Actual | 2002-2003<br>Actual | 2003-2004<br>Estimated | 2004-2005<br>Projected |
|--|---------------------|---------------------|------------------------|------------------------|
| Part One Crimes*                           | 3,091               | 3,084               | 3,177                  | 3,358                  |
| Adult Arrests                              | 3,684               | 3,485               | 3,258                  | 3,253                  |
| Juvenile Detentions                        | 458                 | 372                 | 328                    | 284                    |
| Part Two Crimes/Misellaneous Reports       | 10,467              | 10,251              | 10,015                 | 10,167                 |
| Total Computer Aided Dispatch Entries      | 78,837              | 80,510              | 80,427                 | 84,240                 |
| Calls for Service                          | 56,598              | 59,484              | 60,194                 | 62,895                 |
| Domestic Violence Cases Investigated       | 200                 | 215                 | 211                    | 318                    |
| Number of Cases Assigned for Investigation | 4,499               | 4,597               | 4,568                  | 4,874                  |
| Number of Cases Assigned Per Detective     | 321                 | 328                 | 309                    | 331                    |
| Value of Property Recovered                | 1,681,017           | 2,460,042           | 2,326,414              | 2,801,221              |
| Field Interviews Conducted                 | 7,449               | 7,332               | 8,189                  | 8,397                  |
| False Alarms Handled                       | 4,223               | 4,245               | 4,099                  | 4,065                  |
| Animals Impounded                          | 576                 | 664                 | 706                    | 779                    |
| Animal Control Citations Issued            | 1,105               | 1,481               | 1,647                  | 1,953                  |
| Fatal Traffic Collisions                   | 1                   | 3                   | 3                      | 4                      |
| Injury Traffic Collisions                  | 448                 | 472                 | 503                    | 513                    |
| Property Damage Collisions                 | 1,072               | 1,024               | 1,044                  | 1,038                  |
| Vehicle Code Citations/Warnings issued     | 20,636              | 18,233              | 19,695                 | 19,514                 |
| Other Citations Issued                     | 4,628               | 4,099               | 4,198                  | 4,368                  |
| Parking Citations Issued                   | 73,191              | 68,907              | 69,359                 | 66,778                 |

\* 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.

# ***FIRE DEPARTMENT***

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

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The Newport Beach Fire Department is responsible for reducing the loss of life and property from fire, medical, and environmental emergencies. The Department's 147 full-time employees and over 170 seasonal employees provide 24-hour protection and response to the City's residents and visitors.

## PRIMARY GOALS

- 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.



*House fire near Jasmine Creek*

## **2004-2005 Emphasis**

With strong roots and a long history, the Fire Department continues to develop and enhance both effective and efficient methods for the delivery of public safety services to the community of Newport Beach. This is the expanded level of assistance Newport Beach citizens have grown to expect. 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**

The Newport Beach Fire Department strongly believes in offering our community the highest level of service. In order to provide the highest level of emergency services, the Fire Department maintains one Operations Division, which encompasses fire, emergency medical service, and lifeguard responders. Our fire emergency responders are strategically located in eight fire stations around the city, ensuring they can respond rapidly to emergency situations. Our emergency medical service responders rely on advanced equipment to save lives, including Automatic External Defibrillator (AEDs), paramedic monitors that easily identify heart attacks, and devices that monitor blood sugar levels. This year some of our paramedic vans will be replaced with modular ambulances offering more patient treatment room and easily accommodating advanced medical equipment. Our "Fire Medics" program is also offering a new medical information system where our residents can provide medical and family contact information prior to an emergency. With the swipe of a Driver's License or special identification card, paramedics can quickly access information via handheld computer. The Operations Division lifeguards protect over 10 million beach visitors each year with their preventative actions and medical assistance. All of our emergency response personnel are highly trained and strive to ensure the safety of our community.



*Lifeguards rescue an injured swimmer*



*Fire Engineer Jim Jezorski teaches children about fire safety*

### **Fire Prevention**

The mission of the Fire Prevention Division is to provide a fire safe community and prevent loss of life and property throughout Newport Beach. The Fire Prevention Division works in conjunction with the City's Planning and Building Departments to ensure all new construction and remodels are built in compliance with the local and State building and fire codes. This includes the installation of and modifications to built-in fire protection, such as fire alarm systems and automatic fire sprinkler systems. The Fire Prevention

Division is responsible for regulating hazardous materials and processes, ensuring their storage and use conform to State and City requirements. The Fire Prevention Division also manages the routine fire inspection program that provides periodic inspections to all business and selected multi-family occupancies to ensure they are maintained fire safe and in compliance with the fire and life safety codes.

# ***FIRE DEPARTMENT (Continued)***

## **FIRE PREVENTION PROJECTS**

**Newport Beach Temple** groundbreaking has begun for the Church of Jesus Christ of Latter-Day Saints on Bonita Canyon Road adjacent to their existing Stake Center. The temple will be 16,000 square feet, and is fully fire sprinklered with exterior standpipes.

**15<sup>th</sup> Street Townhomes** have begun grading for 12 buildings with 42 units at 869 W. 15<sup>th</sup> Street. These three story homes will have a first story garage with two levels of living space above. All buildings are fully sprinklered and are equipped with their own fire department connections. An additional fire entry road was provided at the rear of the complex giving the Fire Department two points of access to the property.

**Commercial dock inspections** are being conducted by Fire Prevention in conjunction with the Harbor Resources Division, the Building Department, and the Orange County Sheriffs Department, Harbor Patrol Division. There are approximately 63 commercial docks in the City. The intent of these inspections is to assist the business owners in complying with the City Municipal Code, the California Fire and Electrical Codes, as well as the National Fire Protection Association standards for marine applications. Items addressed during these inspections are fire department access, fire protection systems, multiple berthing and rafting issues, fuel storage, and existing non-conforming conditions.

The **Hoag Memorial Hospital** remodeling project is proceeding as scheduled. The tower's steel frame and support structures have been completed and work has commenced on the interior systems portion of the building. Construction on the Woman's Pavilion has begun and will encompass approximately 269,327 sq. ft. of space along with an auxiliary food court building consisting of approximately 14,000 sq. ft. The tower consists of concrete and steel construction and encompasses a laboratory, patient testing, out patient services, private patient rooms, labor and delivery area, fetal diagnostics, and a nursery. Projected cost of construction is estimated at \$200 million.

Hoag Hospital is also proceeding with construction of a Co-Generation plant, adjacent to the "Eternal Flare" which is located along West Coast Highway, west of the Hoag Administration building. The Co-Generation plant will assist in meeting the additional electrical needs.

**Newport Coast** is part of the City's Special Fire Protection Area requiring special fire protection features and access requirements. The inspection of this area after annexation discovered several significant deficiencies that must be corrected and are ongoing. Those efforts include:

**Fuel Modification Maintenance** – All Fuel Modification Zones (FMZ) in Newport Coast are required to be maintained in compliance with City codes. Inspection maps have been created for each Fuel Modification Zone along with a corresponding inspection guide. These guides and maps are site specific for plant material, special conditions and requirements. An access database has also been created to track Fuel Modification Zone status and compliant dates for reporting to the City. The Fire Prevention Division takes special care in enforcing the FMZs, as a method of reducing our wildland fire hazard in the City.

**Fire Lane Signs** – Streets less than 36 feet in width require fire lanes in the Special Fire Protection Area of Newport Coast. Many of the streets in Newport Coast are less than 36 feet and are required to provide designated fire lanes on those streets. In an effort to provide and maintain the necessary emergency access, Fire Prevention staff is working to bring all roadways into access compliance. Maintaining clear fire lanes in Newport Coast has continued to be a high priority after two significant property loss fires in homes under construction in Pelican Crest. Fire lane sign installation is being required in the new construction areas of Crystal Cove and Pacific Ridge.

**Fashion Island** continues to install new fire alarm systems in all buildings as each tenant space is remodeled. In 1999, a partnership between Fashion Island Management and the Newport Beach

Fire Department identified the need to modernize the fire detection and alarm equipment at Fashion Island. The plan included the installation of new fire alarm panels within each of the buildings and the connection of all of the detecting and alerting devices to the new panels. These improvements will enhance the ability of the Fire Department to respond more rapidly to a fire emergency, and also provide emergency notification to the occupants of the building and Fashion Island security.

### ***Disaster Preparedness***

Though concerns about homeland security kept disaster preparedness in the forefront in the minds of the community, safety officials, and City staff, the firestorms that affected Southern California in 2003 have recharged our awareness for natural disasters. Within the Fire Department, the Disaster Preparedness Coordinator has updated the City's Emergency Management plan. The City's Emergency Operations Center (EOC) is regularly activated for drill scenarios and we continually enhance our response capabilities. Training for the residents within the City continues through the very successful Community Emergency Response Team (CERT) program. The next step in preparedness will be the development of a Hazard Mitigation Plan for the City. This plan will assist us in strategically planning for the reduction of hazards around the city. The continued development of the community's disaster preparedness efforts will aid the residents of Newport Beach in an area-wide disaster. Natural and human-caused disasters will continue to be potential threats to our community and the Fire Department will continue to coordinate within our own city and with neighboring jurisdictions to ensure we are prepared.



*Paramedics and firefighters  
treat a fire victim*

### ***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. The Department Training Program concentrates on excellence and effectiveness in our provision of life saving services. Recently, the Department has made advancements in personnel development through a variety of programs. Emergency responders are now participating in an updated version of emergency driving skills and on-scene management of incidents involving Weapons of Mass Destruction. The Fire Department has also continued its Leadership Academy program. The combination of personnel growth and individual skill development unites to form a uniquely effective department.

The Fire Department also provides excellent community education. Department members provide safety instruction and training to school age children every year through the Junior Fire Marshal, the Junior Lifeguard, and Lifeguard Cadet Programs. The Department has continued our "CPR in the Schools, Working Together to Save Lives" program. Lifeguard personnel provide CPR and other safety instruction to over 700 Newport-Mesa high school safety education students at Newport Harbor, Corona del Mar and Back Bay High Schools each year.

Recently, the Fire Department created a new tool to reach out to our community, "The Newport Beach Safety Ladder." The Newport Beach Safety Ladder is an interactive CD/DVD with video segments focusing on public safety education. Importantly, the Newport Beach Safety Ladder will allow us to reach children, seniors and visitors. These three segments of our population comprise the highest percentage of accidents and fatalities. The Newport Beach Safety Ladder provides a comprehensive

# FIRE DEPARTMENT (Continued)

public education tool, including Fire Safety, Accident Prevention, Recreational Safety, Smoke Alarms, Family Emergency Plans, Kitchen Safety, Home Exit Drills, Disaster Preparedness, and Basic First Aid.

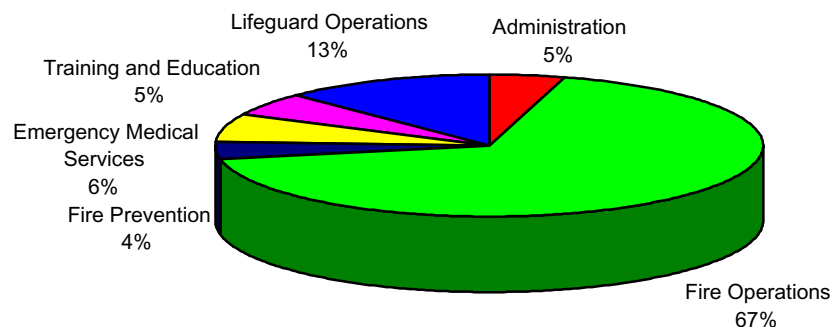
The ever popular Public Safety Day Open House held each October during Fire Prevention Week gives Department personnel the opportunity to demonstrate many skills that have been developed through extensive training and also provides close interaction with our community members, allowing for in-depth safety education.



