

CITY OF COSTA MESA, CALIFORNIA
OPERATING & CAPITAL IMPROVEMENT BUDGET
FISCAL YEAR 2019-2020 | PRELIMINARY

CITY OF COSTA MESA, CALIFORNIA

PRELIMINARY OPERATING AND CAPITAL IMPROVEMENT BUDGET FISCAL YEAR 2019-2020



Prepared By the Finance Department

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FY 2019-2020 PRELIMINARY BUDGET

BUDGET MESSAGE



Honorable Mayor, Members of the City Council, and Citizens of Costa Mesa:

It is my pleasure to present the Fiscal Year 2019-2020 Operating and Capital Improvement Budget for the City of Costa Mesa.

The past six years have marked unparalleled prosperity for Costa Mesa and the recovery from the Great Recession has continued becoming the longest period of economic growth in history. This has allowed the City to focus on improving the City's infrastructure, construct a new library, one-acre park and community center at Lions Park and rebuild Fire Station No. 1. During that time, the City has also been faced with challenges such as addressing homeless issues in the community and defending itself in lawsuits filed by sober living facilities in Costa Mesa. These challenges have resulted in a significant financial commitment on the part of the City.

Given these increasing pressures on a budget where over 65% of our costs go toward salaries and benefits, we were faced with challenges that required a hard look at how we develop the budget. The City Manager's Office and Finance Department undertook a comprehensive review of our budgeting practices to ensure fiscal sustainability while continuing to attract and retain a high-quality workforce in a competitive labor market. To make the most of our resources, and to ensure that we continue to have resources in even harder times, we must be purposeful and strategic about how we spend. We can no longer start with our existing services and programs and then add staffing and funding to meet new demands and desires. We have to prioritize how we spend money and focus on the return on taxpayer investment.

This year, department directors and staff reviewed the operating budget of previous years to identify opportunities for efficiencies to focus on the new priorities. The approach is outcome-based planning and decision-making. We have seen a sharp increase in revenues of the last several years, however, the economy is slowing and we are conservative in our expectations. We are proud to present a balanced budget that addresses the City Council's priorities and maintains the high level of services the community enjoys.

FISCAL OVERVIEW

The overall budget for the City of Costa Mesa is \$173.8 million (including transfers out) in Fiscal Year 2019-20. This budget reflects the operating and capital activities of 25 funds across 10 departments and approximately 495 full-time positions and 133.2 part-time positions (in full-time equivalent) that provide the City's public safety, construction and maintenance, transportation and development-related services, and the internal governance services that support them. The largest component of the budget is the General Fund. The General Fund budget totals \$143.7 million and represents 82.7% of the overall budget. This represents a \$10.6 million increase over the Fiscal Year 2018-19 budget which totaled \$133 million. This increase is partially due to the correction of previous accounting issues combined with an increase in "new" expenditures including:

Legal costs related to lawsuits filed against the City	\$ 1.5 million
Operating subsidy to the Housing Authority for the homeless shelter	2.0 million
Negotiated increases to salaries and benefits for existing positions	6.6 million

While these are expensive, they show the good work the City continues to do in addressing community issues and ensuring that the City continues to provide a high level of service to the community. However, these increases posed significant challenges in balancing the budget. To address these increases, the Fiscal Year 2019-20 budget uses \$3.15 million in General Fund reserves: \$1.4 million for the renovation of the permanent homeless shelter site and \$1.75 million for legal costs and homeless shelter operations. In order to fund the remaining increases, staff implemented several strategies, including expenditure reductions across all departments. Departments were asked to continue to look for innovative ways to deliver services without compromising service levels, which resulted in a reducing operating expenses across all departments.

CITY MANAGER'S BUDGET MESSAGE (CONTINUED)

The City's capital improvement program (CIP) budget received an overhaul during the development of the Fiscal Year 2019-20 budget. With a focus on the City Council's priorities, staff recommended a variety of projects with a concerted effort to use restricted resources first, then unrestricted resources. Currently, the City's only unrestricted resource is the General Fund. The CIP budget for Fiscal Year 2019-20 is \$19.0 million, with \$5.7 million representing the General Fund portion. This represents a decrease in the General Fund portion of \$2.9 million from the prior year. Of the General Fund portion, \$4.3 million is generated from Fiscal Year 2019-20 revenues and \$1.4 million is funded through reserves. The amount funded through General Fund revenues is lower than in prior years due to the use of \$2.8 million to pay principal and interest payments associated with the 2017 Lease Revenue Bonds and \$2 million being used to fund operating costs. This was made possible with the award of two large grants: \$1.1 million for Merrimac Way and \$2 million from the State of California for the Lions Park Project. The funding for the Lions Park Project was the result of the dedication of Mayor Katrina Foley in working with Assemblywoman Cottie Petrie-Norris's Office to bring taxpayer dollars back to Costa Mesa. In addition, the practice of using restricted resources before unrestricted resources meant all of the high priority projects could be funded.

Costa Mesa's exceptionally strong economy and tax base has provided increases in financial resources in previous years but these revenues, along with all of our major revenue sources are seeing slowing growth. This comes at a time when pressure on expenditures is accelerating with the rising cost of new employee MOUs, the operating costs associated with the City's homeless shelter and legal defense costs related to lawsuits filed by various sober living facilities. While the management team identified solutions to sustain services in the current fiscal year, the challenges will continue beyond Fiscal Year 2019-20. The City is expected to see annual operating deficits in the future which will require the City to face increasingly hard choices in the next budget cycle including re-evaluating how we work, how we deliver services and what matters most to the community. The five-year financial forecast shows structural deficits in the General Fund for the next five years of approximately \$11.6 million to \$14.2 million. This estimate does not take into account possible changes that may result from future labor negotiations; it is based on the current MOUs.

ECONOMY

While the economy nation-wide has seen strong increases since the recession, local governments have been slower to rebound. The City's sales tax base has provided a safety net in previous years, but these revenues are expected to see slow growth over the next several years. Additionally, consumer shopping habits have shifted as technology has advanced. Brick and mortar stores are changing their business models as consumers increasingly shop online. This results in a reduction in sales tax for local governments as sales tax revenue goes from point-of-sale purchase (purchased in Costa Mesa) to the City's portion of the County sales tax from online purchases. In Fiscal Year 2019-20 sales tax growth is expected to slow to 2%, then only 1% growth in Fiscal Year 2020-21. Sales tax is Costa Mesa's largest source of revenue. Other revenue streams, such as property tax and transient occupancy tax are expected to see a slowing as well. There are anticipated increases in marijuana gross receipts tax revenue as new businesses complete construction of new facilities in the green zone and we will see a full year of revenues in the ambulance transportation program. In addition, new and updated fees are being proposed to provide additional revenue related to costs incurred by the Finance Department and Development Services Department. To ensure we continue to have resources in future years, the City will undergo a City-wide fee study and cost allocation plan in Fiscal Year 2019-20 to evaluate cost recovery for all departments.

HIGHLIGHTS OF THE BUDGET

The Fiscal Year 2019-20 Budget contains funding for the continuation of existing services to the community. The following highlights reflect some of the facts and changes regarding this budget.

CITY MANAGER'S BUDGET MESSAGE (CONTINUED)

CITY-WIDE

- Maintains staffing at previous levels.
- Addition of 11 full-time equivalent (FTE) positions to address operational needs in the City. This includes the reclassification or elimination of certain part-time positions to create full-time positions.
- Contingency appropriations of \$500,000 (a reduction from \$1 million in Fiscal Year 2017-18).

General Fund contribution to Capital Projects is less than the 6.5% of the General Fund budgeted revenues required by the Capital Asset Needs Ordinance. Of the \$9.1 million that should be transferred, \$2 million is being retained in the General Fund to pay for operations and \$2.8 million will be used to pay for the principal and interest on the 2017 Lease Revenue Bonds. Although the General Fund contribution was reduced, the City's Capital Improvement Program budget increased by \$2 million.

DEPARTMENT SPECIFIC ITEMS

- City Manager's Office
 - Reclassification of a part-time human resource analyst to full-time to provide additional resources for recruitments.
- Finance Department
 - Addition of two full-time positions; an accountant to support payroll and a financial analyst to replace the tax auditing specialist position that was eliminated in December 2018. These positions allow for succession planning and will enable the department to better analyze financial data.
 - Renovation of the existing Finance Department office space to provide for increased security and operational efficiencies.
- Parks and Community Services
 - Various facility improvements at the Senior Center, the Downtown Recreation Center, Balearic Center and various parks with a focus on neighborhood and park restoration.
 - Renovation of the newly acquired property for the permanent bridge shelter.
 - Completion of the Lions Park Projects which includes the renovation of the existing Neighborhood Community Center (NCC).
 - Updating the existing Fairview Park Master Plan.
- Information Technology
 - Addition of two full-time positions; a programmer analyst to support the Land Management System and a network administrator to provide support for the help desk and implementation of the City's new systems.
- Police Department
 - Construction of a new security wall at the Police Department.
 - Remodel of the shooting range.
 - Emergency Operations Center (EOC) equipment update.
 - Replacement of four vehicles.
- Fire Department
 - Fully staffed Fire Department, which will result in a reduction in overtime costs.
 - Reclassification of Assistant Fire Marshall to Fire Marshall
 - Full year of ambulance transportation revenue.
 - Replacement of one vehicle.
 - Design of Fire Station No. 2.
 - Various facility improvements at Fire Stations, 3, 4, 5 and 6.

CITY MANAGER'S BUDGET MESSAGE (CONTINUED)

- Development Services Department
 - Fully staffed to address sober living home issues, including code enforcement, citation process streamlining and increased public information.
 - Remodel of the front counter to enhance security.
 - Reclassification of three part time code enforcement officers to two full time code enforcement officers; a plan check engineer and permit processing specialist from part-time to full-time; and a full-time code enforcement officer to a full-time assistant planner to increase efficiencies.
- Public Services Department
 - Maintains service levels at city facilities.
 - Addition of three full-time positions: addition of one lead equipment mechanic to service public safety vehicles, an energy services manager to be dedicated to searching for energy efficiencies throughout the City and an engineering technician III in the Transportation Division which allowed the department to significantly reduce consulting costs.
 - Replacement of two vehicles.

STAFFING LEVELS

The Fiscal Year 2019-20 Budget includes 495 full-time equivalent (FTE) positions. This includes 11 additional authorized positions:

- New Positions
 - Finance Department – Financial Analyst
 - Finance Department – Accountant
 - Public Services Department – Energy Services Manager
 - Public Services Department – Lead Equipment Mechanic/Fleet
 - Public Services Department - Engineering Tech III
 - Information Technology Department – Programmer Analyst II
- Reclassifications from Part-Time to Full-Time
 - Information Technology Department – Network Administrator
 - Development Services – Code Enforcement Officer
 - Development Services – Code Enforcement Officer
 - Development Services – Plan Check Engineer
 - Development Services – Permit Processing Specialist

Included in the Fiscal Year 2019-20 Budget are 133.2 part-time positions (in full-time equivalent). This represents a decrease of 2.89 full-time equivalents from the Fiscal Year 2018-19 Amended Budget of 136.1. This reduction is due to the reclassifications listed above offset by an increase in hours for certain positions. Additionally, the State of California approved minimum wage increases to \$15.00 per hour by January 2022. The budget for Fiscal Year 2019-20 includes the minimum wage increases necessary to comply with the new amounts.

Upon adoption of the budget, the City had approximately 39 vacant full-time positions out of 484 budgeted positions (based on amended numbers), or an 8% vacancy rate. Historically, there has been a savings at the end of each fiscal year based on vacancies from attrition and other related reasons. Instead of budgeting all positions at full cost, a vacancy factor has been applied to account for the savings at the beginning of the budget process. This method has been utilized for many years and the savings will continue to be monitored throughout the year to determine if adjustments are needed. The vacancy factors used were:

- Police Department (Sworn and Non-Sworn) – 8%
- Parks and Community Services – 6%
- Information Technology – 5 %

CITY MANAGER'S BUDGET MESSAGE (CONTINUED)

REVENUE INCREASES

Included in the budget is anticipated revenue increases associated with new fees or increases to existing fees to ensure cost recovery. These include increases to the Development Services Planning Division fees and establishing an administrative processing fee for business licenses. Revenues at the golf course are also expected to increase.

GENERAL FUND RESERVES/USE OF FUND BALANCE

The General Fund total fund balance was \$46.5 million as of April 1, 2019, which is \$10.39 million lower than the Council's established goal of \$56.89 (\$55 million + annual Consumer Price Index since 2017). This is due to the acquisition of the permanent homeless shelter site and the costs associated with defending the City in the Yellowstone case. Included in this budget is the use of \$3.15 million of reserves \$1.4 million for the renovation of the permanent homeless shelter site and \$1.75 million for legal costs and homeless shelter operations. The City continues to maintain a \$14.125 million emergency general operating reserve, in addition to reserves for economic changes and self-insurance. A schedule of estimated fund balances for all budgeted funds can be found in the Summaries of Financial Data section of this budget book.

CHALLENGES

This budget responds to the known challenges projected in our five-year financial forecast. The pressures from rising costs for pensions and healthcare are not new. Additionally, the current economic expansion is the longest period of growth in the past 100 years -- and cannot go on indefinitely. These threats impact the General Fund as well as the City's other funds.

Retirement Costs: The California Public Employees' Retirement System (CalPERS) Board voted to lower the rate used as the growth factor for its investments from 7.5% to 7.0% over three years beginning in Fiscal Year 2018-19. This change will result in increases in pension rates within five years, translating to an additional increase of approximately \$28.1 million to General Fund retirement costs in Fiscal Year 2019-20 that increase to almost \$36.3 million in Fiscal Year 2024-25. This change severely impacts our five-year expenditure projections. The City continues to take advantage of prepayment discounts, and to share the cost of pension contributions with our workforce.

The following table reflects CalPERS employer contribution rates as forecasted by CalPERS over the next five fiscal years, which takes into account mortality rates, investment returns as well as the City's unfunded liability. The table below is based on the June 30, 2017 actuarial report released in 2018. The information from the actuarial report has been modified to include the change in discount rate (assumed rate of return) as approved by the CalPERS Board of Administration in December 2016. The change in discount rate will be phased in over three years from 7.5% to 7.0% by Fiscal Year 2019-20. The employer rates below are calculated off base pay, special compensation and other PERS'able items. PERS is not calculated on overtime unless the hours were worked on a holiday.

Plan	Actual FY 2019-20	Estimated FY 2020-21	Estimated FY 2021-22	Estimated FY 2022-23	Estimated FY 2023-24
Miscellaneous Normal Cost %	9.450%	10.2%	10.2%	10.2%	10.2%
Police Normal Cost %	20.536%	21.9%	21.9%	21.9%	21.9%
Fire Normal Cost %	23.654%	25.1%	25.1%	25.1%	25.1%
PEPRA Normal Cost %	6.75%	6.75%	6.75%	6.75%	6.75%
Miscellaneous UAL	\$7,595,197	\$8,129,000	\$8,828,000	\$9,466,000	\$9,830,000
Police UAL	\$8,081,590	\$8,950,000	\$9,852,000	\$10,571,000	\$11,046,000
Fire UAL	\$5,529,564	\$6,057,000	\$6,663,000	\$7,181,000	\$7,532,000

Note: Certain bargaining units contribute towards the employer contribution, which is not reflected above.

CITY MANAGER'S BUDGET MESSAGE (CONTINUED)

In order to achieve cash flow savings, in July 2019 the City will elect the annual lump sum payment option offered by CalPERS for its FY 2019-20 unfunded pension liability contribution. The lump sum payment will result in anticipated cash flow savings of approximately \$600 thousand.

Healthcare Costs: Healthcare is another major contributor to the City's increasing compensation burden. Healthcare costs are anticipated to increase annually by 8% over the next five-year period, exceeding the growth of revenues. With little control over future healthcare costs and national policies we will continue to negotiate the best rates for the City, promote wellness and seek increased cost sharing from our workers.

Federal Funding: The City receives Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) grant funds. There is a potential for a significant reduction in these funds.

Self-Insurance Costs: The budget includes funding for litigation costs, including those related to sober living litigation. However, the self-insurance fund is not fully funded for existing claims. The City is taking steps to curb these costs and determine the best method to fund reserves.

Costa Mesa Bridge Shelter: The temporary Costa Mesa Bridge Shelter opened in April 2019 in a temporary facility leased by the City. We anticipate operational costs will total nearly \$2.6 million in Fiscal Year 2019-20. While we are pursuing every opportunity for outside funding, we will need to subsidize operations using General Fund dollars totaling approximately \$2.0 million in Fiscal Year 2019-20. As we embark on site improvements necessary to prepare a newly acquired property for use as the permanent shelter location, we are evaluating projected operating costs and expect the General Fund subsidy may increase in future fiscal years.

Rebuilding the General Fund Reserves: In 2015, City Council adopted a policy determining the appropriate fund balance reserve level for the General Fund is \$55,000,000 and committed to a plan to reach that goal and to increase the reserve level by a CPI factor annually in years where the General Fund had a surplus. Since the policy was adopted, General Fund fund balance has exceeded the minimum reserve level topping \$64.5 million in Fiscal Year 2015-16. However, over the last two years, reserves have begun to decline. The fund balance in the General Fund for the Fiscal Year 2017-18 totaled \$55 million and is estimated to total \$46.6 million at the end of Fiscal Year 2018-19. This decline is anticipated to continue and is projected to total \$43 million by the end of Fiscal Year 2019-20. This represents a decrease of \$12 million or 21.8% over a period of two years. When the City uses General Fund reserves to pay for unanticipated costs, a best practice is to use reserves for one-time costs, rather than annual ongoing costs such as salaries and services. The use of General Fund reserves over the last two years was necessary to address high priority issues such as defending the City in litigation related to sober living cases, opening the temporary bridge shelter, and acquisition and renovation of the permanent bridge shelter site. Reserves have not been used as a balancing technique to pay for ongoing operating costs.

These challenges lead to uncertainty in the five-year financial forecast. To make the most of our resources, and to ensure that we continue to have resources in even harder times, will have to prioritize how we spend money and focus on the return on taxpayer investment. City Council will face difficult decisions in the coming years to ensure we can continue delivering the highest level of services to the community.

BUDGETARY REPORTING AWARDS

The budget was prepared in accordance with local ordinances, state statutes, and best practices in budgeting recommended by the National Advisory Council on State and Local Budgeting. Additionally, this document will also be prepared in a manner that meets the Budget Awards Program criteria established by the Government Finance Officers Association (GFOA) of the United States and Canada and the California Society of Municipal Finance Officers (CSMFO).

CITY MANAGER'S BUDGET MESSAGE (CONTINUED)

The GFOA presented a Distinguished Budget Presentation Award to the City of Costa Mesa for its annual budget document for the fiscal year beginning July 1, 2018. This is the 18th consecutive year that the City has received this prestigious award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for one year only.

In addition, the CSMFO presented the Excellence in Operational Budgeting, and the Excellence in Public Communications awards to the City of Costa Mesa for its Fiscal Year 18-19 Budget.

Staff believes the Fiscal Year 2019-20 Operating & Capital Improvement Budget document will continue to conform to the award program requirements. The City will again apply to both GFOA and CSMFO for these awards.

ACKNOWLEDGEMENT

The development of the budget requires a significant amount of staff time and effort, and has to be completed within a defined timeline. I want to thank the City Council for their support in setting the goals for the City and a vision for the organization. I sincerely appreciate the hard work of all department directors, division managers, and departmental budget liaisons in the preparation of the budget. Special recognition is extended to the Finance Department budget team and Central Services staff for their hard work and dedication throughout the budget process.

Respectfully submitted,



Tamara S. Letourneau
Acting City Manager/Assistant City Manager
City of Costa Mesa



In January 2019, the City Council embarked on a priority-setting session to establish goals and provide clear direction to staff regarding priorities for the budget process. The following goals were the results of that work and directed the budget development process.

➤ **GOAL #1: KEEP OUR COMMUNITY SAFE.**



We will:

- Upgrade our public safety;
- Improve staffing in PD, Fire, and Code Enforcement;
- Strong enforcement against rogue dispensaries;
- Develop and implement a strong homeless shelter and homeless prevention plan;
- Modernize our Emergency Operations Center;
- Continue to address the secondary impacts of sober living homes through code enforcement and pursuing legislative reforms;
- Support community policing, such as bike patrols; and
- Manage coyotes effectively.

➤ **GOAL #2: IMPROVE OUR NEIGHBORHOODS AND QUALITY OF LIFE.**



We will:

- Improve, expand, and add to our neighborhood parks (such as Shalimar);
- Improve, expand, and add to our open space via a Recreation Open Space Plan, along with enhancing restoration activities at our nature parks (including Fairview Park's restoration plan and Canyon Park);
- Increase our Code Enforcement program to address neighborhood nuisances;
- Develop a strong roll-out to the opening of Lion's Park (and community center and library);
- Work to enhance our overall park and community services system, including working with NMUSD and the County on innovative programming at the new Library and Community Center. This includes a focus on early childhood development programs;
- Provide opportunity for district-initiated input on infrastructure priorities;
- Invest in infrastructure improvements including streets, sidewalks, bikeways, alleyways, storm drains, parkways, medians, and trees to ensure all areas of town (especially Districts 4 and 5) are raised to the same high standard for infrastructure. This includes updating our Parkway and Median Standards and exploring the possibility of becoming a Tree City USA;
- Improve key travel corridors to beautify and improve appearance and to comply with the Active Transportation Plan; and
- Develop and implement the Westside Restoration Plan.

➤ **GOAL #3: KEEP THE CITY FISCALLY SUSTAINABLE.**



To address our long-term obligations as well as immediate needs, we will:

- Take measures to reduce expenditures including but not limited to:
 - * Implementing energy efficiencies and sustainability practices at City Hall, in public buildings, parks and public spaces; and
 - * Addressing the City's pension obligations responsibly and creatively.
- Increase revenues by:
 - * Developing and implementing a strong economic development plan and program;
 - * Prioritizing Costa Mesa businesses first when issuing Requests for Proposals (RFPs);
 - * Moving to a more diversified revenue base;
 - * Encouraging new business approaches and workspaces;
 - * Activating the golf course as a revenue generator; and
 - * Rightsizing reserve funds to increase available cash where appropriate.

CITY COUNCIL GOALS (CONTINUED)

- Modernize our City's IT infrastructure comprehensively and strategically to save City resources, improve constituent services, enhance the budget process and maximize other revenues;
- Obtain earlier input into the Budget and Capital Improvement Program (CIP) process from the Council;
- Work with Department Heads to develop succession plans and stabilize workforce; and
- Secure outside advice to assist in changing of systems to improve our revenue projections, including relating to cannabis, and to provide stronger data on sales tax trends (brick and mortar locations v. online), and more.

➤ **GOAL #4: HOUSING.**



We will:

- Continue our efforts to improve housing and to end homelessness in Costa Mesa using a comprehensive way, addressing the full continuum of housing needs from crisis-shelter to supportive housing to affordable to market rate for all, including:
 - * Providing for appropriate bridge and long-term shelters;
 - * Ensuring that those chronically homeless who need specialty care get it;
 - * Anticipating and planning for new Regional Housing Needs Assessment (RHNA) number allocations; and
 - * Developing a plan for compliance with our RHNA numbers that takes into consideration protection of traditional suburban neighborhoods and reducing time spent traveling to and from work.

➤ **GOAL #5: IMPROVE MOBILITY AND PARKING.**



We will:

- Prioritize supporting the Active Transportation Plan;
- Form an internal committee to survey and address local neighborhood parking (including in commercial centers such as SOBECA and in parking-impacted residential areas). Any parking solutions will be implemented following a determination from both studies and public outreach that the solutions are viable;
- Reduce cut-through traffic;
- Ensure strong investment in our roads;
- Develop multi-purpose trail systems citywide; and
- Initiate a Pedestrian Master Plan with focus on safe routes to parks and schools.

➤ **GOAL #6: GOOD GOVERNMENT AND COMMUNITY ENGAGEMENT.**



We will:

- Develop and implement a communication plan to implement robust and consistent communication and engagement practices and identify activities (such as a City Council podcast) to increase awareness and engagement in City activities;
- Improve the way we listen to and provide information to our residents and businesses, including providing more information in Spanish and English;
- Complete our IT Strategic Plan;
- Improve transparency and accountability as well as increasing checks and balances by improving the Budget/Finance Software ("ERP" or Enterprise Resource Planning);
- Prioritize speed and efficiency in our recruitment efforts to get closer to full staffing faster; and
- Maintain up-to-date and accessible information about public works projects, significant private development sites, and other city activities.

FY 2019-2020 PRELIMINARY BUDGET

GENERAL INFORMATION



CITY COUNCIL



Katrina Foley
Mayor



Allan Mansoor
Council Member



John Stephens
Mayor Pro Tem



Sandra L. Genis
Council Member



Arlis Reynolds
Council Member



Manuel Chavez
Council Member

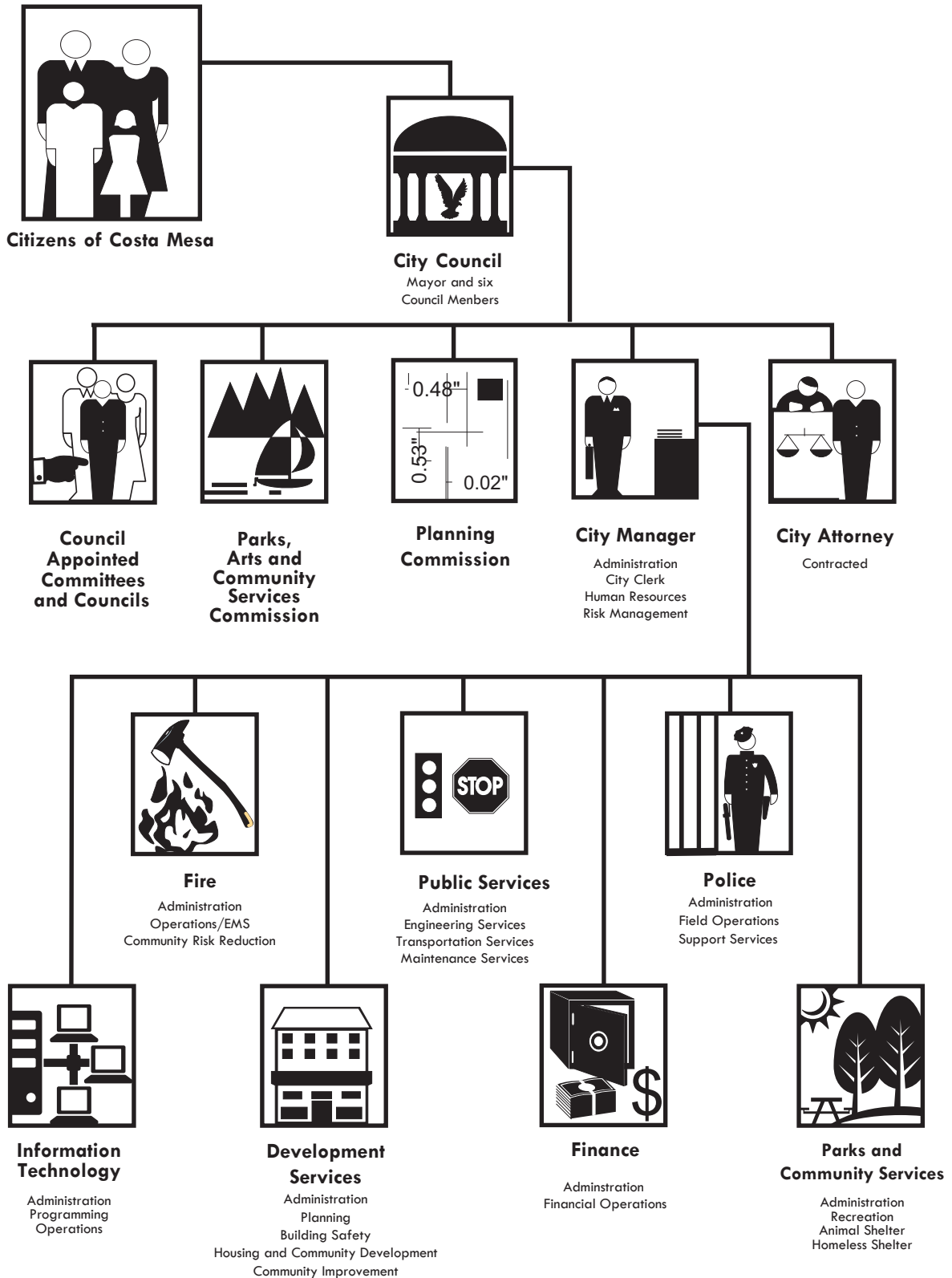


Andrea Marr
Council Member

CITY OFFICIALS

City Manager	TBD
Assistant City Manager	Tamara Letourneau
City Attorney	Kimberly Barlow
Director of Finance	Kelly Telford, CPA
Director of Parks and Community Services	Justin Martin
Director of Information Technology	Steve Ely
Chief of Police	Rob Sharpnack
Fire Chief	Dan Stefano
Director of Development Services	Barry Curtis
Director of Public Services	Raja Sethuraman

ORGANIZATIONAL CHART



Visit our website at www.costamesaca.gov

The purpose of the City of Costa Mesa’s budget is to serve as a “blueprint” for providing City services and as a working financial plan for the fiscal year. It also represents the official organizational plan by which City policies, priorities, and programs are implemented. It provides the means to communicate to the residents, businesses, and employees how the City’s financial sources are used to provide services to the community. The budget includes both the operating costs to manage the City and the capital improvement projects that the City plans to undertake during the fiscal year.

The budget is organized by fund, by department, by division, by program, and by account. A fund is defined as a fiscal accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and balances, which are segregated for the purpose of carrying on specific activities in accordance with special regulations, restrictions, or limitations. A department (e.g., Police Department) is an organizational unit with divisions (e.g., Police Support Services) and within each division is a specific program (e.g., Crime Investigation). “Line” accounts provide the details of the type of expenditure that each department/division/program spends – e.g., salaries, benefits, supplies, and so forth.

HOW IS THE BUDGET ORGANIZED?

Budget Message: This section includes the City Manager’s transmittal letter to the City Council and describes what is in the budget, including budget issues and policies that lead to the development of the budget. It also includes the City Council’s Goals which set the direct the budget development process.

General Information: This section includes the organizational chart, city leadership, the community profile, the budget guide, budget process, financial and budget policies and the description of each fund. The funds are listed by fund type: Governmental Funds (include the General Fund, Special Revenue Funds, Capital Projects Funds, and Debt Service Funds); and Proprietary Funds (include the Internal Service Funds).

Summaries of Financial Data: This section provides a budget overview, a variety of financial analyses such as the beginning and ending fund balances, pie charts of resources and appropriations, multi-year budget comparisons; revenue details/narratives with historical trends, and a summary of personnel changes by department.

Departmental Budget Details: This section divides the document by department. It starts with the City Council. The reader will find a narrative of the department describing each division, an organizational chart, program accomplishments and goals, and performance measures/workload indicators. This section also provides the financial data of each department including multi-year comparisons of expenditures sorted in several ways – by funding source, by division, by program, and by expenditure category. The last department is the “Non-Departmental” which is not an actual department, it is merely a cost center to house expenditures such as debt service payments and transfers outs, which are not attributed to a specific department.

Capital Improvement Program: This section provides financial status of the ongoing capital improvement projects, a summary of the capital improvement projects planned for the year by category and by funding source, and project detail forms that include their descriptions, funding sources, and the estimated cost of each project. This section also includes a five-year capital improvement project schedule.

Appendix: This is the final section of the budget document which includes a brief history of the City; miscellaneous statistics (such as date of incorporation, form of government, population, etc.); community profile (provides demographics information, among other things); a glossary of budget terms; a listing of acronyms used throughout the budget document; various statistical data about the City’s debt obligations; and a per capita expenditure comparison with other jurisdictions contiguous to Costa Mesa.

HOW DO WE DEVELOP THE OPERATING BUDGET?

Each year, the Finance Department coordinates the preparation of the budget. The information contained in the budget is the end product of a thorough financial review performed through the combined efforts of City staff.

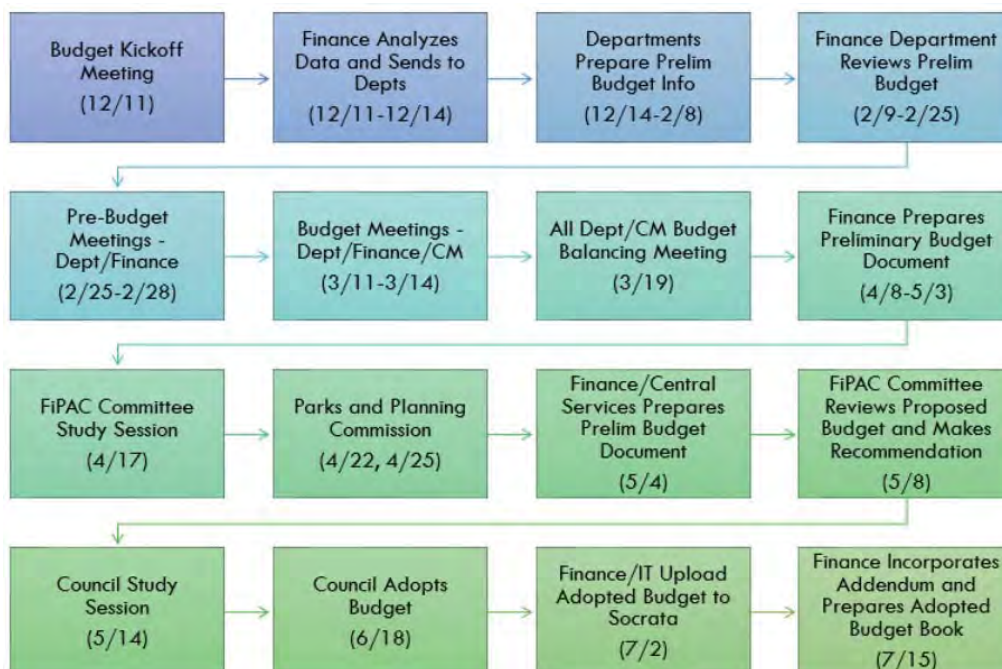
The City's budget process begins in December with a kick-off meeting with all departments. The City Manager outlines the goals and directives for the development of the coming year's budget. The Finance Department distributes the budget calendar, instructions, forms, and budget analysis worksheets to the departments. Maintenance Services coordinates the departmental building modification and vehicle replacement requests. Engineering coordinates the capital improvement project requests.