## Service Indicators

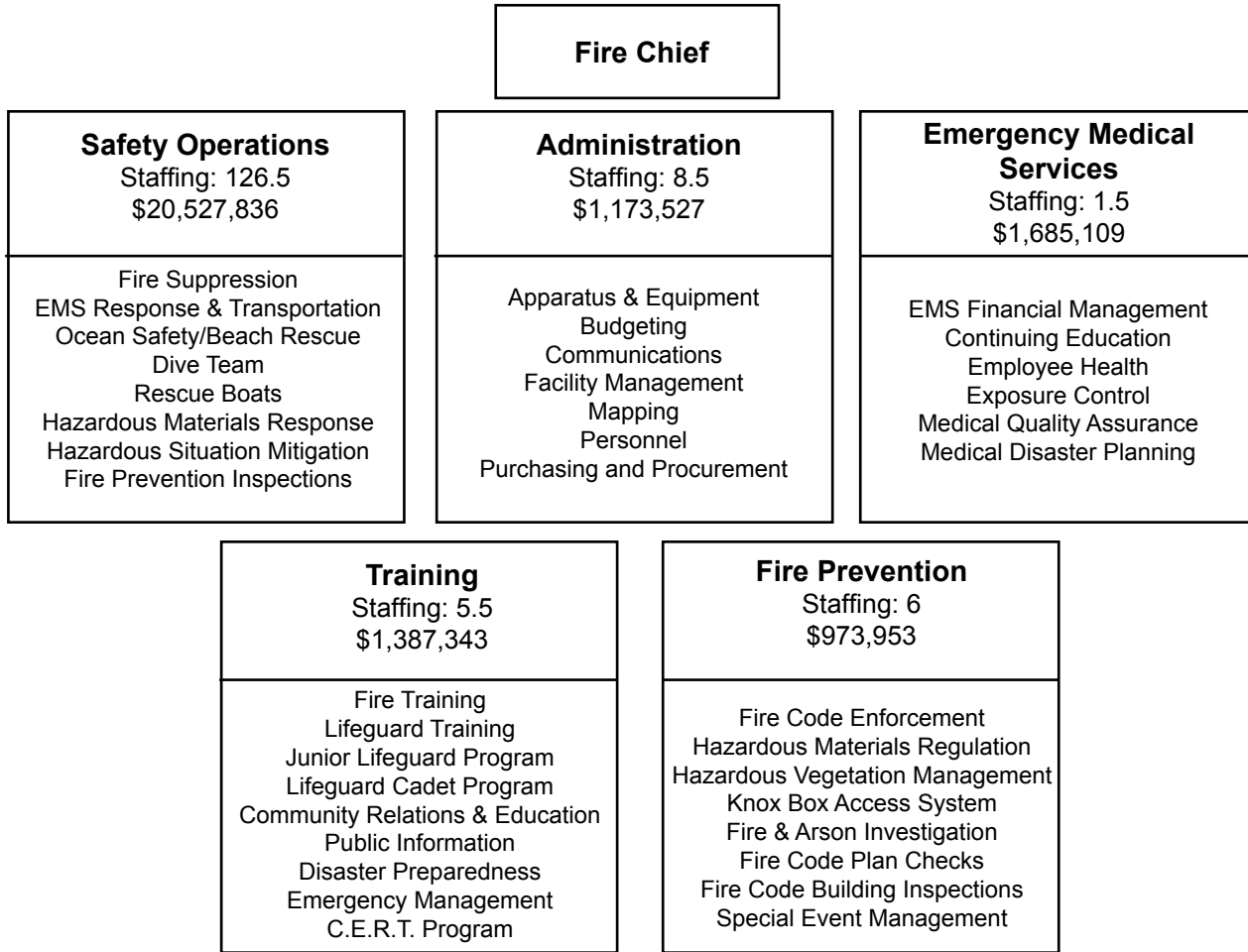
|                           | 2001-2002<br>Actual | 2002-2003<br>Actual | 2003-2004<br>Estimated | 2004-2005<br>Projected |
|---------------------------|---------------------|---------------------|------------------------|------------------------|
| Fire Responses            | 359                 | 442                 | 423                    | 450                    |
| Medical Responses         | 5,243               | 5,704               | 5,860                  | 6,000                  |
| Fire Medics Membership    | 5,580               | 3,244               | 6,500                  | 7,000                  |
| Water Rescues             | 2,645               | 5,550               | 5,827                  | 61,118                 |
| Lifeguard Medical Aids    | 6,500               | 5,212               | 5,472                  | 5,746                  |
| Boats in Distress         | 60                  | 91                  | 95                     | 100                    |
| Preventative Actions      | 92,876              | 153,152             | 160,809                | 168,850                |
| Fire Alarm Responses      | 1,039               | 1,176               | 1,195                  | 1,250                  |
| Other Emergency Responses | 1,009               | 1,063               | 1,129                  | 1,250                  |
| Public Education Hours    | 850                 | 850                 | 1,000                  | 1,000                  |
| Fire Inspections          | 4,402               | 4,460               | 4,500                  | 4,500                  |
| Beach Attendance          | 8,694,375           | 10,670,300          | 11,203,815             | 11,764,005             |

The Fire Department budget is divided into six specific budget programs: Administration, Emergency Medical Services, Fire Operations, Fire Prevention, Lifeguard Services, and Training and Education.



Under the director of Fire Chief Timothy Riley, the Fire Department is divided into five divisions: Safety Operations, Administration, Emergency Medical Services, Training, and Fire Prevention.

Department Organization



Service fee programs include the paramedic service fee program, and emergency ambulance transportation. Other service fee systems in place include: fire permit fees, the Fire Medics program, and the Junior Lifeguard program. Users of any of these programs offset their end result costs.

Allocation Plan

|                            | 2001-02<br>Actual* | 2002-03<br>Actual | 2003-04<br>Estimated | 2004-05<br>Approved |
|----------------------------|--------------------|-------------------|----------------------|---------------------|
| Salaries and Benefits      | \$ 16,116,358      | \$ 18,571,780     | \$ 20,364,292        | \$ 22,007,319       |
| Maintenance and Operations | \$ 2,870,759       | \$ 3,068,246      | \$ 3,498,813         | \$ 3,553,065        |
| Capital Outlay             | \$ 353,332         | \$ 374,658        | \$ 227,204           | \$ 187,384          |
| Total                      | \$ 19,340,449      | \$ 22,014,684     | \$ 24,090,309        | \$ 25,747,768       |
| General Tax Revenue        | \$ 16,616,950      | \$ 18,794,992     | \$ 21,700,709        | \$ 23,082,818       |
| Other Revenue              | \$ 2,723,499       | \$ 3,219,692      | \$ 2,389,600         | \$ 2,664,950        |
| Total Revenue              | \$ 19,340,449      | \$ 22,014,684     | \$ 24,090,309        | \$ 25,747,768       |
| Personnel, Regular         | 137.00             | 147.00            | 148.00               | 148.00              |
| Seasonal - (FTE)           | 33.70              | 34.10             | 32.60                | 30.78               |

\* Newport Coast Station 8 added

# PLANNING DEPARTMENT

## Mission Statement

*Plan and manage the development or use of land, and provide the highest level of customer service consistent with the law, policy, and community goals*

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The function of the Planning Department is to promote and enhance the physical environment and quality of life experienced by residents, visitors, property owners, and businesses of the City of Newport Beach. The Department accomplishes its mission through programs promoting high quality community and economic development.

### **Budget Highlights**

The Planning Department operates under the supervision of an Assistant City Manager and the Planning Director. Funding for the Assistant City Manager is within the City Manager's budget. The Department will continue the General Plan update effort begun with the Visioning Process in 2001-02. Work on the General Plan Update itself commenced at the end of FY 2002-03, and continued on through the entire budget year of 2003-04 as it will through this budget year. Because this is such a significant program for the City, its funding is identified in a distinct budget line. Funds for the entire update were encumbered in FY 2002-03, but expenditures will carry on through this fiscal year to project completion. Monies shown in this year's budget are for the ongoing community outreach component of the program including one City-wide newsletter. Certification of the Local Coastal Program is another major program from the last fiscal year which will carry over into FY 2004-05, with major expenditures only for the consultant assistance which may be required for certification of the Land Use Plan.

Aside from the two special projects discussed above, the Planning Department budget for FY 2004-05 is essentially the same as FY 2003-04. It continues the increased staffing approved in FY 2002-03 to manager the ongoing high activity level in Plan Check and Current Planning. The cost for these services are covered by increased revenue as provided by the cost recovery fee schedule adopted by the City Council.

## Primary Goals

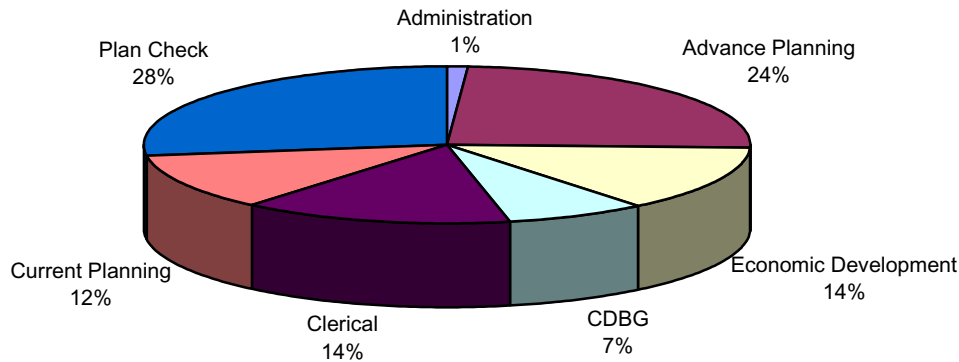
- Process all plans and permits in a friendly, efficient, accurate and timely manner.
- Enforce standards specified in all State and City planning, zoning, development, and environmental review laws.
- Provide high quality staff services to the Planning Commission.
- Support EQAC's efforts in the EIR review process.
- Support the EDC and implement the City's economic development policies and programs.
- Administer the CDBG program.
- Continue implementation of new Housing Element Programs.

### This Year's Objectives

- Complete review of General Plan land use alternatives and formulate policies for all elements
- Develop a strategic plan for economic development in conjunction with the General Plan update
- Complete preparation and certification of the Local Coastal Program
- Participate in implementation of the Corona del Mar Vision 2004 Plan
- Adopt and implement new Sign Code

|   |   |
|---|---|
| <b>Planning/Administration</b><br>Staffing: 15 plus .45 FTE<br>\$1,698,551  | <b>Economic Development/CDBG</b><br>Staffing: 3<br>\$658,261  |
| Planning Commission<br>Environmental Quality Affairs Committee<br>Advance Planning<br>Current Plans & Projects Plan Check<br>Environmental Review<br>GIS/Data & Demographics<br>Regional Planning Activities<br>Housing | Economic Development Committee<br>Peninsula Revitalization/PROP Committee<br>Business Improvement Districts<br>Business Retention/Recruitment<br>CDBG |

The Planning Department includes three divisions, Planning, Economic Development, and Community Development Block Grant, which provide resources for the Department's seven primary activity areas: Current Planning, Plan Check, Advance Planning, Economic Development, CDBG, Clerical, and Administrative Support. The following illustrates department expenditures by function.



|                            | 2001-02<br>Actual   | 2002-03<br>Actual   | 2003-04<br>Estimated | 2004-05<br>Approved |
|----------------------------|---------------------|---------------------|----------------------|---------------------|
| Salaries and Benefits      | \$ 1,301,996        | \$ 1,414,536        | \$ 1,456,879         | \$ 1,610,942        |
| Maintenance and Operations | \$ 542,163          | \$ 1,005,621        | \$ 1,482,557         | \$ 526,420          |
| Capital Outlay             | \$ 20,850           | \$ 26,973           | \$ 42,726            | \$ 41,500           |
| CDBG Fund                  | \$ -                | \$ 150,623          | \$ 200,054           | \$ 177,950          |
| <b>Total</b>               | <b>\$ 1,865,009</b> | <b>\$ 2,597,753</b> | <b>\$ 3,182,216</b>  | <b>\$ 2,356,812</b> |

# BUILDING DEPARTMENT

*To ensure the quality of life of those who live, work, and visit the City of Newport Beach by promoting safety in the regulation of the construction, use, and occupancy of buildings and by taking a customer oriented approach to finding educated, cost effective solutions.*

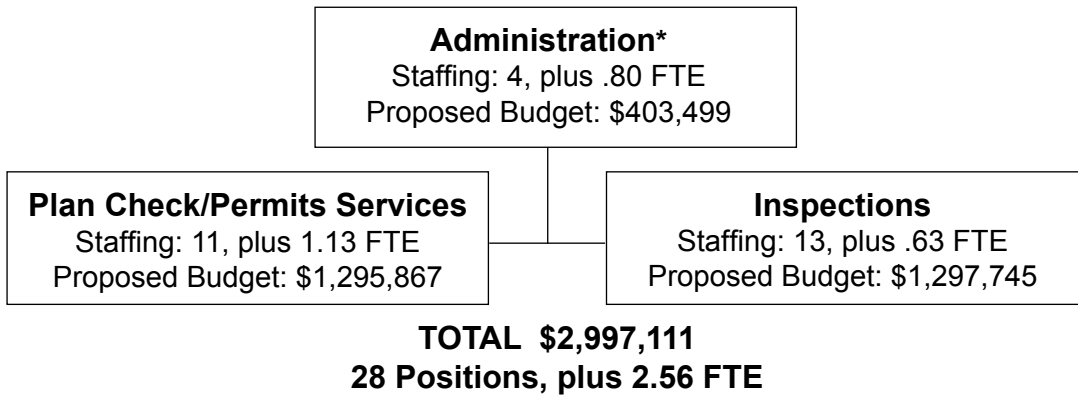
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## **Budget Highlights**

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.*

## **Primary Goals**

- Maintain a management system that effectively and efficiently utilizes resources to achieve the mission of the organization.
- Continue enhancements to the “Permit Plus” permit tracking and processing system.
- Implement issuing a combination swimming pool permit and combination building permit.
- Continue to look for ways to improve service delivery to our customers.
- Encourage and facilitate staff continued education and training to effectively and efficiently perform their duties.
- Continue the quality assurance program for all department activities.
- Continue to process permit applications and drawings efficiently and complete 90% of all plan reviews within 4 weeks turn-around goal.
- Continue to track and coordinate plan check turn-around time to verify that all departments meet the four weeks turn-around goal.
- Enforce Building and State mandated standards, including related provisions of the Newport Beach Municipal Code.
- Utilize new technological advances to make customer dealings with the Building Department more efficient and convenient.
- Receive permit applications and issue permits over the Internet for electrical, mechanical and plumbing work that does not require plan submittal.
- Achieve consistency in inspections and interpretations by inspectors 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 for customer and staff access.
- Continue to provide plan check and inspection services to the newly annexed areas of Newport Coast, Santa Ana Heights, and Bay Knolls.
- Hire additional plan check staff to reduce reliance on outside plan check consultants.



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

***Department Highlights***

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 4000 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.

**Construction Activity During Fiscal Year 2003-2004**

|                               |               |
|-------------------------------|---------------|
| Total Construction Valuation: | \$208,840,537 |
| Number of Building Permits:   | 4,167         |
| Number of Total Permits:      | 11,395        |
| Number of Plan Submittals:    | 3,306         |
| Total Inspections:            | 50,452        |

# ***BUILDING DEPARTMENT (Continued)***

**Administration** staff is responsible for both customer service and assisting other staff members. Administration works with walk-in customers as well as answering a large volume of phone calls, including monitoring the main office line. Phone tasks include helping with inspection requests, relaying inspections times, providing flood zone determinations, taking citizen complaints about unsafe and/or illegal construction occurring in their neighborhood, handling public utility releases, and answering a wide variety of different customer questions.



*Customer reviewing microfiche*

Administration is responsible for the archiving of documents, including permits, plans, engineering calculations, geotechnical reports, and correction lists. These documents are scanned and built into the Alchemy database for future reference. Staff assists customers such as architects, contractors, real estate agents, appraisers and homeowners conduct research to find archived documents. Customers frequently require access to plans when planning new projects such as remodels, alterations and additions. These documents currently exist in a number of mediums including hard copy or original format, microfiche and now digitally scanned alchemy files.