In January, the City Council engages in a goal-setting workshop where each department reviews major issues and the current budget outlook. A number of goals are identified and prioritized by the City Council. These goals drive the City's budget process.

Each department is responsible for developing their own budget. After the departments have submitted their budget requests, the Finance Department reviews, analyzes all supporting documentation, and compiles the data. The budget team then calculates the total amount requested including estimated revenues and projected fund balances.

The City Manager and Finance Department then hold departmental budget meetings to discuss each department's requests and obtains additional information, if necessary. Following these meetings, line item requests are adjusted in accordance with the City Manager's funding decisions. Once the City Manager makes the recommendations, the Finance Department, along with Central Services, prepares the proposed budget document. The City Manager submits the proposed budget to the Finance and Pension Advisory Committee (FiPAC) and City Council in May and a study session is held on the second Tuesday in May, followed by a community meeting. The intent is to adopt the budget by the second Council meeting in June.

After the budget is adopted by City Council, staff incorporates the budgetary data into the City's accounting system and reconciles the labor distribution for payroll charges during the year. Staff issues the adopted budget document and submits it for both the national and the state budget awards program. On an ongoing basis, the Finance Department monitors budget performance using month-end reports, which are distributed to the departments throughout the year. The following flow chart shows a graphical representation of the budget process:



HOW DO WE DEVELOP THE CAPITAL BUDGET?

The City maintains a rolling five-year Capital Improvement Program (CIP). In October/November of each year, the Public Services Department solicits proposals from the other City departments for inclusion in the coming year's capital improvement projects budget. Around the same time, the Finance Department provides Public Services the estimated fund balances available for appropriation for CIP. These fund balances usually come from Special Revenues Funds and Capital Projects Funds. Both these fund types are earmarked for specific uses. The General Fund provides funding for CIP based on the Capital Asset Needs Ordinance and cash is transferred to the Capital Improvement Projects Fund, where the project will reside.

Public Services staff then prepares the Capital Improvement Project forms, which provides detailed information about the proposed capital improvement project. Typically, a project costing \$30,000 or more (with some exceptions depending on the type of project) is categorized as a capital improvement project. Others, costing less, could be included in what the City calls Building Modification projects. These are the routine maintenance and/or repairs of City buildings and facilities.

During the departmental budget meetings, the City Manager and staff conduct a "walkthrough" of the various proposed projects. After the City Manager's evaluation of what will be included in the proposed budget, the CIP is submitted to the FiPAC Committee to review and then is presented to the Planning Commission to determine if the projects conform to the General Plan. The proposed CIPs relating to parks are also submitted to the Parks & Recreation Commission for comments and recommendations.

The FiPAC Committee reviewed the proposed CIP on April 17, 2019 and the Planning Commission reviewed the program for consistency with the General Plan on April 22, 2019. The Parks Arts and Community Services Commission reviewed the park elements of the proposed CIP on April 25, 2019.

HOW DO WE COUNT THE FUNDS?***BASIS OF BUDGETING***

The City uses the modified accrual basis in budgeting governmental funds. This means that obligations of the City, including outstanding purchase orders, are budgeted as expenses and revenues are recognized when they are both measurable and available to fund current expenditures.

The City does not have an enterprise fund. However, the City utilizes the internal service funds for its fleet services operations, self-insurance program and IT replacement program. Under the internal service funds, the budget is prepared on a full accrual basis. This means expenses are recognized when incurred and revenues are recognized when due the City. Depreciation expense is not included in budgeting for internal service funds but the full purchase price of equipment is included in the budget.

BASIS OF ACCOUNTING

The City uses the modified accrual basis of accounting for governmental funds. Revenues are recorded when measurable and available to fund current expenditures. Expenditures are recorded when the services are substantially performed or the goods have been received and the liabilities have been incurred. The City's internal service funds use the full accrual basis of accounting; revenues are recorded when earned and expenses are recorded when incurred.

Budgetary control is maintained at the department level within each fund. The City also maintains an encumbrance accounting system budgetary control. Estimated purchase amounts are encumbered prior to the release of purchase orders to vendors. At fiscal year-end, all operating budget appropriations lapse, except for ongoing grant projects.

USER FEES & CHARGES

As part of the budget cycle, the City considers updates to its fees and charges, usually, after the budget is adopted. The City uses, to some extent, a cost allocation method for administrative and overhead charges as part of the calculation. Administrative costs are based on staff salaries and benefits which are allocated on a pro-rata basis; overhead charges are for maintenance and operations costs which are also allocated in the same manner. Both of these charges are added to the cost of personnel who are directly involved in the activity for which a fee is charged, which is determined by the time spent on that activity multiplied by the hourly rate for salaries and benefits. The City Council conducts a public hearing before adopting the new fees.

INTRODUCTION

The City of Costa Mesa's largest financial responsibility to its residents is the care of public funds. Financial and budget policies are developed by the Finance Department and City Manager in order to establish the framework for the overall budget planning and financial management of the City of Costa Mesa. These policies shall periodically be reviewed by the City's Finance and Pension Advisory Committee (FiPAC) and adopted by the City Council. These policies will help City officials plan fiscal strategy using a consistent approach contributing to the City's fiscal stability and will provide adequate funding of the services desired by the public.

The City Manager will propose a budget within a reasonable amount of time for the City Council and public to review and discuss it before adoption. The budget will be adopted by the City Council by June 30 of each year. If, for some unforeseen reason, the budget is not adopted by June 30, the Council must adopt a continuing appropriations resolution by June 30 that will provide for operations until the budget is adopted.

REVENUES

REVENUES AND GRANTS

The City will seek to maintain a diversified and stable revenue base to protect the City from short-term fluctuations in any one revenue source. Ongoing revenues will be projected using realistic assumptions. Revenue forecasts will be neither overly optimistic nor overly conservative. They will be as realistic as possible based on the best available information. Should economic downturns develop which could result in revenue shortfalls or fewer available resources, the City will make adjustments in anticipated expenditures to compensate.

One-time revenues shall be limited for use on non-recurring items including start-up costs, reserve stabilization, capital expenses and early debt retirement. New revenue sources pending legislation or grant approval are not included in the base budget request. They will be considered for addition to the budget during the mid-year budget review process or when legislation is passed or grants awarded.

FEES AND CHARGES FOR SERVICES

User fees will be imposed to cover the cost of services provided for unique or narrow segments of the community. Fees will normally be set at full cost recovery. Full cost recovery includes direct and indirect costs, overhead and depreciation for the period during which the fee will be in effect. Fees may be set at less than full cost recovery (cost of service may be subsidized) as the City Council deems necessary. Fees will be reviewed and updated on an ongoing basis to ensure that they keep pace with changes in the cost-of-living as well as changes in methods or levels of service delivery. Fees that are set by State law shall be implemented in accordance with those laws.

OPERATING & CAPITAL BUDGET

CONSISTENCY WITH COUNCIL AND CITY MANAGER PRIORITIES

Base operating budget requests shall be consistent with the priorities and operational plans set forth by the City Council, City Manager and the City's Financial Policies. Department Heads are responsible for using these priorities and plans along with program outcome indicators to evaluate existing programs and redirect existing resources as needed for greater efficiency, to reduce cost and minimize the requests for additional resources. A certification regarding the evaluation of existing resources is required as part of the budget request submittal.

FINANCIAL AND BUDGET POLICIES (CONTINUED)

BALANCED BUDGET

A balanced budget means that operating revenues must fully cover operating expenditures, including debt service. Under this policy, it is allowable for total expenditures to exceed revenues in a given year by the use of unassigned fund balance. However, in that situation, beginning unassigned fund balance can only be used to fund capital improvement plan projects or other one-time, non-recurring expenditures. Budgets for funds outside the General Fund are balanced to the fund's own revenue sources without General Fund subsidy unless previously approved by the City Council.

SALARIES AND BENEFITS

The Finance Department will set the regular salary and employee benefits base budgets based on known changes in bargaining unit MOUs, retirement rates and other employee benefit costs. The vacancy factor will initially be set at zero percent (0%) for each department. The vacancy factor may be modified later in the budget process if necessary to reflect actual, projected or targeted vacancy rates. If the vacancy factor is set above zero percent, the dollar value of the resulting salary savings will be deducted from the applicable department's salaries and benefits budget to reduce the overall budget for the department.

MAINTENANCE AND OPERATIONS

Maintenance and operations shall be budgeted at the same level as current year budget to the extent they are necessary to support basic operations, Council and City Manager's goals. Budgeted base amounts may be reduced if an analysis of actual usage reveals ongoing over-budgeting practices. One-time items applicable only to past years' operations may be removed from the base.

PERCENTAGE OF GENERAL FUND BUDGET FOR CAPITAL EXPENDITURES

The City will allocate a minimum of five percent (5%) of the General Fund revenue to a Capital Expenditures account and one and one-half percent (1.5%) of General Fund revenue to a Capital Facilities account. These funds are to be used for the construction, design, engineering, project management, inspection, contract administration and property acquisition of city owned or operated facilities. The Capital Facilities account may also be used toward debt obligations created to fund Capital Facilities where the indebtedness originated after September 16, 2015.

For purposes of this policy, Capital Expenditures are defined as expenditures on capital assets with value greater than \$30,000.00 that are stationary in nature including, but not limited to, publicly owned or operated streets, highways, bridges, sidewalks, curbs, gutters, alleys, storm drains, trees and landscaping, medians, parks, playgrounds, traffic signals, streetlights, fences, facilities and walls. Capital Facilities are defined as city owned or operated buildings including, but not limited to, City Hall, Civic Center, Police Department, Old Corp Yard, New Corp Yard, fire stations, libraries, and community centers. These expenditures can be budgeted in either the City's General Fund or Capital Improvements Fund. During an economic downturn or in the event of a disaster these allocated funds could be used as a type of reserve for operations upon approval by a supermajority of the entire City Council (6 votes).

CONTINGENCIES

A contingency of approximately up to \$1,000,000 will be included in the annual operating budget. These amounts will allow the City Manager to retain budget flexibility for operations during the fiscal year. The Finance Department and City Manager will account for requests and approvals of the use of these funds during the fiscal year. A status report and allocation of the use of these funds will be included in the mid-year budget report. Use of these funds, as with all other funds, will comply with the City Purchasing Policy & Procedures.

FINANCIAL AND BUDGET POLICIES (CONTINUED)

REQUESTS FOR BUDGET INCREASE

All requests for budget increase require outcome indicators that outline the department's intended outcome(s) resulting from the obtaining the additional resources. Multiple requests will be ranked in order of the department's priority for approval. Department Heads will certify that all potential alternatives for redirecting existing resources have been examined and that lower priority items have been reduced or eliminated in order to free up existing resources before asking for an increase.

The Finance Department and the City Manager will conduct a mid-year review of prior year budget increases to determine what prior year budget increases will be funded. Funding for these increases will continue if the Finance Department, the City Manager and the requesting department agree that:

- They meet the performance expectations
- They merit continuation
- They are still relevant to the department's mission
- Sufficient funding exists

FIVE-YEAR FINANCIAL FORECAST

The City will forecast its General Fund revenues and expenditures for each of the next five years and will update this forecast at least every two years. This forecast will be reviewed by the FiPAC.

GENERAL EXPENDITURE MANAGEMENT

MID-YEAR BUDGET REVIEWS

The City Council will formally review the budget to actual status of revenues and expenditures as soon as practical when the December actual information is available, and amend the budget, if necessary. The mid-year review will also serve as an opportunity for the Council to discuss and provide input on expectations for the next fiscal year budget.

BUDGETARY CONTROL

The level of budget control exists at the program level. Annual budgets are set at the individual account level however; Department Heads will be responsible for not exceeding the overall program budget. The Finance Department will provide monthly budget to actual reports to the City Manager and to each department (Director, Manager, or Budget Liaison) for review. It is the responsibility of each department to communicate to Finance when program budgets might be exceeded. This communication is to be before the situation occurs and include the reason or cause for the potential situation. At that time, the most appropriate action will be discussed to resolve any spending issues to ensure budgetary shortfalls do not occur.

BUDGET TRANSFERS AND ADJUSTMENTS

Budget transfers are shifts of existing resources between divisions, programs, and accounts. Department Heads are responsible for the efficient and effective use of the resources within their departmental budgets and are required to reallocate existing resources before requesting budget increases. Therefore, they are permitted, with the concurrence of the Finance Department, to make budget transfers of resources among the accounts, programs and divisions within their department. If a department is unable to resolve budgetary issues within their department budget, the City Manager may approve the transfer of resources between departments staying within the total appropriations previously authorized by the City Council. Exceptions to this flexibility are transfers out of salaries and benefits (which require City Manager or Finance Department approval) and transfers of specific program funds that have restrictions on their use, including the Capital Improvement Program.

FINANCIAL AND BUDGET POLICIES (CONTINUED)

Budget adjustments are changes that affect the total amount of the City budget. These include appropriation of new grants or other revenues that had not been approved or realized at the time of the budget adoption. These also include increases or decreases to unassigned fund balance for items were approved but not spent in previous fiscal years (i.e. purchase order rollovers) or for unanticipated, one-time items that cannot be postponed to the next budget cycle. Budget adjustments must be approved by the City Council.

OPERATING CARRYOVER AND SURPLUS

Operating program appropriations not spent during the fiscal year may be carried over for specific purposes into the next fiscal year with the approval of the City Manager, reporting them to the City Council during the mid-year budget report.

A fiscal year-end surplus may occur when there is a net increase in fund balance or when there is a positive budget variance. Such a surplus will be reviewed for potential use using the following priorities:

1. Increase reserves if reserves are below target
2. Examine opportunities for prepayment and accelerated payoff of debt
3. Increase funds for capital facilities

ACCOUNTING

The City will comply with the requirements of the Governmental Accounting Standards Board (GASB) and record and maintain its financial transactions based upon Generally Accepted Accounting Principles (GAAP).

INVESTMENTS

The City Treasurer shall invest the City's idle funds in accordance with the guidelines established in the adopted Investment Policy.

RESERVES & FUND BALANCE

Current General Fund reserves consist of committed and assigned fund balance. *Committed fund balance* includes amounts that can be used only for specific purposes determined by formal action of a city ordinance by the Council. It includes legislation (Council action) that can only be overturned by new legislation requiring the same type of voting consensus that created the original action. Therefore, if Council action limiting the use of funds is separate from the action (legislation) that created (enables) the funding source, then it is committed, not restricted. For the purposes of establishing, modifying, and rescinding a committed fund balance, the City considers an ordinance more binding than a resolution or a minute action by City Council. *Assigned fund balance* includes amounts that are designated or expressed by the Council, but does not require a formal action like a resolution or ordinance. The Council may delegate the ability to an employee or committee to assign uses of specific funds for specific purposes. In June 2011, the City Council passed Resolution 11-27, delegating authority to establish, modify, or rescind a fund balance assignment to the Finance Director.

FINANCIAL AND BUDGET POLICIES (CONTINUED)

Committed and reserved fund balance are a part of the General Fund's total fund balance. As of June 30, 2018 they total \$29,855,832 and consisted of the following:

\$ 14,125,000	Committed for declared disasters
2,000,000	Committed for self-insurance
6,000,000	Committed for economic reserves
1,000,000	Assigned for pension section 115 trust
4,354,527	Assigned for compensated absences
2,376,305	Assigned for Police Retirement 1% Supplemental
<u>\$ 29,855,832</u>	Subtotal
2,038,518	Non-spendable
<u>23,329,730</u>	Unassigned Fund Balance
<u>\$ 55,224,080</u>	Total Unassigned Fund Balance & Reserves

When reserves are combined with the non-spendable and unassigned fund balance, the total is \$55,224,080. The following is a brief discussion of the fund balance reserves.

RESERVE STUDY AND GOALS

The financial risks that the City faces, and which should be accounted for in the process of establishing reserves, include economic volatility, major infrastructure failure, natural disasters and other emergencies. A separate study of these risks was prepared in 2015 and is periodically updated by the Finance Department to assess each category of risk and recommend to the City Council an adequate amount of reserves that will enable the City to prepare for the identified risks. At that time, Council determined the appropriate reserve level was \$55,000,000 and committed to a plan to reach that goal and to increase the reserve level by a CPI factor annually in years where the General Fund had a surplus. During the annual budget process, the mid-year budget report and preparation of the five-year financial plan, actual reserve amounts are compared to recommended amounts. If reserves are below target, recommendations will be made for increasing reserves. The City reached the \$55,000,000 goal as of June 30, 2016, however over the last two fiscal years, the amount has fallen below the target level. At this time, staff have not included replenishing the reserve amounts due to the budget constraints mentioned throughout this document.

COMMITTED FOR DECLARED DISASTERS/EMERGENCY RESERVE

The \$14,125,000 committed for declared disasters was established by the City Council as an emergency reserve. As set forth by Council Resolution 11-27 (June 21, 2011) and Municipal Code Sections 2-206 and 2-207, use of this reserve is limited to the following purposes:

1. To provide required emergency funding as a result of a declared emergency.
2. To provide required funding for an unanticipated but urgent event threatening the public health, safety and welfare of the City such as earthquakes, major unanticipated infrastructure failures and terrorist events.

This reserve may only be utilized by resolution of the City Council for the reasons stated above. This amount will be shown as committed fund balance on the City's Comprehensive Annual Financial Report (CAFR).

Paired with this reserve is the policy of a minimum monthly cash balance (throughout the fiscal year) in the General Fund of at least \$14,000,000. This keeps the reserve funds liquid rather than having them tied up on longer-term investments. The amount presented on the monthly Treasurer's Report will be used to determine the actual ending monthly cash balance.

FINANCIAL AND BUDGET POLICIES (CONTINUED)

COMMITTED FOR SELF-INSURANCE

The \$2,000,000 self-insurance reserve is set by Resolution 11-27 and Municipal Code Section 2-154. The City will maintain a minimum \$2,000,000 Committed General Fund Balance to be used to pay actual losses not covered by other insurance policies or insurance pools. If used, this reserve shall be replenished with funds each fiscal year from the General Fund operating reserve.

COMMITTED FOR ECONOMIC RESERVES

During the reserve study discussed above, the City Council approved the establishment of a reserve to address possible economic instability resulting in a decline in sales tax, property tax and transient occupancy tax. After the adoption of the reserve goal, the Finance Department created the Committed for Economic Reserve account and has been adding \$1,500,000 annually in accordance with the reserve study.

OTHER GENERAL FUND RESERVES

The other three categories of reserves listed above are based on specific studies or calculations of what is needed for those programs. The amounts are refreshed annually and recommended to continue as long as required. In addition to these reserves, the City Council has delegated the authority to determine fund balance assignments to the Finance Director. These assignments include: Compensated Absences, Police Retirement 1% Supplemental and a Pension Section 115 Trust. These assignments total \$7,730,832 at June 30, 2018.

DEBT SERVICE FUND RESERVES

The City shall maintain reserves in the Debt Service Funds as prescribed by the bond covenants adopted at the time of the debt issuance.

EQUIPMENT REPLACEMENT FUND RESERVES

The Equipment Replacement Fund shall maintain adequate reserves to provide funding for replacement of fleet vehicles and motorized equipment.

SELF-INSURANCE FUND RESERVES

The Self-Insurance Fund shall maintain adequate reserves to provide funding for estimated claims and potential liabilities based upon an actuarial analysis of the risk of loss.

DEBT

DEBT ISSUANCE

The City may issue long-term (exceeding twelve months) debt for capital projects and fixed assets. All General Fund debt issuances shall identify the method of repayment (or have a dedicated revenue source). The term of the debt should not exceed the life of the asset being financed. The City shall not issue General Fund debt to support ongoing operating costs unless such debt issuance achieves net operating cost savings and such savings are verified by independent analysis.

FINANCIAL AND BUDGET POLICIES (CONTINUED)

UNFUNDED PENSION LIABILITY

Should the City's pension obligations include an unfunded liability, the City shall develop a plan to reduce and eventually eliminate the unfunded liability. In addition to paying the annual required contribution (that includes amortization of the unfunded pension liability), the City will annually allocate a minimum of \$500,000 per year toward reducing the unfunded liability starting with the Fire Side Fund. In addition, if the City prepays annual retirement costs, the savings on any prepayment option exercised will be evaluated by the Finance Department to determine if it could be used to make an additional payment to the Fire Side Fund. These actions are intended to pay off the Fire Side Fund in eleven or twelve years; four to five years early.



GOVERNMENTAL FUNDS

Governmental funds are used to account for most, if not all, of a government's tax-supported activities. The general fund, special revenues funds, debt service funds, and capital projects funds are considered governmental funds.

GENERAL FUND – 101

The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for proceeds of specific sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

GAS TAX FUND – 201:

Established to account for the receipt and disbursement of funds used for construction and maintenance of the road network system of the City. Financing is provided by the City's share of State gasoline taxes.

AIR QUALITY IMPROVEMENT FUND (AQMD) – 203:

Established to account for the City's share of funds received under Health & Safety Code Section 44223 (AB 2766) to finance mobile source air pollution reduction programs consistent with the California Clean Air Act of 1988.

HOME PROGRAM FUND – 205:

Established to account for the receipt and disbursement of funds received under the Federal Home Investment Partnership Program of the Department of Housing and Urban Development. These revenues must be expended for acquisition, rehabilitation, and new construction of rental housing.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG) – 207:

This fund accounts for revenues received from the Department of Housing and Urban Development. These revenues must be expended to accomplish one of the following objectives: elimination of slum or blight, benefit low and moderate income persons, or to meet certain urgent community development needs.

SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND (SLESF) – 213:

Established to account for the receipt and disbursement of funds received under the State Citizen's Option for Public Safety (COPS) program allocated pursuant to Government Code Section 30061 enacted by AB 3229, Chapter 134 of the 1996 Statutes. These COPS/SLESF funds are allocated based on population and can only be spent for "front line municipal police services" as per Government Code Section 30061(c)(2).

RENTAL REHABILITATION PROGRAM FUND – 216:

Established to account for revenues received from the Department of Housing and Urban Development under Section 17 of the U.S. Housing Act of 1937. These revenues must be expended to provide assistance to rehabilitate primarily privately-owned residential rental property.

DESCRIPTION OF FUNDS & FUND TYPES (CONTINUED)

NARCOTICS FORFEITURE FUND – 217:

Established to account for receipt and disbursement of narcotic forfeitures received from County, State and Federal agencies pursuant to Section 11470 of State Health and Safety Code and Federal Statute 21USC Section 881.

OFFICE OF TRAFFIC SAFETY FUND – 220:

Established to account for the receipt and disbursement of State monies received from the Office of Traffic Safety. Funds are restricted for projects utilized to enhance traffic safety and to reduce drunk driving within the City.

RMRA GAS TAX FUND – 251:

Established to account for the receipt and disbursement of State monies received from the Road Maintenance and Rehabilitation Account. Funds are restricted for projects utilized to address deferred maintenance on the local street and road system.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for accumulation of resources for, and the payment of, general long-term debt including principal and interest.

FINANCING AUTHORITY DEBT SERVICE FUND – 380:

To accumulate monies for the payment of the 2017 Lease Revenue Bonds. The 2017 Lease Revenue bonds refunded the Public Financing Authority 2007 Certificates of Participation and provided partial funding for the Lion's Park Project.

PUBLIC FINANCING AUTHORITY DEBT SERVICE FUND – 390:

To accumulate monies for payment of the 2006 Revenue Refunding bonds. The 2006 Revenue Refunding bonds refunded the 1991 Local Agency Revenues Bonds that provided monies for the purchase of the Costa Mesa Community Facilities 1991 Special Tax Bonds.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

PARK DEVELOPMENT FEES FUND – 208:

Established to account for the development of new park site and playground facilities. Financing is provided by fees charged to residential and commercial developers.

DRAINAGE FEES FUND – 209:

Established to account for the construction and maintenance of the City's drainage system. Financing is provided by fees charged to residential and commercial developers.

DESCRIPTION OF FUNDS & FUND TYPES (CONTINUED)

TRAFFIC IMPACT FEES FUND – 214:

Established to account for the receipt and disbursement of funds for off-site transportation improvements Citywide. Financing is provided by fees charged to residential and commercial developers.

FIRE SYSTEM DEVELOPMENT FEES FUND – 218:

Established to account for the receipt and disbursement of the development impact fees established by Ordinance No 89-1 for future construction of fire protection facilities and equipment for north Costa Mesa.

CAPITAL OUTLAY FUND – 401:

Established to account for capital expenditures financed by the City's General Fund and any grant not accounted for in a special revenue fund. This includes 1) *Capital Projects*: with a value greater than \$5,000.00 that are stationary in nature including, but not limited to, publicly owned or operated streets, highways, bridges, sidewalks, curbs, gutters, alleys, storm drains, storm water pump stations, trees and landscaping, medians, parks, playgrounds, traffic signals, streetlights, fences, and walls and 2) *Capital Facilities*: City owned or operated buildings including, but not limited to, City Hall, Civic Center, Police Department, Old Corp Yard, New Corp Yard, fire stations, libraries, and community centers.

VEHICLE PARKING DISTRICTS FUND – 409/410:

Established under the Vehicle Parking District Law of 1943 to provide vehicle facilities in the downtown area. Financing is provided through specific property tax levies.

GOLF COURSE IMPROVEMENT FUND – 413:

Established to account for the Costa Mesa Country Club capital expenditures. The City receives two and one-half percent of the monthly gross receipts of green and tournament fees to finance capital improvements.

MEASURE "M2" REGIONAL FUND – 415:

Established to account for expenditure of Measure M2 funds allocated based on "competitive" basis in accordance with the November 2006 voter-approved one-half percent sales tax for local transportation.

MEASURE "M2" FAIRSHARE FUND – 416:

Established to account for expenditure of Measure M2 funds allocated based on "Fairshare" basis in accordance with the November 2006 voter-approved one-half percent sales tax for local transportation improvements.

JACK HAMMETT SC CAPITAL IMPROVEMENT FUND – 417:

Established to account for receipt and disbursement of funds related to on-going maintenance of Jack Hammett Sports Complex. Funding is provided by the facility's rental income.

LIONS PARK PROJECT 2017 BOND FUND – 418:

Established to account for the receipt and disbursement of bond funds for construction of a new library and renovation of the existing library into the neighborhood community center. Project funding is partially provided by bond proceeds with the remaining balance provided by the Capital Improvements Fund, Park Fees Fund and Gas Tax Fund.

DESCRIPTION OF FUNDS & FUND TYPES (CONTINUED)

PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

Internal Service Funds are used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

EQUIPMENT REPLACEMENT FUND – 601:

Established to account for all motorized equipment used by City departments.

SELF-INSURANCE FUND – 602:

Established to account for the receipt and disbursement of funds used to pay workers' compensation, general liability, and unemployment claims filed against the City.

INFORMATION TECHNOLOGY REPLACEMENT FUND – 603:

Established to provide funds for future replacement and upgrade to the City's computer equipment, systems and supporting infrastructure.

**FY 2019-2020 PRELIMINARY BUDGET
SUMMARIES OF FINANCIAL DATA**



Fund Description	(1) Projected Fund Balances 07/01/19	(2) Proposed Revenues FY 2019-20	(3) Proposed Operating Expenditures FY 2019-20
GOVERNMENTAL FUNDS			
General Fund 101	\$ 46,607,399	\$ 140,550,903	\$ 138,035,932
Special Revenue Funds			
Gas Tax Fund 201*	\$ 5,896,804	\$ 2,998,561	\$ 659,900
Air Quality Management District Fund (AQMD) 203	304,701	148,983	15,000
HOME Program Fund 205	1,492,565	599,710	306,462
Community Development Block Grant Fund (CDBG) 207	-	1,899,451	728,027
Supplemental Law Enforcement Services Fund 213	-	237,775	237,700
Rental Rehabilitation Program Fund 216	225,294	500	-
Narcotics Forfeiture Fund 217	684,455	6,000	-
Office of Traffic Safety 220	-	225,000	-
RMRA Gas Tax Fund 251*	2,541,152	2,038,357	-
Subtotal Special Revenue Funds	\$ 11,144,971	\$ 8,154,337	\$ 1,947,089
Capital Projects Funds			
Park Development Fees Fund 208	\$ 4,817,630	\$ 2,184,027	\$ 735,600
Drainage Fees Fund 209	1,377,188	287,200	-
Traffic Impact Fees Fund 214	4,400,650	220,000	-
Fire System Development Fees Fund 218	152,889	2,700	-
Capital Improvement Fund 401	15,380,804	3,305,000	-
Vehicle Parking District 1 409	28,229	3,729	-
Vehicle Parking District 2 410	57,974	6,925	-
Golf Course Improvement Fund 413	193,712	101,500	275,000
Measure "M2" Regional Fund 415	-	264,320	-
Measure "M2" Fairshare Fund 416	5,135,632	2,689,109	290,500
Jack Hammett SC Capital Improvement Fund 417	305,593	152,500	-
Lions Park Project 2017 Bond Fund 418	1,076,610	-	-
Subtotal Capital Projects Funds	\$ 32,926,911	\$ 9,217,010	\$ 1,301,100
Total Governmental Funds	\$ 90,679,282	\$ 157,922,250	\$ 141,284,121
INTERNAL SERVICE FUNDS			
Equipment Replacement Fund 601	\$ 7,538,051	\$ 2,550,307	\$ 2,399,412
Self-Insurance Fund 602	(1,055,393)	5,345,107	5,303,647
IT Replacement Fund 603	3,218,190	30,000	139,555
Total Internal Service Funds	\$ 9,700,848	\$ 7,925,414	\$ 7,842,614
GRAND TOTAL	\$ 100,380,130	\$ 165,847,664	\$ 149,126,735

* In FY 2018/19, RMRA funds were separated into a separate fund (Fund 251) to ensure compliance with state

CALCULATION OF PROJECTED FUND BALANCES

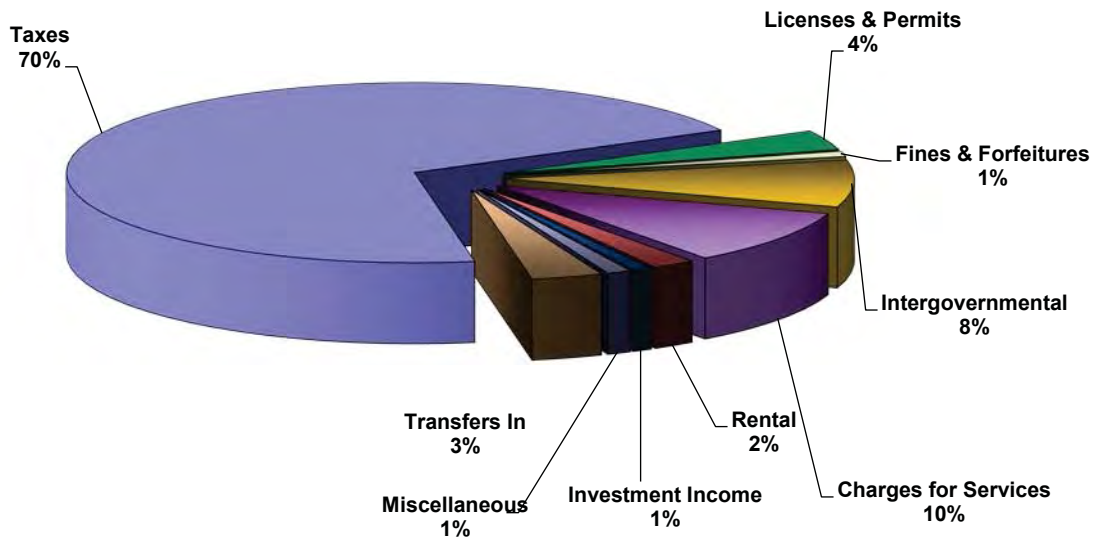
for the Fiscal Year Ending June 30, 2020 (Estimates as of 4/11/19)

(4) Proposed Capital Expenditures FY 2019-20	(5) = (3+4) Total Proposed Expenditures FY 2019-20	(6) = (2-5) Proposed Revenues Over (Under) Budget	(7) Proposed Transfers In	(8) Proposed Transfers Out	(6) + (7) + (8) Projected Balances 6/30/2020
\$ -	\$ 138,035,932	\$ 2,514,971	\$ -	\$ 5,664,971	\$ 43,457,400
\$ 1,795,000	2,454,900	\$ 543,661	-	-	\$ 6,440,465
366,080	381,080	(232,097)	-	-	72,604
-	306,462	293,248	-	-	1,785,813
1,100,000	1,828,027	71,424	-	-	71,424
-	237,700	75	-	-	75
-	-	500	-	-	225,794
-	-	6,000	-	-	690,455
-	-	225,000	-	-	225,000
1,908,337	1,908,337	130,020	-	-	2,671,172
\$ 5,169,417	\$ 7,116,506	\$ 1,037,831	\$ -	\$ -	\$ 12,182,803
\$ 1,050,000	\$ 1,785,600	\$ 398,427	\$ -	\$ -	\$ 5,216,057
550,000	550,000	(262,800)	-	-	1,114,388
240,409	240,409	(20,409)	-	-	4,380,241
-	-	2,700	-	-	155,589
9,363,850	9,363,850	(6,058,850)	5,664,971	-	14,986,925
-	-	3,729	-	-	31,958
-	-	6,925	-	-	64,899
-	275,000	(173,500)	-	-	20,212
264,320	264,320	-	-	-	-
2,344,200	2,634,700	54,409	-	-	5,190,041
-	-	152,500	-	-	458,093
-	-	-	-	-	1,076,610
\$ 13,812,779	\$ 15,113,879	\$ (5,896,869)	\$ 5,664,971	\$ -	\$ 32,695,013
\$ 18,982,196	\$ 160,266,317	\$ (2,344,066)	\$ 5,664,971	\$ 5,664,971	\$ 88,335,215
\$ -	\$ 2,399,412	\$ 150,895	\$ -	\$ -	\$ 7,688,946
-	5,303,647	41,460	-	-	(1,013,933)
-	139,555	(109,555)	-	-	3,108,635
\$ -	\$ 7,842,614	\$ 82,800	\$ -	\$ -	\$ 9,783,648
\$ 18,982,196	\$ 168,108,931	\$ (2,261,267)	\$ 5,664,971	\$ 5,664,971	\$ 98,118,863

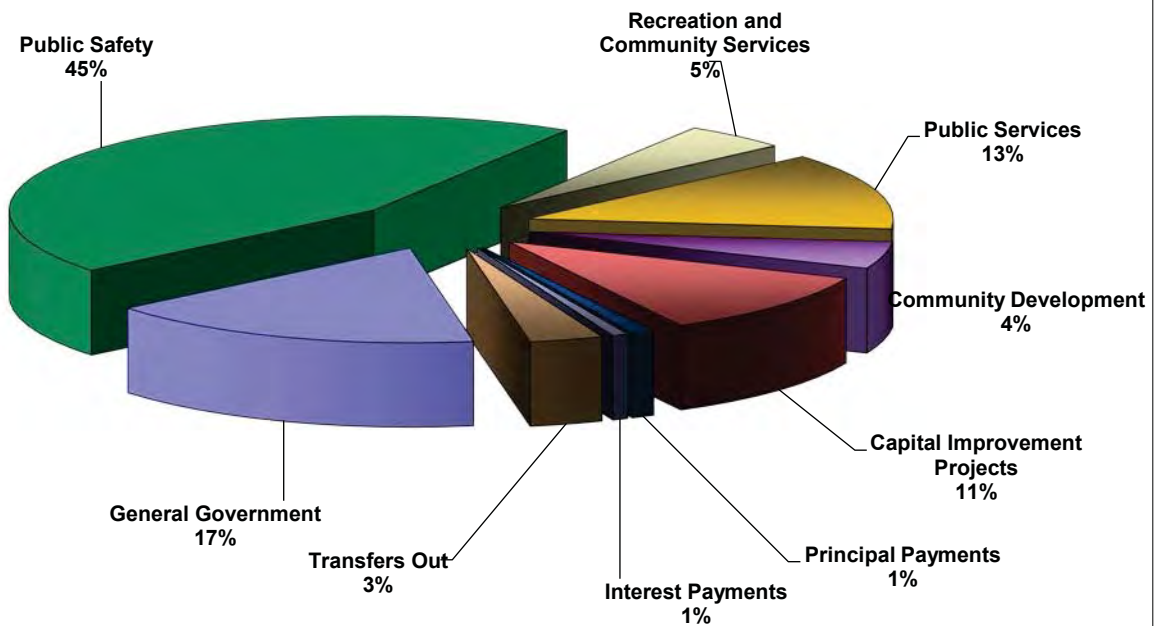
TOTAL RESOURCES AND APPROPRIATIONS - ALL FUNDS (INCLUDING TRANSFERS)

Fiscal Year 2019-2020

TOTAL RESOURCES - \$171,512,635



TOTAL APPROPRIATIONS - \$173,773,902



FOUR-YEAR SUMMARY - ALL FUNDS (INCLUDING TRANSFERS)

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

The following is a four-year summary that includes all governmental and proprietary funds. The \$1.7 million increase represents a modest increase in the economic condition of Sales Tax, Property Tax and Transient Occupancy Tax revenues compared to Fiscal Year 2018-19 Amended Budget. Intergovernmental revenues increased by \$3.2 million due to the award of two grants for CIP projects. Charges for services increased by \$600 thousand due to proposed increases in planning fees and new fees being introduced.