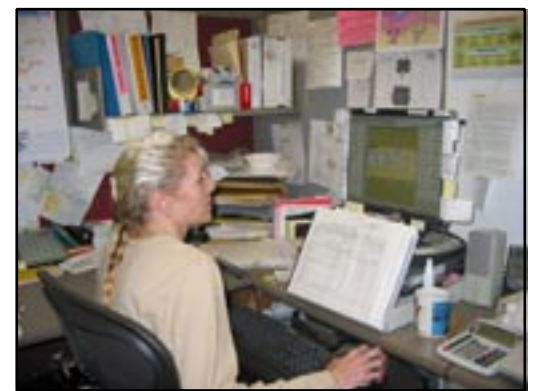


*Staff retrieving plans from the vault*

Administrative staff is currently working on the long process to migrate all documents; including thousands of older microfiche files into digital format, accessible via Alchemy software with a CD backup in storage. Original plans for projects under construction are stored and filed by administrative staff. The number of plans maintained at one time is usually so large that they do not fit in the dedicated storage room and overflow space is required.

Plans and permits from the annexed areas of Newport Coast, Santa Ana Heights and Bay Knolls are being added to Alchemy in specially named databases as the County of Orange makes them available to us.

Administration is also responsible for a number of tasks intended to assist Plan Check/Permits Services and Inspection staff including the distribution of correspondence both incoming and outgoing, and completing many complex reports.



*Staff preparing reports*

**Plan Check/Permits Services** processes applications for construction permits and associated drawings and performs plan review to make sure a project meets code requirements and is safe before construction starts. This is accomplished by reviewing construction documents for code compliance for structural, architectural, grading, and fire safety as shown on submitted plans. This service saves the builder from costly changes that could be made during construction and lends the additional expertise of a building department code professional to the project. Assistance on the technical requirements of codes is provided over the counter to homeowners, contractors, architects and engineers by Building Department staff engineers. The Building Department is recruiting to hire two additional plan check engineers in addition to the current staff of four engineers in an effort to do a higher percentage of plan review in-house and reduce the number of plan check done by outside plan check consultants. The plan check division is proud of its quality and timely processing of all construction documents and permits.



*Building Department Counter*

**Inspection** ensures that construction projects conform to the approved plans as well as the various building codes and local ordinances and that the site conditions are, as presented, on the plans approved by the City. The Inspection Division is comprised of commercial and residential units, which



*Foundation for new temple building*

allows our inspectors in those areas to stay current on types of inspections they are asked to perform. For example, in commercial projects detailed familiarity with disabled access requirements are essential to those assigned to our commercial unit. Similarly, issues in residential inspections relating to habitability are not normally encountered in commercial inspections. Periodic rotation of the inspectors in the residential and commercial units allows them to become familiar with these specific issues.

Under the commercial inspection unit, we perform light commercial combination inspections. This benefits our customers since they are dealing with one inspector for several building trades. In addition, we became more efficient by handling several trades inspections by an individual inspector in one visit. "Inspection Services" is beneficial to our customers in that it provides a well-trained third party to oversee the work being provided by their contractor and ensure that the code prescribed, minimum level of safety, and workmanship is maintained regardless of whether the project is commercial or residential.

# BUILDING DEPARTMENT (Continued)

This division is also responsible for conducting Residential Building Records (RBR) inspections at the time of sale for all residential buildings. In an effort to be as efficient and productive as possible, the inspectors utilize a handheld computer system that they carry with them in the field. The inspectors input and maintain all records electronically, which keeps our records accurate up to the current day and gives the inspector access to permit records while in the field. This technology has helped us manage record levels of construction activity within the City.

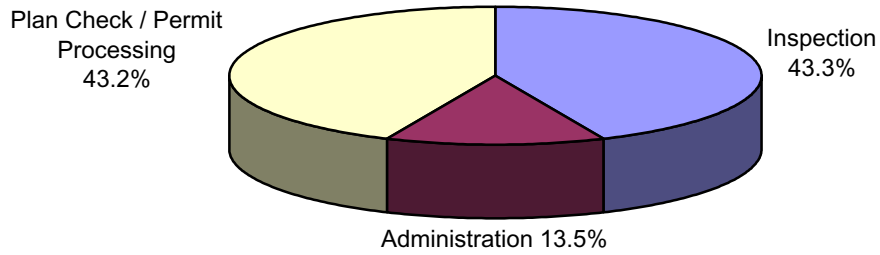


*Scout sea base near completion*

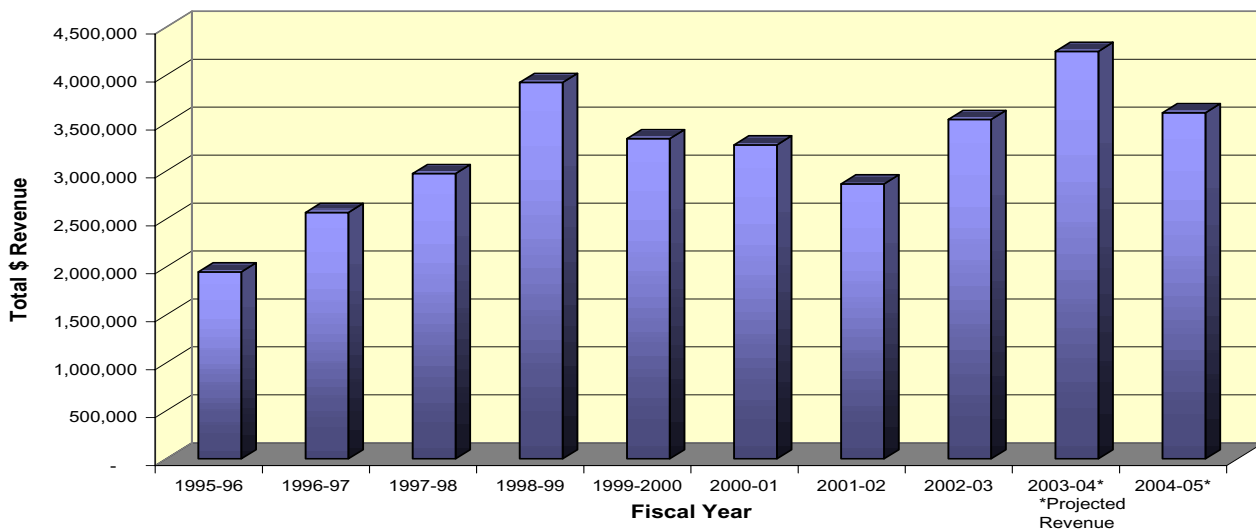
Allocation  
Plan

|                            | 2001-02<br>Actual   | 2002-03<br>Actual   | 2003-04<br>Estimated | 2004-05<br>Approved |
|----------------------------|---------------------|---------------------|----------------------|---------------------|
| Salaries and Benefits      | \$ 2,055,861        | \$ 2,189,527        | \$ 2,345,339         | \$ 2,691,847        |
| Maintenance and Operations | \$ 404,106          | \$ 581,940          | \$ 380,456           | \$ 278,764          |
| Capital Outlay             | \$ 56,190           | \$ 44,529           | \$ 30,454            | \$ 26,500           |
| Total                      | <u>\$ 2,516,157</u> | <u>\$ 2,815,996</u> | <u>\$ 2,756,249</u>  | <u>\$ 2,997,111</u> |

## Building Department Expenditures by Function



## Building Department Revenue



# GENERAL SERVICES

*To provide optimal services and support to the residents, business community, and other City departments through dedication and excellence in safety, performance, and cost containment*

---

## **Annual Department Goals**

- Maintain high levels of City-wide cleanliness
- Provide exemplary level customer service to the public, other departments, and agencies
- Attain water quality goals
- Expand supervisory, technical, and safety training for employees
- Welcome innovation and creative solutions from all sources
- Improve disaster preparation and coordination
- Empower and train employees for greater responsibility

## **Department Overview**

The General Services Department consists of eight divisions, including one non-manned division. The eight divisions are identified in the organizational chart located on the next page.

Department functions include residential refuse collection and recycling, maintenance of the City urban forest, parks and landscaped areas, storm drains, tide valves, beaches, traffic signs and pavement markings, and public facilities. The Department also maintains public streets and sidewalks and manages the City fleet of vehicles and equipment.

The Department's main objectives will focus once again on service to the public and other City departments. Water quality issues came to the forefront in Fiscal Year 2003-04 and will continue to be a high priority as Department staff proceeds to develop and coordinate new efforts to ensure compliance with all State and local enforcement agency requirements.

## **Budget Highlights**

Fiscal Year 2003-04 proved to be as challenging as expected, and the well-planned operational and budgetary adjustments developed at the beginning of that fiscal year have simplified budgetary planning for Fiscal Year 2004-05.

No major changes are anticipated to any General Services Department operations or personnel during the new fiscal year. The budget includes a staffing level of 124 full-time positions including the upgrade of a Maintenance Worker position in Field Maintenance to Equipment Operator II, and an increase of three part-time personnel to assist with seasonal litter abatement at City beach facilities. The budget also includes minor increases to maintenance and operation budgets.

The increases primarily reflect rate increases in contractual obligations, as well as utilities to operate City facilities. The increases also include funding for additional refuse collection service addresses in Newport Coast as new homes are completed, the Newport Coast landscaping contract, contract landscaping services for roadsides and medians in Newport Ridge, contracted tree maintenance in Newport Coast, and increased City-wide maintenance of problem parkway trees.

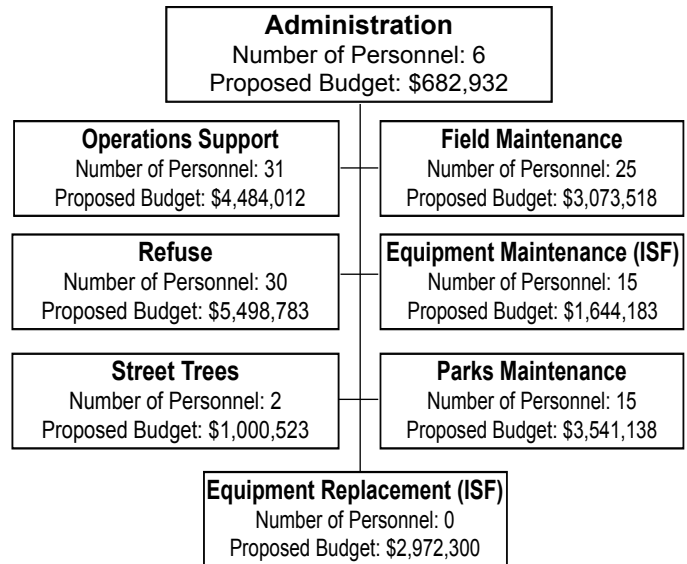
The Department will also continue to address any new issues that arise in the more recently annexed areas of Santa Ana Heights and Bay Knolls. Weekly street sweeping services will continue in those areas, as well as storm drain, street, sidewalk, and street tree maintenance services.

The budget will again include funding for summer beach restroom maintenance, funding for contract services to clean a portion of the storm drain system in response to NPDES permit requirements, and funding to perform City-wide alley sweeping. The three services will be performed by private contractors.

### Resource Distribution

The General Services Department is comprised of the following eight divisions:

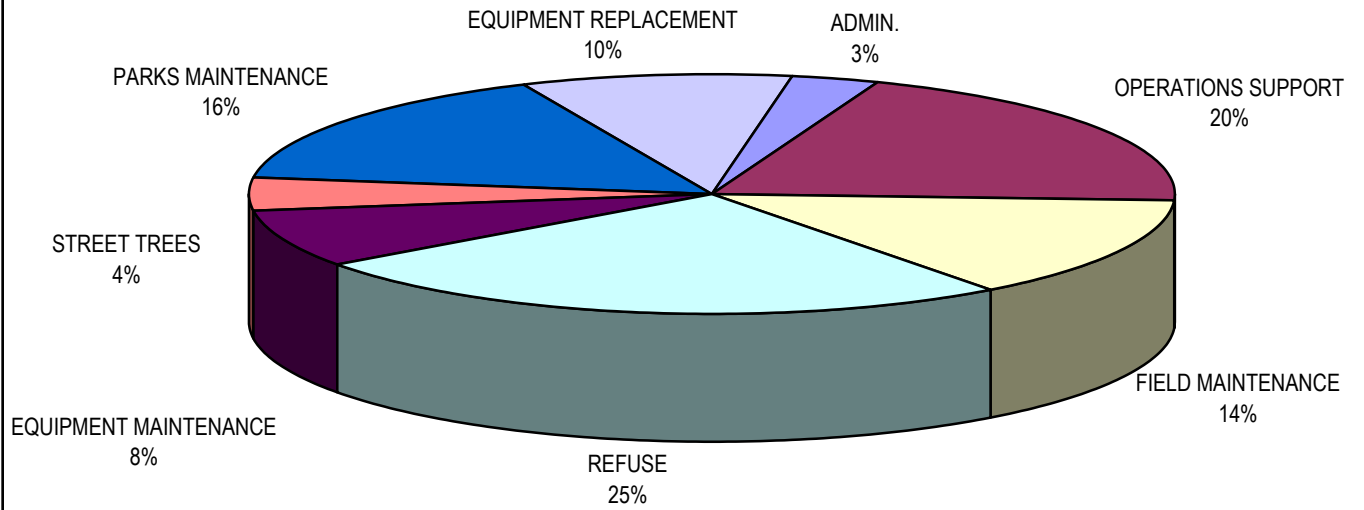
- Administration
- Field Maintenance
- Operations Support
- Refuse Collection
- Parks Maintenance
- Street Trees
- Equipment Maintenance
- Equipment Replacement



|                                     |                         |                            |
|-------------------------------------|-------------------------|----------------------------|
| <b>Total Department</b>             | <b>\$18,280,906</b>     | <b>109 positions</b>       |
| <b>Total Internal Service Funds</b> | <b><u>4,616,483</u></b> | <b><u>15 positions</u></b> |
| <b>Grand Total</b>                  | <b>\$22,897,389</b>     | <b>124 positions</b>       |

Department Organization

# GENERAL SERVICES (Continued)



*Beach maintenance crew*

## ***Meeting the Challenge***

Although the General Services Department does not anticipate any new service challenges, staff will be looking forward to another successful year of performing all ongoing maintenance and operations programs. During Fiscal Year 2004-05, the Street Sweeping Division will evaluate the current sweeping schedule to identify areas for improvement. The Division will determine where schedule modifications are necessary to ensure that areas are swept during periods when on-street parking is less likely to occur. The Storm Drain Division will continue its coordination of urban run-off and water quality efforts with the City Code and Water Quality Enforcement Division. These efforts will include expanding the storm drain inlet guard program on Balboa Peninsula as well as ensuring that City storm drain and v-ditch systems are free of debris in advance of the next winter storm season.