Total Expenditures & Other Uses includes an increase in operating departments which is attributed to the increase in salaries and benefits consistent with new MOUs and the cost of subsidizing the City's homeless shelter. Excess appropriations over total estimated resources were/will be funded from available fund balances.

	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
Revenues & Other Sources				
Taxes	\$ 109,815,477	\$ 110,699,878	\$ 118,289,932	\$ 119,995,740
Licenses & Permits	4,698,881	8,523,675	6,397,541	6,102,947
Fines & Forfeitures	1,352,682	1,612,231	1,554,770	1,623,244
Intergovernmental	12,715,307	10,533,481	11,171,463	14,382,866
Charges for Services	11,100,929	12,401,630	16,163,392	16,766,040
Rental	2,791,744	2,921,618	2,922,689	3,433,988
Investment Income	451,348	666,357	814,060	1,612,777
Miscellaneous	2,420,635	2,042,893	1,647,273	1,930,062
Bond Proceeds	-	18,506,603	-	-
Transfers In	17,465,965	14,025,348	12,473,745	5,664,971
Total Revenues & Other Sources	\$ 162,812,966	\$ 181,933,716	\$ 171,434,865	\$ 171,512,635
Expenditures & Other Uses				
General Government	\$ 26,967,017	\$ 19,239,878	\$ 27,182,352	\$ 29,257,094
Public Safety	63,357,949	67,711,125	75,743,342	77,957,259
Recreation and Community Services	5,124,464	5,702,651	7,376,071	8,034,074
Public Services	18,778,348	21,574,284	23,975,021	22,849,799
Community Development	5,642,546	6,315,471	8,534,644	7,997,551
Capital Improvement Projects	15,544,547	35,572,920	63,280,651	18,982,196
Debt Service:				
Principal Payments*	2,755,000	4,070,000	1,800,000	1,800,000
Interest Payments*	992,383	1,041,853	1,230,958	1,230,958
Transfers Out*	17,465,964	14,025,348	14,451,570	5,664,971
Total Expenditures & Other Uses	\$ 156,628,218	\$ 175,253,532	\$ 223,574,609	\$ 173,773,902
Estimated Ending Balances	\$ 6,184,749	\$ 6,680,184	\$ (52,139,744)	\$ (2,261,267)

* Included under Non-Departmental in other presentations in the document.

SCHEDULE OF INTERFUND TRANSFERS

for the Fiscal Year Ending June 30, 2020

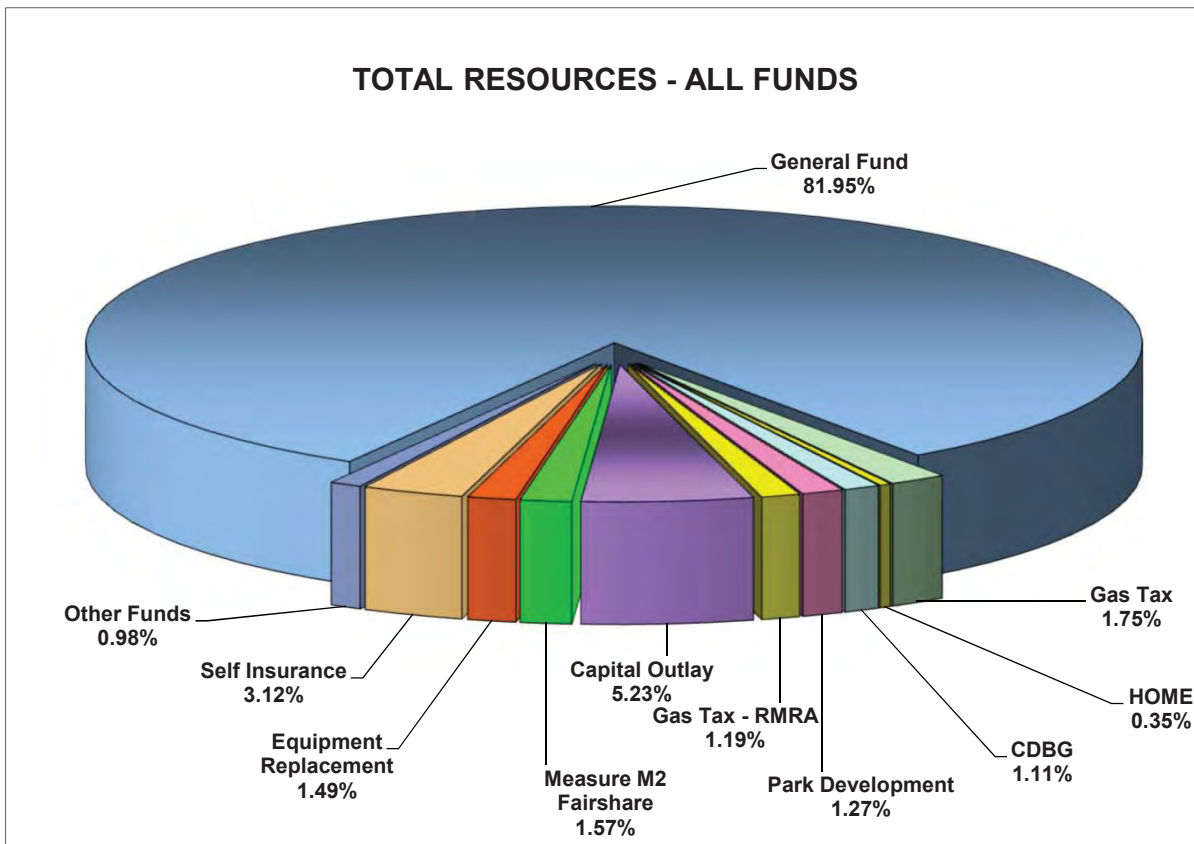
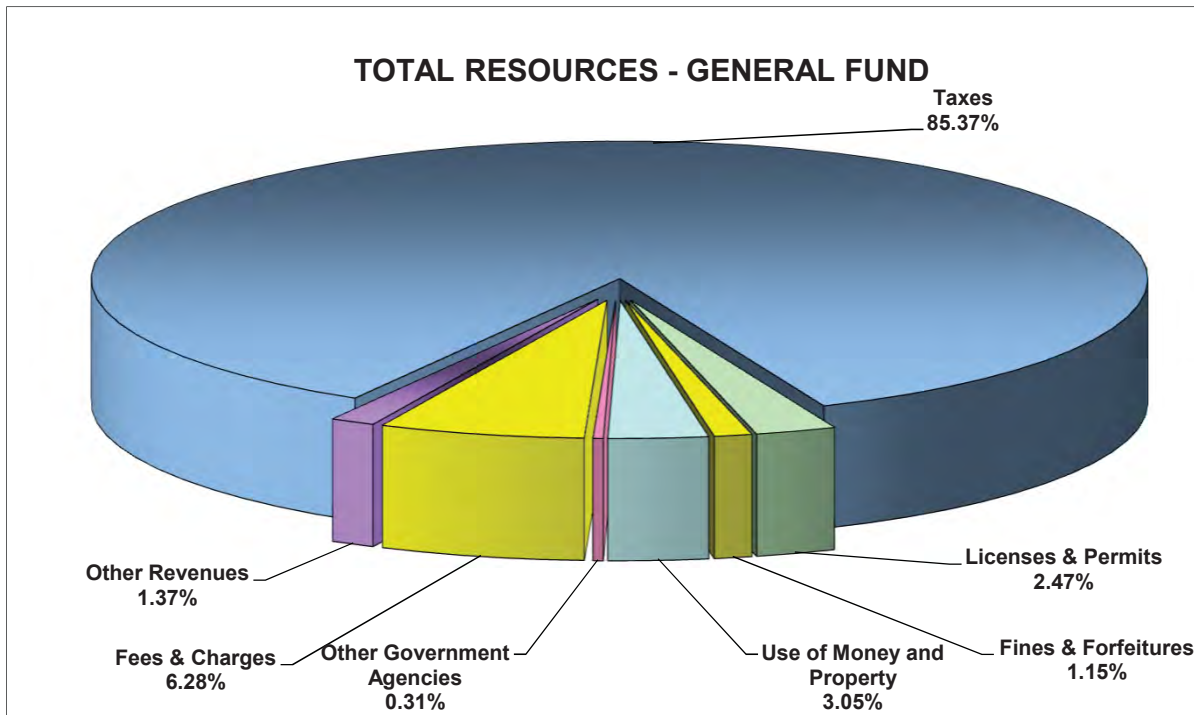
<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund - 101	\$ -	\$ 5,664,971 ^{1,2}
Capital Improvement Fund - 401	5,664,971 ^{1,2}	-
Total	<u>\$ 5,664,971</u>	<u>\$ 5,664,971</u>

¹ Funding of \$4,264,971 for support of projects in the Capital Improvement Fund.

² Funding of \$1,400,000 from General Fund reserves for construction of Costa Mesa Bridge Shelter.

TOTAL RESOURCES (INCLUDING TRANSFERS)

Fiscal Year 2019-2020



REVENUE & OTHER FINANCING SOURCES

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Fund/Account Description	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
GENERAL FUND				
FUND 101 - GENERAL FUND				
<u>Taxes</u>				
Property Tax - Secured	\$ 24,852,044	\$ 26,327,020	\$ 28,788,563	\$ 28,159,230
Property Tax - Unsecured	759,592	827,622	807,528	875,416
Property Tax - Supplemental	706,426	816,513	896,990	750,000
Property Tax - Homeowners	152,395	148,844	148,918	145,903
Delinquent Tax - Penalties/Int	50,096	45,374	45,548	45,000
Property Transfer Tax	765,567	988,242	885,403	800,000
Property Tax In-Lieu of VLF	10,489,958	11,109,363	11,385,927	12,471,337
Sales and Use Tax	56,556,867	54,656,183	57,118,647	58,741,249
Sales and Use Tax - Prop 172	1,035,022	1,065,729	1,075,600	1,113,607
Transient Occupancy Tax	8,924,854	8,819,617	9,571,342	9,619,199
Electric Franchise Fee	1,160,304	1,211,839	1,336,525	1,363,256
Cable TV Franchise Fee	1,043,106	1,045,554	1,204,171	1,000,000
PEG Cable Franchise Fee	73,481	309,704	75,000	200,000
Gas Franchise Fee	191,013	194,477	191,000	198,640
Solid Waste Hauler Franchise Fee	2,125,727	2,203,941	2,247,523	2,404,850
Business License	918,928	919,450	942,541	955,000
Marijuana Gross Receipts Tax	-	-	1,560,000	1,143,000
Total Taxes	\$ 109,805,382	\$ 110,689,473	\$ 118,281,226	\$ 119,985,686
<u>Licenses & Permits</u>				
Dog License	\$ 96,788	\$ 91,080	\$ 90,505	\$ 90,505
Fire Permits	122,951	172,350	111,479	250,000
Building Permits	1,431,355	1,330,637	2,062,308	1,989,000
Electrical Permits	193,941	185,818	362,010	294,474
Plumbing/Mechanical Permits	254,037	228,317	424,751	343,332
Street Permits	319,970	329,940	345,137	355,491
Special Business Permits	215	430	430	430
Marijuana Business Permits	43,050	468,142	-	64,575
Home Occupation Permits	13,935	10,350	12,000	12,000
Operator's Permits	2,700	4,275	3,000	3,000
Self-Haul Permit	-	21,400	4,000	31,000
Other Permits	29,613	30,565	29,921	32,913
Total Licenses & Permits	\$ 2,508,556	\$ 2,873,304	\$ 3,445,541	\$ 3,466,720
<u>Fines & Forfeitures</u>				
Municipal Code Violations	\$ 145,191	\$ 141,395	\$ 153,000	\$ 225,000
Vehicle Code Violations	302,004	291,225	345,000	245,545
Parking Citations	883,536	1,093,837	1,030,000	1,132,699
Red Light Violations	21,473	33,558	26,770	20,000
Total Fines & Forfeitures	\$ 1,352,205	\$ 1,560,016	\$ 1,554,770	\$ 1,623,244
<u>Use of Money & Property</u>				
Investment Earnings	\$ 411,666	\$ 402,348	\$ 475,309	\$ 1,000,000
GASB 31 Adjustment	(587,008)	(509,809)	-	-
Other Interest	11,890	75,675	-	-
Rental - Buildings/Grounds	234,379	238,452	210,000	260,000
Rental - Downtown Comm. Center	20,558	13,565	15,000	15,000
Rental - Balearic Center	27,427	28,086	20,000	20,000

REVENUE & OTHER FINANCING SOURCES

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Fund/Account Description	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
FUND 101 - GENERAL FUND (continued)				
Use of Money & Property (continued)				
Rental - Neighborhood Comm. Ctr.	\$ 31,156	\$ 7,351	\$ 76,500	\$ 85,000
Rental - Senior Center	97,783	80,740	105,000	105,000
Rental - Fields	105,535	91,816	147,000	147,000
Rental - Tennis	45,624	49,523	51,988	51,988
Rental - Golf Course Operations	2,108,432	2,158,401	2,195,575	2,300,000
Rental - 3175 Airway	-	-	-	200,000
Rental - Bus Shelter Ads	120,850	102,934	101,626	100,000
Total Use of Money & Property	\$ 2,628,292	\$ 2,739,081	\$ 3,397,998	\$ 4,283,988
Other Government Agencies				
Other Federal Grants	\$ 60,387	\$ 533,950	\$ 138,461	\$ -
Motor Vehicle In-Lieu Tax	51,340	60,031	62,031	60,000
POST Reimbursements	12,524	16,616	10,000	10,000
Beverage Container Program	57,623	28,426	15,000	-
Mattress Recycling Council	7,720	9,310	-	10,000
SB 90 - State Mandated Costs	54,298	52,318	29,000	50,000
Other State Grants	139,929	34,699	89,934	71,600
Other County Grants	204,375	261,380	60,244	237,000
Reimb. - Other Governmental Agencies	308	-	113,983	-
Total Other Govt. Agencies	\$ 588,505	\$ 996,729	\$ 518,653	\$ 438,600
Fees & Charges				
Plan Checking Fee	\$ 424,749	\$ 496,624	\$ 727,911	\$ 651,780
Zoning/Variance/CUP Fees	145,792	180,563	150,300	796,100
Measure X MM CUP	-	467,636	-	81,000
Subdivision Map Fees	18,785	14,450	25,000	47,500
Environmental Impact Fees	30,000	2,948	268,000	10,000
Vacation/Abandonment of ROW	150	450	500	750
Source Reduction/Recycling	12,810	7,930	16,600	12,000
Self Haul Per-Project Fee	-	42,203	11,076	83,500
Special Policing Fees	462,308	494,243	772,000	654,887
Marijuana HdL Background	900	11,700	15,600	11,960
Vehicle Storage/Impound Fees	240,825	285,546	202,800	330,000
Vehicle Code Violation Fee	3,028	1,050	4,000	1,085
Repo Vehicle Release Fee	3,600	3,915	3,400	3,728
DUI/Emergency Response	-	467	6,000	-
Jail Booking Fees - City	44,795	10,238	40,314	54,745
Police False Alarms	217,849	181,252	200,000	201,767
Fingerprinting	55,400	34,681	60,700	23,175
Fire Cost Recovery	(315)	-	5,000	-
Fire Inspections	6,760	52,610	101,500	125,000
Hazmat Disclosure Fee	138,483	133,286	139,048	-
EMS - First Responder Fee	240,644	291,863	230,997	-
Ambulance Transportation Program	336,046	297,358	3,000,000	3,400,000
Medical Supply Reimbursement	131,043	139,065	142,718	-
Fire False Alarms	-	-	1,400	1,400
Accident Cost Recovery	7,154	11,068	21,877	10,000
Fire Plan Check Fees	-	-	-	100,000
Fire Special Event Fees	-	-	-	32,000

REVENUE & OTHER FINANCING SOURCES

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Fund/Account Description	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
FUND 101 - GENERAL FUND (continued)				
<u>Fees & Charges (continued)</u>				
Park Permits	\$ 44,936	\$ 62,666	\$ 44,081	\$ 50,000
Park Improvements	8,179	11,052	7,485	7,500
Recreation - Aquatics	74,484	55,269	83,370	70,000
Recreation - Day Camp	166,192	211,293	147,000	189,000
Recreation - Playgrounds	384,777	456,712	357,250	475,000
Recreation - Special Events	24,925	34,225	37,800	37,800
Recreation - Early Childhood	133,441	120,517	131,328	131,328
Recreation - Instructional Classes	457,212	466,868	510,796	475,000
Recreation - Basketball	18,470	18,951	17,500	17,500
Recreation - Adult Open Gym	9,049	7,523	5,000	7,500
Recreation - Softball	38,016	23,328	38,000	40,000
Recreation - Adult Sports Futsal	2,327	781	17,500	1,650
Recreation - Teen Camp	37,729	37,698	34,000	34,000
Senior Center Charges	16,611	(284)	10,635	10,635
Photocopies	3,661	3,424	3,300	3,300
Document Retention Fees	-	-	-	50,000
Police Reports	31,937	28,058	29,214	29,246
Police Clearance Letters	4,410	3,600	4,741	3,958
Sale - Maps & Publications	190	148	500	200
Sale - Miscellaneous Supplies	680	840	1,500	700
Central Services Reimb	89,566	102,184	128,360	303,771
Business License Processing Fee	-	-	-	257,736
Charges for Other Services	10,435	29,080	22,002	3,400
Special Assessments	1,634	(5)	995	1,000
Total Fees & Charges	\$ 4,079,667	\$ 4,835,074	\$ 7,779,098	\$ 8,832,601
<u>Other Revenues</u>				
Contributions	\$ 17,868	\$ -	\$ -	\$ -
Sponsorship Naming Rights	56,250	-	-	30,000
Donations	100,000	154,221	131,568	125,000
Non-Government Grants	-	25,000	-	-
Reimb. - Const. Permit Insp. Fees	63,870	32,231	50,000	50,000
Damage to City Property	44,620	1,304	25,000	25,000
Civil Subpoena Costs	10,695	16,234	14,247	14,247
Bus Shelter Maintenance Reimbursement	-	35,000	35,000	35,000
Public Notices	-	-	13,000	24,000
Other Reimbursements	465,872	332,750	405,000	405,000
Nonoperating Income - Other	649,100	556,850	556,850	1,060,817
Sale - Other Equipment	-	-	1,000	1,000
Other	131,093	613,308	150,000	150,000
Total Other Revenues	\$ 1,539,368	\$ 1,766,898	\$ 1,381,665	\$ 1,920,064
Total Revenues	\$ 122,501,974	\$ 125,460,576	\$ 136,358,951	\$ 140,550,903
<u>Other Financing Sources</u>				
Operating Transfers In	\$ 935	\$ 923	\$ 40,000	\$ -
Total Other Financing Sources	\$ 935	\$ 923	\$ 40,000	\$ -
Total Fund 101	\$ 122,502,908	\$ 125,461,500	\$ 136,398,951	\$ 140,550,903

REVENUE & OTHER FINANCING SOURCES

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Fund/Account Description	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
SPECIAL REVENUE FUNDS				
Fund 201 - Gas Tax				
Investment Earnings	\$ 84,427	\$ 109,286	\$ 50,000	\$ 100,000
GASB 31 Market Value Adjustment	-	(85,902)	-	-
Gas Tax - 2103	305,881	444,115	874,331	983,326
Gas Tax - 2105	643,945	618,879	656,582	641,417
Gas Tax - 2106	418,538	411,095	421,295	421,545
Gas Tax - 2107.1	816,418	805,433	814,624	842,273
Gas Tax - 2107.5	10,000	10,000	10,000	10,000
Other Reimbursements	99,337	-	-	-
Total Fund 201	\$ 2,378,546	\$ 2,312,906	\$ 2,826,832	\$ 2,998,561
Fund 203 - Air Quality				
Investment Earnings	\$ 1,726	\$ 4,082	\$ 2,113	\$ 2,000
GASB 31 Market Value Adjustment	-	(3,855)	-	-
AB 2766 - Air Quality Improvement Fees	146,347	146,530	144,101	146,983
Total Fund 203	\$ 148,073	\$ 146,757	\$ 146,214	\$ 148,983
Fund 205 - HOME				
Lien/Loan Repayment	\$ 41,000	\$ 290,228	\$ -	\$ 100,000
Investment Earnings	488	2,866	-	-
GASB 31 Market Value Adjustment	-	(2,850)	-	-
HOME Invest. Partnership Grant	232,746	116,116	555,233	499,710
Total Fund 205	\$ 274,234	\$ 406,360	\$ 555,233	\$ 599,710
Fund 207 - CDBG				
Lien/Loan Repayment	\$ 29,000	\$ 30,000	\$ -	\$ 30,000
Investment Earnings	463	(5)	-	-
Community Dev. Block Grant	488,435	1,278,624	1,244,451	1,869,451
Total Fund 207	\$ 517,898	\$ 1,308,619	\$ 1,244,451	\$ 1,899,451
Fund 213 - SLESF				
Safety (COPS)	\$ 220,436	\$ 244,056	\$ 230,391	\$ 237,775
Total Revenues	\$ 220,436	\$ 244,056	\$ 230,391	\$ 237,775
Operating Transfers In	\$ 117,635	\$ 48,591	\$ 44,544	\$ -
Total Other Financing Sources	\$ 117,635	\$ 48,591	\$ 44,544	\$ -
Total Fund 213	\$ 338,071	\$ 292,647	\$ 274,935	\$ 237,775
Fund 216 - Rental Rehab				
Investment Earnings	\$ 958	\$ 1,447	\$ 500	\$ 500
GASB 31 Market Value Adjustment	-	(1,509)	-	-
Lien/Loan Repayment	40,000	32,000	-	-
Total Fund 216	\$ 40,958	\$ 31,938	\$ 500	\$ 500

REVENUE & OTHER FINANCING SOURCES

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Fund/Account Description	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
Fund 217 - Narcotic Seizure				
Asset Forfeiture - DOJ	\$ -	\$ 3,603	\$ -	\$ -
Asset Forfeiture - County/Other	477	25,066	-	-
Asset Forf Drug/Gang Activity	-	23,546	-	-
Investment Earnings	5,418	5,962	4,400	6,000
GASB 31 Market Value Adjustment	-	(5,759)	-	-
Total Fund 217	\$ 5,895	\$ 52,418	\$ 4,400	\$ 6,000

Fund 219 - LLEBG				
Investment Earnings	\$ 110	\$ 461	\$ -	\$ -
GASB 31 Market Value Adjustment	-	(369)	-	-
Local Law Enforcement Block Grant	34,465	-	-	-
Total Fund 219	\$ 34,575	\$ 92	\$ -	\$ -

Fund 220 - Office of Traffic Safety				
Other Federal Grants	\$ 142,390	\$ 186,498	\$ 225,000	\$ 225,000
Total Fund 220	\$ 142,390	\$ 186,498	\$ 225,000	\$ 225,000

Fund 251 - RMRA Gas Tax Fund				
Gasoline Tax - RMRA	\$ -	\$ 668,247	\$ 1,893,820	\$ 1,908,337
Gas Tax Loan Repayment	-	129,648	129,648	130,020
Total Fund 251	\$ -	\$ 797,895	\$ 2,023,468	\$ 2,038,357

CAPITAL PROJECTS FUNDS

Fund 208- Park Development				
Investment Earnings	\$ 47,040	\$ 75,810	\$ 25,000	\$ 25,000
GASB 31 Market Value Adjustment	-	(84,120)	-	-
Park Development Fees	1,541,038	4,657,896	2,500,000	2,159,027
Total Fund 208	\$ 1,588,078	\$ 4,649,586	\$ 2,525,000	\$ 2,184,027

Fund 209 - Drainage Fees				
Investment Earnings	\$ 18,965	\$ 28,547	\$ 10,000	\$ 10,000
GASB 31 Market Value Adjustment	-	(19,028)	-	-
Drainage Assessment Fees	549,871	113,610	252,000	277,200
Other Reimbursements	117,373	-	-	-
Total Fund 209	\$ 686,209	\$ 123,129	\$ 262,000	\$ 287,200

Fund 214 - Traffic Impact Fees				
Investment Earnings	\$ 30,967	\$ 53,323	\$ 13,000	\$ 20,000
GASB 31 Market Value Adjustment	-	(49,120)	-	-
Traffic Impact Fees	99,416	878,865	200,000	200,000
Total Fund 214	\$ 130,383	\$ 883,068	\$ 213,000	\$ 220,000

Fund 218 - Fire System Dev.				
Investment Earnings	\$ 3,309	\$ 2,805	\$ 2,700	\$ 2,700
GASB 31 Market Value Adjustment	-	(1,744)	-	-
Total Fund 218	\$ 3,309	\$ 1,061	\$ 2,700	\$ 2,700

REVENUE & OTHER FINANCING SOURCES

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Fund/Account Description	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
Fund 401 - Capital Outlay				
Investment Earnings	\$ 220,057	\$ 281,281	\$ 150,000	200,000
GASB 31 Market Value Adjustment	-	(185,476)	-	-
Other Federal Grants	402,222	1,109,136	433,600	-
Other State Grants	1,500,000	5,030	150,000	3,105,000
Other Governmental Agencies	1,144,440	-	-	-
Contributions	-	259,312	-	-
Donations	-	-	254,860	-
Other Reimbursements	-	18,750	-	-
Total Revenues	\$ 3,266,719	\$ 1,488,033	\$ 988,460	\$ 3,305,000
Operating Transfers In	\$ 12,421,395	\$ 8,283,644	\$ 8,580,734	\$ 5,664,971
Total Other Financing Sources	\$ 12,421,395	\$ 8,283,644	\$ 8,580,734	\$ 5,664,971
Total Fund 401	\$ 15,688,114	\$ 9,771,677	\$ 9,569,194	\$ 8,969,971
Fund 403 - Measure M Regional				
Investment Earnings	\$ -	\$ -	\$ 750	\$ -
Total Fund 403	\$ -	\$ -	\$ 750	\$ -
Fund 409 - Veh Prkg Dist. 1				
Property Tax - Secured	\$ 3,343	\$ 3,530	\$ 2,905	\$ 3,500
Property Tax - Unsecured	13	13	12	13
Property Tax - Supplemental	12	13	9	13
Property Tax - Homeowners	3	2	2	2
Delinquent Tax - Penalties/Int	1	1	1	1
Investment Earnings	189	318	143	200
GASB 31 Market Value Adjustment	-	(286)	-	-
Total Fund 409	\$ 3,561	\$ 3,591	\$ 3,072	\$ 3,729
Fund 410 - Veh Prkg Dist. 2				
Property Tax - Secured	\$ 6,699	\$ 6,821	\$ 5,756	\$ 6,500
Property Tax - Unsecured	11	11	10	11
Property Tax - Supplemental	10	11	8	11
Property Tax - Homeowners	2	2	2	2
Delinquent Tax - Penalties/Int	1	1	1	1
Investment Earnings	357	604	272	400
GASB 31 Market Value Adjustment	-	(543)	-	-
Total Fund 410	\$ 7,080	\$ 6,907	\$ 6,049	\$ 6,925
Fund 413 - Golf Course Improvement Fund				
Investment Earnings	\$ 3,616	\$ 1,470	\$ -	\$ 1,500
GASB 31 Market Value Adjustment	-	(944)	-	-
Golf Course Operations	96,807	102,342	-	100,000
Total Fund 413	\$ 100,423	\$ 102,868	\$ -	\$ 101,500
Fund 415 - Measure M2 Competitive				
Measure "M2" Regional Grant	\$ 3,159,069	\$ 886,083	\$ 405,734	\$ 264,320
Other Reimbursements	15,931	-	-	-
Total Fund 415	\$ 3,175,000	\$ 886,083	\$ 405,734	\$ 264,320

REVENUE & OTHER FINANCING SOURCES

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Fund/Account Description	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
Fund 416 - Measure M2 Fairshare				
Investment Earnings	\$ 50,620	\$ 89,531	\$ 12,000	\$ 30,000
GASB 31 Market Value Adjustment	-	(77,330)	-	-
Measure "M2" Fairshare	2,461,470	2,477,262	2,464,000	2,659,109
Total Fund 416	\$ 2,512,090	\$ 2,489,463	\$ 2,476,000	\$ 2,689,109
Fund 417 - Jack Hammett SC Capital Improvement Fund				
Investment Earnings	\$ -	\$ 2,231	\$ -	\$ 2,500
GASB 31 Market Value Adjustment	-	(1,738)	-	-
Jack Hammett Field Rental	-	150,750	-	150,000
Total Fund 417	\$ -	\$ 151,243	\$ -	\$ 152,500
Fund 418 - Lions Park Project 2017 Bond Fund				
Investment Earnings	\$ -	\$ 109,958	\$ -	\$ -
Proceeds Fr. Issuance of Bonds	-	18,506,603	-	-
Total Fund 418	\$ -	\$ 18,616,561	\$ -	\$ -
Fund 601 - Equipment Replacement				
Investment Earnings	\$ 12,202	\$ 22,074	\$ 11,293	\$ 11,293
GASB 31 Market Value Adjustment	-	(13,879)	-	-
Other Charges for Services	-	1,960	-	-
Internal Service Charges - Automotive Equip.	1,752,782	1,579,285	2,196,540	2,529,014
Contributions	32,232	-	-	-
Damage to City Property	4,981	10,073	10,000	10,000
Sale of Automotive Equipment	10,485	-	-	-
Sale of Other Equipment	58,645	37,545	-	-
Total Revenues	\$ 1,871,327	\$ 1,637,058	\$ 2,217,833	\$ 2,550,307
Operating Transfers In	\$ 1,326,000	\$ 950,200	\$ 28,284	\$ -
Total Other Financing Sources	\$ 1,326,000	\$ 950,200	\$ 28,284	\$ -
Total Fund 601	\$ 3,197,327	\$ 2,587,258	\$ 2,246,117	\$ 2,550,307
Fund 602 - Self Insurance				
Investment Earnings	\$ 44,988	\$ 122,631	\$ 40,682	\$ 40,682
GASB 31 Market Value Adjustment	-	(125,097)	-	-
Internal Service Charges - General Liability	2,241,480	2,303,196	2,539,472	2,246,078
Internal Service Charges - Workers' Comp.	2,644,618	3,244,199	3,312,282	2,977,926
Internal Service Charges - Unemployment	85,575	85,572	86,000	80,421
Settlements	-	35,000	-	-
Other Reimbursements	497,501	-	-	-
Other	4,784	-	-	-
Total Revenues	\$ 5,518,946	\$ 5,665,501	\$ 5,978,436	\$ 5,345,107
Operating Transfers In	\$ 1,000,000	\$ 4,741,990	\$ 2,000,000	\$ -
Total Other Financing Sources	\$ 1,000,000	\$ 4,741,990	\$ 2,000,000	\$ -
Total Fund 602	\$ 6,518,946	\$ 10,407,491	\$ 7,978,436	\$ 5,345,107

REVENUE & OTHER FINANCING SOURCES

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Fund/Account Description	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
Fund 603 - IT Replacement Fund				
Investment Earnings	\$ 18,898	\$ 43,678	\$ 16,646	\$ 30,000
GASB 31 Market Value Adjustment	-	(37,580)	-	-
Rental of IT Equipment	200,000	250,002	250,000	-
Total Revenues	\$ 218,898	\$ 256,100	\$ 266,646	\$ 30,000
Operating Transfers In	\$ 2,600,000	\$ -	\$ 1,780,183	\$ -
Total Other Financing Sources	\$ 2,600,000	\$ -	\$ 1,780,183	\$ -
Total Fund 603	\$ 2,818,898	\$ 256,100	\$ 2,046,829	\$ 30,000
TOTAL REVENUES				
	\$ 145,347,002	\$ 167,908,367	\$ 158,961,120	\$ 165,847,664
TOTAL OTHER SOURCES				
	\$ 17,465,965	\$ 14,025,348	\$ 12,473,745	\$ 5,664,971
GRAND TOTAL ALL FUNDS				
	\$ 162,812,966	\$ 181,933,716	\$ 171,434,865	\$ 171,512,635



DESCRIPTION

Property tax is imposed on real property (land and permanently attached improvements such as buildings) and tangible personal property (movable property) located within Costa Mesa, based on the property value. Properties are distinguished as secured and unsecured (property for which the value of the lien is not sufficient to assure payment of the tax). With the passage of Proposition 13 in 1978, property taxes may not exceed 1 percent of the assessed value. The City's share of the 1 percent is equivalent to 15 cents on every dollar collected by the County for property taxes. Assessment increases to reflect current market values are allowed when property ownership changes or when improvements are made; otherwise, increases in assessed value are based on the Consumer Price Index (CPI), capped at 2 percent per year. The CPI for FY 19-20 is 2 percent. The City's top property taxpayers include The Irvine Company, South Coast Plaza, PR II MCC South Coast Property Owners LLC, United Dominion Realty LP and Automobile Club of Southern California.