This fall, the Beach Maintenance Division will implement a sand replenishment program between the Newport Pier and the Santa Ana River. Approximately 400,000 cubic yards of sand will be brought in to enhance the diminishing coastline.

The Concrete Maintenance Crew will commence an additional root-pruning program in Fiscal Year 2004-05. A pilot program was initiated in March 2004 with the purchase of a root-pruner and will continue through Fiscal Year 2004-05 with a focus on preventing hardscape and sidewalk damage in Corona del Mar. The success of these efforts will determine the future of the program and its application to other City locations.



*Concrete Maintenance Crew*

In Fiscal Year 2003-04, the City began to downsize its electric vehicle program. Unfortunately, policy changes to State mandates have decreased the availability of full-size electric vehicles over the past two years. Last fiscal year, the City was able to increase its fleet to 21 electric vehicles; however,



*Street Maintenance Crew improving the trail at Harbor View Nature Park*

following the end of lease terms on several EVs and the auto makers decision to stop electric vehicle production, the City fleet has been reduced to 16 EVs. By the end of Fiscal Year 2004-05, only twelve EVs will remain in the fleet. In the interim, the General Services Department will continue to research other cost effective technologies to continue its alternative fuel vehicle program. Program costs in Fiscal Year 2004-05 will be funded with AB2766 Subvention Funds and grants obtained through the South Coast Air Quality Management District.

# ***GENERAL SERVICES (Continued)***

Other environmental efforts will continue in Fiscal Year 2004-05 such as monitoring of construction and demolition recycling efforts, the implementation of a new demolition ordinance to ensure that only franchised haulers are used on demolition projects throughout the City, and continued refuse inspection tasks to address health and safety concerns associated with residential waste collection practices. These efforts are expected to continue to have a positive impact on the City's residential refuse collection operation by further minimizing the occurrence of prohibited wastes such as construction wastes and hazardous materials from entering the residential waste stream and local landfills. We also expect to increase the City recycling rate beyond the current 52% rate.

In addition to the above operational objectives, the General Services Department will continue its efforts to increase productivity and efficiency while providing a high level of service to the public, the business community, and other internal City departments.



*Equipment Maintenance Garage*



*Beach Maintenance following a winter storm*

**Service Level Indicators**

|                                    | 2001-02<br>Actual | 2002-03<br>Actual | 2003-04<br>Estimated | 2004-05<br>Projected |
|------------------------------------|-------------------|-------------------|----------------------|----------------------|
| Public Restrooms Serviced          | 56                | 56                | 56                   | 56                   |
| City Restrooms Serviced            | 96                | 96                | 96                   | 96                   |
| City Buildings Serviced            | 70                | 70                | 71                   | 72                   |
| Sidewalk Repair (square feet)      | 50,000            | 55,000            | 50,000               | 50,000               |
| Street Patching (tons of mix)      | 5,500             | 5,500             | 5,000                | 4,500                |
| Curb & Gutter Replacement          | 3,000             | 3,500             | 3,000                | 3,000                |
| Street Sweepings (miles)           | 50,700            | 52,000            | 55,000               | 55,000               |
| Beach Cleaning (tons of refuse)    | 3,200             | 3,200             | 4,000                | 3,500                |
| Regulatory Signs Posted            | 4,000             | 4,000             | 3,000                | 3,500                |
| Street and Pavement Marking (feet) | 300,000           | 300,000           | 200,000              | 175,000              |
| Graffiti Incidents                 | 980               | 1,100             | 2,525                | 2,600                |
| Refuse (number of homes)*          | 29,400            | 30,600            | 30,600               | 30,621               |
| Refuse Collected (tons)*           | 43,806            | 45,594            | 45,594               | 45,626               |
| Number of Parks Maintained         | 47                | 48                | 48                   | 48                   |
| Number of Trees Trimmed**          | 14,890            | 14,890            | 14,890               | 14,550               |
| Number of Vehicles Serviced        | 3,472             | 4,000             | 4,100                | 4,100                |

\* Refuse numbers for 2001-02 and 2002-03 reflect increases resulting from the Newport Coast Annexation.

\*\* Tree Trimming projections include City staff and contractual efforts.

Performance  
Review

|                            | 2001-02<br>Actual | 2002-03<br>Actual | 2003-04<br>Estimated | 2004-05<br>Approved |
|----------------------------|-------------------|-------------------|----------------------|---------------------|
| Salaries and Benefits      | \$ 6,942,663      | \$ 7,423,400      | \$ 7,931,591         | \$ 8,363,438        |
| Maintenance and Operations | \$ 7,387,058      | \$ 7,948,733      | \$ 8,975,258         | \$ 9,897,968        |
| Capital Outlay             | \$ 51,538         | \$ 44,559         | \$ 20,500            | \$ 19,500           |
| Internal Service Funds     | \$ 3,085,904      | \$ 3,824,754      | \$ 3,293,921         | \$ 4,616,483        |
| Total (1)                  | \$ 17,467,163     | \$ 19,241,446     | \$ 20,221,270        | \$ 22,897,389       |
| Personnel                  | 119               | 126               | 124                  | 124                 |

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

Allocation  
Plan

# RECREATION & SENIOR SERVICES

*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.*

## Department Overview

This past year was one of many exciting changes and opportunities, all of which helped to create a strong service oriented Recreation & Senior Services Department with a renewed mission of enhancing the quality of life for the Newport Beach community. Most notable was the grand opening of the Bonita Canyon Sports Park in August of 2003. This 40-acre park now provides much needed athletic field and court space to the youth and adults of our community as well beautiful walking trails and playground areas.



In October 2003, the Department launched the Park Patrol program which has already had a wonderful impact on the goal of providing a positive and safe park experience for all who visit our parks.

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 services that serve a population ranging from newborn babies, to the very active retired community. In addition, this Department

oversees the use of the City's 62 parks and facilities. The backbone of the Department's success is the numerous part-time staff who are out in the field serving the community as well as the hundreds of 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.

While Recreation and Senior Services programs feature many direct, one-on-one services, technology continues to enhance and expand the services of Department staff. The quarterly *Newport Navigator* that is mailed to each home in the City and informs residents about each Division's services and available fee-based activities is now also accessible online. Residents are able to access department program information through our Web site and register for classes and programs online. With each new season of classes and activities we have seen a steady increase in our online customers.

### **Primary Department Goals for 2003-2004**

- Continually evaluate towards improvement the quality of programs and services offered to the public
- Strive for greater success in marketing our programs and services both internally and externally
- Continue recruitment of quality staff and work on long term retention
- Search for alternative funding to allow program expansion
- Prepare to take a lead role in City's Centennial in 2006
- Participate in and support efforts for the two Community Center projects slated for both the Santa Ana Heights and Newport Coast Communities

**Recreation & Senior Services Department  
Administration**

Staffing: 2 FT; 1.0 FTE  
\$390,688

Front Office and Public Counter Services  
Fiscal Services  
Web Site and Online Registration  
Parks, Beachs & Recreation Commission Support

**Recreation Services**

Staffing: 11 FT; 14.51 FTE  
\$2,502,832

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

**Senior Services**

Staffing: 9 FT; 0.13 FTE  
\$803,583

Recreational Programs  
Educational Classes  
Congregate and Home Delivered Meals  
Transportation Program  
Outreach Services  
Family Support  
Special Events  
Information and Referral  
Facility Management/Reservations



**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 or fitness classes. Over 100 contractors provide class instruction or umpires for adult sports leagues. Professional 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 35 part-time staff such as recreation leaders, recreation clerks, and swim instructors. The Division also includes two full-time field and building maintenance workers, one full-time department assistant, and a part-time marketing specialist.

The recreation staff is focusing on a Sunday Fun Day event in August to feature the Bonita Canyon Sports Park. City operated youth sports programs attract over 1000 children annually and Youth Sport Organization Members such as youth soccer and baseball serve over 3000 youth annually.

Division annual special events include a Surf Contest, Corona del Mar Scenic 5K, Winter Wonderland, Rent-A-Santa, Special Olympics, Basketball, Rose Parade Excursion, Arbor Day, Spring Egg Hunt, and the Independence Day Parade and Picnic. Picnic areas, fields, and meeting rooms are available

# RECREATION & SENIOR SERVICES (Continued)



for reservation and staff processes over 1000 requests each year. There are over thirty playgrounds throughout the City for children ages 2-12. In the coming year this Division will also focus on the continuing refurbishment of some park sites with new playground equipment and play surfaces.

The Division is also the coordinator of Special Event Permits for the City of Newport Beach and processes over 300 permits per year for events large and small.



## **Recreation Services Goals**

- Develop a Marketing and PR Plan for the Department
- Increase and maximize attendance at after-school and camp programs by better marketing to schools and parent groups
- Develop and distribute Customer Satisfaction Surveys to all programs and use results to help improve our service and programs



## **Senior Services**

The Senior Services Division is responsible for the operation of the OASIS Senior Center as well as numerous activities that reach out to our Senior population. This Division is active 5 days a week coordinating educational classes, exercise programs, art education, health promotion, transportation, counseling, and support functions for seniors. A staff of 7 professionals coordinates OASIS Senior Center programs with the intent to enrich the lives of older adults and their family members.

The Senior Services Division coordinates a variety of services related to education, recreation, advocacy, health, nutrition, counseling, and support functions for seniors. These programs and activities provide for older adults' evolving needs such as health screening and a fitness program which addresses preventative health issues. Computer courses and networking groups keep seniors up-to-date with new technology. Creative writing, Foreign Policy discussions, and Orange County history courses provided options for seniors to exercise mental faculties.

OASIS enjoys the assistance of over 100 volunteers who work daily assisting in the various programs and activities. These dedicated individuals provide an invaluable service to the Center and log an average 1200 hours of service a month.

The staff at OASIS have forged relationships with many community organizations in order to enhance and expand the services provided to the community. These organizations include: South County Senior Services, OC Department of health, Western Transit, Coastline College, UCI, Hoag Hospital, Braille, HICAP (Health Insurance Counseling and Advocacy Program).



**Senior Services Goals**

- Re-configure front entrance layout and signage in order to serve customers better
- Re-evaluate room usage for greater efficiency
- Increase inter-generational programming
- Develop an ongoing maintenance inspection program
- Develop an overall transportation program that includes: goals, policies, and as efficient scheduling system that is easily understood by staff, volunteers, and clients.

| <b>Service Indicators</b>        | 2001-2002<br>Actual | 2002-2003<br>Actual | 2003-2004<br>Projected | 2004-2005<br>Estimated |
|----------------------------------|---------------------|---------------------|------------------------|------------------------|
| <b>Recreation Services</b>       |                     |                     |                        |                        |
| Special Event Permits            | 329                 | 325                 | 318                    | 256                    |
| Facility Rentals                 | 1,021               | 912                 | 1,100                  | 1,200                  |
| Recreation Program Attendance    | 250,323             | 261,801             | 280,000                | 300,000                |
| Co-Sponsored Youth Organizations | 188,689             | 200,077             | 200,200                | 210,000                |
| <b>Senior Services</b>           |                     |                     |                        |                        |
| Programs/Classes                 | 64,418              | 65,940              | 65,000                 | 66,000                 |
| Human Services                   | 25,829              | 26,512              | 25,000                 | 25,000                 |
| Transportation Services          | 10,917              | 12,094              | 13,000                 | 13,000                 |

|                             | 2001-02<br>Actual   | 2002-03<br>Actual   | 2003-04<br>Estimated | 2004-05<br>Approved |
|-----------------------------|---------------------|---------------------|----------------------|---------------------|
| Salaries and Benefits       | \$ 1,416,939        | \$ 1,559,180        | \$ 1,802,497         | \$ 2,001,435        |
| Maintenance and Operations  | \$ 1,320,139        | \$ 1,432,214        | \$ 1,583,986         | \$ 1,680,668        |
| Capital Outlay              | \$ 23,882           | \$ 16,187           | \$ 15,000            | \$ 15,000           |
| <b>Total Expenditures</b>   | <b>\$ 2,760,960</b> | <b>\$ 3,007,581</b> | <b>\$ 3,401,483</b>  | <b>\$ 3,697,103</b> |
| General Tax Revenue         | \$ 1,105,011        | \$ 1,102,369        | \$ 1,449,733         | \$ 1,599,963        |
| Fees for Services           | \$ 1,648,449        | \$ 1,894,927        | \$ 1,881,750         | \$ 2,024,140        |
| Other Miscellaneous Revenue | \$ 7,500            | \$ 10,285           | \$ 70,000            | \$ 73,000           |
| <b>Total Revenue</b>        | <b>\$ 2,760,960</b> | <b>\$ 3,007,581</b> | <b>\$ 3,401,483</b>  | <b>\$ 3,697,103</b> |

*Your 1<sup>st</sup> Choice for Connecting People, Play, and Programs!*

Performance  
Review

Allocation  
Plan

# LIBRARY SERVICES

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

---

## **Department Overview**

Library Services seeks to serve the Newport Beach community as its most valuable resource for educational, informational, recreational, and cultural enrichment. The Central Library and its three branches, Mariners, Corona del Mar and Balboa, offer a diverse range of informational resources, special programs for every age group, and public services such as the Literacy Program. The Library also continues to work cooperatively with the Recreation Department at Kidzone. Recently rated in the top 4% of American Public Libraries in the same population category, the NBPL annually serves over 870,000 customers with its informational resources and over 27,000 with its special programs and events. A City Council appointed Board of Trustees plays a critical role in the Library's service provision. The Arts and Cultural Services Division of the Library and the City Arts Commission provide a variety of arts programs and events for the community.