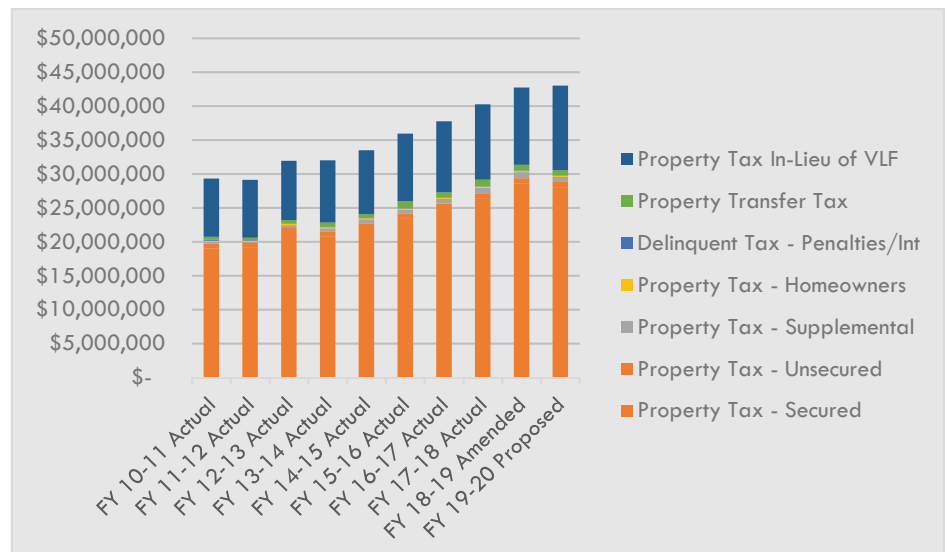
This category also includes property tax in lieu of vehicle license fee (VLF). Prior to the 2004 State Budget Act, the VLF tax rate was 2 percent of the motor vehicle value. The State General Fund "offset" 67.5 percent of this tax resulting in an effective VLF tax rate of 0.65 percent. A backfill from the State's General Fund brought the cities and counties' revenue share equivalent to a full 2 percent VLF tax rate. The 2004 budget included a permanent reduction of the VLF rate to 0.65 percent, eliminated the VLF backfill and replaced it with a like amount of property taxes. After FY 2004-05, each city's property tax in Lieu of VLF increases (or decreases) annually in proportion to the change in the jurisdiction's assessed valuation.

TREND

The housing market has fully recovered from the great recession in many urban and coastal areas, including Costa Mesa. The 2018 median price of a single-family home at the City was \$845,250, above the pre-recession peak price, while the Orange County region's median price was \$780,000. The net assessed value of all properties in the City increased 7.54 percent in FY 2018-19, compared to 6.3 percent for the overall Orange County region. Inventory constraint is the main contributor to increasing home prices. The lack of significant new home construction affects housing supply and affordability. Even though the number of sales have declined over last year, industry experts expect home prices will continue the upward trend given the tight supply. However, the increase will be smaller compared to prior years due to rising mortgage interest rates. For this reason, the FY 2019-20 budget includes a conservative increase in property tax revenue.

OUTLOOK

For FY 2019-20, estimated revenue from property tax is \$43.2 million, which represents 31% of the total General Fund revenue. This estimate is an increase of \$288 thousand, or 0.67 percent over the FY 2018-19 amended budget. The increase is primarily due to CPI adjustment for the year. In FY 2018-19 the City retained HdL Coren & Cone, an expert in the municipal finance, to assist with forecasting, trend analysis and other property tax services. The estimated property tax revenue was provided by HdL Coren & Cone and was specifically tailored to the City property tax base.



DESCRIPTION

Sales tax applies to all retail sales of goods and merchandise except those specifically exempt by law. Use tax generally applies to the storage, use, or other consumption in California of goods purchased from retailers in transactions where sales tax is not collected. A portion of the sales and use tax is a state tax and a portion is locally imposed tax. The current sales and use tax rate at Orange County is 7.75% on all taxable sales, of which Costa Mesa receives an “effective” rate of 1%. Also included is the Proposition 172 half-cent sales and use tax approved by voters in 1993 to cushion the impact of the “educational revenue augmentation fund” (ERAF) property tax shifts. The State collects the Proposition 172 tax and apportions it to each county based on their proportionate share of statewide taxable sales. Each county is then required to allocate this revenue to the cities for public safety services only. The sales and use tax rate at the City is broken down as follows:

State General Fund	5.00%
City of Costa Mesa General Fund	1.00%
Countywide Transportation Tax	0.25%
County Mental Health	0.50%
Public Safety Augmentation Fund (Prop 172)	0.50%
County Transactions Tax (Measure M)	0.50%
Total Rate	7.75%

Sales and use tax represents Costa Mesa’s single largest revenue source at 42.6% of the total General Fund revenues projected for FY 2019-20.

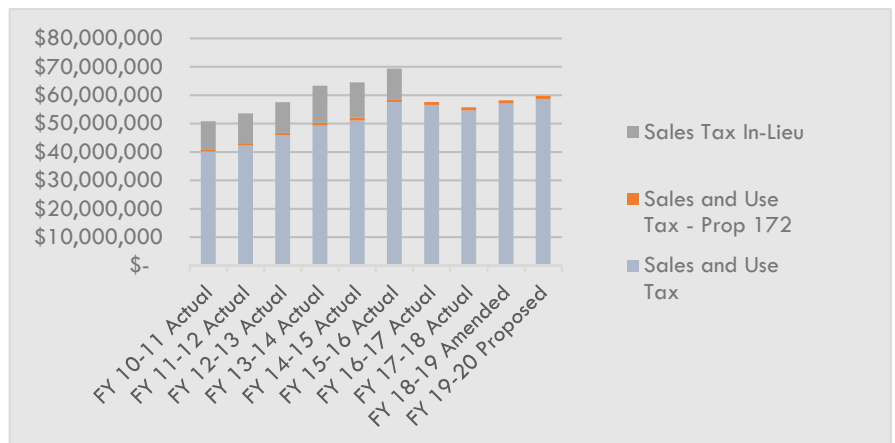
TREND

The City’s sales and use tax revenue has grown since the recession lows in FY 2009-10. For calendar year 2018, the City’s gross sales tax receipts were up 7.1 percent, compared to the year before. Automobile and transportation related sales, including higher fuel prices, led the growth in sales tax revenue. Some of the gains in new car sales is due to a single manufacturer filling back orders. Growth in general consumer goods category, which makes up 38 percent of the City’s total sales tax revenue, remains relatively flat. This is primarily due to the continuing expansion of online shopping, which diverts tax revenue from brick and mortar stores to the County pool and the City receives a lesser percentage from the pool’s allocation.

The national economy is now at its 10th year of expansion with full employment and increased spending. However, economists are cautioning a slower growth trend going into 2020. Costa Mesa’s sales tax base remains stable with South Coast Plaza; the Harbor Boulevard of Cars; and a host of other retailers, restaurants, hotels and major businesses throughout the City. HdL, the City’s sales tax consultant, forecasts the City’s sales tax revenue to be relatively flat with smaller growth over the next five years.

OUTLOOK

The City’s sales and use tax revenue is expected to top \$59.9 million in FY 2019-20, or an increase of 2.9 percent. The forecast anticipates modest gains in all categories with automobile/transportation and fuel/service stations (a combined 24% of all taxable sales in 2018), and State and County pools (12% of all taxable sales in 2018) contributing more to the overall growth. Sales and use tax revenue growth from years two to five is conservatively projected at 1 percent annually.



DESCRIPTION

Transient occupancy tax (TOT) is imposed on persons staying 30 days or less in a hotel, inn, motel, tourist home or other lodging facilities. There are 29 hotels and lodging facilities located within Costa Mesa and the current TOT rate is 8 percent. Additionally, the City Council adopted a business improvement area (BIA), which includes memberships from 11 Costa Mesa hotels. BIA imposes an additional 3 percent levy on stays at member hotels and the collection is remitted to Travel Costa Mesa, a nonprofit organization, to promote travel and tourism throughout the City.

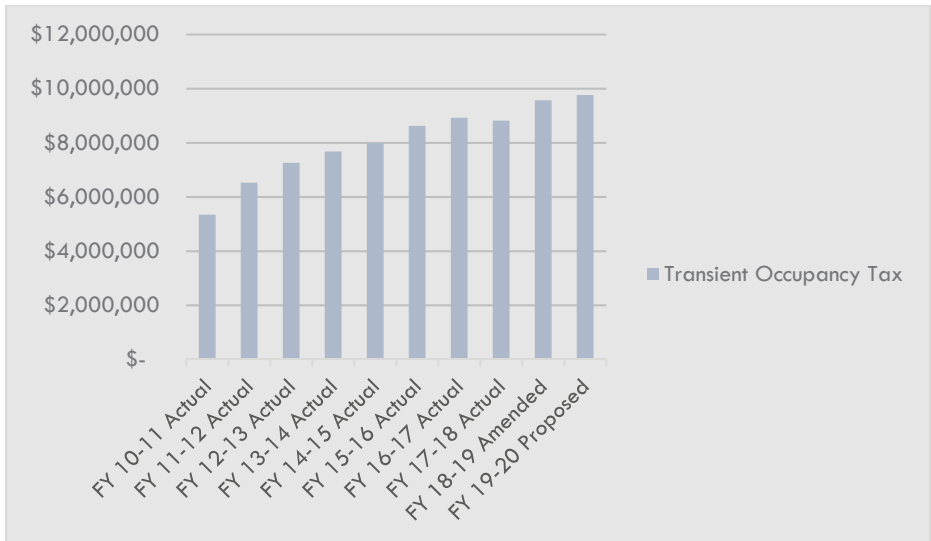
TOT is the General Fund's third largest revenue source at 6.8 percent of the total General Fund revenues. Factors influencing TOT revenue include business and leisure travel, new hotels, hotel expansion, and room rate increases. With close proximity to the John Wayne Airport, Costa Mesa hotel market benefits from business and leisure spending of both domestic and international travelers.

TREND

Costa Mesa TOT revenue has increased at a slower pace than the rest of Orange County. In 2018, Costa Mesa hotel's average cost was just over \$149 a night, an increase of 0.6 percent from the year before. Countywide, the average room rate was \$191, an increase of 3.9 percent. Costa Mesa's 2018 hotel occupancy rate was 78.6 percent compared to Orange County's 79.5 percent. While no new hotel development has taken place, some hotels have opted for substantial remodels in recent years to add to the guest experience.

OUTLOOK

In FY 2019-20, hotel tax is projected at \$9.6 million, with a mere increase of \$48 thousand, or 0.5 percent over prior year. Orange County remains a highly desirable destination to travelers in the United States as well as internationally. The addition of several new hotels at surrounding cities has put additional pressure on Costa Mesa hotels to reinvent themselves in order to attract tourists. Room rates will likely remain flat as supply meets demand.



DESCRIPTION

Solid waste hauler franchise fee is the City’s largest franchise fee, estimated at approximately \$2.4 million annually. The City Council adopted the Solid Waste Hauler Franchise Ordinance and corresponding franchise fees, effective February 1, 2005. Over the years, the City Council revised the ordinance to define hauler classes and adopted new fees. The City’s current solid waste hauler franchise fee is 16 percent of gross receipts on business conducted within Costa Mesa. The City also allows contractors to obtain a Self-Haul Permit and corresponding Per-Project Permit. These permit fees are categorized under the Licenses and Permits and Charges for Services revenue accounts, respectively.

The City grants franchise rights to three other businesses that use City streets and rights-of-way: electric, gas and cable television. Currently, the City collects electric and gas franchise fees equal to 2 percent of gross receipts, and cable franchise fees equal to 5 percent of gross receipts. The electric and gas franchise fees are paid annually while the cable franchise fees are paid on a quarterly basis. The California Public Utility Commission limits electric and gas franchise fees to 2 percent and cable franchise fees to 5 percent of gross receipts. Any growth in utility franchise revenues would be as a result of utility rate increases imposed by the electric, gas, and cable companies.

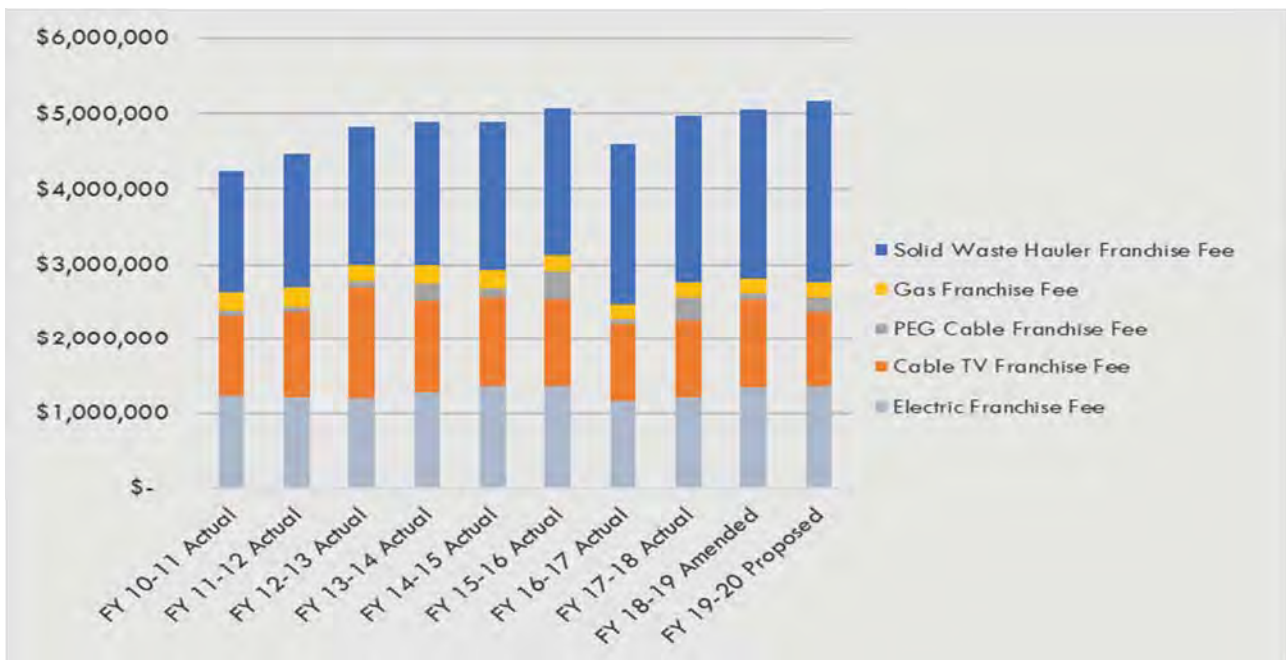
The cable franchise also pays a PEG (Public, Education and Government) fee, estimated at \$200 thousand for next year. The General Fund uses this amount to support the operating costs of public access cable television services provided by the City.

TREND

Solid waste hauling activities from commercial and residential projects have increased steadily over the past several years, fueled by a healthy economy. This pattern is expected to continue since the City is built out and property owners often opt to renovate or rebuild their property. Any growth in electric and gas franchise fees is limited to rate increase and additional new development, both of which are not expected to be significant. The cable franchise fee is expecting a decline in revenue due to market shift from broadband cable and DSL subscription programming to internet streaming services.

OUTLOOK

For FY 2019-20, franchise tax revenue is estimated at \$5.17 million, representing an increase of \$112 thousand or 2.2 percent over last year. This number is comprised of a \$157 thousand growth in solid waste hauler fee and other small increases in utility fees, offset by a \$79 thousand decrease in cable fee. Franchise fees revenue makes up 3.7 percent of total General Fund revenues.



DESCRIPTION

Licenses or permits are issued for either regulatory or cost recovery purposes, to applicants who conduct business activities within the City. The regulatory authority provides cities the means to protect the overall community interests. An example of licenses issued is animal licenses. Major categories of permits are street permits, building permits, electrical permits, plumbing permits, and mechanical permits. Also included in the permit revenue is marijuana business permits.

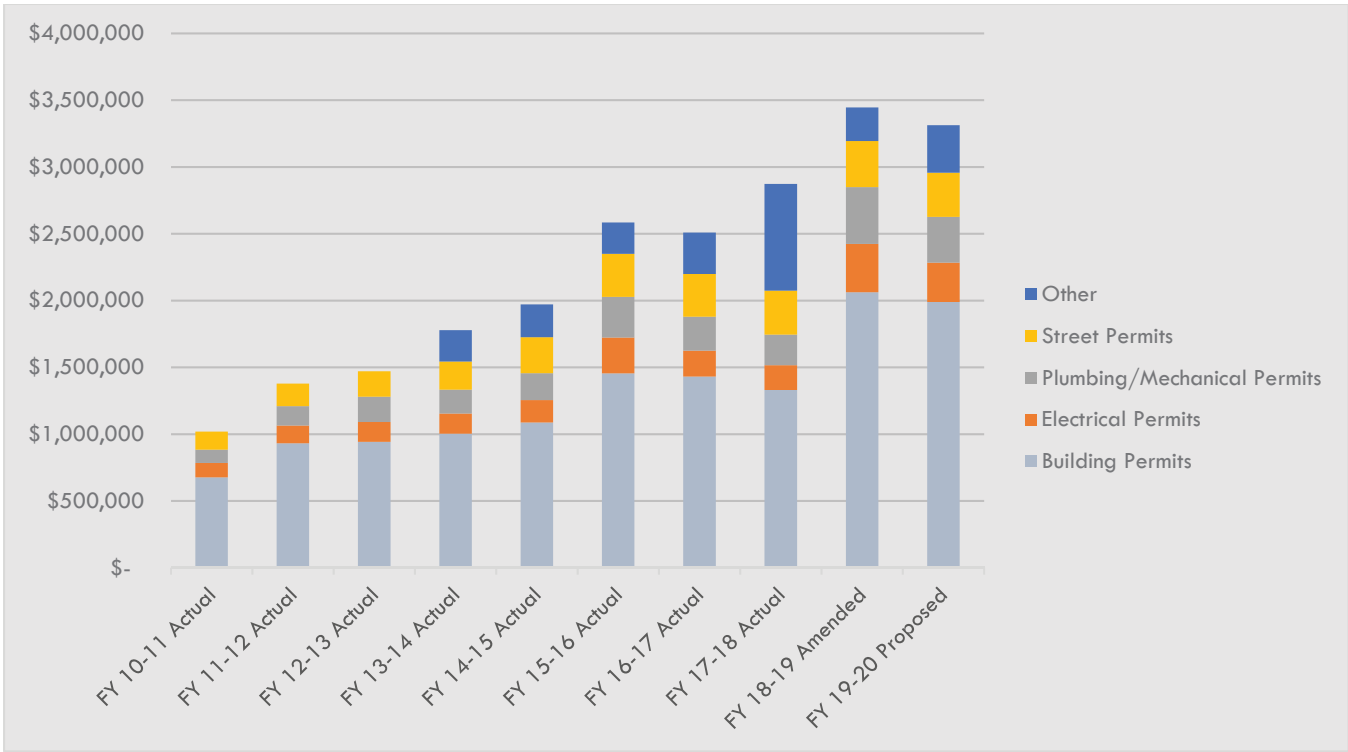
Building permits is the largest category of license and permits revenue at nearly \$2 million, followed by street permits, and plumbing and mechanical permits. Building permits are required for most structure modifications and its volume is a reflection of the local building activities.

TREND

The total license and permit fees has more than doubled from the recession lows in FY 2009-10, especially in the building permits category. The robust local economy and increasing home prices in the last few years incentivized property owners to rebuild and remodel their property, culminating in a record year activities for FY 2018-19. Given the projected slowing in national and state economy, the City forecasts a near zero growth in overall license and permits fees.

OUTLOOK

For FY 2019-20, estimated revenue from Licenses and Permits is \$3.47 million, which represents 2.5 percent of total General Fund revenues. This estimate reflects an increase of \$21 thousand, or 0.6 percent over last year's projected revenues. Building and related permits (electrical, plumbing and mechanical) forecast a total \$222 thousand decrease, offset by increases in two permit revenues: fire permits (\$138 thousand) and marijuana business permits (\$64,000).



DESCRIPTION

Fines and forfeitures primarily come from municipal code violations, motor vehicle code violations, and parking fines. Amounts paid by a defendant include fines and various penalties, assessments, and restitution. Cities share the revenue from fines and forfeitures with the State and the County.

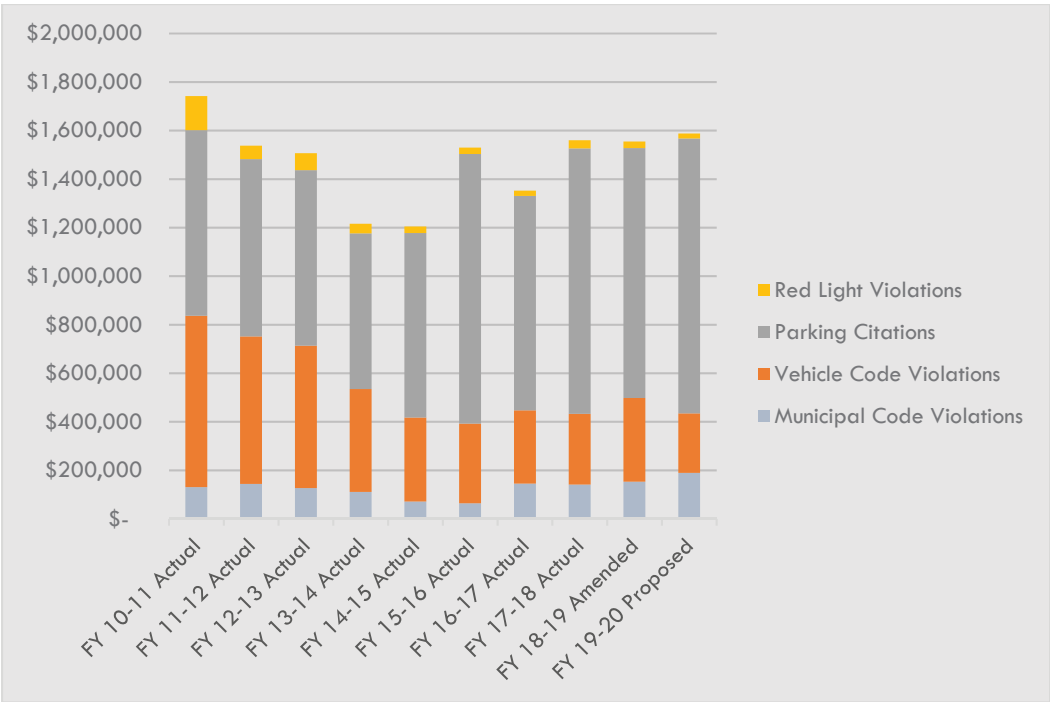
Parking citation is the largest line item in fines and forfeitures at \$1.13 million. The citations are generally for violations of “no parking” ordinances. Fines vary depending on the type of violation.

TREND

After reaching a high of nearly \$3 million in recession year FY 2008-09, fines and forfeitures had declined and fluctuated between \$1.2 million to \$1.5 million ever since. The Police Department anticipates more enforcement actions will be taken due to increased staff level, resulting in higher revenue estimates.

OUTLOOK

For FY 2019-20, estimated revenue from fines and forfeitures is \$1.6 million, which represents 1.2 percent of the total General Fund revenues. The estimated amount reflects an increase of \$68 thousand, or 4 percent from last year’s estimate, based on additional staff resources available to enforce code violations and parking citations.



DESCRIPTION

Use of money and property comprises of interest earned from investing the City’s idle cash; interest on the City’s loans to the former Costa Mesa Redevelopment Agency; rental of various City facilities such as the golf course, parks, athletic fields, community centers, tennis center; and lease from the bus shelter space for advertising.

The largest income item in this category is from the golf course operations, which generates over \$2 million in revenue annually. A private company manages the golf course operations on behalf of the City under an agreement through August 31, 2029; in return, the City receives between 6 percent and 35 percent of gross receipts on green fees, food and beverages, banquet facilities and the pro shop.

The other significant revenue is the City’s investment portfolio earnings. The City’s investment portfolio valued at just over \$100 million, generates a steady income stream from interest and dividends. However, the mark-to-market adjustment, which is required under Government Accounting Standards Board (GASB), is not budgeted due to its unpredictability.

A new income item in the FY 2019-20 budget is an estimated \$200 thousand in rental income from leasing a portion of the newly acquired permanent homeless shelter space to other organizations.

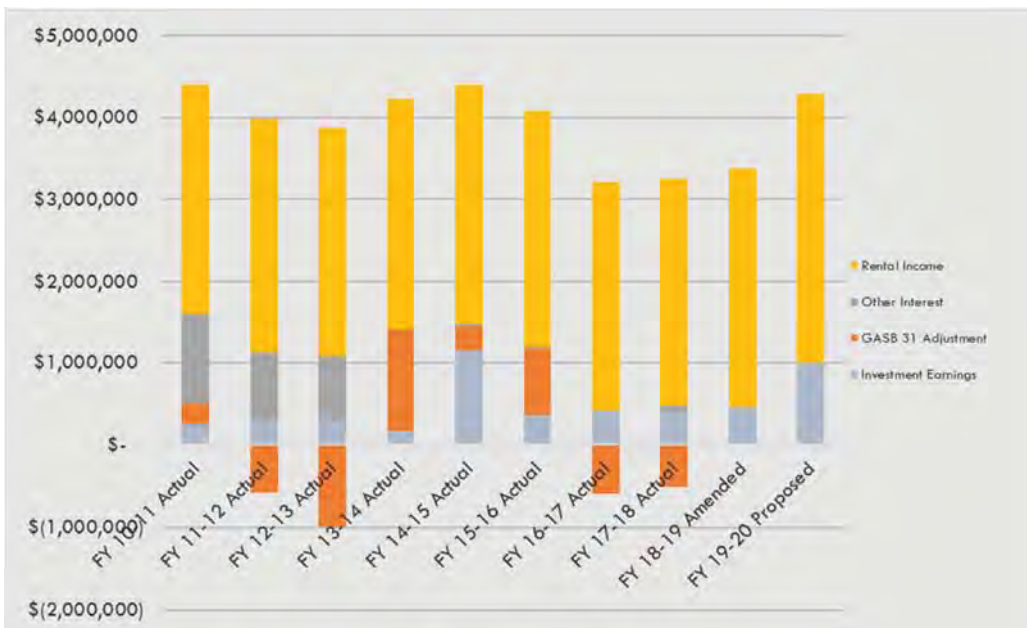
TREND

The golf course operation generates approximately 54 percent of the City’s rental income and have remained a stable revenue source over the past ten years. This trend is expected to continue. Investment earnings often have greater fluctuations from year to year depending on market conditions.

Also, in 2018, the City expanded the authorized investments under its investment policy, which provides more options for investing in safe and higher yield securities. Investment income is expected to increase as a result, despite the anticipated slowing of the economy.

OUTLOOK

For FY 2019-20, estimated revenue from use of money and property total \$4.28 million, or 3 percent of the total General Fund revenues. The estimated revenue reflects an increase of \$900 thousand, or 26 percent from current year estimate. Rental revenue from existing facilities largely remains at the same level as FY 2018-19 with increases at some locations and the addition of \$200 thousand from leasing a portion of the new permanent homeless shelter site. Investment earnings is projected at \$1 million, an increase of \$500,000 which represents a change in accounting for the interest earned from the prepayment of pensions to CalPERS.



FEES AND CHARGES FOR SERVICES

DESCRIPTION

Cities have the general authority to impose fees or charges for services. Fees and charges are distinguished from taxes in two principal ways: 1) that the amount of the fee may not exceed the estimated reasonable cost of providing the particular service or facility for which the fee is charged; and 2) that the service or facility for which the fee is charged bears a relationship to the person or entity paying the fee.

Costa Mesa's fees and charges include: user fees charged to a person or entity participating in the various recreation classes offered by the City; plan check fees and other services provided by the Planning Division related to zoning and conditional use permits; fingerprinting, false alarms, police reports, jail booking fees for the Police Department; and, fire inspection, false alarms, ambulance transportation, and hazardous materials disclosure fees for the Fire Department.

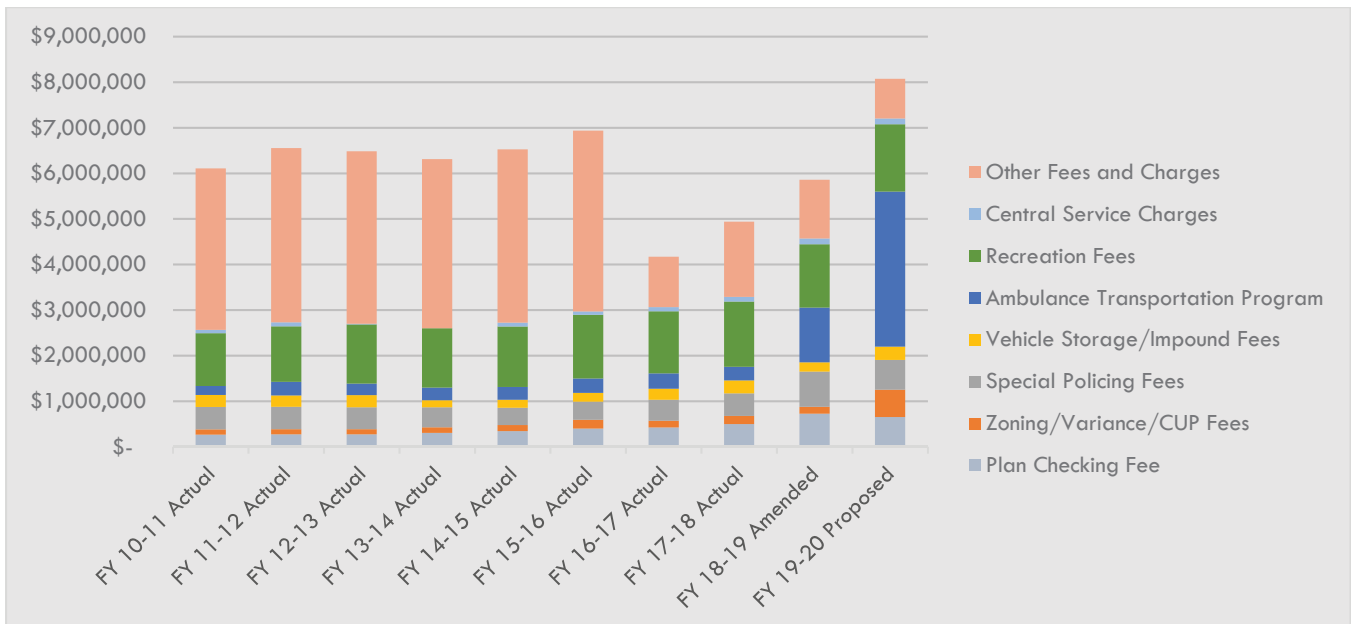
When the City reviews its user fees and charges, it submits any changes for Council approval. User fees and charges were revised effective January 1, 2009. Since then, certain fees have been updated and approved by Council. For classes offered by the Parks and Community Services Department, fee changes are also reviewed and approved by the Parks, Arts and Community Services Commission.

TREND

Income associated with fees and charges for service have seen a steady growth over the past several years as the City evaluates and implements increases where appropriate to ensure cost recovery in order to maintain proper service levels. The ambulance transportation program, the largest fee line item, will be in its second year of operation in FY 2019-20 and expects to exceed the original revenue projection of \$3 million.

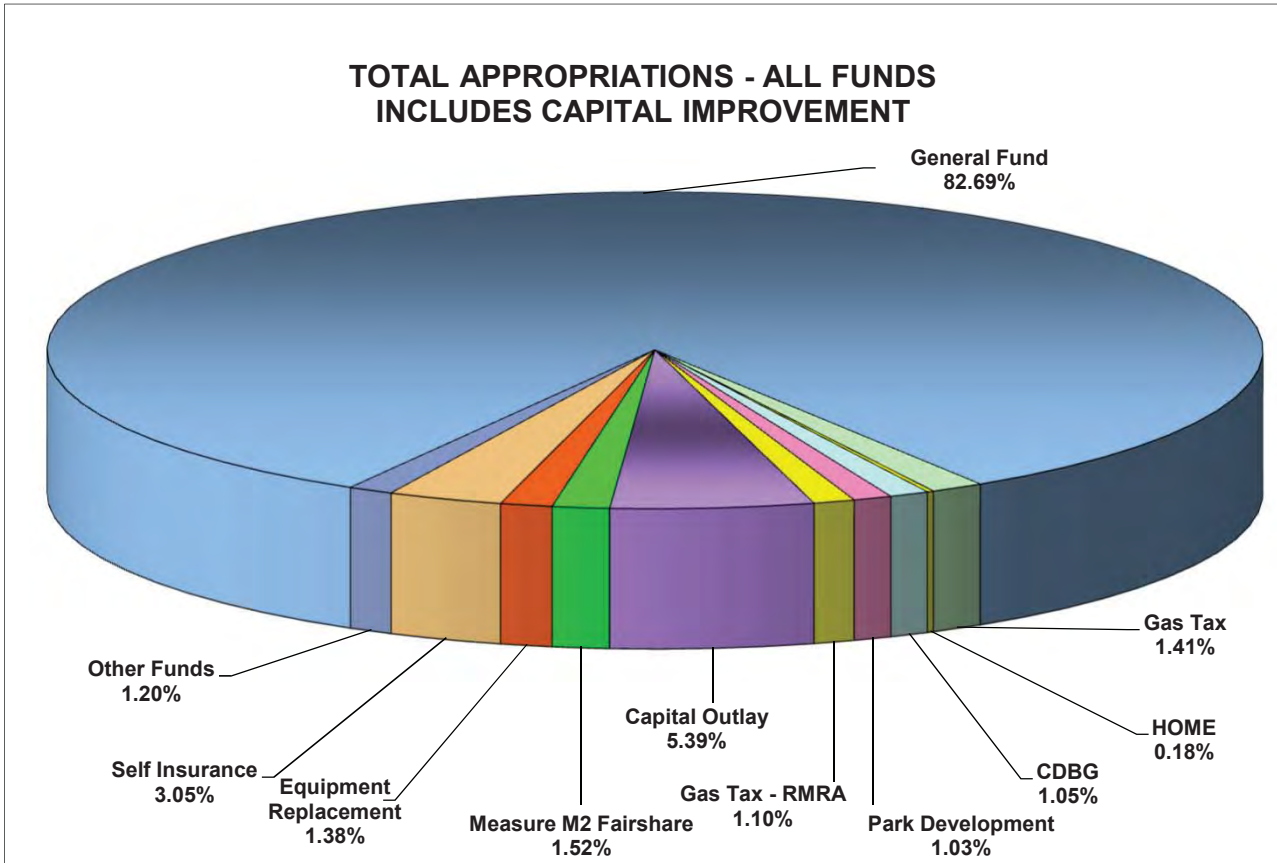
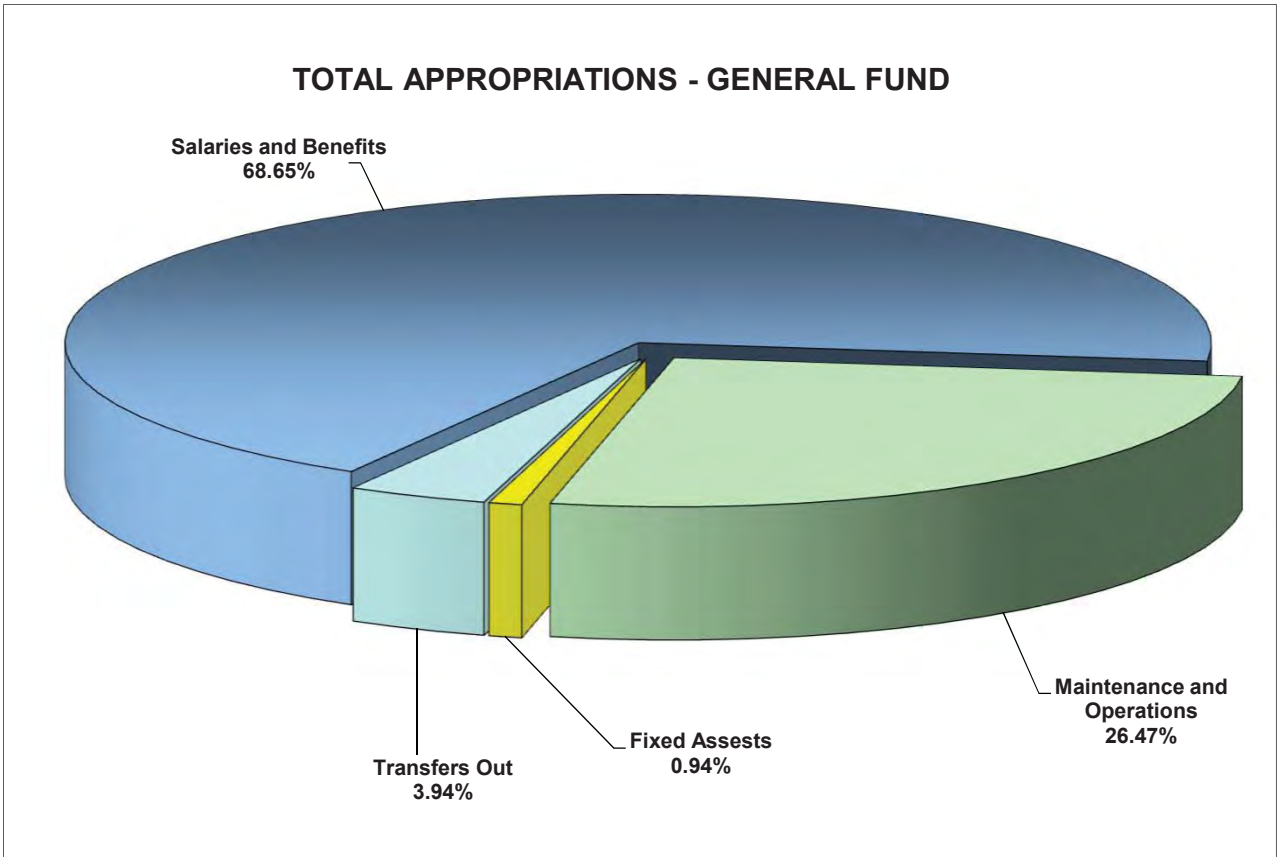
OUTLOOK

For FY 2019-20, estimated revenue from fees and charges for services is \$8.8 million, which represents 6 percent of the total General Fund revenues. This revenue is an increase of approximately \$1.1 million, or 13.5 percent from FY 2018-19, primarily due to the following: \$2.2 million increase from the ambulance transportation program to account for its first full year of operation; \$646 thousand increase from zoning/variance/CUP fees based on proposed new rates scheduled for City Council review during FY 2019-20 budget adoption; and a proposed administrative processing fee for business licenses which is also scheduled for City Council review during FY 2019-20 budget adoption. If approved, the new rates will go into effect July 1, 2019.



TOTAL APPROPRIATIONS (INCLUDING TRANSFERS)

Fiscal Year 2019-2020



SUMMARY OF APPROPRIATIONS BY DEPARTMENT/BY CATEGORY - ALL FUNDS (EXCLUDES CIP)

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Department/Category	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
City Council				
Salaries & Benefits	\$ 337,768	\$ 415,239	\$ 616,433	\$ 642,500
Maintenance & Operations	33,270	61,378	51,281	128,716
Fixed Assets	2,267	-	9,315	2,000
Subtotal City Council	\$ 373,305	\$ 476,617	\$ 677,029	\$ 773,216
City Manager's Office				
Salaries & Benefits	\$ 8,919,735	\$ 9,338,403	\$ 10,694,846	\$ 10,462,819
Maintenance & Operations	10,795,523	2,930,912	9,064,775	4,516,085
Fixed Assets	54,163	21,155	90,378	18,700
Subtotal City Manager's Office	\$ 19,769,420	\$ 12,290,469	\$ 19,850,000	\$ 14,997,604
City Attorney				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	1,281,304	1,261,322	1,139,000	1,000,000
Fixed Assets	-	-	-	-
Subtotal City Attorney	\$ 1,281,304	\$ 1,261,322	\$ 1,139,000	\$ 1,000,000
Finance				
Salaries & Benefits	\$ 2,216,160	\$ 2,483,479	\$ 2,816,775	\$ 3,230,100
Maintenance & Operations	420,924	334,904	455,292	1,241,252
Fixed Assets	1,490	2,212	16,548	37,300
Subtotal Finance	\$ 2,638,573	\$ 2,820,596	\$ 3,288,615	\$ 4,508,652
Parks and Community Services				
Salaries & Benefits	\$ 3,196,296	\$ 3,737,715	\$ 4,833,501	\$ 4,691,334
Maintenance & Operations	1,921,711	1,937,454	2,528,315	2,998,540
Fixed Assets	6,457	27,482	14,254	344,200
Subtotal Parks and Community Services	\$ 5,124,464	\$ 5,702,651	\$ 7,376,071	\$ 8,034,074
Information Technology				
Salaries & Benefits	\$ 1,845,048	\$ 1,946,795	\$ 2,187,823	\$ 2,173,730
Maintenance & Operations	630,899	200,189	752,170	553,192
Fixed Assets	465,748	1,002,808	1,326,552	1,086,700
Subtotal Information Technology	\$ 2,941,696	\$ 3,149,792	\$ 4,266,545	\$ 3,813,622
Police Department				
Salaries & Benefits	\$ 36,873,228	\$ 40,392,426	\$ 44,073,533	\$ 42,684,184
Maintenance & Operations	4,099,610	4,054,964	4,887,196	6,892,842
Fixed Assets	201,940	248,809	223,525	143,020
Subtotal Police Department	\$ 41,174,777	\$ 44,696,199	\$ 49,184,255	\$ 49,720,046
Fire Department				
Salaries & Benefits	\$ 20,237,412	\$ 21,342,034	\$ 22,703,367	\$ 23,298,500
Maintenance & Operations	1,879,853	1,632,329	3,749,897	4,903,713
Fixed Assets	65,907	40,563	105,823	35,000
Subtotal Fire Department	\$ 22,183,172	\$ 23,014,926	\$ 26,559,087	\$ 28,237,213

SUMMARY OF APPROPRIATIONS BY DEPARTMENT/BY CATEGORY - ALL FUNDS (EXCLUDES CIP)

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Department/Category	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
Development Services				
Salaries & Benefits	\$ 3,762,797	\$ 4,830,905	\$ 6,077,485	\$ 6,498,047
Maintenance & Operations	1,867,031	1,466,212	2,408,300	1,487,754
Fixed Assets	12,718	18,353	48,859	11,750
Subtotal Development Services	\$ 5,642,546	\$ 6,315,471	\$ 8,534,644	\$ 7,997,551
Public Services				
Salaries & Benefits	\$ 7,402,158	\$ 8,266,515	\$ 9,374,921	\$ 10,386,037
Maintenance & Operations	11,246,999	13,191,128	12,849,663	12,200,862
Fixed Assets	129,191	116,642	1,750,437	262,900
Subtotal Public Services	\$ 18,778,348	\$ 21,574,284	\$ 23,975,021	\$ 22,849,799
Non-Departmental				
Salaries & Benefits	\$ 8,814	\$ 500,000	\$ (2,670,731)	\$ -
Maintenance & Operations	3,701,287	3,852,935	3,662,851	7,194,958
Fixed Assets	-	-	-	-
Transfers Out	17,465,964	14,025,348	14,451,570	5,664,971
Subtotal Non-Departmental	\$ 21,176,065	\$ 18,378,283	\$ 15,443,690	\$ 12,859,929
TOTAL APPROPRIATIONS - ALL FUNDS				
Salaries & Benefits	\$ 84,799,416	\$ 93,253,513	\$ 100,707,954	\$ 104,067,251
Maintenance & Operations	37,878,411	30,923,727	41,548,742	43,117,914
Fixed Assets	939,880	1,478,024	3,585,691	1,941,570
Transfers Out	17,465,964	14,025,348	14,451,570	5,664,971
TOTAL APPROPRIATIONS - ALL FUNDS	\$ 141,083,671	\$ 139,680,612	\$ 160,293,957	\$ 154,791,706



Fund	City Council	City Manager	City Attorney	Finance	Parks & Comm Svcs
GENERAL FUND					
General Fund - 101	\$ 773,216	\$ 9,693,957	\$ 1,000,000	\$ 4,508,652	\$ 7,298,474
SPECIAL REVENUE FUNDS					
Gas Tax Fund - 201	-	-	-	-	-
AQMD Fund - 203	-	-	-	-	-
HOME Fund - 205	-	-	-	-	-
CDBG Fund - 207	-	-	-	-	-
SLESF Fund - 213	-	-	-	-	-
Rental Rehabilitation Program Fund 216	-	-	-	-	-
Narcotics & Seizure Fund - 217	-	-	-	-	-
Office of Traffic Safety 220	-	-	-	-	-
RMRA Gas Tax Fund - 251	-	-	-	-	-
CAPITAL PROJECTS FUNDS					
Park Devel Fees Fund - 208	-	-	-	-	735,600
Drainage Fund - 209	-	-	-	-	-
Traffic Impact Fees Fund - 214	-	-	-	-	-
Fire System Devel Fund - 218	-	-	-	-	-
Capital Improvement Fund 401	-	-	-	-	-
Vehicle Parking District 1 409	-	-	-	-	-
Vehicle Parking District 2 410	-	-	-	-	-
Golf Course Improvement Fund 413	-	-	-	-	-
Measure "M2" Regional Fund 415	-	-	-	-	-
Measure "M2" Fairshare Fund 416	-	-	-	-	-
Jack Hammett SC Capital Improvement Fund 417	-	-	-	-	-
Lions Park Project 2017 Bond Fund 418	-	-	-	-	-
INTERNAL SERVICE FUNDS					
Equipment Replacement Fund - 601	-	-	-	-	-
Self-Insurance Fund - 602	-	5,303,647	-	-	-
IT Replacement Fund - 603	-	-	-	-	-
GRAND TOTAL	\$ 773,216	\$ 14,997,604	\$ 1,000,000	\$ 4,508,652	\$ 8,034,074

SUMMARY OF APPROPRIATIONS BY DEPARTMENT/BY FUND - ALL FUNDS (INCLUDES CIP)

for the Fiscal Year Ending June 30, 2020

I.T.	Police	Fire	Development Services	Public Services	Non- Departmental	CIP	Total
\$ 3,674,067	\$ 49,482,346	\$ 28,237,213	\$ 6,963,062	\$ 19,209,987	\$ 12,859,929	\$ -	\$ 143,700,903
-	-	-	-	659,900	-	1,795,000	2,454,900
-	-	-	-	15,000	-	366,080	381,080
-	-	-	306,462	-	-	-	306,462
-	-	-	728,027	-	-	1,100,000	1,828,027
-	237,700	-	-	-	-	-	237,700
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,908,337	1,908,337
-	-	-	-	-	-	1,050,000	1,785,600
-	-	-	-	-	-	550,000	550,000
-	-	-	-	-	-	240,409	240,409
-	-	-	-	-	-	-	-
-	-	-	-	-	-	9,363,850	9,363,850
-	-	-	-	-	-	-	-
-	-	-	-	275,000	-	-	275,000
-	-	-	-	-	-	264,320	264,320
-	-	-	-	290,500	-	2,344,200	2,634,700
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,399,412	-	-	2,399,412
-	-	-	-	-	-	-	5,303,647
139,555	-	-	-	-	-	-	139,555
\$ 3,813,622	\$ 49,720,046	\$ 28,237,213	\$ 7,997,551	\$ 22,849,799	\$ 12,859,929	\$ 18,982,196	\$ 173,773,902

SUMMARY OF APPROPRIATIONS BY ACCOUNT - ALL FUNDS (EXCLUDES CIP)

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Account Description	Account Number	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
Salaries and Benefits					
Regular Salaries - Sworn	501100	\$ 19,910,765	\$ 21,942,532	\$ 23,533,199	\$ 22,978,888
Regular Salaries - Non Sworn	501200	16,108,515	17,536,937	20,108,850	23,024,667
Regular Salaries - Part time	501300	4,638,585	5,111,248	5,326,227	5,024,734
Overtime	501400	8,410,049	7,589,625	4,415,459	3,955,828
Accrual Payoff - Excess Maximum	501500	110,277	505,246	207,222	186,128
Vacation/Comp. Time Cash Out	501600	390,262	463,408	171,315	293,980
Holiday Allowance	501700	681,075	778,705	503,851	678,492
Separation Pay-Off	501800	258,652	202,585	9,915	136,696
Other Compensation	501900	2,107,775	2,333,274	3,053,614	2,875,244
Cafeteria Plan	505100	4,329,329	5,896,210	7,446,914	10,202,692
Medicare	505200	753,817	826,687	716,922	793,195
Retirement	505300	19,683,135	21,735,300	26,282,823	28,769,688
Longevity	505400	2,760	2,768	2,760	2,800
Executive Professional Development ⁽¹⁾	505500	567,048	714,035	734,983	77,305
Auto Allowance	505600	30,595	43,987	37,486	49,200
Clothing Allowance	505700	-	-	-	1,500
Unemployment ⁽²⁾	505800	128,493	150,880	128,530	80,000
Workers' Compensation ⁽²⁾	505900	4,780,630	5,552,208	6,311,884	2,476,214
Employer Contr.Retirees' Med.	506100	1,907,655	1,867,879	1,915,100	2,460,000
Subtotal Salaries & Benefits		\$ 84,799,416	\$ 93,253,513	\$ 100,907,054	\$ 104,067,251
Maintenance and Operations					
Stationery and Office	510100	\$ 213,712	\$ 264,605	\$ 219,371	\$ 179,650
Multi-Media, Promotions and Subs	510200	731,626	574,120	695,330	509,189
Small Tools and Equipment	510300	366,884	310,928	453,142	266,416
Uniform & Clothing	510400	401,764	330,213	436,110	359,700
Safety and Health	510500	407,721	402,208	473,304	381,930
Maintenance & Construction	510600	688,715	706,627	812,057	898,350
Agriculture	510700	138,109	90,382	118,785	97,000
Fuel	510800	403,169	453,293	516,200	500,000
Electricity - Buildings & Fac.	515100	515,367	523,561	574,085	604,550
Electricity - Power	515200	243,008	247,164	284,013	281,800
Electricity - Street Lights	515300	988,547	1,007,520	1,100,000	1,000,000
Gas	515400	45,182	37,489	47,299	45,400
Water - Domestic	515500	124,460	113,572	167,489	149,200
Water - Parks and Parkways	515600	628,055	748,009	648,795	785,000
Waste Disposal	515700	130,992	141,720	177,354	162,100
Janitorial and Housekeeping	515800	458,941	441,866	478,281	483,513
Postage	520100	196,585	106,131	102,272	-
Legal Advertising/Filing Fees	520200	258,143	245,250	232,400	251,600
Advertising and Public Info.	520300	13,933	10,129	18,775	14,800
Telephone/Radio/Communications	520400	547,152	538,745	664,848	765,200
Business Meetings	520500	57,807	58,370	89,008	46,580
Mileage Reimbursement	520600	3,977	4,558	6,145	3,300
Dues and Membership	520700	-	1,120	-	36,000
Board Member Fees	520800	30,500	30,500	34,200	41,300
Professional Development ⁽¹⁾	520900	-	-	-	613,549

SUMMARY OF APPROPRIATIONS BY ACCOUNT - ALL FUNDS (EXCLUDES CIP)

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Account Description	Account Number	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
Maintenance and Operations (continued)					
Buildings and Structures	525100	188,958	415,989	462,405	278,500
Landscaping and Sprinklers	525200	1,538,137	3,093,372	2,985,912	3,230,000
Underground Lines	525300	-	-	4,000	-
Automotive Equipment	525400	165,656	181,066	201,800	250,000
Office Furniture	525600	-	350	6,445	3,500
Office Equipment	525700	341,449	69,484	61,732	29,500
Other Equipment	525800	991,271	804,150	996,799	909,300
Streets, Alleys and Sidewalks	525900	843,296	942,661	1,201,124	1,007,200
Employment	530100	269,892	166,001	146,639	26,000
Consulting	530200	4,822,648	4,449,038	6,176,834	4,368,602
Legal	530300	820,976	443,123	578,182	2,929,078
Engineering and Architectural	530400	564,899	389,799	520,263	397,000
Financial & Information Svcs	530500	200,995	168,010	492,073	1,059,793
Medical and Health Inspection	530600	143,624	157,723	226,659	151,600
Public Safety	530700	576,871	680,346	2,266,577	2,532,100
Recreation	530800	520,846	461,313	518,621	463,800
Sanitation	530900	-	-	200	800
Principal Payments	535100	2,590,000	2,685,000	1,990,178	1,800,000
Interest Payments	535200	939,932	997,515	1,308,601	1,230,958
External Rent	535400	682,075	710,808	890,295	690,598
Grants, Loans and Subsidies	535500	454,146	646,023	687,296	420,700
Depreciation	535600	847,266	951,494	-	-
Internal Rent - Central Services	535800	210,738	214,067	136,206	193,091
Internal Rent - Postage	535900	-	-	-	110,080
Internal Rent - Maint. Charges	536100	997,057	904,931	1,530,463	884,754
Internal Rent - Fleet	536200	749,814	674,354	665,075	1,142,860
Internal Rent - IT Replacement	536300	200,000	250,002	250,002	-
Internal Rent - Fuel	536400	-	-	-	501,400
Internal Rent - General Liability	536500	2,764,794	2,303,196	-	2,246,078
Internal Rent - Workers Comp ⁽²⁾	536600	-	-	-	2,977,926
Internal Rent - Unemployment ⁽²⁾	536700	-	-	-	80,421
General Liability	540100	2,283,150	2,168,652	8,249,598	1,796,400
Special Liability	540200	4,612	-	4,612	9,400
Buildings & Personal Property	540500	257,329	-	251,378	225,200
Taxes & Assessments	540700	179,709	187,899	123,235	193,200
Contingency	540800	5,114,407	(1,613,796)	500,000	500,000
Other Costs	540900	4,444	1,479	-	2,001,948
Relocation	545100	-	-	-	-
Assistance	545300	15,069	31,598	42,550	-
Acquisition Costs	545500	-	-	50,200	-
Subtotal Maintenance & Operations		\$ 37,878,411	\$ 30,923,727	\$ 41,875,216	\$ 43,117,914

SUMMARY OF APPROPRIATIONS BY ACCOUNT - ALL FUNDS (EXCLUDES CIP)

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

Account Description	Account Number	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
Fixed Assets					
Buildings and Structures	590400	\$ 3,938		\$ -	\$ -
Automotive Equipment	590500	5,128	42,251	1,688,667	255,000
Office Furniture	590600	-	-	51,125	12,900
Office Equipment	590700	-	6,221	6,221	550
Other Equipment	590800	825,470	1,394,900	1,839,678	1,673,120
Loss on Disposal of Assets	599100	105,343	34,651	-	-
Subtotal Fixed Assets		\$ 939,880	\$ 1,478,024	\$ 3,585,691	\$ 1,941,570
Transfers Out					
Transfers Out	595100	\$ 17,465,964	\$ 14,025,348	\$ 8,661,437	\$ 5,664,971
Subtotal Transfers Out		\$ 17,465,964	\$ 14,025,348	\$ 8,661,437	\$ 5,664,971
TOTAL APPROPRIATIONS - ALL FUNDS		\$ 141,083,671	\$ 139,680,612	\$ 155,029,398	\$ 154,791,706

⁽¹⁾ In FY 2019-20, the City changed the budgeting methodology for professional development. Only executive professional development included in the employee MOUs is included in this account. Other professional development such as training, licenses and certificates are accounted for under maintenance and operations.

⁽²⁾ In FY 2019-20, the City corrected the budgeting method for billing internal charges. The prior years have not been adjusted to ensure consistency with the audited financial statements.

FOUR-YEAR PERSONNEL SUMMARY BY DEPARTMENT

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

	FY 16-17 Adopted	FY 17-18 Adopted	FY 18-19 Amended	FY 19-20 Proposed
CITY COUNCIL				
Council Member	5.00	5.00	7.00	7.00
Executive Secretary	1.00	1.00	1.00	1.00
Management Analyst/Chief of Staff	-	-	1.00	1.00
Total City Council	6.00	6.00	9.00	9.00
CITY MANAGER'S OFFICE				
City Manager	1.00	1.00	1.00	1.00
Assistant City Manager	2.00	2.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00
Assistant to the City Manager	-	-	-	1.00
Central Services Supervisor	1.00	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00
Community Outreach Worker	1.00	1.00	2.00	-
Deputy City Clerk	2.00	2.00	2.00	2.00
Executive Assistant to the City Manager	1.00	1.00	1.00	1.00
Executive Secretary	1.00	1.00	1.00	1.00
Graphics Designer	1.00	1.00	1.00	1.00
Human Resources Administrator	-	1.00	1.00	1.00
Human Resources Analyst	3.00	3.00	2.00	3.00
Human Resources Manager	1.00	1.00	1.00	1.00
Human Resources Office Specialist II	1.00	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00	-
Neighborhood Improvement Manager	-	-	1.00	-
Principal Human Resources Analyst	2.00	1.00	2.00	2.00
Public Affairs Manager	3.00	3.00	3.00	2.00
Senior Code Enforcement Officer	-	-	1.00	-
Video Production Coordinator	1.00	1.00	1.00	1.00
Video Production Specialist	-	-	1.00	1.00
Website Coordinator	1.00	1.00	1.00	1.00
Total City Manager's Office	25.00	25.00	28.00	24.00
FINANCE DEPARTMENT				
Finance Director	1.00	1.00	1.00	1.00
Accountant	1.00	1.00	1.00	2.00
Accounting Specialist I	1.00	1.00	1.00	1.00
Accounting Specialist II	3.00	3.00	3.00	3.00
Accounting Supervisor	1.00	1.00	1.00	1.00
Assistant Finance Director	1.00	1.00	1.00	1.00
Budget Analyst	1.00	1.00	1.00	2.00
Budget Specialist	1.00	1.00	1.00	-
Buyer	2.00	2.00	3.00	3.00
Executive Secretary	1.00	1.00	1.00	1.00
Financial Analyst	-	-	-	1.00
Management Analyst	1.00	1.00	1.00	1.00
Payroll Coordinator	1.00	1.00	1.00	1.00
Permit Processing Specialist	1.00	1.00	1.00	1.00
Purchasing Supervisor	1.00	1.00	1.00	1.00
Revenue Supervisor	1.00	1.00	1.00	1.00
Tax Auditing Specialist	1.00	-	1.00	-
Treasury Specialist	-	1.00	-	1.00
Total Finance Department	19.00	19.00	20.00	22.00

FOUR-YEAR PERSONNEL SUMMARY BY DEPARTMENT

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

	FY 16-17 Adopted	FY 17-18 Adopted	FY 18-19 Amended	FY 19-20 Proposed
PARKS AND COMMUNITY SERVICES DEPARTMENT				
Parks and Community Services Director	-	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	-	-
Assistant Recreation Supervisor	3.00	3.00	3.00	3.00
Community Outreach Worker	-	-	-	2.00
Executive Secretary	-	-	1.00	1.00
Fairview Park Administrator	-	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00	1.00
Neighborhood Improvement Manager	-	-	-	1.00
Office Specialist II	-	-	1.00	1.00
Recreation Coordinator	2.00	2.00	4.00	4.00
Recreation Manager	1.00	-	1.00	1.00
Recreation Supervisor	1.00	1.00	2.00	2.00
Senior Code Enforcement Officer	-	-	-	1.00
Senior Center Program Administrator	1.00	1.00	-	-
Total Parks and Community Svcs Department	10.00	11.00	15.00	19.00
INFORMATION TECHNOLOGY DEPARTMENT				
Information Technology Director	1.00	1.00	1.00	1.00
Computer Operations & Networking Sup.	1.00	1.00	1.00	1.00
Executive Secretary	1.00	1.00	1.00	1.00
Network Administrator	3.00	3.00	3.00	4.00
Programmer Analyst II	1.00	1.00	-	1.00
Senior Programmer Analyst	3.00	3.00	3.00	3.00
Systems & Programming Supervisor	1.00	1.00	1.00	1.00
Total Information Technology Department	11.00	11.00	10.00	12.00
POLICE DEPARTMENT				
Police Chief	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00
Animal Control Officer	2.00	2.00	2.00	2.00
Civilian Investigator	1.00	1.00	1.00	1.00
Communications Installer	1.00	1.00	1.00	1.00
Communications Officer	16.00	16.00	17.00	11.00
Communications Supervisor	4.00	4.00	4.00	4.00
Community Services Specialist	6.00	6.00	6.00	6.00
Court Liaison	1.00	1.00	1.00	1.00
Crime Analyst	1.00	1.00	1.00	1.00
Crime Prevention Specialist	-	-	-	-
Crime Scene Investigation Supervisor	1.00	1.00	1.00	1.00
Crime Scene Specialist	3.00	3.00	3.00	3.00
Custody Officer	-	-	-	-
Electronics Technician	1.00	1.00	1.00	1.00
Emergency Services Administrator	1.00	1.00	1.00	1.00
Executive Secretary	2.00	2.00	2.00	2.00
Logistical Support Manager	-	-	-	-
Office Specialist II	1.00	1.00	1.00	1.00
Park Ranger	6.00	6.00	6.00	6.00
Police Captain	2.00	2.00	2.00	2.00
Police Lieutenant	6.00	6.00	6.00	6.00
Police Officer	101.00	102.00	102.00	102.00
Police Records Administrator	1.00	1.00	1.00	1.00

FOUR-YEAR PERSONNEL SUMMARY BY DEPARTMENT

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

	FY 16-17 Adopted	FY 17-18 Adopted	FY 18-19 Amended	FY 19-20 Proposed
POLICE DEPARTMENT (continued)				
Police Records Bureau Supervisor	1.00	1.00	1.00	1.00
Police Records Shift Supervisor	3.00	3.00	3.00	3.00
Police Sergeant	23.00	23.00	23.00	23.00
Police Training Assistant	1.00	1.00	1.00	1.00
Property Evidence Specialist	1.00	1.00	1.00	1.00
Property Evidence Supervisor	1.00	1.00	1.00	1.00
Public Affairs Manager	1.00	1.00	1.00	1.00
Range Master	1.00	1.00	1.00	1.00
Senior Communications Officer	1.00	1.00	-	6.00
Senior Communications Supervisor	1.00	1.00	1.00	1.00
Senior Police Officer	3.00	2.00	2.00	2.00
Senior Police Records Technician	16.00	16.00	16.00	16.00
Total Police Department	212.00	212.00	212.00	212.00
FIRE DEPARTMENT				
Fire Chief	1.00	1.00	1.00	1.00
Assistant Fire Marshal	-	1.00	1.00	-
Fire Marshal	-	-	-	1.00
Code Enforcement Officer	1.00	1.00	1.00	1.00
Division Chief - Administration	1.00	1.00	1.00	1.00
Battalion Chief	3.00	3.00	3.00	3.00
Executive Secretary	1.00	1.00	1.00	1.00
Fire Captain	15.00	18.00	18.00	18.00
Fire Captain - Administration	1.00	1.00	1.00	1.00
Fire Engineer	18.00	18.00	18.00	18.00
Fire Protection Analyst	1.00	-	-	-
Fire Protection Specialist	2.00	2.00	2.00	2.00
Firefighter	39.00	42.00	42.00	42.00
Management Analyst	1.00	1.00	1.00	1.00
Total Fire Department	84.00	90.00	90.00	90.00
DEVELOPMENT SERVICES DEPARTMENT				
Economic & Development Services Director	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00
Assistant Development Services Director	1.00	1.00	1.00	1.00
Assistant Director, Community Improvement Division	1.00	-	-	-
Assistant Planner	-	1.00	1.00	2.00
Associate Planner	3.00	3.00	3.00	3.00
Building/Combination Bldg. Inspector	5.00	5.00	5.00	5.00
Building Official	1.00	1.00	1.00	1.00
Building Technician II	2.00	2.00	2.00	2.00
Chief of Code Enforcement	1.00	-	-	-
Chief of Inspection	1.00	1.00	1.00	1.00
Chief Plans Examiner	1.00	1.00	1.00	1.00
Code Enforcement Officer	8.00	9.00	6.00	7.00
Community Improvement Manager	-	-	1.00	1.00
Economic Development Administrator	-	-	1.00	1.00
Executive Secretary	1.00	1.00	1.00	1.00
Management Analyst	3.00	3.00	3.00	3.00
Office Specialist II	1.00	1.00	1.00	1.00
Permit Processing Specialist	1.00	1.00	1.00	2.00

FOUR-YEAR PERSONNEL SUMMARY BY DEPARTMENT

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

	FY 16-17 Adopted	FY 17-18 Adopted	FY 18-19 Amended	FY 19-20 Proposed
DEVELOPMENT SERVICES DEPARTMENT (continued)				
Plan Checker	-	-	1.00	1.00
Plan Check Engineer	-	-	-	1.00
Principal Planner	1.00	1.00	1.00	1.00
Senior Code Enforcement Officer	1.00	2.00	1.00	1.00
Senior Combination Inspector	1.00	-	-	-
Senior Planner	2.00	2.00	1.00	1.00
Zoning Administrator	1.00	1.00	1.00	1.00
Total Development Services Department	38.00	38.00	36.00	40.00
PUBLIC SERVICES DEPARTMENT				
Public Services Director	1.00	1.00	1.00	1.00
Administrative Secretary	3.00	3.00	3.00	3.00
Assistant Engineer	4.00	4.00	5.00	5.00
Associate Engineer	1.00	4.00	3.00	3.00
Chief Construction Inspector	-	1.00	-	-
City Engineer	1.00	1.00	1.00	1.00
Construction Inspector	1.00	1.00	3.00	3.00
Contract Administrator	1.00	1.00	1.00	1.00
Energy and Sustainability Manager	-	-	-	1.00
Engineering Technician II	1.00	-	-	-
Engineering Technician III	6.00	5.00	4.00	5.00
Equipment Mechanic II	2.00	2.00	2.00	2.00
Equipment Mechanic III	2.00	2.00	2.00	2.00
Executive Secretary	2.00	2.00	2.00	2.00
Facilities Maintenance Technician	2.00	2.00	2.00	2.00
Lead Maintenance Worker	7.00	6.00	6.00	6.00
Lead Equipment Mechanic	-	-	-	1.00
Maintenance Services Manager	1.00	1.00	1.00	1.00
Maintenance Superintendent	3.00	3.00	3.00	3.00
Maintenance Supervisor	5.00	5.00	5.00	5.00
Maintenance Worker	10.00	5.00	6.00	6.00
Management Analyst	1.00	1.00	1.00	1.00
Office Specialist I	1.00	1.00	-	-
Office Specialist II	-	-	1.00	1.00
Principal Civil Engineer	1.00	1.00	1.00	1.00
Public Right of Way Coordinator	1.00	-	-	-
Senior Engineer	4.00	3.00	3.00	3.00
Senior Maintenance Technician	1.00	1.00	1.00	1.00
Senior Maintenance Worker	11.00	8.00	6.00	6.00
Transportation Services Manager	1.00	1.00	1.00	1.00
Total Public Services Department	74.00	65.00	64.00	67.00
Total Full-time Employees	479.00	477.00	484.00	495.00
Filled Positions at Fiscal End	402.00	403.00	445.00	