## **Budget Highlights**

During the 2003-04 FY, the Library initiated several new services, programs, and refurbishments designed to enhance the Library environment and service to the residents. Highlights included improving the Central Library reading areas and bathrooms, creating a new Teen Center upstairs,



offering a self-serve Reserves Pickup area, implementing a "materials due pre-notification" e-mail program and expanding the lecture series and public computer training workshops.

In FY 2004-05, Library Services staff will continue to expand resources and maintain the quality services that the community expects. The Department will also continue to develop the new Donna and John Crean Mariners Branch Library.

In FY 2004-05, the Library will keep pace with the electronic technology to assist our customers in procuring business, educational and entertainment information by adding wireless Internet access and providing public computer training workshops for using the Library Catalog and databases.

*Teens investigate library in a scavenger hunt*

City funds are augmented by the support from the Friends of the Library, the Newport Beach Public Library Foundation, the Literacy Advisory Council, State and Federal grant funding, donations from local service clubs and in-kind services from businesses.



American Girl Tea Party

**Primary Goals**

- Maximize the resources of the Library to enhance intellectual and educational services to the community.
- Provide a broad range of educational, cultural and leisure opportunities for all ages.
- Support the work of the Board of Library Trustees, the City Arts Commission, and the Sister Cities Commission.

|   |   |
|---|---|
| <p align="center"><b>Library Services</b><br/>Staffing: 36 FT; 29.87 FTE<br/>\$4,751,986</p>  | <p align="center"><b>Arts &amp; Cultural Services</b><br/>Staffing: 1 FT<br/>\$149,454</p>  |
| <p align="center">Information &amp; Reference Services<br/>Youth Services<br/>Central Library and Branches<br/>Adult &amp; Youth Programming<br/>Literacy Services<br/>Support for Board of Library Trustees<br/>Friends of the Library<br/>Newport Beach Public Library Foundation<br/>Literacy Advisory Council</p> | <p align="center">Three Annual Juried Art Shows<br/>City Hall &amp; Library Galleries<br/>Arts &amp; Cultural Grants<br/>Concerts in the Park<br/>Cultural Arts Programs<br/>Support for City Arts Commission<br/>Sister City Association</p> |

# ***LIBRARY SERVICES (Continued)***

One of the highlights for FY 2004-05 will be the celebration of the 10-year anniversary of the Central Library. Beginning with a birthday dinner on the evening of July 10, the Library will present a weeklong schedule of special events celebrating the development of the Newport Beach Public Library. Other programs planned include an Art Exhibit and reception, Volunteer Tea, a special Teen Program, a Mystery Authors Panel, a presentation by television host Huell Howser, and Children's Day.

## **Department Services**

The Library, under the direction of the Board of Library Trustees, provides comprehensive library services to the community. Service is guided by the planning document and *Commitment to Excellence: Library Services 2000-2005*, developed by the community-wide task force of trustees, staff, and residents.

The Library responds to customer demands for informational and recreational resources in print, electronic, and other non-print formats, and continues to have increased use of resources. A wide range of database and informational services are available through the Library's Web page, [www.newportbeachlibrary.org](http://www.newportbeachlibrary.org). The Library provides a strong one-on-one literacy program, staffed by part-time Library staff and volunteers, and funded by donations and state grants.

## **Adult Programs**

The Library offers a diverse range of adult programs, monthly concerts, computer training workshops, special literary and book-related events, the annual Distinguished Speakers Lecture Series, and other cultural and intellectual activities. The Library continues its outreach to seniors with programming and a book-drop at OASIS, and the homebound delivery service.

## **Children and Teens**

Two new cable shows featuring the Library's Children's Program (Time for Tales) and the Young Adult Advisory Council (Read World) now air as regularly scheduled programs on Adelphia Channel 3 and Cox Channel 30. The annual Summer Reading Program, children's storytimes, Christmas Puppet Show, Mother-Daughter Book Club, American Girl Tea Parties, Sharkmobile Encounter, Teen Scavenger Hunt, Teen Poetry Slam and other programs geared toward children and teens continue to draw an enthusiastic response and establish the Library as an important asset to lives of young people in this community.

## **Arts and Culture**

The Arts & Cultural Services Division supports the City Arts Commission and the Sister City Association. Art activities include exhibits at the Central Library and City Hall, juried art and photography shows, Concerts in the Parks, Shakespeare by the Sea, and the Arts Lectures, Workshops and Performances Series. The City Arts Commission annually awards Cultural Arts Grants to local



*Teens get together in new Teen Center*

arts organizations for performances in schools, OASIS, and the Library. The division budget provides funds for the Sister City Association to support the student exchange program, international festivals and visits from Sister City delegations.

| <b>Service Indicators</b>        | 2001-2002<br>Actual | 2002-2003<br>Actual | 2003-2004<br>Estimated | 2004-2005<br>Projected |
|----------------------------------|---------------------|---------------------|------------------------|------------------------|
| Library Circulation of Materials | 1,263,200           | 1,347,583           | 1,392,346              | 1,420,193              |
| Customers Served                 | 818,236             | 839,157             | 870,550                | 887,961                |
| Reference Questions Asked        | 166,236             | 171,381             | 170,380                | 173,787                |
| Program Attendance               | 22,150              | 27,344              | 27,606                 | 28,158                 |
| Cultural Grants Awarded          | \$40,000            | \$40,000            | \$40,000               | \$40,000               |
| Juried Shows and Art Exhibits    | 20                  | 20                  | 20                     | 20                     |

Performance Review



*Arts & Cultural Services presents Shakespeare by the Sea*

|                                  | 2001-02<br>Actual   | 2002-03<br>Actual   | 2003-04<br>Estimated | 2004-05<br>Approved |
|----------------------------------|---------------------|---------------------|----------------------|---------------------|
| Salaries and Benefits            | \$ 3,492,683        | \$ 3,556,261        | \$ 3,598,915         | \$ 3,702,657        |
| Maintenance and Operations       | \$ 1,577,227        | \$ 1,520,729        | \$ 1,486,192         | \$ 1,178,783        |
| Capital Outlay                   | \$ 82,158           | \$ 91,329           | \$ 39,907            | \$ 20,000           |
| <b>Total Expenditures</b>        | <b>\$ 5,152,068</b> | <b>\$ 5,168,319</b> | <b>\$ 5,125,014</b>  | <b>\$ 4,901,440</b> |
| General Tax Revenue              | \$ 3,961,043        | \$ 3,900,433        | \$ 4,186,425         | \$ 4,263,890        |
| Fees for Services                | \$ 237,039          | \$ 270,615          | \$ 237,500           | \$ 229,000          |
| Intergovernmental Reimbursements | \$ 498,855          | \$ 544,312          | \$ 302,521           | \$ 96,500           |
| Other Miscellaneous Revenue      | \$ 455,131          | \$ 452,959          | \$ 398,568           | \$ 312,050          |
| <b>Total Revenue</b>             | <b>\$ 5,152,068</b> | <b>\$ 5,168,319</b> | <b>\$ 5,125,014</b>  | <b>\$ 4,901,440</b> |

Allocation Plan

# PUBLIC WORKS

*To provide quality, cost effective public works  
and services to the community of  
Newport Beach*

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## Primary Goals

- Meet the current and future needs of infrastructure, services, and resources for citizens and visitors.
- Coordinate the implementation of Capital Improvement Program projects.
- Operate and maintain the City's roads, bridges, intersections, traffic signals, and parking meters in an efficient and innovative manner.
- Provide outstanding customer service and engineering expertise 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 Organization

The Department of Public Works is responsible for the design and construction of the City's roads, intersections, bridges, sidewalks, storm drains, water and sewer systems, street lighting, public building facilities, and parks. The Department also protects public property from encroachment, ensures the safe construction of private parties working in the public right-of-way, and reviews plans for residential and commercial development. Public Works adds quality and safety to our lives through the use of traffic signals, signage, and pavement maintenance. The Public Works Department operates as three divisions: Administration, Engineering Services, and Transportation and Development Services.



**Administration** provides overall support services for the Public Works Department. Areas of responsibility include: centralized clerical services, records management, purchasing, contract management, customer service via email, phone, or front counter, budget administration, preparation of the Capital Improvement Program, personnel administration, permit issuance, and Geographical Information Systems (GIS).

**Engineering Services** is primarily responsible for the implementation of the Capital Improvement Program, including the planning, design, construction, and inspection of the City's major capital improvement projects. The design phase of a capital project may include: feasibility and environmental studies, review of capital project plans, preparation of specifications and cost estimates, preparation of local, State, and Federal funding applications, right-of-way acquisition, permit application processing, utility coordination, and public information workshops. Construction Engineering includes inspection services, topographic surveys and maps, construction staking boundary maps, encroachment surveys, and preparation of "As Built" construction drawings.



**Transportation and Development Services** is responsible for traffic engineering, transportation planning, subdivision engineering, traffic signal system, parking meter operations, Underground Assessment Districts, and encroachment permit processing. This division provides support services to most other departments and works closely with the Building and Planning Departments to coordinate the processing of all building, land use, and development activities in the City.



# ***PUBLIC WORKS (Continued)***

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## **Department Highlights**

The Department has begun or completed the following projects as a function of the Capital Improvement Program during the 2003-04 fiscal year including:

- MacArthur Blvd./Jamboree Rd. Intersection: This \$2 million cooperative project with the City of Irvine added north and southbound left turn lanes on MacArthur Boulevard and a right turn lane from northbound MacArthur Boulevard to northbound Jamboree Road
- Mixmaster Traffic Signal, Street and Parking Lot Improvements
- Pavement Management Program including portions of Balboa Boulevard, Jamboree Road, Newport Boulevard, Corona del Mar north of Coast Highway, and Balboa Island
- Cliff Drive Park and Playground Improvements
- Lido Isle Bridge Repairs including new water and sewer mains
- Reviewed the timing of every traffic signal in the City and identified improvements for signal coordination
- Oil Spill Remediation: In February 1990, a tanker spilled more than 400,000 gallons of oil off the coast of Huntington Beach, which impacted Newport's beaches. As a condition of the settlement, the City is required to use the proceeds on projects affecting the areas damaged by the spill. The following major projects are in the design stage: Corona del Mar Main Beach Improvements and Shellmaker Island Water Quality Facilities.
- Castaways Passive Park Revegetation
- Water Mains were constructed in Irvine Avenue and the Bayshores area
- Big Canyon Reservoir Floating Cover and Disinfection Facilities: This \$4.3 million project provides for the covering of the reservoir with a flexible floating membrane. Water quality will be improved and treatment costs will be reduced as a result of the cover installation.

## ***The Department's FY 2004-05 Capital Improvement Program includes the following major projects:***

- Construction of the Donna and John Crean Mariners Branch Library: State Library Grant Funds and local contributions are being used to construct a new branch library as a joint use project with Mariners Elementary School. The project provides for a new 15,125 square foot library, 50 space parking lot, tennis court, ball field, and recreational facilities.
- Street Light Replacement Program: As part of the 1998 15-year Street Light Replacement Master Plan, this year's efforts to replace obsolete street lights will coincide with Assessment District 69 in West Newport.

- Mooring Layout Design: A new mooring layout of Newport Bay will realign all existing moorings within the original perimeter boundaries established by the City, the County, and the Army Corps of Engineers. The new design will provide for the construction of ten new moorings and will prepare the bay for future phases of federal channel dredging that can not occur until all vessels are stored within the approved boundaries.
- Using County Redevelopment funds, the City will acquire land and construct a permanent Fire Station #7 for the Santa Ana Heights area to replace the temporary facility located on County property.

|   |
|---|
| <b>Administration</b><br>Staffing: 6, plus 0.72 FTE<br>\$651,156                          |
| Budget and Contracts<br>Personnel Administration<br>Permit Issuance<br>Records Management |

|  |
|--|
| <b>Engineering Services</b><br>Staffing: 14, plus 1 FTE<br>\$1,652,264 |
| Special Projects<br>Capital Projects<br>Design<br>Construction         |

|   |
|---|
| <b>Transportation &amp; Development</b><br>Staffing: 13, plus 1.01 FTE<br>\$1,759,633 |
| Traffic Engineering<br>Traffic Operations<br>Subdivisions<br>Parking Meters           |

|                            | 2001-02<br>Actual   | 2002-03<br>Actual   | 2003-04<br>Estimated | 2004-05<br>Approved |
|----------------------------|---------------------|---------------------|----------------------|---------------------|
| Salaries and Benefits      | \$ 2,917,621        | \$ 2,781,929        | \$ 3,137,716         | \$ 3,310,604        |
| Maintenance and Operations | \$ 670,965          | \$ 703,745          | \$ 762,449           | \$ 724,149          |
| Capital Outlay             | \$ 42,297           | \$ 17,871           | \$ 21,806            | \$ 28,300           |
| Total                      | <u>\$ 3,630,883</u> | <u>\$ 3,503,545</u> | <u>\$ 3,921,971</u>  | <u>\$ 4,063,053</u> |

Department  
Organization

Allocation  
Plan

# UTILITIES DEPARTMENT

Mission  
Statement

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

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Primary  
Goals

## Annual Department 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 Organization

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.



*Utilities Administration Office is  
located at 949 W. 16th Street.*



The **Electrical Division** staff of five field personnel is responsible for the maintenance and operation of electrical services at all City facilities. These include park sites, community



buildings, water and sewer pump stations, oil wells, emergency generators, and over 6000 street and parking lot lights. Staff responds to over 2000 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. Natural gas is a by-product of the oil production and is sold to Hoag Hospital.



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 25 field personnel operates the pumps, reservoirs, and pressure reducing stations, performs water quality testing, provides meter reading services, responds to customer service requests, and performs year-round preventative maintenance on fire hydrants, shut-off valves, and over 200 miles of transmission mains.