FOUR-YEAR PERSONNEL SUMMARY BY DEPARTMENT

From Fiscal Year 2016-2017 Through Fiscal Year 2019-2020

	FY 16-17 Adopted	FY 17-18 Adopted	FY 18-19 Amended	FY 19-20 Proposed
PART-TIME EMPLOYEES FTE's (FULL-TIME EQUIVALENTS)				
City Council	-	-	1.50	1.50
City Manager's Office	12.59	14.74	13.60	9.96
Finance Department	2.50	3.25	2.50	-
Parks and Community Services	64.00	69.54	75.23	77.09
Information Technology Department	1.94	2.16	2.16	0.50
Police Department	22.46	23.60	21.76	22.92
Fire Department	3.50	4.00	4.00	5.00
Development Services Department	8.23	7.95	8.80	6.54
Public Services Department	10.82	12.47	8.05	9.70
Total Part-time FTE's	126.04	137.71	136.10	133.21

	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18
	Actual	Actual	Actual	Actual	Actual
REVENUES					
Taxes					
Sales & Use Tax	\$ 49,264,633	\$ 51,115,064	\$ 57,593,561	\$ 56,556,867	\$ 54,656,183
Property Tax	32,000,354	33,492,139	35,935,241	37,776,079	40,262,979
Transient Occupancy Tax	7,676,090	7,995,155	8,622,505	8,924,854	8,819,617
Franchise Tax	4,891,465	4,885,926	5,060,402	4,593,631	4,965,515
Business Tax	916,285	954,408	973,521	942,888	919,450
Marijuana Gross Receipts Tax	-	-	-	-	-
Licenses and Permits					
Marijuana Business Permits	-	-	-	-	43,050
Other Licenses and Permits	1,778,622	1,970,946	2,584,241	2,508,556	2,830,254
Fines & Forfeitures					
	1,216,018	1,204,868	1,530,046	1,352,205	1,560,016
Use of Money & Property					
	4,228,621	4,392,138	4,085,050	2,628,292	2,739,081
Other Government Agencies					
	969,489	1,795,815	511,659	588,505	996,729
Fees & Charges for Services					
Marijuana CUP	-	-	-	-	467,636
Paramedic Transportation	276,086	279,902	313,452	336,046	297,358
Fees & Charges for Services	3,427,077	3,553,060	3,650,893	3,743,621	4,070,080
Other Revenues					
	738,897	1,343,853	1,136,117	1,539,368	1,766,898
Transfers In					
	126	201	400,505	935	923
Total Revenues	\$ 107,383,764	\$ 112,983,476	\$ 122,397,192	\$ 121,491,846	\$ 124,395,771
EXPENDITURES					
Salaries and Benefits					
Regular Salaries	\$ 37,450,971	\$ 37,727,587	\$ 38,257,223	\$ 39,044,230	\$ 44,951,945
Retirement	15,599,620	16,928,366	18,003,320	19,037,806	22,263,260
Other Pay & Benefits	18,626,243	19,482,793	20,120,572	21,596,765	19,718,150
Maintenance & Operations					
	(3,529,656)	(3,496,209)	(3,659,075)	(3,563,977)	22,997,208
Debt Service					
	2,305,000	2,390,000	2,490,000	2,590,000	3,720,865
115 Trust - PERS Payment					
	-	-	-	-	-
Contingency					
	-	-	-	-	1,000,000
Total Operating Expenses	\$ 70,452,178	\$ 73,032,537	\$ 75,212,039	\$ 78,704,824	\$ 114,651,428
Fixed Assets					
	\$ -	\$ -	\$ -	\$ -	\$ 947,060
Total Capital Expenses	\$ -	\$ -	\$ -	\$ -	\$ 947,060
Transfers - Non-Capital					
	\$ 4,509	\$ (78)	\$ 683	\$ 4,115	\$ 873,786
Transfers - Capital Improvement Project					
	582	1,404	-	-	8,283,644
Transfers - Self Insurance Fund					
	-	-	-	-	-
Total Transfers	\$ 5,091	\$ 1,326	\$ 683	\$ 4,115	\$ 9,157,430
Total Expenditures	\$ 140,914,538	\$ 146,067,726	\$ 150,425,444	\$ 78,708,939	\$ 124,755,918
Operating Surplus/Deficit	\$ 36,926,495	\$ 39,949,613	\$ 47,184,470	\$ 42,782,907	\$ (360,147)
Budgeted Positions Count					
	466	477	478	479	477
Filled Positions					
		408	396	459.84	457.92

FIVE-YEAR FINANCIAL FORECAST

From Fiscal Year 2019-2020 Through Fiscal Year 2024-2025

FY 18-19 Amended	FY 19-20 Proposed	FY 20-21 Forecast	FY 21-22 Forecast	FY 22-23 Forecast	FY 23-24 Forecast	FY 24-25 Forecast
\$ 58,194,247	\$ 59,854,856	\$ 60,544,501	\$ 61,139,913	\$ 62,341,511	\$ 64,179,364	\$ 66,072,321
42,958,877	43,246,886	43,678,905	44,551,583	45,886,781	47,262,034	48,678,545
9,571,342	9,619,199	9,715,391	9,812,545	10,008,795	10,309,059	10,618,331
5,054,219	5,166,745	5,226,658	5,287,593	5,349,568	5,412,603	5,476,719
942,541	955,000	955,000	955,000	955,000	955,000	955,000
1,560,000	1,143,000	2,064,000	2,064,000	2,064,000	2,064,000	2,064,000
-	64,575	64,575	64,575	64,575	64,575	64,575
3,445,541	3,402,145	3,402,145	3,402,145	3,402,145	3,402,145	3,402,145
1,554,770	1,623,244	1,623,244	1,623,244	1,623,244	1,623,244	1,623,244
3,397,998	4,283,988	4,178,988	4,185,288	4,191,777	4,198,461	4,205,345
518,653	438,600	438,600	438,600	438,600	438,600	438,600
-	81,000	81,000	81,000	81,000	81,000	81,000
3,000,000	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000
4,779,098	5,351,601	5,351,601	5,351,601	5,351,601	5,351,601	5,351,601
1,381,665	1,920,064	1,409,247	1,409,247	1,409,247	1,409,247	1,409,247
40,000	-					
\$ 136,398,951	\$ 140,550,903	\$ 142,133,855	\$ 143,766,334	\$ 146,567,843	\$ 150,150,933	\$ 153,840,673
\$ 47,079,777	\$ 49,294,018	\$ 49,849,550	\$ 49,904,479	\$ 49,904,479	\$ 49,904,479	\$ 49,904,479
25,482,877	28,051,316	29,810,354	32,027,405	33,902,405	35,092,405	36,304,045
21,846,956	21,302,146	21,380,652	21,463,257	21,548,547	21,636,607	21,727,529
(3,275,905)	34,511,874	37,137,255	38,690,305	39,692,043	40,737,068	41,827,646
1,785,000	3,030,958	3,030,360	3,017,905	2,803,300	2,799,550	2,796,175
-	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
500,000	500,000	500,000	500,000	500,000	500,000	500,000
\$ 93,418,706	\$ 136,690,312	\$ 142,708,171	\$ 146,603,352	\$ 149,350,774	\$ 151,670,109	\$ 154,059,874
\$ -	\$ 1,345,620	\$ 1,372,274	\$ 1,399,462	\$ 1,427,193	\$ 1,455,479	\$ 1,484,331
\$ -	\$ 1,345,620	\$ 1,372,274	\$ 1,399,462	\$ 1,427,193	\$ 1,455,479	\$ 1,484,331
\$ 244,544	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8,576,892	5,664,971	9,157,946	9,264,058	9,446,156	9,679,057	9,918,890
-	-	500,000	500,000	500,000	-	-
\$ 8,821,436	\$ 5,664,971	\$ 9,657,946	\$ 9,764,058	\$ 9,946,156	\$ 9,679,057	\$ 9,918,890
\$ 102,240,142	\$ 143,700,903	\$ 153,738,391	\$ 157,766,871	\$ 160,724,123	\$ 162,804,645	\$ 165,463,095
\$ 34,158,809	\$ (3,150,000)	\$ (11,604,537)	\$ (14,000,537)	\$ (14,156,280)	\$ (12,653,712)	\$ (11,622,421)
484	495	495	495	495	495	495
445	N/A	N/A	N/A	N/A	N/A	N/A

Notes in preparation of the Five-Year Financial Forecast:

Salaries and Benefits - This does not take into account possible changes that may result from future labor negotiations. It is only based on current MOUs.

Maintenance & Operations - Increases in FY 2020-21 are anticipated to replenish programs that were reduced in FY 2019-20 and increase the General Fund subsidy to the Housing Authority for the homeless shelter operations as we complete the permanent shelter site.

115 Trust - PERS Payment - The Finance and Pension Advisory Committee is expected to recommend a funding plan for pensions. The recommended funding is estimated to be approximately \$1 million annually.

Transfers - Capital Improvement Project - This is based on the current Capital Asset Needs ordinance requiring 6.5% of the General Fund revenues to be set aside for capital. Increases are the result of an increase in projected revenues.

Transfers - Self Insurance Fund - Projected deficit at June 30, 2019 is \$1.5 million. This is anticipated to be funded over three years.

**FY 2019-2020 PRELIMINARY BUDGET
CITY COUNCIL**



WHAT DO WE DO?

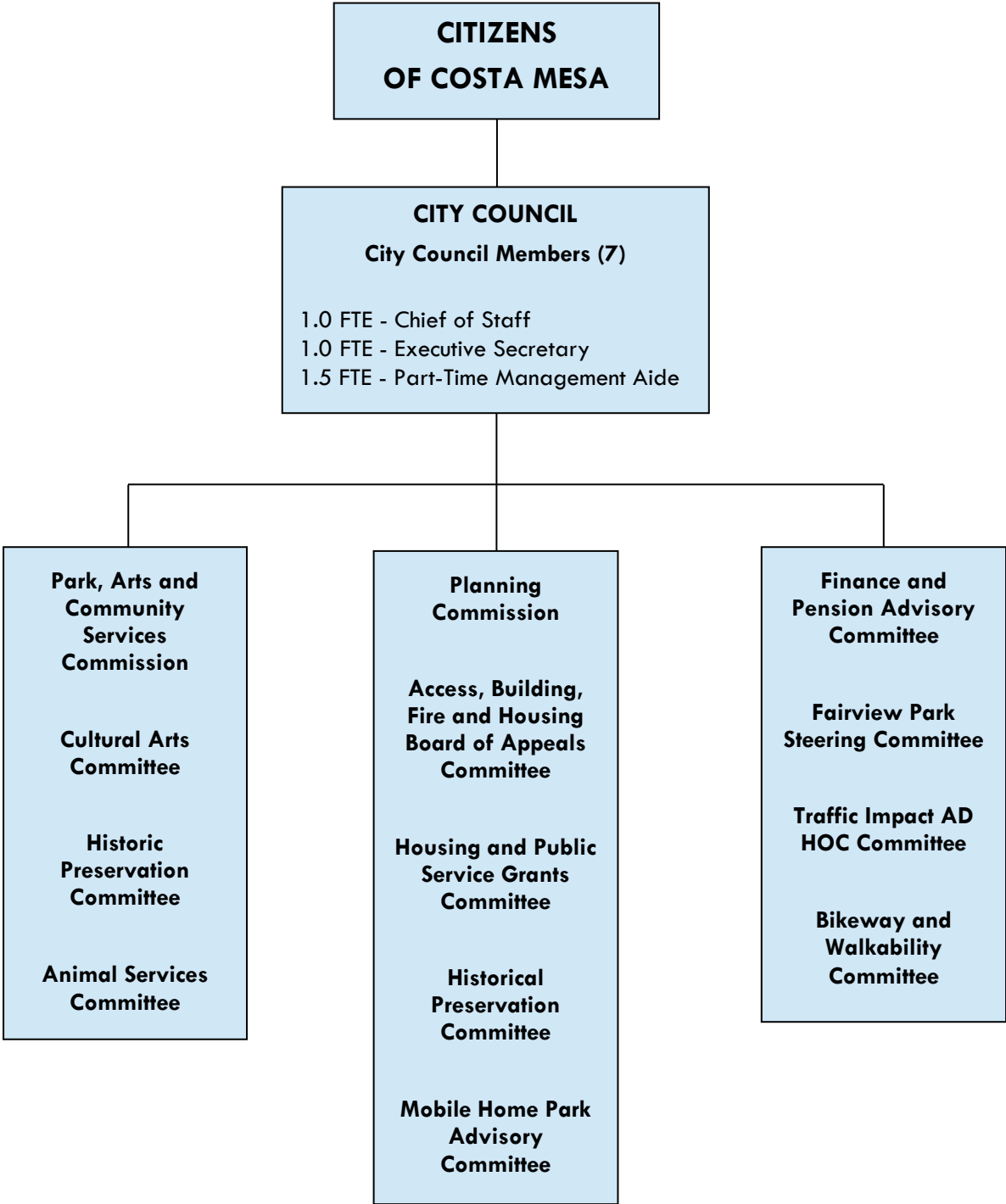
The Mayor and City Council serve as the elected legislative and policy setting body of the City. City Council duties include establishing goals and policies, enacting legislation, adopting the City's operating and capital budget, and appropriating the funds necessary to provide services to the City's residents, businesses and visitors. City Council also participates in a wide variety of community and regional activities and spends a considerable amount of time interacting with residents, business owners, and community stakeholders. The City Council also serves as the governing board for the Successor Agency, Housing Authority, Public Financing Authority and Financing Authority.

CITY COUNCIL - 10100

CITY COUNCIL – 50110

This program supports the City Council activities and includes the salaries of seven Council Members, one Chief of Staff, three part-time Management Aides and one Executive Secretary.

The Executive Secretary provides administrative support to the City Council Members. The City Council approved the position of one full-time Chief of Staff position and three part-time Management Aides to assist with constituent services. Under the supervision of the City Manager, the role of the Chief of Staff is to work with the City Council to achieve their goals and priorities, and work with staff to implement work plans to achieve these goals. The Chief of Staff is also responsible for the supervision of the three part-time Management Aides that are responsible for responding to constituent needs, assist City Council with legislative research and gathering of information to address important community issues, and attend various special events and community meetings with the City Council.



WHAT DOES IT COST?

BUDGET NARRATIVE

The Fiscal Year 2019-20 budget for the City Council Department is \$773 thousand, an increase of \$96 thousand, or 14% compared to the amended budget for Fiscal Year 2018-19. The increase was primarily attributed to the inclusion of a full-time chief of staff and three (3) part-time management aids. In Fiscal Year 2018-19, City Council approved these positions which were only funded for half of the year.

Expense by Fund	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
CITY COUNCIL BY FUNDING SOURCE				
General Fund - 101	\$ 373,305	\$ 476,617	\$ 677,029	\$ 773,216
Total City Council	\$ 373,305	\$ 476,617	\$ 677,029	\$ 773,216

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
CITY COUNCIL BY PROGRAM				
ADMINISTRATION - 10100				
<u>City Council - 50110</u>				
Salaries & Benefits	\$ 337,768	\$ 415,239	\$ 616,433	\$ 642,500
Maintenance & Operations	33,270	61,378	51,281	128,716
Fixed Assets	2,267	-	9,315	2,000
Subtotal City Council	\$ 373,305	\$ 476,617	\$ 677,029	\$ 773,216

TOTAL CITY COUNCIL				
Salaries & Benefits	\$ 337,768	\$ 415,239	\$ 616,433	\$ 642,500
Maintenance & Operations	33,270	61,378	51,281	128,716
Fixed Assets	2,267	-	9,315	2,000
Total City Council	\$ 373,305	\$ 476,617	\$ 677,029	\$ 773,216



FY 2019-2020 PRELIMINARY BUDGET
CITY MANAGER'S OFFICE



WHAT DO WE DO?

The City Manager's Office is a General Government Support function. The Department is comprised of four divisions, split into different programs and has 24 full-time staff members composed of six management, 14 professional, and four clerical positions. Part-time staffing consists of 9.96 full-time equivalents. The four divisions are as follows:

- Administration
- City Clerk
- Human Resources
- Risk Management

ADMINISTRATION - 11100

ADMINISTRATION – 50001

The City Manager's Office coordinates and directs the City's functions within the framework of policy established by the City Council. The duties of City Manager's Office include: legislative support, policy implementation, budget development and strategic planning, coordinating the preparation of City Council agendas, assist with the development of City Council's goals and objectives, and keeps the City Council apprised of important community issues. The Office provides leadership and direction to the other City departments and is responsible for ensuring the delivery of quality services to its constituents and business community. The City Manager's Office is also responsible for representing the City's interests at the local, state, and federal level.

COMMUNICATIONS AND MARKETING – 51050

Ensures quality communication, both internally and externally, utilizing a variety of platforms such as the website, news blog, social media, TV channel, newsletter, print and more. The division staff manages the following City initiatives:

- Public information and education
- Media relations
- Social media posting and monitoring
- Video production
- Mail, printing and graphic design services
- Website development and maintenance
- Special Event
- Internal communications

CITY CLERK – 11200

ELECTIONS – 50120

As the local elections official, the City Clerk conducts the General Municipal Election by coordinating the filings of candidate nominations, initiatives, referendums, and recall actions. The City Clerk is the Filing Officer for the Political Reform Act and coordinates the filing of campaign financial statements and Conflicts of Interest Statements.

CITY MANAGER'S OFFICE (CONTINUED)

COUNCIL MEETINGS – 50410

The role of the City Clerk includes serving as Clerk of the City Council and Secretary to the Housing Authority, and Successor Agency to the Costa Mesa Redevelopment Agency. As the Brown Act official, the Clerk is responsible for preparing and reviewing agendas for all meetings, manages records pertaining to Council legislative actions and proceedings, minutes, ordinances, resolutions, public notices and indices thereof. The City Clerk's office manages the concierge services in the City Hall lobby, which is responsible for greeting the public, checking in of guests, and answering the main telephone line to City Hall.

PUBLIC RECORDS – 50410

As the Public Records Act official, Custodian of Records and City Archivist, the Clerk is the administrator for official city documents and records, including indexing, preservation and archiving programs, retention schedules, public records requests responses, and subpoenas for records. The City Clerk is responsible for the execution of the Electronic Document Imaging System including adding records to the database to provide the public greater access to public documents.

HUMAN RESOURCES - 14100

RECRUITMENT AND SELECTION – 50610

Human Resources Administration provides full range of traditional and core human resources services that include: recruitment and selection, classification and compensation systems, employee development and training, and labor/employee relations. These comprehensive services are provided in compliance and as mandated by Federal and State labor laws, Personnel Rules & Regulations, and current Memorandum of Understandings (MOU's).

EMPLOYEE BENEFITS ADMINISTRATION – 50630

Administers group health and welfare benefits and retirement plans for active employees and retirees. Evaluates and makes recommendations on ways to improve benefits, such as utilizing wellness programs, flexible spending accounts and long-term disability insurance; oversees required/optional industrial medical examinations; and the Employee Assistance Program (EAP). Serves as staff/advisor to Benefits Review Committee consisting of labor and management representatives who meet to review and discuss relevant issues related to employee benefits/programs and appropriate cost-effective spending of benefit dollars. Serves as a liaison to the Pension Oversight Committee to review annual and long-term pension and financial matters as it pertains to the City's CalPERS retirement pension obligation. Monitors and ensures compliance with Federal, State and City leave programs such as the Family Medical Leave Act (FMLA) and California Family Rights Act (CFRA).

POST EMPLOYMENT BENEFITS – 50650

Administration of the retiree medical program.

RISK MANAGEMENT - 14400

RISK MANAGEMENT ADMINISTRATION – 50661

Procures and administers the City's comprehensive commercial insurance protection program. Includes property inspections and appraisals as a part of a comprehensive real and personal property insurance program; evaluate levels of coverage for appropriate protection of assets.

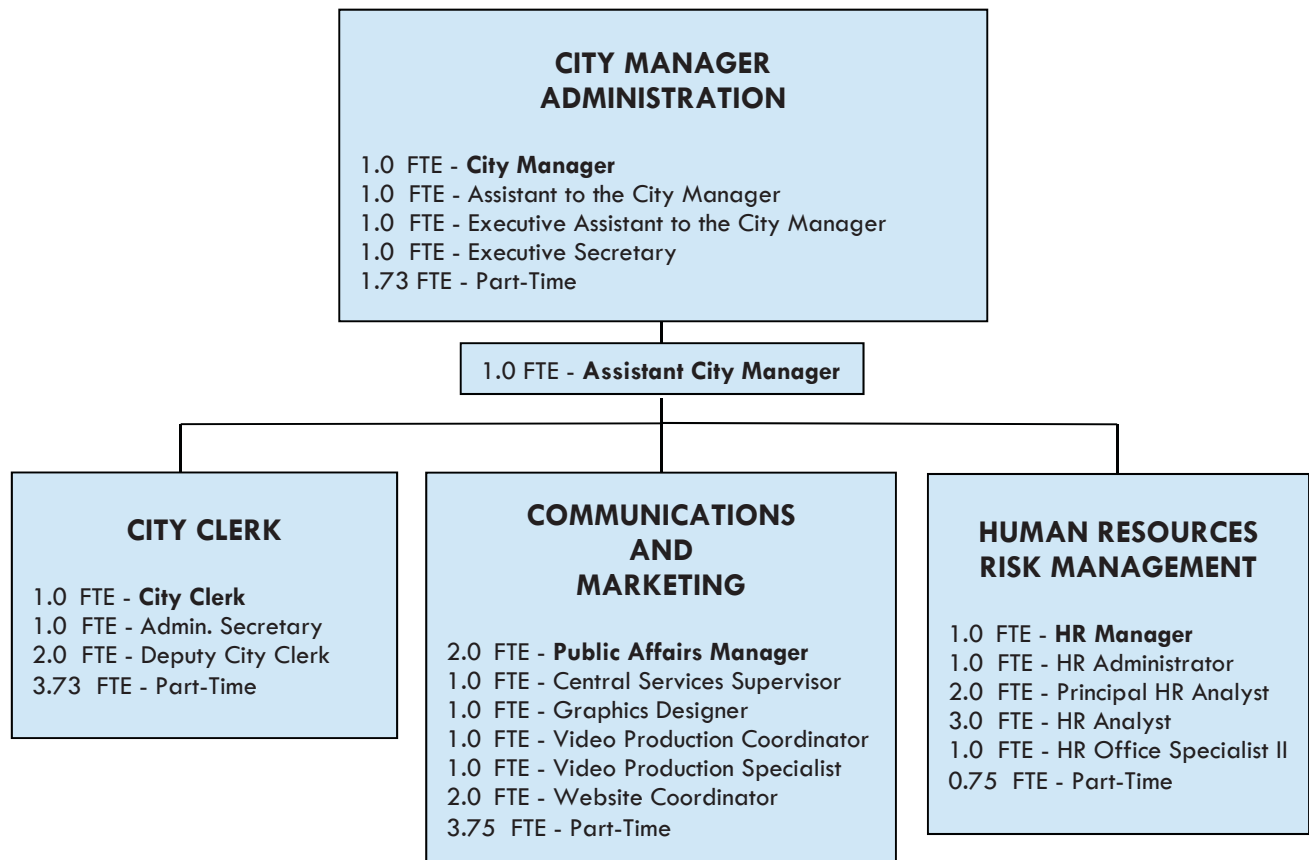
CITY MANAGER'S OFFICE (CONTINUED)

LIABILITY – 50662

Evaluates and monitors the City's risk of loss, minimizing the financial impact of such risks to the lowest feasible level; and procures and administers the City's self-insured general liability and environmental insurance programs. Claims against the City are jointly handled with the City's third-party administrator or internally as appropriate; Includes loss control program that identifies areas of concerns and acts to mitigate future incidents. Serves as staff/advisors to the City's Safety Coordinating Committee consisting of joint labor-management representatives. Provides staff support to the City's Insurance Committee.

WORKERS' COMPENSATION – 50663

Proactively administers safety and wellness programs for employees as well as the self-insured Workers' Compensation Program and the Occupational Injury/Illness Prevention Plan. Maintains oversight of the third-party workers' compensation claims administrator and consultants for workplace safety, ergonomics, and indoor air quality. Administers and coordinates work-related disability compliance and interactive process, physical and fitness-for-duty examinations and infection control program. Provides training to departments to assist in cost containment/appropriate use of this program.



WHAT DID WE DO IN FISCAL YEAR 2018-2019?

- Collaborated with Orange County Public Libraries and its' support groups in the community on ways to augment library services to Costa Mesa (new Donald Dungan Library).
- Communications and Marketing Division apprised residents of City information in a timely and easily accessible manner through various means: press releases, brochures and flyers, City's website, CMTV 3, social media channels, the Costa Mesa Minute, Costa Mesa Connected and City Hall Snapshot.
- Communications and Marketing Division expanded the City's social media reach by across the following platforms: Facebook, Twitter, Instagram and Nextdoor.
- Communications and Marketing Division assisted in the promotion and execution of numerous special events, including Fire Station 1 Ribbon Cutting Ceremony, annual Snoopy House event, Youth in Government Day at City Hall and various events in support of City Council.
- Provided ongoing staffing and recruitment solutions to departments in addressing a variety of part-time, full-time and temporary needs.
- In accordance with the COIN Negotiation process, HR successfully implemented the agreed upon provisions of the MOU with the Costa Mesa Police Management and Police Association.
- City Clerk Division facilitated the scanning and integration of 1.6 million microfiche images, building plans, fire plans, and encroachment permits.
- City Clerk Division successfully conducted the 2018 General Municipal Election including the first at-large Mayoral election and the first Council Members elected by district (District 3,4, and 5).
- In partnership with the Police Department, HR Division maintained an ongoing recruitment process to proactively attract and hire Police Recruits, Police Academy Graduate, Police Officers and Police Reserve Officers.
- Provided assistance to the City's Chief Negotiator with the Costa Mesa Police Management Association and Costa Mesa Police Association regarding wages, hours, terms and conditions of employment, or meet and confer negotiations following the COIN Ordinance.
- Increased Safety Training for City Staff.
- Subrogation, recovered over \$57,000 for damages to property(ies) owned by the City.
- Managed, coordinated and facilitated various employee recognition programs to include the monthly Meet & Greet and City Manager Award ceremony, and the annual Employee Service Award ceremony and program.
- Facilitated employment law and employee relations training including supervisory, performance management, and mandated harassment training for managers and supervisors through the Orange County Human Resources Consortium.
- Proactively managed the City's DOT Drug and Alcohol Testing Policy and Program.
- Reinstated the Safety Committee and hired a new safety consultant.
- Continued to administer the ongoing recommendations of the City's Workers' Compensation Organizational Report and diligently worked with the City's third party administrator, AdminSure, regarding Workers' Compensation claims.

WHAT DO WE PLAN TO DO IN FISCAL YEAR 2019-2020?

- Assist the City Council in guiding municipal operations, coordinate Council's activities and meeting requests, and prepare documents and materials as requested.
- Improve outreach efforts including bilingual translation.
- Ensure that policies and program objectives set by the City Council are executed effectively and efficiently.
- Respond to inquiries from the public in a highly responsive manner.
- Ensure the public is notified of upcoming events, activities, programs, decisions and other City business, as well as network with other government agencies, community leaders, residents, business owners and regional representatives to meet department goals, and to better assist the department and the City.
- Coordinate and oversee the A/V portion of the City Council Chambers/Community Room Upgrade.
- Continue to provide highly responsive and cost effective printing, duplicating and postal services.
- Maintain accurate records of official documents of the City; publish City legal notices as required by law.
- Prepare and distribute the agenda for City Council meetings to the public at least five calendar days prior to the meeting.
- Facilitate organizational efficiency through employee development by assessing and revising the employee performance evaluation process, and creating comprehensive training and development programs to meet the City's organizational needs.
- Identify and evaluate risk and loss exposures to the City in order to efficiently and appropriately mitigate and finance those exposures. Minimize the risk of loss, financial or otherwise through the protection of City resources, which include employees, members of the public, and property; thus insuring compliance with State and Federal regulations/laws and reducing/minimizing long-term liabilities to the City. In conjunction, proactively implement procedures, guidelines and training to reduce and mitigate workers' compensation and general liability costs. Provide and maintain a full range of quality benefit programs at a reasonable cost.
- Provide managers and supervisors with ongoing and proactive employee relations training, counseling and assistance necessary to limit the number of formal grievances and disciplinary actions.
- Facilitate ongoing legal and labor relations training, including harassment training for managers and supervisors through the Orange County Human Resources Consortium.
- Meet the needs of City departments for volunteer assistance by providing on-going coordination of a citywide volunteer program.
- Conduct Citywide training for all clerical support and analyst level staff to inform them of various Human Resources and Payroll procedures.
- Report all new work related injuries to the third party administrator within one week of knowledge to mitigate work time.
- Provide managers, supervisors and key contacts in departments with ongoing assistance and training for a more comprehensive understanding of the workers' compensation system/process.
- Provide information and assistance to supervisors and employees on benefits-related issues, including coordination during leaves of absence.
- Process liability claims quickly and efficiently to mitigate losses to the City.
- Provide supervisors and employees with assistance and counseling on benefits and leave-related matters.

CITY MANAGER'S OFFICE (CONTINUED)

GOALS AND OBJECTIVES

The goals and objectives of the City Manager's Department listed above were developed in alignment with the City Council's priorities.



GOALS AND OBJECTIVES

1	Respond to inquiries from the public in a highly responsive manner.	✓					✓
2	Ensure the public is notified of upcoming events, activities, programs, decisions and other City business to better assist the department and the City.	✓					✓
3	Maintain accurate records of official documents of the City; publish City legal notices as required by law.	✓					✓
4	Process liability claims quickly and efficiently.			✓			
5	Coordinate and oversee the A/V portion of the City Council Chambers/Community Room Upgrade Project.			✓			✓
6	Enhance community outreach by providing bilingual public information on City programs and services, and events.						✓
7	Ensure the highest level of customer service and the development of programs and processes, as set by the City Council.						✓

CITY MANAGER'S OFFICE (CONTINUED)

PERFORMANCE MEASURES/WORKLOAD INDICATORS:

	FY 17-18 Actual	FY 18-19 Adopted	FY 19-20 Proposed
Completed City Council minutes by the following Council meeting	100%	100%	90%
Public record requests to the City Clerk responded to within prescribed time	100%	100%	100%
Employee turnover rate (non-retirements)	6%	6%	6%
Percentage of work-related injuries reported to third-party administrator within 24-hour notice of injury	100%	100%	100%
Percentage of claims filed that are closed without litigation	83%	80%	80%
Percentage of benefit change requests processed within five business days	97%	95%	95%
Percentage of complaints regarding homeless issues responded to within five days	100%	100%	100%
Number of Costa Mesa Minutes episodes produced	268	270	160
Number of followers reached through City social media	18,727	12,000	22,000
Number of recruitments processed	60	50	35
Number of public records requests processed	783	700	800
Number of documents scanned into the Laserfiche system	250,000	400,000	200,000
Number of microfiche images converted to the Laserfiche system	3 million	2.5 million	2 million
Number of job applicants processed	6,334	6,750	6,750
Number of benefit enrollment changes/submissions processed outside of the open enrollment window	1,134	1,300	1,300
Number of outgoing mail metered in-house	98,742	125,000	125,000
Number of copies produced by Central Services	1,996,486	2,000,000	2,000,000

CITY MANAGER'S OFFICE (CONTINUED)

WHAT DOES IT COST?

BUDGET NARRATIVE

The Fiscal Year 2019-20 budget for the City Manager's Office for all funds is \$15.0 million, an decrease of \$4.9 million, or 24%, compared to the amended budget for Fiscal Year 2018-19. Significant changes include the the transfer of the Neighborhood Improvement Task Force program to the Costa Mesa Housing Authority coupled with increases in salaries and benefits.