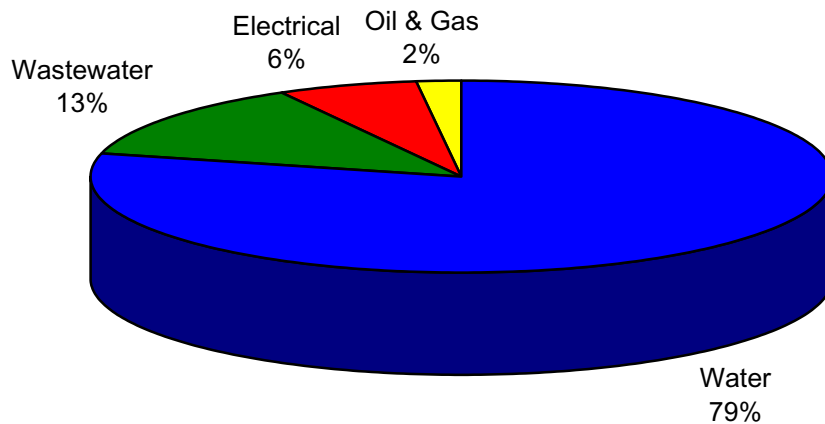
The **Wastewater Division** staff of 10 field personnel operate 20 pump stations and maintain over 200 miles of wastewater collection system that transports the City's wastewater to the County's trunk system for treatment at the Huntington Beach plant.



# UTILITIES DEPARTMENT (Continued)

Department Organization

|   |  |
|---|--|
| <b>Electrical</b><br>Staffing: 5, plus 0.5 FTE<br>\$1,079,921   | <b>Oil &amp; Gas</b><br>Staffing: 0<br>\$354,646   |
| City Facilities Electrical Service<br>Recreation Fields Lighting<br>Parking Lots Lighting<br>Street Lighting  | Oil Production<br>Gas Production<br>Oil & Gas Remediation  |
| <b>Water</b><br>Staffing: 34, plus 7.25 FTE<br>\$13,895,984   | <b>Wastewater</b><br>Staffing: 13, plus 1.75 FTE<br>\$2,284,229  |
| Water Production<br>Water Quality<br>Water Conservation<br>Meter Reading<br>Reclaimed Water<br>Customer Service & Education<br>Water Maintenance & Repair<br>Underground Service Locating | Sewer Main Cleaning<br>Manhole Maintenance<br>Pump Station Maintenance<br>Sewer Lateral/Cleanout Replacement |



*During this fiscal year, Big Canyon Reservoir, located in Corona Del Mar, will be covered and a new treatment facility will be added. The covering of the reservoir will help to improve water quality. In this picture, workers are making necessary repairs to the bottom of the empty reservoir. Once the surface repairs are complete, the installation of the floating cover will begin.*

|                             | 2001-02              | 2002-03              | 2003-04              | 2004-05              |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|
|                             | Actual               | Actual               | Estimated            | Approved             |
| Salaries and Benefits       | \$ 4,015,187         | \$ 4,312,510         | \$ 4,529,644         | \$ 4,826,115         |
| Maintenance and Operations  | \$ 11,176,929        | \$ 10,551,483        | \$ 11,984,654        | \$ 12,679,065        |
| Capital Outlays             | \$ 96,441            | \$ 102,889           | \$ 82,131            | \$ 75,100            |
| CIP                         | \$ 5,671,739         | \$ 6,570,686         | \$ 11,547,871        | \$ 7,547,277         |
| <b>Total Expenditures</b>   | <b>\$ 20,960,296</b> | <b>\$ 21,537,567</b> | <b>\$ 28,144,301</b> | <b>\$ 25,127,557</b> |
| Charges for Services        | \$ 19,544,511        | \$ 18,957,911        | \$ 19,545,000        | \$ 19,551,000        |
| Intergovernmental           | \$ -                 | \$ -                 | \$ 200,000           | \$ 667,300           |
| Use of Money & Property     | \$ 1,344,080         | \$ 976,195           | \$ 550,000           | \$ 550,000           |
| Sales of Oil & Gas          | \$ 876,034           | \$ 903,622           | \$ 800,000           | \$ 835,000           |
| Other Revenue               | \$ 77,814            | \$ 300,312           | \$ 30,000            | \$ 19,000            |
| Transfer (To) From Reserves | \$ (882,143)         | \$ 399,527           | \$ 7,019,301         | \$ 3,505,257         |
| <b>Total Revenue</b>        | <b>\$ 20,960,296</b> | <b>\$ 21,537,567</b> | <b>\$ 28,144,301</b> | <b>\$ 25,127,557</b> |



*Each year, the Utilities Department strives to increase its water education and conservation program. The Utilities Department sponsors Newport Beach students so that they may attend the Annual Children's Water Education Festival to learn about many aspects of water. Students from Lincoln and Anderson Elementary Schools have attended over the past several years.*

# CITY OF NEWPORT BEACH 2004-2005 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 \$1,828,697. 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 \$2,658,840). Similar to the situation with Liability, there is an accumulated deficit for Workers' Compensation. Therefore \$3,199,421, or a projected excess of \$540,581 is being collected to cover the deficit.

**Retiree Medical Insurance Fund.** The Retiree Medical Insurance Fund is funded by both City and employee contributions. The contribution is based on a formula currently provided for in the Memorandum of Understanding between the City and the employees. The retiree medical fund is also used to accumulate funds to meet the cost of current and future retiree medical benefits.

**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 to the Fund for this purpose is budgeted at \$1,578,335. Any amounts collected in excess of the annual expense, reduce the long-term unfunded liability in this fund.

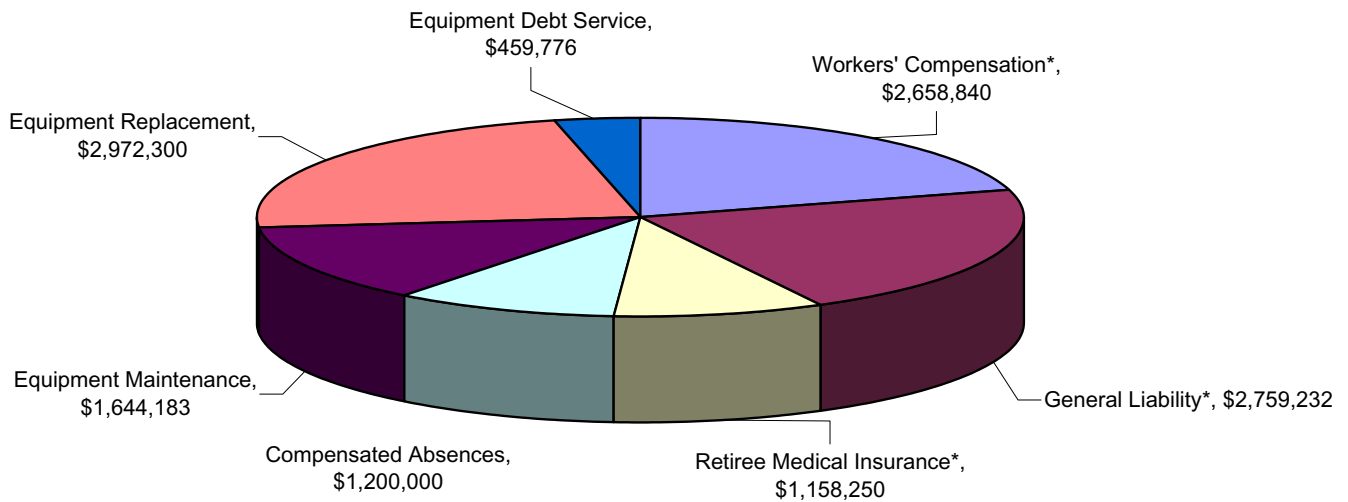
**Equipment Maintenance and Replacement Fund.** The Equipment Maintenance and Replacement Fund is used to provide funding for the maintenance of almost all of the City's fleet of Rolling Equipment,

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, on the one hand, and maintenance, on the other, 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.

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 2004-2005, 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 2004-2005 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, 2004, amounted to \$5,845,000.

### **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, 2004, amounted to \$1,939,132. 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. The interest rates on these obligations range from 3.04 percent to 5.21 percent. Rolling stock capital lease obligations at June 30, 2004, amounted to \$862,975. Since the City accounts for all rolling stock activity in a central cost center (internal service fund), debt service payments for all rolling stock related debt is serviced from this fund. However, this central cost center does distribute all vehicle related costs (including acquisition and financing costs) in the form of a maintenance and replacement charge to the organizations that benefit from the vehicle.

## **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, 2004, the outstanding balance was \$8,535,000 and interest payable was \$418,173.

## **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) is to transfer \$25 million to the City in exchange for the right to continue to provide water utility service to this area. With this \$25 million due from IRWD, the City will reduce the special assessment levies by \$1.2 million a year for 15 years as well as provide other considerations to the Newport Coast residents, i.e., the possible construction of a Community Center. At June 30, 2004, \$15,600,000 was outstanding under this agreement and \$7 million was designated for the construction of a community center.

## 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, 2004, the outstanding balance of this loan was \$2,340,000.

### Debt Service Estimates 2004-2005

|                               | Original Issuance | Balance 07/01/2004 | Additions | Deletions          | Balance 06/30/2005 | 2005             |                | Principal Paid to Date |
|-------------------------------|-------------------|--------------------|-----------|--------------------|--------------------|------------------|----------------|------------------------|
|                               |                   |                    |           |                    |                    | Total Payments   | Interest       |                        |
| Refunding Library COP         | 7,330,000         | 5,845,000          |           | (275,000)          | 5,570,000          | 561,688          | 286,688        | 1,760,000              |
| Balboa Marina Loan            | 3,457,930         | 1,939,132          |           | (149,801)          | 1,789,331          | 237,062          | 87,261         | 1,668,599              |
| Water Revenue Refunding Bonds | 14,225,000        | 8,535,000          |           | (1,280,000)        | 7,255,000          | 1,647,743        | 367,743        | 6,970,000              |
| Rolling Stock Leases          | 1,700,049         | 862,975            |           | (442,202)          | 420,773            | 459,776          | 17,574         | 1,279,276              |
| Section 108 Loan              | 2,400,000         | 2,340,000          |           | (64,000)           | 2,276,000          | 187,056          | 123,056        | 124,000                |
| Pre-Annexation Agreement      | 18,000,000        | 15,600,000         |           | (1,200,000)        | 14,400,000         | 1,200,000        | -              | 3,600,000              |
| Total Debt Service            | <u>47,112,979</u> | <u>35,122,107</u>  | <u>-</u>  | <u>(3,411,003)</u> | <u>31,711,104</u>  | <u>4,293,325</u> | <u>882,322</u> | <u>15,401,875</u>      |

## 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.

### Local Law Enforcement Grant (LLEBG)

The Omnibus Appropriations Act in 1996 authorized the Federal Bureau of Justice Assistance to provide funds to local governments for the purpose of reducing crime and improving public safety. These funds must be used exclusively for increasing the number of law enforcement officers, enhancing security measures, and establishing crime prevention programs; and are required to be accounted for separately from General Fund activities.

### 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 \$1,940,000.00. As a condition of the lease, 60% 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%. Interest earned from the endowment will be accounted for and spent as follows: 75% for the purchase of high tech library equipment and 25% 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.

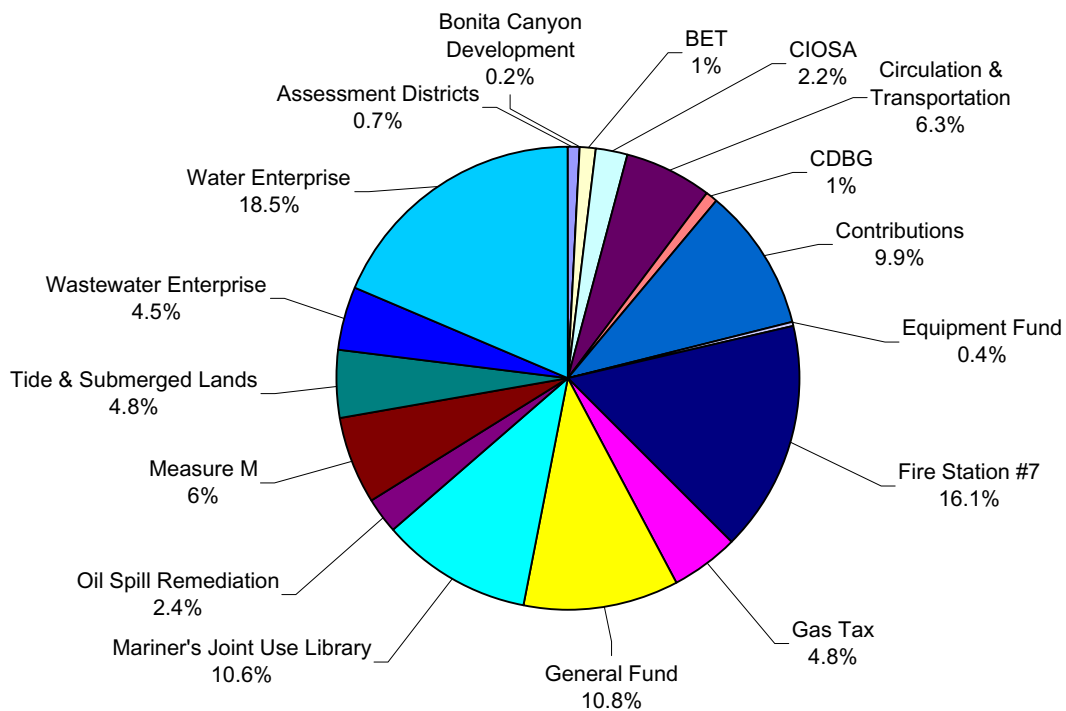
# CAPITAL IMPROVEMENTS

# CAPITAL IMPROVEMENTS

The City of Newport Beach Capital Improvement Plan (CIP) serves as a plan for the provision of public improvements, special projects, and on-going maintenance programs. Projects in the CIP include arterial highways; local streets; storm drains, bay and beach improvements; park and facility improvements; water and wastewater system improvements; and planning programs.