Expense by Fund	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
CITY MANAGER'S OFFICE BY FUNDING SOURCE				
General Fund - 101	\$ 9,085,913	\$ 9,026,239	\$ 10,228,806	\$ 9,693,957
Self-Insurance Fund - 602	10,683,507	3,264,231	9,621,195	5,303,647
Total City Manager's Office	\$ 19,769,420	\$ 12,290,469	\$ 19,850,000	\$ 14,997,604

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
CITY MANAGER'S OFFICE BY PROGRAM				
ADMINISTRATION - 11100				
<u>City Manager Administration - 50001</u>				
Salaries & Benefits	\$ 1,682,046	\$ 1,356,405	\$ 1,348,569	\$ 1,505,100
Maintenance & Operations	842,414	1,089,683	921,509	1,049,991
Fixed Assets	9,712	1,480	20,000	-
Subtotal City Manager Admin	\$ 2,534,172	\$ 2,447,568	\$ 2,290,078	\$ 2,555,091
<u>Neighborhood Improv Task Force - 50250⁽¹⁾</u>				
Salaries & Benefits	\$ 35,856	\$ 150,363	\$ 562,502	\$ -
Maintenance & Operations	132,440	149,203	402,038	-
Fixed Assets	470	1,212	710	-
Subtotal Neighbor Improv Task Force	\$ 168,767	\$ 300,778	\$ 965,250	\$ -
<u>Communications and Marketing - 51050</u>				
Salaries & Benefits	\$ 1,039,477	\$ 1,349,183	\$ 1,491,198	\$ 1,320,200
Maintenance & Operations	215,866	154,548	190,222	169,900
Fixed Assets	17,959	11,192	49,109	10,900
Subtotal Comm. & Marketing	\$ 1,273,302	\$ 1,514,923	\$ 1,730,529	\$ 1,501,000
CITY CLERK - 11200				
<u>Elections - 50120</u>				
Salaries & Benefits	\$ 90,678	\$ 113,360	\$ 98,880	\$ 69,280
Maintenance & Operations	269,820	3,239	200,700	25,200
Fixed Assets	-	-	-	-
Subtotal Elections	\$ 360,498	\$ 116,600	\$ 299,580	\$ 94,480

⁽¹⁾Effective March 2019, the Neighborhood Improvement Task Force was transferred to the Costa Mesa Housing Authority

CITY MANAGER'S OFFICE (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
CITY CLERK - 11200 (continued)				
<u>City Council Meetings - 50410</u>				
Salaries & Benefits	\$ 222,866	\$ 219,626	\$ 386,539	\$ 450,055
Maintenance & Operations	43,840	37,883	31,112	37,427
Fixed Assets	-	304	332	-
Subtotal City Council Meetings	\$ 266,706	\$ 257,813	\$ 417,983	\$ 487,482
<u>Public Records - 50420</u>				
Salaries & Benefits	\$ 268,665	\$ 354,370	\$ 374,153	\$ 433,570
Maintenance & Operations	211,584	65,175	165,440	47,845
Fixed Assets	301	6,996	-	2,000
Subtotal Public Records	\$ 480,550	\$ 426,541	\$ 539,593	\$ 483,415
HUMAN RESOURCES - 14100				
<u>Recruitment and Selection - 50610</u>				
Salaries & Benefits	\$ 962,457	\$ 927,544	\$ 917,106	\$ 957,635
Maintenance & Operations	507,081	525,132	495,282	630,479
Fixed Assets	25,735	-	20,227	5,800
Subtotal Recruitment and Selection	\$ 1,495,274	\$ 1,452,676	\$ 1,432,615	\$ 1,593,914
<u>Employee Benefit Admin - 50630</u>				
Salaries & Benefits	\$ 42,918	\$ 65,308	\$ 42,788	\$ 80,000
Maintenance & Operations	12,088	12,937	-	9,200
Fixed Assets	-	-	-	-
Subtotal Employee Benefit Admin	\$ 55,006	\$ 78,245	\$ 42,788	\$ 89,200
<u>Post-Employment Benefits - 50650</u>				
Salaries & Benefits	\$ 2,039,354	\$ 1,998,771	\$ 1,987,556	\$ 2,611,000
Maintenance & Operations	975	900	900	1,000
Fixed Assets	-	-	-	-
Subtotal Post Employment Benefits	\$ 2,040,329	\$ 1,999,671	\$ 1,988,456	\$ 2,612,000
RISK MANAGEMENT - 14400				
<u>Risk Mgmt Admin - 50661</u>				
Salaries & Benefits	\$ 399,405	\$ 495,465	\$ 500,422	\$ 304,075
Maintenance & Operations	66,924	14,235	64,300	53,300
Fixed Assets	(15)	(30)	-	-
Subtotal Risk Mgmt Admin	\$ 466,314	\$ 509,670	\$ 564,722	\$ 357,375
<u>Liability - 50662</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ 114,195
Maintenance & Operations	8,224,965	602,058	6,088,068	2,131,743
Fixed Assets	-	-	-	-
Subtotal Liability	\$ 8,224,965	\$ 602,058	\$ 6,088,068	\$ 2,245,938

CITY MANAGER'S OFFICE (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
RISK MANAGEMENT - 14400 (continued)				
<u>Workers' Comp - 50663</u>				
Salaries & Benefits	\$ 2,136,012	\$ 2,308,009	\$ 2,985,133	\$ 2,617,709
Maintenance & Operations	267,524	275,919	505,205	360,000
Fixed Assets	-	-	-	-
Subtotal Workers' Comp	\$ 2,403,536	\$ 2,583,928	\$ 3,490,338	\$ 2,977,709
TOTAL CITY MANAGER'S OFFICE				
Salaries & Benefits	\$ 8,919,735	\$ 9,338,403	\$ 10,694,846	\$ 10,462,819
Maintenance & Operations	10,795,523	2,930,912	9,064,775	4,516,085
Fixed Assets	54,163	21,155	90,378	18,700
Total City Manager's Office	\$ 19,769,420	\$ 12,290,469	\$ 19,850,000	\$ 14,997,604

**FY 2019-2020 PRELIMINARY BUDGET
CITY ATTORNEY'S OFFICE**



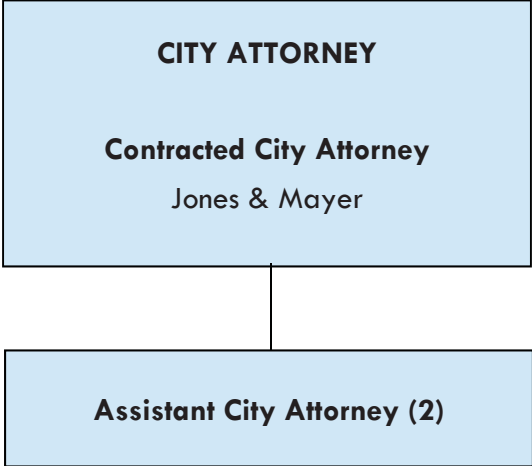
WHAT DO WE DO?

The City Attorney's Office is classified as a General Government Support function. The City Attorney is a contracted service with the legal firm of Jones & Mayer.

CITY ATTORNEY - 12100

LEGAL SERVICES – 50320

Provides legal counsel and advice during official meetings and study sessions of the City Council and Planning Commission; serves as a legal advisor to City staff; prepares and reviews City ordinances, resolutions, contracts and legal documents; represents the City in civil and criminal litigation; oversees the work of outside private counsel when hired to assist in litigation; and coordinates/reviews claims filed against or for the City with Risk Management. Legal costs associated with litigation are included in the Non-Departmental budget rather than the City Attorney's Office budget.



CITY ATTORNEY'S OFFICE (CONTINUED)

WHAT DOES IT COST?

BUDGET NARRATIVE

The Fiscal Year 2019-20 budget for the City Attorney's Office is \$1 million, a decrease of \$139 thousand, or 12% compared to the amended budget for Fiscal Year 2018-19. The decrease was primarily attributed to the reduction in the anticipated costs related to the day-to-day. This is offset by an increase in the City's legal budget related to litigation which is included in the Non-Departmental budget.

Expense by Fund	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
CITY ATTORNEY'S OFFICE BY FUNDING SOURCE				
General Fund - 101	\$ 1,281,304	\$ 1,261,322	\$ 1,139,000	\$ 1,000,000
Total City Attorney's Office	\$ 1,281,304	\$ 1,261,322	\$ 1,139,000	\$ 1,000,000

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
CITY ATTORNEY'S OFFICE BY PROGRAM				
ADMINISTRATION - 12100				
General Legal Services - 50320				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	1,281,304	1,261,322	1,139,000	1,000,000
Fixed Assets	-	-	-	-
Subtotal General Legal Services	\$ 1,281,304	\$ 1,261,322	\$ 1,139,000	\$ 1,000,000
TOTAL CITY ATTORNEY'S OFFICE				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	1,281,304	1,261,322	1,139,000	1,000,000
Fixed Assets	-	-	-	-
Total City Attorney's Office	\$ 1,281,304	\$ 1,261,322	\$ 1,139,000	\$ 1,000,000

FY 2019-2020 PRELIMINARY BUDGET

FINANCE DEPARTMENT



WHAT DO WE DO?

The Finance Department is a General Government Support function. The Department has 22 full-time staff members composed of two management, three supervisory, 16 professional staff, and one clerical position. The department is comprised of two divisions as follows:

- *Finance Administration*
- *Financial Operations*

FINANCE ADMINISTRATION - 13100

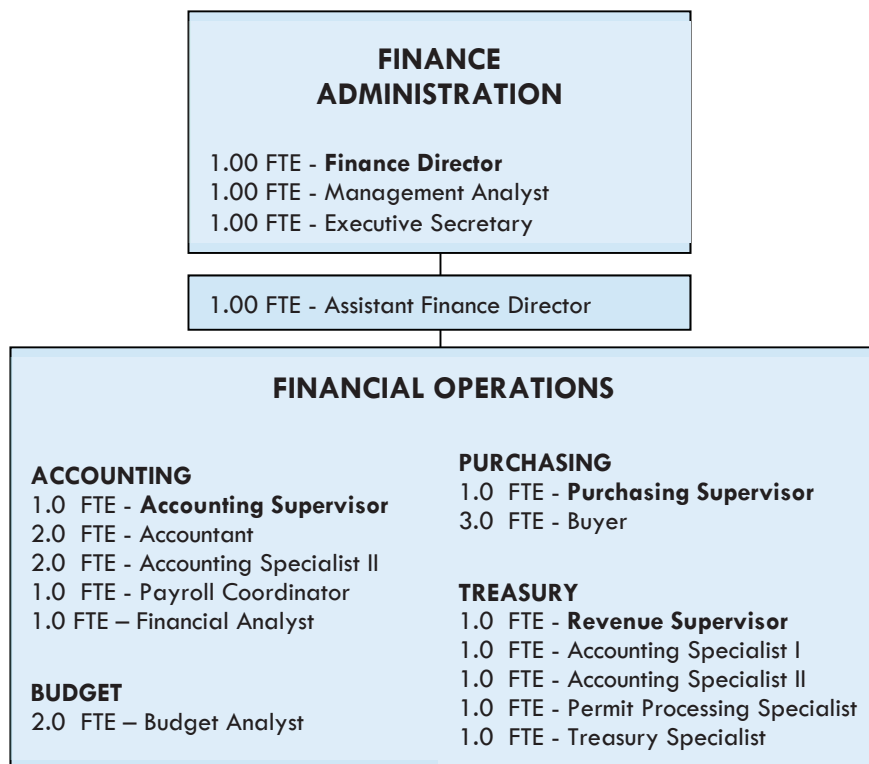
ADMINISTRATION – 50001

Provides the Department’s overall administrative direction and policy implementation; advises the City Manager, City Council, Finance and Pension Advisory Committee, and the Deferred Compensation Committee; and provides the overall coordination of the Department, including budgeting, accounting, purchasing, and treasury functions.

FINANCIAL OPERATIONS - 13200

FINANCIAL SERVICES – 50500

Provides financial, accounting, treasury, procurement and budgetary services for all departments of the City. The Division is responsible for government-wide financial analysis, fund financial analysis, cash management, investments, capital assets, debt administration, and financial reporting. The Division is also responsible for monitoring the City’s investment portfolio; procures services, supplies, and equipment for City departments; prepares and administers the City’s annual budget; provides accounting and budgeting for the Successor Agency, the Housing Authority, and the Costa Mesa Foundation; maintains effective internal control policies and procedures to safeguard the City’s assets and manage its resources; and conducts fiscal analysis during labor negotiations.



WHAT DID WE DO IN FISCAL YEAR 2018-2019?

- Prepared the June 30, 2018 CAFR, Single Audit Report, Costa Mesa Public Financing Authority Financial Statements, Costa Mesa Financing Authority Financial Statements, and Housing Successor Annual Report.
- Continued to receive the budgeting and financial reporting awards from GFOA and CSMFO.
- Continued to revise the City's purchasing ordinance for new purchasing thresholds and changes to the California Uniform Public Construction Cost Accounting Act.
- Implemented a new Micro-Purchase Policy and updated the existing Procurement Card Policy.
- Prepared COIN fiscal analyses for Police and Police Management Associations.
- Provided support to Development Services for Measure X CUP and business permit fees.
- Maintained a Standard & Poors credit rating of AA+ for the 2017 Lease Revenue Bonds.
- Contracted with HdL Companies for sales, business, and property tax audit services.
- Updated the City's financial and budget policies.
- Revamped the annual budget with a focus on transparency and efficiency.
- Implemented a new budget methodology which focuses on the purpose of department spending and actual costs, rather than basing the budget off of prior year's activity.
- Secured a funding plan for the replacement of the City's land management system (LMS) enterprise resource planning (ERP) system.
- Conducted a complete financial analysis of the Capital Improvement Program (CIP).
- Provided fiscal analyses for the City's temporary bridge shelter at Lighthouse Church and the permanent bridge shelter at 3175 Airway Avenue.
- In collaboration with the Chief Executive Officer of the Orange County Fair (OC Fair), developed an educational campaign on proper reporting of sales tax that occurs at the OC Fair to ensure the City is receiving its apportionment.

WHAT DO WE PLAN TO DO IN FISCAL YEAR 2019-2020?

- Conduct a comprehensive citywide fee study and cost allocation plan.
- Procure for and implement PlanetBids to provide electronic vendor and bid management, contract management, and insurance certificate tracking services to improve the City's transparency and competitiveness while also ensuring efficiencies both externally and internally.
- Streamline existing processes and procedures in anticipation of an ERP solution.
- Coordinate with legislative staff to identify external restricted revenue sources.
- Continue updating the City's purchasing policies.
- Initiate departmental digital record keeping and evaluate paperless processes and procedures.
- Develop financial policies manual.
- As an internal General Government Support department, improve customer service to internal departments and increase interdepartmental collaboration.
- Continue improving the City's transparency of City finances by way of Socrata and communication to the City Council and community.

FINANCE DEPARTMENT (CONTINUED)

- Account for the City’s fiscal activities in an accurate and timely manner within Generally Accepted Accounting Principles (GAAP) and other legal requirements.
- Safeguard the City’s assets and invest available cash in accordance with the City’s adopted investment policy.
- Identify options for reducing the net pension liability and net OPEB liability as well as evaluate refinancing the Fire Side Fund.

GOALS AND OBJECTIVES

The goals and objectives of the Finance Department were developed in alignment with the City Council’s priorities.



GOALS AND OBJECTIVES

1	Identify an ERP solution to improve efficiencies and ensure reliability of data.			✓			
2	Conduct a comprehensive fee study and cost allocation plan.			✓			
3	Overhaul City’s purchasing policy.			✓			
4	Perform an evaluation of the Self-Insurance Fund and develop funding plan.			✓			
5	Identify options for reducing the net pension liability and net OPEB liability.			✓			
6	Perform an evaluation of the Equipment Replacement and IT Replacement Internal Service Funds.			✓			
7	Fill vacancies in budget and purchasing.			✓			
8	Re-define the responsibilities of the Budget Unit to provide a focus on forecasting which will allow the Council to develop a fully informed long-term plan for the City.			✓			

FINANCE DEPARTMENT (CONTINUED)

PERFORMANCE MEASURES/WORKLOAD INDICATORS:

	FY 17-18 Actual	FY 18-19 Adopted	FY 19-20 Proposed
City budgeted funds monitored (Millions)	\$139.80	\$151	\$155
Number of Accounts payable checks issued	9,031	10,000	10,000
Number of Accounts Receivable Invoices	2,663	3,000	3,000
Number of audit adjustments (Auditor Recommended)	1	1	1
Number of budget adjustments processed	20	15	15
Number of budget transfers	193	175	150
Number of business license past due and delinquent notices mailed	4,386	3,000	4,000
Number of business license renewals	9,567	13,000	13,000
Number of cash register transactions processed	14,023	14,000	14,000
Number of contracts issued	150	350	350
Number of journal entries prepared	703	500	500
Number of payroll checks issued	17,089	15,750	15,750
Number of purchase orders issued	709	1,500	1,500
Number of Transient Audit Tax (TOT) audits	0	6	6
Years received GFOA Distinguished Budget Award	17	18	19
Years received the GFOA CAFR Award	38	39	40

FINANCE DEPARTMENT (CONTINUED)

WHAT DOES IT COST?

BUDGET NARRATIVE

The Fiscal Year 2019-20 budget for the Finance Department is \$4.5 million, an increase of \$1.2 million, or 37% compared to the amended budget for Fiscal Year 2018-19. The increase was primarily attributed to the inclusion of costs previously netted against revenue and costs such as auditing services and bank fees not budgeted in prior years. In addition, the department added two full-time positions.

Expense by Fund	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
FINANCE DEPARTMENT BY FUNDING SOURCE				
General Fund - 101	\$ 2,640,723	\$ 2,811,902	\$ 3,288,615	\$ 4,508,652
Equipment Replacement Fund - 601	(2,150)	8,694	-	-
Total Finance Department	\$ 2,638,573	\$ 2,820,596	\$ 3,288,615	\$ 4,508,652

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
FINANCE DEPARTMENT BY PROGRAM				
ADMINISTRATION - 13100				

Finance Administration - 50001

Salaries & Benefits	\$ 372,907	\$ 418,108	\$ 459,402	\$ 824,000
Maintenance & Operations	142,318	144,248	106,310	363,239
Fixed Assets	-	-	7,426	7,900
Subtotal Finance Administration	\$ 515,225	\$ 562,355	\$ 573,138	\$ 1,195,139

FINANCIAL OPERATIONS - 13200

Financial Services - 50500⁽¹⁾⁽²⁾

Salaries & Benefits	\$ 1,843,253	\$ 2,065,372	\$ 2,357,373	\$ 2,406,100
Maintenance & Operations	278,606	190,657	348,982	878,013
Fixed Assets	1,490	2,212	9,122	29,400
Subtotal Financial Services	\$ 2,123,348	\$ 2,258,241	\$ 2,715,477	\$ 3,313,513

TOTAL FINANCE DEPARTMENT

Salaries & Benefits	\$ 2,216,160	\$ 2,483,479	\$ 2,816,775	\$ 3,230,100
Maintenance & Operations	420,924	334,904	455,292	1,241,252
Fixed Assets	1,490	2,212	16,548	37,300
Total Finance Department	\$ 2,638,573	\$ 2,820,596	\$ 3,288,615	\$ 4,508,652

⁽¹⁾As of FY 2019-20, Financial Services consists of Accounting, Treasury, Budget and Purchasing.

⁽²⁾As of FY 2019-20, the Warehouse operations were transferred from the Finance Department to the Public Services Department.



FY 2019-2020 PRELIMINARY BUDGET

**PARKS AND COMMUNITY
SERVICES DEPARTMENT**



WHAT DO WE DO?

The Parks and Community Services Department provides the citizens of Costa Mesa with a diverse variety of high-quality recreation facilities, programs, and services. The Department operates two community centers, the Downtown Aquatic and Recreation Centers, and the Costa Mesa Senior Center; allocates and monitors athletic field use, and provides a large offering of youth, teen, and adult recreation programs and classes. The Department manages the operating agreements for the Costa Mesa Golf and Country Club, the Costa Mesa Tennis Center, the Balearic Community Center, Childs-Pace, Historical Society building, Major League Softball and oversees City contracted animal shelter and adoption locations. The Department also oversees public usage of park facilities and the land management at Fairview Park.

The department is budgeted for 19 full-time and 77.09 (FTEs) part-time staff members.

PARKS AND COMMUNITY SERVICES - 14300

FAIRVIEW PARK – 20115

Fairview Park is the City's largest park, hosting 195 acres of open space natural area and 13 acres of manicured landscape for a total of 208 acres. Within the 195 acres of open space, there are two Native American Nationally Registered Historic Sites and five different habitat ecosystems that are home to many rare and endangered plant and animal species. The park acts as a regional gateway to the Santa Ana River Trail and adjacent Orange County parks, offering users multiple passive recreational opportunities such as picnicking, wildlife viewing, miles of trails for walking or bicycling, and enjoyment of nature. The park also hosts a miniature railroad and model airplane flying field run by partnering non-profits.

DOWNTOWN RECREATION CENTER (DRC) – 40121

The Downtown Recreation Center, located at 1860 Anaheim Avenue, includes one gymnasium, one gymnastics room, one 25-yard outdoor pool, two multi-purpose rooms, and one kitchen. This facility provides a variety of programs; some free and others fee-based. The gymnasium provides free open gym time for youth to play basketball; free drop-in pickle ball for seniors; fee-based drop-in basketball, volleyball, recreational adult basketball leagues; and is suitable for rentals. Rentals have included City recreation youth basketball league, NLA Sports Dodgeball, Akua Mind & Body, and the MIKA C3 Tournament. The gymnasium also hosts multiple special events for the Teen Center including a movie night and various sports activities.

One multi-purpose room, kitchen, and office is designated for the Childs-Pace Inc. program. The gymnastics room is designated for gymnastics contract classes.

The open multi-purpose room is suitable for meetings, staff-led birthday rentals and moderately sized contract classes including Tai Chi, CPR, line dancing, and foreign language classes. During the school year, a free Teen Center is offered to teens (grades 7-12). During the summer, a free nine-week summer program for children (grades 1-6) is offered.

BALEARIC COMMUNITY CENTER (BCC) – 40122

The Balearic Community Center, located at 1975 Balearic Dr., includes two rental rooms available for meetings and receptions, with a maximum capacity of 125 people. These rooms are utilized for the summer R.O.C.K.S. program, holiday and Summer Day Camps, and the City's Early Childhood Program, known as L.E.A.P. 2 Success. Adjacent to the center is a fenced playground with play equipment, sandlot park playground, basketball courts, and a large athletic field, which is permitted by the City.

PARKS AND COMMUNITY SERVICES DEPARTMENT (CONTINUED)

NEIGHBORHOOD COMMUNITY CENTER – 40123

The Neighborhood Community Center, located at 1845 Park Ave., is a 24,000 square-foot rental facility complete with a large multipurpose hall, including: stage dance floor, and a full-service kitchen. This center also includes five (5) smaller meeting and conference rooms available for the community, educational meetings and contract classes. This facility is regularly rented for large weddings, Quinceanera's, anniversary parties and is used as meeting space for local non-profit groups, City Departments, local businesses, community groups and the Newport Mesa Unified School District.

AQUATICS – 40212

The Downtown Aquatic Center, located at 1860 Anaheim Avenue, provides year-round aquatics programming, including adult and youth swim instruction for beginner to advanced swimmers, aqua aerobics, summer youth aquatics camp, junior lifeguard preparation classes, an introduction to competitive swimming, and a swim instructor aid program for advanced youth swimmers. The Aquatics program offers seasonal family open swim as well as year-round drop-in, adult lap swimming and senior aquatics hours. This program provides American Red Cross-certified First Aid, Cardiopulmonary Resuscitation (CPR), Automated External Defibrillator (AED), Lifeguard training, and state-mandated Title 22 training for aquatic staff as well as basic first aid, CPR, and AED training to general recreation staff.

TENNIS – 40213

Administers the contract for the Costa Mesa Tennis Center, located at TeWinkle Park, 880 Junipero Drive. The Center, open seven days a week, includes 12 lighted courts and a pro shop with professional tennis staff to assist the public. Programs include lessons, tournaments, leagues and open play.

ADULT SPORTS BASKETBALL AND VOLLEYBALL – 40214

Provides year-round adult recreational basketball leagues, weekly open gym volleyball and drop-in, fee-based basketball play in the Downtown Recreation Center gymnasium.

ADULTS SPORTS SOFTBALL – 40215

Administers the contract with Major League Softball for the operation of a City softball league. The league operates year-round, Sunday through Friday, for adult men, women, and co-ed teams at TeWinkle Park Athletic Complex.

FIELD/AMBASSADORS – 40216

Coordinates athletic field reservations and scheduling of City and Newport Mesa Unified School District (NMUSD) athletic fields in accordance with the Joint Use Agreement. Fields are used by City and community organizations playing soccer, tackle and flag football, rugby, baseball, softball, and other field games. Field ambassadors monitor field use, regulate light use (portable and permanent), and open/close athletic fields. Field ambassadors regularly audit field users to confirm local residency within each organization. Field ambassadors also assist in resolving field disputes in accordance with the Field Use and Allocation Policy.

Program staff also assist Park Rangers in patrolling areas such as Lions Park (to ensure the safety of the facility users) and Fairview Park (to ensure that the protected areas remain unused). Other duties include assistance at miscellaneous special events as assigned.

PARKS AND COMMUNITY SERVICES DEPARTMENT (CONTINUED)

YOUTH SPORTS – 40218

Includes basketball, cheerleading, running, volleyball and general fitness for children entering into grades 1 - 6. Basketball provides a clinic, practices, and eight (8) weeks of league play (January through March). Cheerleading provides a clinic, practices, and cheering for the eight (8) weeks of league basketball play (January through March). Volleyball provides a clinic, practices and ten (10) weeks of league play (2½ months). General fitness provides nutritional and physical activity once a week for the R.O.C.K.S. after-school program and summer programming.

SENIOR CENTER – 40231

Maintains and operates the Costa Mesa Senior Center, located at 695 W. 19th Street. The center is open Monday-Friday for senior services and provides a facility for Costa Mesa seniors to gather and participate in social, recreational, and personal development programs designed to encourage a healthy and active senior social lifestyle. The staff, with assistance from the Senior Commission, have approved the vision as: *“The Costa Mesa Senior Center is dedicated to improvement of the lives of older adults by creating a place that offers opportunity to become more educated about health and wellness, share skills and talents with peers, interact and develop communication with friends, family, and others, and be advocates for older adults.”* Under the umbrella of the Senior Center, the Senior Mobility Program (SMP), Medical Transportation Program (MTP), and Senior Serv program are administered. The SMP is funded by a grant from the Orange County Transportation Authority (OCTA), while the MTP is funded through a grant by Hoag Hospital. The Senior Serv program is funded by federal grants, as well as private donations.

DAY CAMP – 40232

Provides day camp programs for children entering grades 1 - 6. The summer camp program is nine (9) weeks long and is held at Estancia Park. Camp programs run during Winter Recess, Presidents Week, and Spring Break are held at the Balearic Community Center (1-2 weeks long). This program includes daily games, sports, arts and crafts, drama, songs, skits, education/historical classes, character-building activities, and weekly excursions that emphasize active and healthy lifestyles.

RECREATION ON CAMPUS FOR KIDS (R.O.C.K.S) – 40233

Provides a fee-based, after-school program for children in grades kindergarten through six at eleven (11) NMUSD elementary schools throughout the school year. Offers free summer activities for children entering grades 1 - 6 for nine (9) weeks at three (3) locations, with an additional week at one (1) location. This program focuses on four areas: education, fitness, recreation, and enrichment in a structured environment. The program also provides staff for a free after-school program at the Orange County Fair Grounds Centennial Farm named the “Ranch Program,” for children interested in the fundamentals of gardening and farm animals.

TEEN PROGRAMS – 40236

Provides free after-school activities for teens in grades seven through twelve at three (3) locations: Costa Mesa High School, TeWinkle Middle School, and the Downtown Recreation Center. This program offers games, sports, arts and crafts, and six (6) special teen events throughout the year including, but not limited to, a Back to School Pool Party, Holiday Movie Night, a Themed Dance, and Dodgeball Tournament. Teen Summer Camp is a fee-based summer camp (9 weeks) that offers games, sports, arts and crafts, and weekly excursions that emphasize an active and healthy lifestyle.

PARKS AND COMMUNITY SERVICES DEPARTMENT (CONTINUED)

CONCERTS – 40237

The City provides administration and coordination to support the Costa Mesa Foundation's annual "Concerts in the Park" series. Concerts in the Park take place Tuesday evenings in July in Fairview Park, located at 2525 Placentia Avenue. The free series features live music, gourmet food trucks, a beer and wine garden, and children's activities. The concerts begin at 5:00 p.m., with live music beginning at 6:00 p.m.

EARLY CHILDHOOD (L.E.A.P.) PROGRAM – 40241

This program for children ages 3-5 years, encourages a positive and social learning experience through the implementation of recreation activities that include: directed play, games, arts and crafts, and music. The program is designed to prepare participants for entrance into kindergarten. The program is known as L.E.A.P. 2 Success: Learn, Explore, and Play 2 Success. A summer camp component - Camp Mini Explorers, allows participants to continue growing during the summer months.

ADULT INSTRUCTIONAL CLASSES – 40242

A fee-based program that provides quarterly recreational, social, and sports programs for adults at City facilities, parks, and local business establishments.

YOUTH INSTRUCTIONAL CLASSES – 40243

A fee-based program that provides quarterly recreational, social, enrichment, arts, adaptive and sports programs for youth at City facilities, parks, and local business establishments.

SPECIAL REC EVENTS – 40244

Provides administration and coordination to support the City's offering of special events. Specific events change annually but they do include the Costa Mesa Community Run, Costa Mesa Fish Fry, Scarecrow Festival and Movies in the Park. These events provide family-friendly fun and recreational opportunities for all Costa Mesa residents.

MOBILE RECREATION – 40245

A traveling playground program on wheels that provides enrichment opportunities through both structured and unstructured recreational and educational activities in areas of the community that have insufficient access to, or financial constraints to, City programs and/or parks. The Mobile Recreation Program consists of a van-sized vehicle full of athletic equipment, art supplies, games, puzzles, music, tables, chairs and healthy snacks. Serves as an entertainment and marketing avenue at City special events.

BARK PARK – 40248

Provides a social, off-leash, open-play environment for dog owners and their licensed dog(s). Separate areas exist for both small and large dogs. Includes staffing, dog-related special events, classes, workshops, and partnerships with community organizations.

COMMUNITY GARDENS – 40249

Provides management and operation of two City-owned community gardens. The Del Mar Community Garden at 170 Del Mar Street, has 60 parcels. The Hamilton Community Garden at 523 Hamilton Street, has 42 parcels. Both gardens have water service, a portable toilet, and a trash dumpster. The parcels are used by Costa Mesa residents to grow vegetables, flowers, fruits and plants for their personal consumption.

PARKS AND COMMUNITY SERVICES DEPARTMENT (CONTINUED)

ANIMAL CARE AND SERVICES – 40250

Oversees the contracts for animal sheltering and adoption services and collaborates with Animal Control in the transport and documentation of City impounded animals to the contracted animal shelter facility. Promotes adoptions to local residents and communicates with the contracted adoption agency, as well as rescue organizations, to find placement for City animals. With the assistance of the Animal Services Committee, staff explore and provide the best practices to improve exceptional animal care services within the City. Partners in Bark Park events throughout the year.

SENIOR MOBILITY PROGRAM – 40251

Provides free transportation for seniors aged 60+, in and around Costa Mesa, for social, recreational, medical and other services as needed. The program serves more than 300 seniors a year and provides more than 6,500 rides on an annual basis. The Senior Mobility Program (SMP) is operated under the umbrella of the Senior Center and is funded by a grant from the Orange County Transportation Authority (OCTA).

ADMINISTRATION – 50001

Based out of City Hall, oversees and manages the administration of parks, reservations, model aircraft fly permits, recreation classes, programs, and activities. Provides staff support to the Parks, Arts and Community Services Commission, the Cultural Arts Committee, the Historical Preservation Committee, the Fairview Park Steering Committee, the Animal Services Committee, and the Youth Sports Council.

PARK AND RECREATION COMMISSION – 50125

Assists City Council and various City departments with parks and recreation-related matters. Provides staff support to the Parks & Recreation Commission, a five-member advisory board to the City Council on parks and recreation-related matters.

FAIRVIEW PARK STEERING COMMITTEE – 50145

Provides advice and recommendations to the City Council regarding the implementation of the Fairview Park Master Plan (FVP MP); the impacts of Measure AA on Capital Improvement Program projects, maintenance and activities; recommends approval of grant applications, partnerships, and volunteer activities for the maintenance and implementation of the FVP MP.

CULTURAL ARTS COMMITTEE – 50190

Maintains, educates, enriches, and promotes cultural arts programs and resources throughout the City. Hosts the annual signature ARTventure event. Donations, sponsorships, and the General Fund provide funding for committee projects and activities.

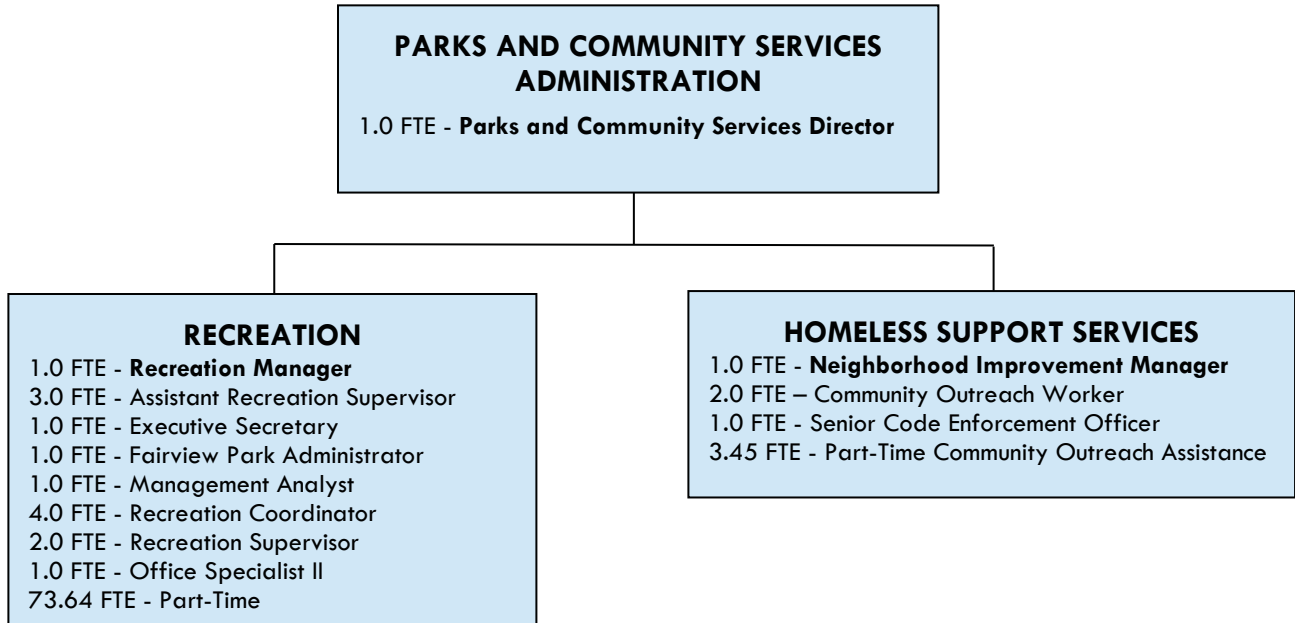
HISTORICAL PRESERVATION COMMITTEE – 50191

Maintains, educates, enriches, and promotes historical programs and resources throughout the City. Donations, sponsorships, and the General Fund provide funding for committee projects and activities.