The FY 2004-05 CIP including rebudgets, totals roughly \$36 million and consists of over 100 projects. The CIP was developed with input from all City departments, citizen groups, and City Council members who identified needs in their respective areas. The individual project requests were compiled by each department and then submitted to the Public Works Department in January. The projects were prioritized and summarized by available funds and then reviewed by the Public Works Director. The Director of Public Works then met with each Department Director to discuss funding priorities. The projects recommended for approval were presented to the City Manager in March and were again discussed with each Department Director. The process was finalized in April and packaged for distribution to the City Council. Funding of the capital projects is derived from multiple funding sources, as follows:

**2004-2005 Capital Improvement Projects by Fund  
(Includes Rebudgets)**



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## **General Fund**

Projects funded by the General Fund include City facilities, storm drains, alleys, pedestrian improvements, street lights, and park projects. Major projects within this fund include:

- Repairs and improvements to various City facilities, including our jail facility, Oasis Senior Center, public restrooms, recreation facilities, and partial funding of a fire training facility (\$509,000)
- Storm Drain Improvements (\$100,000)
- Sidewalk, Curb, and Gutter Replacement Program and Alley Replacement Program (\$400,000)
- Street, Bikeway, Parking Lot Improvements – Public Works/General Services (\$50,000)
- Street Light Replacement Program (\$300,000)
- Various Park Improvements (\$230,000)

## **Community Development Block Grant Fund**

Community Development Block Grant (CDBG) funds are allocated to local governments from the Federal government, based upon a formula, and are required to be used within broad functional areas for community rehabilitation and housing. CDBG projects total \$300,000 this year and are:

- Balboa Boulevard – Main to A Street, Improvements in conjunction with the OCSD “A” Street Sewage Pumping Station
- Bay Avenue Drainage Improvements
- City-Wide Curb Access Ramp Construction
- Balboa Village Phase III

## **Tide and Submerged Land Fund**

The Tide and Submerged Land Fund is used to account for all revenues and expenditures related to the operation of the City’s tidelands, including beaches and marinas. Projects in this fund total \$1,756,700. Major projects include:

- Balboa Island and Little Island Bulkhead (\$200,000)
- Maintenance Dredging Permit (\$350,000)
- Oil Field Improvement Program (\$345,000)
- Eelgrass Mitigation Bank (\$88,000)
- Balboa Yacht Basin Security System (\$65,000)

## **Oil Spill Remediation**

Oil Spill Remediation funds are the product of settlement proceeds from the American Trader Company. In February 1990, a tanker spilled more than 400,000 gallons of oil off the coast of Huntington Beach, which impacted Newport’s beaches. As a condition of the settlement, Newport Beach is required to spend the funds on projects affecting the areas damaged by the spill. This year’s projects totaling \$881,679 are:

- Balboa Peninsula Beach Access Walkway Replacements (\$167,000)
- Ocean Safety Operations (\$81,300)
- Corona del Mar Beach Improvements (\$633,379)

# ***CAPITAL IMPROVEMENTS (Continued)***

## **Building Excise Tax Fund**

The Building Excise Tax Fund is used to account for revenues received from builders and developers on building and remodeling projects within the City. Expenditures from this fund are used exclusively for fire safety, libraries, parks, beaches, or recreational facilities. Projects in the fund total (\$343,495) and will be used for public facility improvements that include:

- Central Library HVAC Retrofit and Repair (\$63,500)
- Fire Apparatus Diesel Exhaust Systems (\$63,233)
- West Newport Community Center (\$40,000)

## **Water Enterprise Fund**

Funds for capital projects in the Water Enterprise Fund are derived from water service charges and are used for the rehabilitation and expansion of the City's water service. Projects in this fund total (\$6,718,000). The projects encompass distribution and piping; water system repairs; and pumping and operating. Major projects include:

- Programmed Pipeline Master Plan Replacement (\$2,232,000)
- Water Transmission Main Improvement Program (\$3,786,000)
- Water Main Master Plan Improvement Program (\$405,000)

## **Wastewater Enterprise Fund**

Projects in this fund total (\$1,623,821) and include sewer main and pump station improvements. Projects include:

- Master Plan Sewer Main Improvements (\$500,000)
- Grease Control Devices – Studies & Inspections (\$110,277)
- Master Plan Sewer Pump Improvements (\$1,013,544)

## **Cooperative Projects**

Cooperative Projects are projects funded with grant funds, Gas Tax, and Measure M revenues, which receive funding from sources outside the City, or are part of a joint venture with other agencies or entities. Major cooperative projects to be undertaken in FY 2004-05 include:

- Newport Shores Pavement Rehabilitation (\$950,000)
- Newport Coast Watershed Assessment and Monitoring (\$500,000)
- Seawind Community Pavement Rehabilitation (\$540,000)

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*Cooperative projects funding sources are as follows:*

### *Gas Tax Fund*

The State Gas Tax Fund accounts for all State Gas Tax related revenues and expenditures, including street repair, construction, and maintenance. Gas Tax funded projects total \$1,737,600.

### *Contributions Fund*

The Contribution Fund is used to account for revenues received from grant programs, other governmental agencies, or private developers and are expended for specific street or highway construction projects. Projects in this fund total \$3,589,700.

### *Transportation and Circulation Fund*

The Circulation and Transportation Fund is derived from fair share fees collected from developers and restricted for capital improvement projects that are a part of the circulation element in the City's General Plan. Projects in this fund total \$2,295,050.

### *Orange County Combined Transportation Funding Program*

The Orange County Combined Transportation Funding Program (OCCTFP) combines funding from multiple sources, such as Measure M Local and Turnback funds \$2,211,907.

### *Circulation Improvement and Open Space Agreement Construction Fund*

The Circulation Improvement and Open Space Agreement (CIOSA) is a development agreement between the City and The Irvine Company to finance expenditures relating to the construction and acquisition of certain public capital improvements. The CIOSA Construction Fund has been established to account for the construction proceeds and expenditures related to Special Assessment District No. 95-1. Projects in this fund total \$800,000.

### *Special Projects*

This year there are three projects funded by multiple sources or using redevelopment funds. These projects total \$9,778,740 and are:

- Fire Station # 7 \$5,842,000
- Mariners Joint Use Library \$3,851,740
- Bonita Canyon Sports Park Storage Buildings \$85,000

### *Conclusion*

Once again, the City has undertaken an ambitious and wide-ranging capital improvement program. The projects are both significant and diverse, and will serve all areas of the City. Many of the projects have multi-year terms to completion. In those cases, only those phases of the projects scheduled during FY 2004-2005 are budgeted and appropriated this fiscal year. It is the City's policy to appropriate sufficient funds for all projects scheduled during the coming budget year. If projects are not completed, nor funds encumbered by fiscal year-end, they are then reconsidered as part of the following fiscal year budget process.

# APPENDICES

## TIDE & SUBMERGED LAND FUND

### Estimated Funds Available

|   |                    |                    |
|---|--------------------|--------------------|
| Estimated Beginning Fund Balance              | \$0                |                    |
| Estimated Revenue for 2004-2005 - All Sources | <u>\$6,958,983</u> |                    |
| Total Funds Available                         |                    | <u>\$6,958,983</u> |

### Estimated Chargeable Expenditures

|                                    |                |                     |
|------------------------------------|----------------|---------------------|
| Fire                               | \$9,696,237 *  |                     |
| General Services                   | 2,240,265 *    |                     |
| Police                             | 6,388,863 *    |                     |
| Public Works                       | 409,365 *      |                     |
| Administrative Services            | 66,717 *       |                     |
| Capital Projects                   | 1,756,701      |                     |
| Debt Services Expenditures         | <u>237,062</u> |                     |
| Total of All Proposed Expenditures |                | <u>\$20,795,210</u> |

**Estimated Ending Fund Balance** (\$13,836,227)

\*Percentage of total department budget based on 1995-96 full cost allocation plan.

# Capital Asset Schedule

as of June 30, 2003

| Description                                     | Year of Acquisition | Historical Cost |
|---|---------------------|-----------------|
| <b>Administration and Services</b>              |                     |                 |
| City Hall Complex                               | 1930                | \$2,505,003     |
| Corporate Yard - General Services               | 1955                | 5,712,756       |
| <b>Safety</b>                                   |                     |                 |
| Fire Station #1 - Balboa                        | 1962                | 81,615          |
| Fire Station #2 - Headquarters                  | 1966                | 94,419          |
| Fire Station #3 - Fashion Island                | 1971                | 775,537         |
| Fire Station #4 - Balboa Island                 | 1994                | 1,420,602       |
| Fire Station #5 - Corona del Mar                | 1950                | 237,135         |
| Fire Station #6 - Irvine Avenue                 | 1957                | 136,009         |
| Fire Station #8 - Newport Coast                 | 2002                | 1,816,350       |
| Lifeguard Headquarters                          | 1989                | 556,483         |
| Police Station                                  | 1973                | 3,057,796       |
| <b>Libraries</b>                                |                     |                 |
| Balboa  | 1906                | 187,110         |
| Central   | 1992                | 15,012,918      |
| Corona del Mar                                  | 1958                | 217,182         |
| Mariners  | 1957                | 420,361         |
| <b>Harbors, Beaches, and Recreation</b>         |                     |                 |
| 15th Street Restrooms                           | 1956                | 538,528         |
| 19th Street Restrooms                           | 1940                | 2,000           |
| 38th Street Park                                | 1925                | 212,988         |
| Arroyo Park                                     | 2003                | 17,578,871      |
| 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                | 3,558,364       |
| Balboa Pier - Concession                        | 1982                | n/a *           |
| Balboa Pier Restroom                            | 1957                | 250,229         |
| 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       |
| Balboa Yacht Basin - Piers and Docks            | 1984                | 3,079,395       |
| Bayside Park                                    | 1926                | 490,865         |

## Capital Asset Schedule

as of June 30, 2003 (continued)

| Description                                | Year of<br>Acquisition | Historical<br>Cost |
|--|------------------------|--------------------|
| Bayview Park                               | 1985                   | 3,917,422          |
| Begonia Park                               | 1926                   | 276,686            |
| Big Canyon - Land                          | 1959                   | 9,586,650          |
| Bob Henry Park                             | 1997                   | 4,480,305          |
| Bolsa Park                                 | 1994                   | 99,474             |
| Bonita Canyon Sports Park                  | 2002                   | 6,774,289          |
| Bonita Creek Park                          | 2002                   | 4,975,596          |
| 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          |
| Castaways Park                             | 1997                   | 481,175            |
| CDM Beach - Concession                     | 1970                   | 30,994             |
| CDM Beach - Parking Lot and Booth          | 1957                   | 1,141,741          |
| CDM Beach - Recreation                     | 2003                   | 65,078             |
| CDM Beach - Restrooms                      | 1956                   | 54,883             |
| Channel Place Park                         | 1958                   | 451,641            |
| Cliff Drive Park                           | 1917                   | 716,846            |
| 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                   | 233,066            |
| 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                   | 186,233            |
| Lido Park                                  | 1973                   | 94,219             |
| Lookout Point                              | 1953                   | 16,000             |
| Marine Education Facility                  | 2003                   | 77,439             |
| M Street Park                              | 1930                   | 12,763             |

## Capital Asset Schedule

as of June 30, 2003 (continued)

| Description                        | Year of<br>Acquisition | Historical<br>Cost |
|------------------------------------|------------------------|--------------------|
| Mariners Park                      | 1957                   | 1,212,671          |
| Newport Aquatic Center             | 1987                   | n/a *              |
| Newport Island Park                | 1938                   | 110,256            |
| Newport Pier                       | 1940                   | 3,558,364          |
| Newport Pier - Concession          | 1990                   | n/a *              |
| Newport Pier - Restrooms           | 1989                   | 305,188            |
| Newport Shores Park                | 1906                   | 57,258             |
| Newport Theater Arts               | 1973                   | 359,002            |
| Oasis Senior Center                | 1975                   | 2,022,104          |
| Ocean Front Parking Lot            | 1919                   | 302,258            |
| Old School Park                    | 1917                   | 24,829             |
| Peninsula Park                     | 1929                   | 609,228            |
| Rhine Wharf Park                   | 1974                   | 52,620             |
| San Joaquin Hills Park             | 1965                   | 1,162,974          |
| San Miguel Park                    | 1983                   | 2,748,542          |
| Spyglass Hill Park                 | 1970                   | 499,239            |
| Spyglass Reservoir Park            | 1970                   | 312,377            |
| Sunset Park                        | 1970                   | 311,435            |
| 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                   | 5,529,229          |
| Westcliff Park                     | 1962                   | 729,952            |
| <b>Other</b>                       |                        |                    |
| 26th Street Parking Lot            | 1965                   | 85,848             |
| 30th Street Parking Lot            | 1987                   | 1,039,429          |
| Ackerman Bldg - 110+ 22nd Street   | 1992                   | 1,304,717          |
| Ackerman Bldg - 2116+ Ocean Front  | 1992                   | 1,304,717          |
| Balboa Bay Club - Land             | 1918                   | 1,049,252          |
| Bayside and Marguerite Parking Lot | 1950                   | 83,494             |
| Beacon Bay - Land                  | 1919                   | 750,103            |
| Cannery Village Parking Lot        | 1989                   | 1,146,634          |
| Mariners Mile Parking Lot          | 1976                   | 642,081            |
| Palm Street Parking Lot            | 1906                   | 55,721             |
| Vacant Land behind Central Library | 1992                   | 6,448,622          |

## Capital Asset Schedule

as of June 30, 2003 (continued)

| Description           | Year of Acquisition | Historical Cost        |
|-----------------------|---------------------|------------------------|
| <b>Equipment</b>      |                     |                        |
| Rolling Equipment     | various             | 18,857,003             |
| Other Equipment       | various             | 2,844,562              |
| <b>Infrastructure</b> |                     |                        |
| Road System           | various             | 1,226,393,079          |
| Storm Drain System    | various             | 51,915,124             |
| Bicycle Paths         | various             | 42,975,504             |
| Oil Wells             | various             | 1,145,496              |
| Walls                 | various             | 1,579,000              |
| Other                 | various             | 293,609                |
| <b>Water System</b>   |                     |                        |
| Utility Yard          | 1987                | 2,222,243              |
| Water Reducers        | various             | 82,079                 |
| Water Meters          | various             | 985,524                |
| Water Lines/Mains     | various             | 63,518,855             |
| Fire Hydrants         | various             | 250,008                |
| Reservoirs:           |                     |                        |
| Big Canyon            | 1959                | 24,188,734             |
| Spyglass              | 1972                | 418,244                |
| 16th Street           | 1996                | 3,800,000              |
| Capitalized Interest  | 1995                | 1,034,462              |
| Pump Stations         | various             | 2,053,306              |
| Wells                 | 1996                | 3,417,000              |
| Equipment             | various             | 132,246                |
| <b>Sewer System</b>   |                     |                        |
| Sewer Lines/Mains     | various             | 32,039,586             |
| Pump Stations         | various             | 7,363,165              |
| <b>TOTAL</b>          |                     | <b>\$1,687,858,595</b> |

\* Leasehold improvements made by Lessee not valued.

# EQUIPMENT MAINTENANCE AND REPLACEMENT FUND

## Schedule of Rolling Equipment Replacement (FY 2004-05)

### Public Safety Departments

#### Police Department

|                                  |                   |
|----------------------------------|-------------------|
| Patrol/Traffic Sedans (10)       | \$ 331,000        |
| Police Motorcycles (6)           | \$ 124,800        |
| Detective Sedans (3)             | \$ 77,000         |
| Trucks, 1/4 Ton Ext. Cab 4x4 (2) | \$ 50,000         |
| Sedans (2)                       | \$ 40,000         |
| Radar Trailer                    | \$ 15,000         |
| <b>Sub Total</b>                 | <b>\$ 637,800</b> |

#### Fire Department

|                                  |                     |
|----------------------------------|---------------------|
| Fire Engines (3)                 | \$ 995,000          |
| Paramedic Ambulance              | \$ 110,000          |
| Battalion Chief Unit             | \$ 80,000           |
| Trucks, 1/4 Ton Ext. Cab 4x4 (2) | \$ 47,000           |
| Station Wagon, 4x4               | \$ 30,000           |
| Truck, 1/2 Ton                   | \$ 21,000           |
| <b>Sub Total</b>                 | <b>\$ 1,283,000</b> |

### Other Departments

#### Administrative Services Department

|       |           |
|-------|-----------|
| Sedan | \$ 19,000 |
|-------|-----------|

#### Office of the City Manager

|       |           |
|-------|-----------|
| Sedan | \$ 20,000 |
|-------|-----------|

#### General Services Department

|                                |                   |
|--------------------------------|-------------------|
| Transfer Trailers (2)          | \$ 120,000        |
| Truck Tractor                  | \$ 90,000         |
| Trucks, 1 Ton Utility Body (2) | \$ 62,000         |
| Truck, 1 Ton Stakebed          | \$ 32,000         |
| Refuse Packer, 1 Ton           | \$ 52,000         |
| Truck, 3/4 Ton Utility Body    | \$ 30,000         |
| Station Wagon, 4x4             | \$ 30,000         |
| Root Pruner                    | \$ 30,000         |
| Truck, 3/4 Ton 4x4             | \$ 27,000         |
| Truck, 3/4 Ton with Liftgate   | \$ 26,000         |
| Van, 1/2 Ton                   | \$ 22,000         |
| Sedan                          | \$ 19,000         |
| Equipment Trailer              | \$ 10,000         |
| Box Trailers (2)               | \$ 7,000          |
| <b>Sub Total</b>               | <b>\$ 557,000</b> |

#### Library Department

|                         |           |
|-------------------------|-----------|
| Van, 1/2 Ton Bubble Top | \$ 26,000 |
|-------------------------|-----------|

#### Planning Department

|       |           |
|-------|-----------|
| Sedan | \$ 20,000 |
|-------|-----------|

#### Public Works Department

|            |           |
|------------|-----------|
| Sedans (2) | \$ 38,000 |
|------------|-----------|

#### Recreation/Senior Services Department

|                  |                  |
|------------------|------------------|
| Van, 1/2 Ton     | \$ 22,000        |
| Station Wagon    | \$ 22,000        |
| <b>Sub Total</b> | <b>\$ 44,000</b> |

#### Utilities Department

|                      |                  |
|----------------------|------------------|
| Trucks, 1/4 Ton (2)  | \$ 38,000        |
| Truck, 1 Ton Flatbed | \$ 35,000        |
| Sedan                | \$ 19,000        |
| <b>Sub Total</b>     | <b>\$ 92,000</b> |

**PUBLIC SAFETY TOTALS** **\$ 1,920,800**

**OTHER DEPARTMENT TOTALS** **\$ 816,000**

**GRAND TOTAL ALL DEPARTMENTS** **\$ 2,736,800**

CITY OF NEWPORT BEACH  
2004-2005 RESOURCE ALLOCATION PLAN

**ROLLING STOCK IN SERVICE**

|                                | Fiscal Year<br>2002-03<br>Final<br><u>Inventory</u> | Fiscal Year<br>2003-04<br>Changes &<br>Adjustments | Fiscal Year<br>2003-04<br>Final<br><u>Inventory</u> | Fiscal Year<br>2004-05<br>Projected<br>Changes &<br>Adjustments | Fiscal Year<br>2004-05<br>Projected<br>Final<br><u>Inventory</u> |
|--------------------------------|---|--|---|---|--|
| <u>General City Operations</u> |   |  |   |   |  |
| Passenger Cars                 | 104   | +4   | 108   | 0   | 108  |
| Jeeps                          | 2   | 0  | 2   | 0   | 2  |
| Motorcycles                    | 18  | 0  | 18  | 0   | 18   |
| Trucks                         | 133   | --6  | 127   | 0   | 127  |
| Fire Trucks                    | 13  | +1   | 14  | 0   | 14   |
| Loadpackers                    | 23  | +2   | 25  | 0   | 25   |
| Street Sweepers                | 8   | 0  | 8   | 0   | 8  |
| Tractors and Graders           | 4   | 0  | 4   | 0   | 4  |
| Backhoes and Loaders           | 6   | 0  | 6   | 0   | 6  |
| Beach Cleaners                 | 3   | 0  | 3   | 0   | 3  |
| Trailers                       | 32  | +5   | 37  | 0   | 37   |
| Trailer, Office                | 2   | +2   | 4   | 0   | 4  |
| Special Equipment              | 19  | 0  | 19  | 0   | 19   |
| Total General City Operations  | 367   | +8   | 375   | 0   | 375  |
| <u>Utility Enterprise*</u>     |   |  |   |   |  |
| Passenger Cars                 | 3   | +1   | 4   | 0   | 4  |
| Trucks                         | 43  | +2   | 45  | +1  | 46   |
| Tractors and Graders           | 2   | 0  | 2   | 0   | 2  |
| Backhoes and Loaders           | 6   | 0  | 6   | 0   | 6  |
| Trailers                       | 12  | 0  | 12  | -1  | 11   |
| Special Equipment              | 15  | +2   | 17  | 0   | 17   |
| Total Utility Enterprise       | 81  | +5   | 86  | 0   | 86   |
| <b>GRAND TOTAL</b>             | <b>448</b>  | <b>+13</b>   | <b>461</b>  | <b>0</b>  | <b>461</b>   |

\* Includes vehicles in both the Water and Wastewater Sections

## SEVEN YEAR COMPARISON OF FULL-TIME POSITIONS

|                                    | <u>1998-99</u> | <u>1999-00</u> | <u>2000-01</u> | <u>2001-02</u> | <u>2002-03</u> | <u>2003-04</u> | <u>2004-05</u> |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>GENERAL CITY GOVERNMENT</b>     |                |                |                |                |                |                |                |
| City Council                       | 0.00           | 0.00           | 0.00           | 0.00           | 0.00           | 0.00           | 0.00           |
| City Clerk                         | 3.00           | 3.00           | 3.00           | 3.00           | 3.00           | 3.00           | 3.00           |
| City Manager                       | 4.00           | 12.00          | 18.00          | 11.00          | 11.00          | 17.00          | 17.00          |
| Human Resources                    | 0.00           | 0.00           | 0.00           | 9.00           | 9.00           | 9.00           | 9.00           |
| City Attorney                      | 6.00           | 5.00           | 5.00           | 5.00           | 5.00           | 5.00           | 5.00           |
| Administrative Services            | 50.00          | 49.00          | 49.00          | 49.00          | 49.00          | 50.00          | 50.00          |
| <b>Total</b>                       | <b>63.00</b>   | <b>69.00</b>   | <b>75.00</b>   | <b>77.00</b>   | <b>77.00</b>   | <b>84.00</b>   | <b>84.00</b>   |
| <b>PUBLIC SAFETY</b>               |                |                |                |                |                |                |                |
| Police                             | 217.00         | 219.00         | 221.00         | 238.00         | 237.00         | 237.00         | 237.00         |
| Fire                               | 0.00           | 0.00           | 0.00           | 146.00         | 147.00         | 148.00         | 148.00         |
| Fire and Marine                    | 125.00         | 125.00         | 137.00         | 0.00           | 0.00           | 0.00           | 0.00           |
| <b>Total</b>                       | <b>342.00</b>  | <b>344.00</b>  | <b>358.00</b>  | <b>384.00</b>  | <b>384.00</b>  | <b>385.00</b>  | <b>385.00</b>  |
| <b>COMMUNITY DEVELOPMENT</b>       |                |                |                |                |                |                |                |
| Planning                           | 16.00          | 16.00          | 18.00          | 18.00          | 20.00          | 18.00          | 18.00          |
| Building                           | 21.00          | 23.00          | 24.00          | 26.00          | 26.00          | 28.00          | 28.00          |
| <b>Total</b>                       | <b>37.00</b>   | <b>39.00</b>   | <b>42.00</b>   | <b>44.00</b>   | <b>46.00</b>   | <b>46.00</b>   | <b>46.00</b>   |
| <b>PUBLIC WORKS</b>                |                |                |                |                |                |                |                |
| Public Works and Utilities         | 34.00          | 35.00          | 37.00          | 0.00           | 0.00           | 0.00           | 0.00           |
| Public Works                       | 0.00           | 0.00           | 0.00           | 33.00          | 33.00          | 33.00          | 33.00          |
| Utilities - Electrical             | 0.00           | 0.00           | 0.00           | 5.00           | 5.00           | 5.00           | 5.00           |
| General Services                   | 105.00         | 107.00         | 105.00         | 110.00         | 111.00         | 109.00         | 109.00         |
| General Services - Equipment ISF   | 15.00          | 15.00          | 13.00          | 15.00          | 15.00          | 15.00          | 15.00          |
| <b>Total</b>                       | <b>154.00</b>  | <b>157.00</b>  | <b>155.00</b>  | <b>163.00</b>  | <b>164.00</b>  | <b>162.00</b>  | <b>162.00</b>  |
| <b>COMMUNITY SERVICES</b>          |                |                |                |                |                |                |                |
| Library                            | 34.00          | 35.00          | 36.00          | 36.00          | 37.00          | 36.00          | 36.00          |
| Arts & Cultural                    | 1.00           | 1.00           | 1.00           | 1.00           | 1.00           | 1.00           | 1.00           |
| Administration                     | 2.00           | 2.00           | 2.00           | 2.00           | 0.00           | 0.00           | 0.00           |
| Recreation                         | 8.00           | 8.00           | 9.00           | 11.00          | 11.00          | 11.00          | 11.00          |
| Senior Citizens                    | 4.00           | 5.00           | 5.00           | 7.00           | 7.00           | 7.00           | 9.00           |
| Recreation & Senior Services Admin | 0.00           | 0.00           | 0.00           | 0.00           | 2.00           | 2.00           | 2.00           |
| <b>Total</b>                       | <b>49.00</b>   | <b>51.00</b>   | <b>53.00</b>   | <b>57.00</b>   | <b>58.00</b>   | <b>57.00</b>   | <b>59.00</b>   |
| <b>BALBOA YACHT BASIN</b>          | <b>1.00</b>    | <b>1.00</b>    | <b>1.00</b>    | <b>1.00</b>    | <b>1.00</b>    | <b>1.00</b>    | <b>1.00</b>    |
| <b>WATER ENTERPRISE FUND</b>       | <b>31.00</b>   | <b>31.00</b>   | <b>34.00</b>   | <b>33.00</b>   | <b>33.00</b>   | <b>33.00</b>   | <b>34.00</b>   |
| <b>SEWER ENTERPRISE FUND</b>       | <b>11.00</b>   | <b>11.00</b>   | <b>10.00</b>   | <b>12.00</b>   | <b>12.00</b>   | <b>13.00</b>   | <b>13.00</b>   |
| <b>TOTAL FULL-TIME POSITIONS</b>   | <b>688.00</b>  | <b>703.00</b>  | <b>728.00</b>  | <b>771.00</b>  | <b>775.00</b>  | <b>781.00</b>  | <b>784.00</b>  |

## Glossary

**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.

**Ackerman Donation Fund** - Used to account for the receipt and disbursement of funds received from the Ackerman Trust. These funds are split between the City and the University of California, Irvine. The City's portion 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.

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

**Arterial Highway Rehabilitation 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.

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

**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.

**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.

**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.

**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.

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

**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.

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

**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.

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

**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.

**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.

**Business Improvement District Fund** - Used to account for monies collected from local business districts for district property improvements and business enhancement.

**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.

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

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

**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.

**Combined Transportation Fund** - Used to account for the revenues and expenditures of funds received from the Orange County Combined Transportation Funding Program. Expenditures from this fund are used exclusively for transportation related purposes.

**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.

**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.

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

**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.

**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.

**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.

**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.

**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 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.

**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).

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

**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 unexpected or unencumbered balance lapses or ends, unless otherwise provided by law.

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

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

**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.

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

**Miscellaneous Grants Fund** – Used to account for short-term grant programs not individually listed.

**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.

**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.

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

**Objective** – Something to be accomplished in specific, well defined, and measurable terms and that is achievable within a specific time frame.

**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.

**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.

**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.

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

**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.

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

**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.

**Special Assessment Fund** - Used to account for funds received from affected property owners and payable to holders of 1911 Act, 1915 Act and other special assessment bonds.

**Special Deposit Fund** - Used to account for special deposits held by the City in its fiduciary capacity.

**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.

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

**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.

**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.

**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.

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

**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.

**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.

**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.

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