ANIMAL SERVICES COMMITTEE – 50195

Maintains, educates, enriches, and promotes animal service programs and resources throughout the City. The goals of the Committee are to promote pet licensing within the City, assist with the planning of animal related events, and to explore and provide recommendations to improve animal services.

PARKS AND COMMUNITY SERVICES DEPARTMENT (CONTINUED)



WHAT DID WE DO IN FISCAL YEAR 2018-2019?

- Provided monthly environmental education and restoration public events at Fairview and Canyon Parks.
- Implemented burrowing owl banding project.
- Put in protective temporary fencing around sensitive habitats of vernal pools.
- Completed a successful full-year in Animal Care Services' three-pronged process with Animal Control, Newport Center Animal Hospital and Priceless Pet Rescue.
- Provided three inter-generational events to bridge the gap between senior and the community's youth.
- Provided aquatic instructional classes to nearly 900 youth and adult participants.
- Successfully held six bi-monthly community-service work parties at the community gardens.
- Provided three free after school Teen Centers for Costa Mesa's young adults.
- Successfully launched two seasons of the Youth Volleyball Program with 69 participants.
- Filled the summer LEAP Program to capacity for both age groups at 40 participants.
- Collaborated with NMUSD to offer a free, four-week summer day "SMART Camp."
- Successfully collaborated with community groups to host multiple community events.
- Successfully hosted Concerts in the Park, Movies in the Park, ARTventure, Scarecrow Festival, Fish Fry, Skate Competition, Chargers Training Camp, Costa Mesa Community Run and misc. holiday themed events.
- Successfully opened the temporary Bridge Shelter in 40 days.
- Entered into agreement with Mercy House for Bridge Shelter Operations.
- Purchased property to be upgraded into permanent Bridge Shelter.
- Provided outreach services for individuals experiencing homelessness.
- Instrumental in ending ongoing litigation related to the OC Catholic Worker case.

WHAT DO WE PLAN TO DO IN FISCAL YEAR 2019-2020?

- Begin the implementation of the Parks, Recreation and Open Space Master Plan.
- Restore Fairview Park vernal pools five, six and seven.
- Develop adaptive management plan for Fairview Park wetlands.
- Enhance the City's animal-related webpages to provide more information to the public.
- Provide services to seniors such as social services, health services, hi-cap, AARP, legal services.
- Build and maintain butterfly gardens at each of the community gardens.
- Continue to provide competitive softball leagues for all skill levels at quality facilities on a seasonal basis.
- Work collaboratively with the Costa Mesa Senior Center to provide additional intergenerational events.
- Introduce specialized STEM based program activities into the R.O.C.K.S. Program.
- Introduce inter-school competitive element to the Youth Fitness Program.
- Increase the number of neighborhoods the Mobile Recreation program implements.
- Coordinate four (4) guest speakers to provide lessons and activities on STEM.
- Ensure we provide programs and services in a safe environment that are accessible to all.
- Successfully execute six (6) Teen Program Events and two (2) large Teen Program Art Projects.
- Successfully execute two (2) dog-related public events at the Costa Mesa Bark Park.
- Continue to develop outreach efforts to market and attract underserved groups in the community.
- Plan a calendar of programs for the grand reopening of the Neighborhood Community Center.
- Host a quarterly Surf City Provider Network and Luncheon Meeting at the Costa Mesa Senior Center.
- Adoption of the Arts and Culture Master Plan.
- Successfully host annual community and special events.
- Provide for ongoing operations at the temporary Bridge Shelter facility.
- Complete Capital Improvements at the permanent Bridge Shelter facility.
- Transfer operations from the temporary to permanent Bridge Shelter facility.

PARKS AND COMMUNITY SERVICES DEPARTMENT (CONTINUED)

GOALS AND OBJECTIVES

The goals and objectives of the Parks and Community Services Department were developed in alignment with the City Council's goals and priorities.



GOALS AND OBJECTIVES

1	Continue Fairview Park restoration via public volunteer opportunities.		✓				
2	Begin the implementation of the Parks, Recreation and Open Space Master Plan.		✓				
3	Increase Animal Awareness including shelter adoption.		✓	✓			
4	Introduce Specialized STEM programs in R.O.C.K.S.		✓				
5	Expand and develop new programs at the Senior Center.		✓				
6	Continue outstanding Partnerships with LA Chargers and NMUSD.		✓	✓			✓
7	Expand and develop new programs at the Senior Center.		✓				
8	Increase number of neighborhoods for the Mobile Recreation Program.		✓				
9	Ensure we provide programs and services in a safe environment that are accessible to all.	✓	✓				
10	Continue to develop outreach efforts to market and attract underserved groups in the community.	✓	✓				

PARKS AND COMMUNITY SERVICES DEPARTMENT (CONTINUED)

PERFORMANCE MEASURES/WORKLOAD INDICATORS:

	FY 17-18 Actual	FY 18-19 Adopted	FY 19-20 Proposed
Percent of Recreation Programs meeting or exceeding Cost Recovery Guidelines	100%	100%	100%
Percent of Recreation survey respondents rating overall satisfaction with programs/services as above average	96%	96%	96%
Average monthly ridership on City Senior Mobility Program (SMP) & Medical Transportation Program (MTP)	900	1,200	1,200
Number of hours permitted on athletic fields (all user groups)	67,000	80,000	75,000
Number of classes offered and percentage cancelled	859 (20%)	980 (20%)	980 (20%)
Number of children served in Day Camp Programs	1,100	1,100	1,100
Number of daily participants in Drop-In Recreation Programs	21,150	21,150	21,150
Annual number of daily R.O.C.K.S. program participants	110,000	110,000	112,000
Park reservations issued and percentage of non-residents	800 (8%)	775 (5%)	725 (3%)
Number of individuals placed into permanent housing	101	50	50
Number of individuals placed into temporary housing	30	16	16
Number of individuals successfully housed from the City's homeless shelter	NA	NA	25

PARKS AND COMMUNITY SERVICES DEPARTMENT (CONTINUED)

WHAT DOES IT COST?

BUDGET NARRATIVE

The Fiscal Year 2019-20 budget for the Parks and Community Services Department is \$8 million, an increase of \$658 thousand, or 9% compared to the amended budget for Fiscal Year 2018-19. The increase was primarily attributed to the inclusion of costs for Fairview Park previously included in the Capital Improvement Program.

Expense by Fund	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
TOTAL PARKS AND COMMUNITY SERVICES OFFICE BY FUNDING SOURCE				
General Fund - 101	\$ 5,124,464	\$ 5,702,651	\$ 7,376,071	\$ 7,298,474
Park Development Fee - 208	-	-	-	735,600
Total Parks and Community Services Department	\$ 5,124,464	\$ 5,702,651	\$ 7,376,071	\$ 8,034,074

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
PARKS AND COMMUNITY SERVICES DEPARTMENT BY PROGRAM				
PARKS AND COMMUNITY SERVICES - 14300				
<u>Recreation Administration - 50001</u>				
Salaries & Benefits	\$ 694,971	\$ 830,296	\$ 1,145,121	\$ 1,202,586
Maintenance & Operations	226,741	238,622	254,400	416,515
Fixed Assets	533	12,673	8,000	2,000
Subtotal Recreation Administration	\$ 922,245	\$ 1,081,590	\$ 1,407,521	\$ 1,621,101
<u>Fairview Park - 20115</u>				
Salaries & Benefits	-	\$ 131,482	\$ 182,990	\$ 220,896
Maintenance & Operations	-	6,774	8,600	397,700
Fixed Assets	-	-	-	340,400
Subtotal Fairview Park	\$ -	\$ 138,257	\$ 191,590	\$ 958,996
<u>Downtown Recreation Center - 40121</u>				
Salaries & Benefits	\$ 119,679	\$ 148,084	\$ 116,736	\$ 119,192
Maintenance & Operations	81,198	84,260	97,691	101,200
Fixed Assets	742	41	-	-
Subtotal Downtown Recreation Center	\$ 201,619	\$ 232,384	\$ 214,427	\$ 220,392
<u>Balearic Community Center - 40122</u>				
Salaries & Benefits	\$ 104,941	\$ 169,833	\$ 172,201	\$ 97,854
Maintenance & Operations	119,561	107,317	119,170	117,900
Fixed Assets	619	619	-	800
Subtotal Balearic Community Center	\$ 225,121	\$ 277,769	\$ 291,371	\$ 216,554

PARKS AND COMMUNITY SERVICES DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
PARKS AND COMMUNITY SERVICES - 14300 (continued)				
<u>Neighborhood Community Center - 40123</u>				
Salaries & Benefits	\$ 174,370	\$ 160,908	\$ 196,354	\$ 248,254
Maintenance & Operations	94,961	12,616	201,000	219,400
Fixed Assets	-	-	-	-
Subtotal Neighborhood Community Center	\$ 269,331	\$ 173,524	\$ 397,354	\$ 467,654
<u>Aquatics - 40212</u>				
Salaries & Benefits	\$ 180,538	\$ 207,897	\$ 286,449	\$ 250,792
Maintenance & Operations	12,547	20,750	17,749	13,400
Fixed Assets	-	360	-	-
Subtotal Aquatics	\$ 193,086	\$ 229,007	\$ 304,198	\$ 264,192
<u>Tennis - 40213</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	24,798	25,414	28,216	34,600
Fixed Assets	-	-	-	-
Subtotal Tennis	\$ 24,798	\$ 25,414	\$ 28,216	\$ 34,600
<u>Adult Sports Basketball - 40214</u>				
Salaries & Benefits	\$ 10,832	\$ 14,598	\$ 17,636	\$ 54,802
Maintenance & Operations	9,396	9,525	16,870	9,325
Fixed Assets	-	-	-	-
Subtotal Adult Sports Basketball	\$ 20,228	\$ 24,123	\$ 34,506	\$ 64,127
<u>Adult Sports Softball - 40215</u>				
Salaries & Benefits	\$ 8,302	\$ 10,580	\$ 13,114	\$ 15,416
Maintenance & Operations	-	-	700	-
Fixed Assets	-	-	-	-
Subtotal Adult Sports Softball	\$ 8,302	\$ 10,580	\$ 13,814	\$ 15,416
<u>Fields/ Field Ambassadors - 40216</u>				
Salaries & Benefits	\$ 259,929	\$ 300,801	\$ 285,440	\$ 261,226
Maintenance & Operations	184,867	239,562	237,577	250,700
Fixed Assets	-	-	-	-
Subtotal Fields/Field Ambassadors	\$ 444,796	\$ 540,363	\$ 523,017	\$ 511,926
<u>Youth Sports - 40218</u>				
Salaries & Benefits	\$ 72,773	\$ 88,811	\$ 143,303	\$ 163,748
Maintenance & Operations	13,529	9,251	16,100	12,400
Fixed Assets	-	-	-	-
Subtotal Youth Sports	\$ 86,302	\$ 98,062	\$ 159,403	\$ 176,148
<u>Adult Sports Futsal - 40222</u>				
Salaries & Benefits	\$ 9,775	\$ 13,186	\$ 11,114	\$ -
Maintenance & Operations	6,301	155	5,765	500
Fixed Assets	-	-	-	-
Subtotal Adult Sports Futsal	\$ 16,077	\$ 13,341	\$ 16,879	\$ 500

PARKS AND COMMUNITY SERVICES DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
PARKS AND COMMUNITY SERVICES - 14300 (continued)				
<u>Senior Center - 40231</u>				
Salaries & Benefits	\$ 461,861	\$ 591,938	\$ 819,301	\$ 573,212
Maintenance & Operations	566,722	505,427	455,844	454,400
Fixed Assets	3,128	13,789	6,221	1,000
Subtotal Senior Center	\$ 1,031,711	\$ 1,111,153	\$ 1,281,367	\$ 1,028,612
<u>Day Camp - 40232</u>				
Salaries & Benefits	\$ 83,692	\$ 87,586	\$ 119,271	\$ 90,334
Maintenance & Operations	107,274	86,126	105,351	81,900
Fixed Assets	-	-	33	-
Subtotal Day Camp	\$ 190,966	\$ 173,712	\$ 224,655	\$ 172,234
<u>ROCKS (Playgrounds) - 40233</u>				
Salaries & Benefits	\$ 683,757	\$ 638,204	\$ 772,003	\$ 735,456
Maintenance & Operations	39,650	51,101	40,512	32,500
Fixed Assets	-	-	-	-
Subtotal ROCKS (Playgrounds)	\$ 723,407	\$ 689,305	\$ 812,515	\$ 767,956
<u>Teen Programs - 40236</u>				
Salaries & Benefits	\$ 110,695	\$ 89,771	\$ 131,111	\$ 131,976
Maintenance & Operations	27,179	24,039	30,450	26,200
Fixed Assets	-	-	-	-
Subtotal Teen Programs	\$ 137,874	\$ 113,810	\$ 161,561	\$ 158,176
<u>Concerts - 40237</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	1,184	-	-	10,000
Fixed Assets	-	-	-	-
Subtotal Concerts	\$ 1,184	\$ -	\$ -	\$ 10,000
<u>Early Childhood - 40241</u>				
Salaries & Benefits	\$ 147,097	\$ 165,722	\$ 160,635	\$ 155,664
Maintenance & Operations	8,473	12,292	10,053	8,250
Fixed Assets	-	-	-	-
Subtotal Early Childhood	\$ 155,571	\$ 178,014	\$ 170,688	\$ 163,914
<u>Adult Instructional Classes - 40242</u>				
Salaries & Benefits	\$ 15,820	\$ 9,181	\$ 19,055	\$ 19,458
Maintenance & Operations	78,516	76,478	109,150	75,000
Fixed Assets	-	-	-	-
Subtotal Adult Instructional Classes	\$ 94,336	\$ 85,659	\$ 128,205	\$ 94,458
<u>Youth Instructional Classes - 40243</u>				
Salaries & Benefits	\$ 17,343	\$ 8,891	\$ 19,055	\$ 19,270
Maintenance & Operations	298,155	281,802	268,664	252,300
Fixed Assets	-	-	-	-
Subtotal Youth Instructional Classes	\$ 315,498	\$ 290,693	\$ 287,719	\$ 271,570

PARKS AND COMMUNITY SERVICES DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
PARKS AND COMMUNITY SERVICES - 14300 (continued)				
<u>Special Recreation Events - 40244</u>				
Salaries & Benefits	\$ 4,829	\$ 8,557	\$ 10,000	\$ 10,000
Maintenance & Operations	1,471	2,020	343	-
Fixed Assets	-	-	-	-
Subtotal Special Recreation Events	\$ 6,300	\$ 10,577	\$ 10,343	\$ 10,000
<u>Mobile Recreation - 40245</u>				
Salaries & Benefits	\$ -	\$ 24,422	\$ 117,982	\$ 47,564
Maintenance & Operations	-	2,922	9,800	3,000
Fixed Assets	-	-	-	-
Subtotal Mobile Recreation	\$ -	\$ 27,344	\$ 127,782	\$ 50,564
<u>Bark Park - 40248</u>				
Salaries & Benefits	\$ 34,840	\$ 36,851	\$ 39,291	\$ 42,488
Maintenance & Operations	86	1,575	1,900	1,600
Fixed Assets	-	-	-	-
Subtotal Bark Park	\$ 34,926	\$ 38,425	\$ 41,191	\$ 44,088
<u>Community Gardens - 40249</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ 3,572
Maintenance & Operations	3,496	3,442	2,500	18,600
Fixed Assets	-	-	-	-
Subtotal Community Gardens	\$ 3,496	\$ 3,442	\$ 2,500	\$ 22,172
<u>Animal Care Services - 40250</u>				
Salaries & Benefits	\$ -	\$ 118	\$ 35,339	\$ 197,682
Maintenance & Operations	-	117,261	373,391	436,900
Fixed Assets	-	-	-	-
Subtotal Animal Care Services	\$ -	\$ 117,380	\$ 408,730	\$ 634,582
<u>Senior Mobility Program - 40251</u>				
Salaries & Benefits	\$ -	\$ -	\$ 20,000	\$ 29,892
Maintenance & Operations	-	-	86,478	2,800
Fixed Assets	-	-	-	-
Subtotal Senior Mobility Program	\$ -	\$ -	\$ 106,478	\$ 32,692
<u>Parks & Recreation Commission - 50125</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	5,870	4,831	6,650	7,950
Fixed Assets	1,434	-	-	-
Subtotal Parks & Recreation Commission	\$ 7,304	\$ 4,831	\$ 6,650	\$ 7,950
<u>Senior Commission - 50126</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	2,798	2,200	4,650	-
Fixed Assets	-	-	-	-
Subtotal Senior Commission	\$ 2,798	\$ 2,200	\$ 4,650	\$ -

PARKS AND COMMUNITY SERVICES DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
PARKS AND COMMUNITY SERVICES - 14300 (continued)				
<u>Cultural Arts Committee - 50190</u>				
Salaries & Benefits	\$ 250	\$ -	\$ -	\$ -
Maintenance & Operations	6,246	10,692	17,741	13,000
Fixed Assets	-	-	-	-
Subtotal Cultural Arts Committee	\$ 6,496	\$ 10,692	\$ 17,741	\$ 13,000
<u>Historic Resource Committee - 50191</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	693	1,000	1,000	500
Fixed Assets	-	-	-	-
Subtotal Historic Resource Committee	\$ 693	\$ 1,000	\$ 1,000	\$ 500
TOTAL PARKS AND COMMUNITY SERVICES DEPARTMENT				
Salaries & Benefits	\$ 3,196,296	\$ 3,737,715	\$ 4,833,501	\$ 4,691,334
Maintenance & Operations	1,921,711	1,937,454	2,528,315	2,998,540
Fixed Assets	6,457	27,482	14,254	344,200
Total Parks and Community Services Department	\$ 5,124,464	\$ 5,702,651	\$ 7,376,071	\$ 8,034,074

FY 2019-2020 PRELIMINARY BUDGET
INFORMATION TECHNOLOGY
DEPARTMENT



WHAT DO WE DO?

The Information Technology Department (IT) is responsible for network administration; software development and installation; maintenance of hardware and software, including upgrade and replacement; database management; wireless phones; and the support and oversight of all technology-related products and services for all departments, including the Police and Fire Departments of the City of Costa Mesa. The Department's daily activities include but are not limited to: maintenance of all computer systems; ensuring that virus protection software are up-to-date and functioning properly; maintenance of a help desk to help troubleshoot computer-related problems and ensuring that employees are connected and the City websites are working properly and safely. IT is also responsible for operation, maintenance, deployment, and utilization of all City computers. The department has 12 full-time positions composed of one management, two supervisory, eight professional, and one clerical position. Part-time staffing consists of .50 full-time equivalents. IT has three divisions:

- Administration
- Computer Operations and Networking
- Systems and Programming

INFORMATION TECHNOLOGY DEPARTMENT - 14600

ADMINISTRATION – 50001

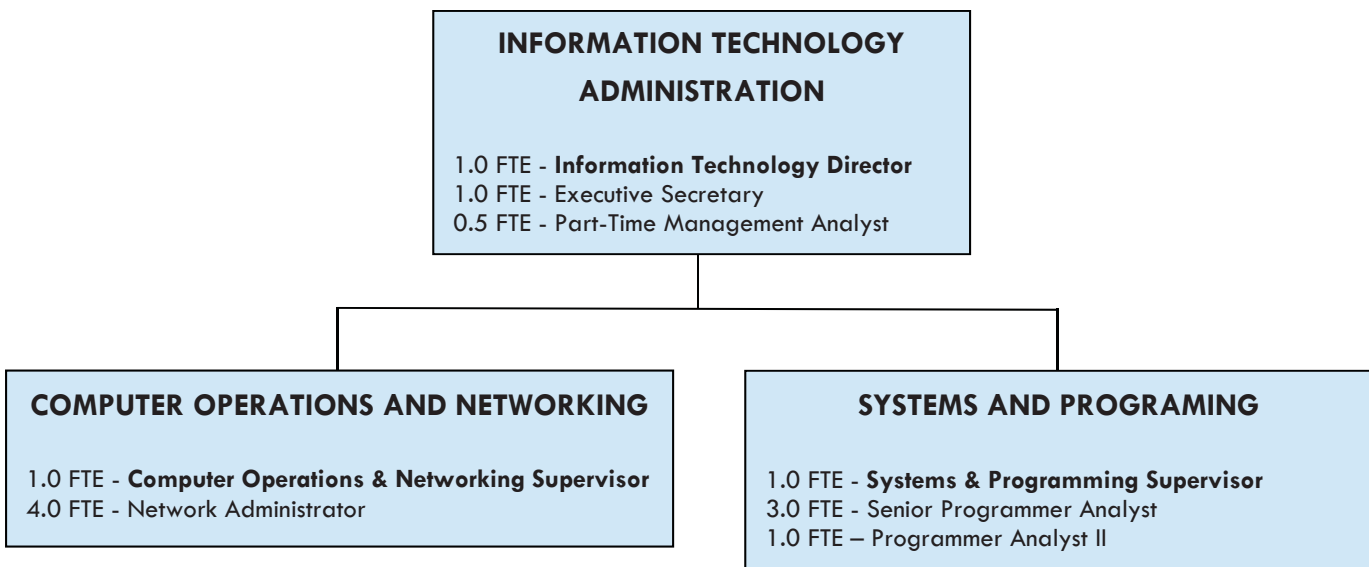
Coordinates and supervises the Department's activities; manages the networking resources of the City; and advises the City Manager and the City Council on computer-related technological issues.

COMPUTER OPERATIONS AND NETWORKING – 50710

Operates and monitors computer equipment in support of both Public Safety and general City services in a 7-day, 24-hour operation. Maintains data files and processes business applications and reports distribution in a networked client-server environment.

SYSTEMS AND PROGRAMMING – 50720

Supports and enhances applications for Public Safety and general City services. Coordinates systems implementations, maintenance, and processing solutions for ad hoc data processing requests in networked client-server and internet/intranet environments.



WHAT DID WE DO IN FISCAL YEAR 2018-2019?

- Implemented new servers for the Police Department (replacing old servers).
- Installed and will soon be migrating new SAN solution for PD.
- Upgraded our Exchange server from 2010 to 2016.
- Implemented the network connectivity and camera solution to the bridge shelter.
- Begun the desktop replacements project.
- Soft-launched Laserfiche web application for document searching using Weblink for use by the public.
- New MOU implementation for CMFA/CMFMA and CMPA/CMPMA.
- PeopleSoft Financial and HR/Payroll migration to Oracle 64-Bit.
- Implemented Firestats for Fire Department.

WHAT DO WE PLAN TO DO IN FISCAL YEAR 2019-2020?

- Finalize Information Technology Strategic Plan.
- Upgrade Asset Works for Public Services.
- Continue rolling out PC refresh.
- Implement One Solution for PD.
- Implement Freedom for One Solution.
- Upgrade servers from Windows server 2008 to 2016 or later version.
- Implement new LMS software project.
- Implement ESRI ArcGIS Enterprise Solution.
- Re-architect/enhance Laserfiche Document Imaging Solution.
- Continue conducting online cyber security training for City staff.
- Continue to provide the highest quality services and programs to the community.
- Continue to provide professional, timely, and cost effective services to the City, PD, and Fire staffs.
- Continue to facilitate community problem solving through a commitment to teamwork and customer service.

INFORMATION TECHNOLOGY DEPARTMENT (CONTINUED)

GOALS AND OBJECTIVES

The goals and objectives of the Information Technology Department were developed in alignment with the City Council's priorities.



GOALS AND OBJECTIVES

1	Continue rolling out PC refresh.	✓					✓
2	Implement One Solution for Police Department.	✓					✓
3	Implement Freedom for One Solution.	✓					✓
4	Upgrade servers from Windows server 2008 to 2016 or later version.	✓		✓			✓
5	Implement new Land Management System software project.		✓	✓			✓
6	Implement ESRI ArcGIS Enterprise Solution.		✓	✓			✓
7	Re-architect/enhance Laserfiche Document Imaging Solutions.	✓	✓	✓			✓
8	Identify an ERP solution to improve efficiencies and ensure reliability of data.			✓			✓

INFORMATION TECHNOLOGY DEPARTMENT (CONTINUED)

PERFORMANCE MEASURES/WORKLOAD INDICATORS:

	FY 17-18 Actual	FY 18-19 Adopted	FY 19-20 Proposed
Number of Printers/Terminals maintained	115/430	115/430	115/430
Help Desk requests resolved	3,360	3,360	1,877
Number of City developed software applications	6	10	5
Number of servers maintained	105	105	123
Number of miscellaneous devices maintained	60	60	110
Number of vendor software applications maintained*	800	700	700

*It is difficult to determine the exact number of vendor software applications maintained as each department has different requirements.

INFORMATION TECHNOLOGY DEPARTMENT (CONTINUED)

WHAT DOES IT COST?

BUDGET NARRATIVE

The Fiscal Year 2019-20 budget for the Information Technology Department is \$3.8 million, a decrease of \$452 thousand, or 10.6% compared to the amended budget for Fiscal Year 2018-19. The decrease was primarily attributed to the reduction in consulting costs and costs charged to the IT Replacement Fund offset by the addition of two full-time positions.

Expense by Fund	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
INFORMATION TECHNOLOGY DEPARTMENT BY FUNDING SOURCE				
General Fund - 101	\$ 2,941,696	\$ 3,149,792	\$ 3,893,745	\$ 3,674,067
IT Replacement Fund - 603	-	-	372,800	139,555
Total Information Technology Department	\$ 2,941,696	\$ 3,149,792	\$ 4,266,545	\$ 3,813,622

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
INFORMATION TECHNOLOGY DEPARTMENT BY PROGRAM				
INFORMATION TECHNOLOGY - 14600				

IT Administration - 50001

Salaries & Benefits	\$ 417,590	\$ 473,289	\$ 498,163	\$ 451,550
Maintenance & Operations	92,081	97,960	162,987	68,242
Fixed Assets	24,250	-	147	10,000
Subtotal IT Administration	\$ 533,921	\$ 571,249	\$ 661,297	\$ 529,792

Computer Operations - 50710

Salaries & Benefits	\$ 628,707	\$ 716,185	\$ 748,419	\$ 946,885
Maintenance & Operations	248,209	63,477	400,482	342,100
Fixed Assets	181,678	490,164	789,010	464,100
Subtotal Computer Operations	\$ 1,058,594	\$ 1,269,825	\$ 1,937,911	\$ 1,753,085

Computer Systems Development - 50720

Salaries & Benefits	\$ 798,751	\$ 757,322	\$ 941,241	\$ 775,295
Maintenance & Operations	290,610	38,752	188,701	142,850
Fixed Assets	259,820	512,644	537,395	612,600
Subtotal Computer Systems Develop.	\$ 1,349,181	\$ 1,308,718	\$ 1,667,337	\$ 1,530,745

TOTAL INFORMATION TECHNOLOGY

Salaries & Benefits	\$ 1,845,048	\$ 1,946,795	\$ 2,187,823	\$ 2,173,730
Maintenance & Operations	630,899	200,189	752,170	553,192
Fixed Assets	465,748	1,002,808	1,326,552	1,086,700
Total Information Technology Department	\$ 2,941,696	\$ 3,149,792	\$ 4,266,545	\$ 3,813,622



FY 2019-2020 PRELIMINARY BUDGET

POLICE DEPARTMENT



WHAT DO WE DO?

The Police Department is tasked with protecting life and property while preserving the peace. The department has 212 full-time positions, of which 136 are sworn and 76 are professional staff. Full-time staffing is composed of 12 management positions, 34 supervisory, and 166 line-level positions. Part-time staffing consists of 22.92 full-time equivalents. The department is comprised of three divisions and each division is further split into different programs. The three divisions are as follows:

- *Police Administration*
- *Police Field Operations*
- *Police Support Services*

POLICE ADMINISTRATION - 15100

ADMINISTRATION – 50001

Conducts the department's overall direction and planning with input from other divisions; provides advice to the City Manager and City Council on public safety issues; provides internal investigations through the Professional Standards Unit; performs public affairs services; and manages department budget and grant administration.

TRAINING – 10133

Provides and coordinates training programs, and the recruitment and selection of candidates for vacant positions within the department, adhering to the guidelines established by statutory and state-mandated Peace Officer Standard and Training (POST) requirements for sworn and civilian personnel; develops and evaluates daily in-service programs.

POLICE FIELD OPERATIONS - 15300

FIELD OPERATIONS – 10111

Provides public safety services through patrol-related policing activity; coordinates community-oriented policing services; supervises the Police Reserve Program; provides public park safety services through the Park Ranger Unit; and provides business-related services to the public via the front desk.

TRAFFIC SAFETY – 10113

Enforces State and City traffic laws; provides follow-up investigation and prosecution of traffic-related criminal cases; and coordinates personnel to respond to and investigate traffic collisions.

CONTRACT & SPECIAL EVENTS – 10114

Provides special event public safety and traffic management services requested by the community on a contract-for-pay basis.

ANIMAL CONTROL – 10139

Regulates, controls, and prevents rabies in the wild and domesticated animal population in the City; impounds strays or unlicensed animals; and enforces those laws and ordinances applying to animals within the City.

POLICE DEPARTMENT (CONTINUED)

STEP – 10143

The Selective Traffic Enforcement Program (STEP) is designed to fund traffic safety related enforcement and education efforts to reduce alcohol related traffic collisions; address aggressive driving practices, particularly speed and red light/stop sign violations; and to increase the overall traffic safety in the City.

POLICE SUPPORT SERVICES - 15400

ADMINISTRATION – 50001

Provides essential logistical support services to the Police Department through the below-listed programs; responsible for computer-related activities associated with the 24-hour operation of the City's public safety computer system; and responsible for the research and development of numerous programs, including safety equipment, new laws and regulations, and policy development.

HELICOPTER PATROL – 10112

Provides helicopter patrol services through a contract with the City of Huntington Beach.

CRIME INVESTIGATION – 10120

Investigates criminal activities including: homicide, rape, robbery, and assault; larcenies, including grand theft, auto theft, and fraud; residential, commercial, and vehicle burglaries reported in the City; fraudulent checks and forgery cases, including identity theft, crimes against persons and property, and where the suspect or victim is a juvenile. The program objective is the investigation of Part I Crimes; case preparation; the apprehension, prosecution and conviction of perpetrators; and the recovery of stolen property.

SPECIAL INVESTIGATIONS UNIT – 10127

Investigates illegal narcotics activity with emphasis on traffickers; vice and prostitution; and specialized investigations as determined by the Department.

RECORDS/INFORMATION UNIT – 10131

Responsible for the electronic and manual processing, storing, and reporting of all crime and arrest reports, citation processing, and ancillary report processing to meet the Department of Justice crime statistics reporting mandates.

CRIME SCENE INVESTIGATIONS/PHOTOS – 10132

Provides investigative support for the collection, processing and preservation of evidence at crime scenes; laboratory and photographic support for evidentiary and non-evidentiary requests.

YOUTH CRIME INTERVENTION – 10135

Provides services to local schools; criminal street gang suppression and investigation; and coordinates outreach intervention opportunities through the Gang Investigations Unit.

PROPERTY AND EVIDENCE – 10136

Maintains records; stores, preserves, and disposes of property and evidence consistent with legal guidelines.

JAIL – 10137

Provides jail services through a contract with G4S.

EQUIPMENT MAINTENANCE – 10138

Coordinates the maintenance/servicing of police vehicles and pool cars with Fleet Services.

TELECOMMUNICATIONS OPERATIONS – 51020

Provides a centralized, computer-aided Communications Dispatch Center that receives citizen requests for emergency fire, paramedics and police services; provides medical pre-arrival instructions using Emergency Medical Dispatch (EMD) procedures; provides a means of contact for emergency Public Services, Water District service and Orange Coast College Security outside of normal business hours.

TECHNICAL SUPPORT AND MAINTENANCE – 51020

Provides operational integrity of the City's telecommunications infrastructure for data and voice; provides systems and equipment installations and electronics maintenance; oversees inter-operation of telephone, radio, audio, fire alerting system and selected data and video assets in buildings and facilities, outside plant, and in automotive/mobile and portable configurations.

EMERGENCY SERVICES – 51040

Serves as the office responsible for the City's disaster preparedness; acts as liaison to other government agencies, private sector, schools and special districts, non-government and volunteer organizations on disaster preparedness; conducts disaster planning meetings, training and exercises; maintains disaster supplies; administers the Emergency Operations Center (EOC), the Joint Information Center (JIC) and the City's Emergency Operations Plan; and ensures compliance with the National Incident Management System (NIMS).

POLICE DEPARTMENT (CONTINUED)

POLICE ADMINISTRATION

1.0 FTE - **Police Chief**
2.0 FTE - Executive Secretary
1.0 FTE - Police Lieutenant
1.0 FTE - Police Officer
2.0 FTE - Police Sergeant
1.0 FTE - Police Training Assistant
1.0 FTE - Public Affairs Manager
1.0 FTE - Range Master
2.06 FTE - Part-Time

POLICE FIELD OPERATIONS

1.0 FTE - **Police Captain**
2.0 FTE - Animal Control Officer
5.0 FTE - Community Services Specialist
6.0 FTE - Park Ranger
3.0 FTE - Police Lieutenant
76.0 FTE - Police Officer
17.0 FTE - Police Sergeant
1.0 FTE - Senior Police Officer
9.59 FTE - Part-Time

POLICE SUPPORT SERVICES

1.0 FTE - **Police Captain**
1.0 FTE - Administrative Secretary
1.0 FTE - Civilian Investigator
1.0 FTE - Communications Installer
11.0 FTE - Communications Officer
4.0 FTE - Communications Supervisor
1.0 FTE - Community Services Specialist
1.0 FTE - Court Liaison
1.0 FTE - Crime Analyst
1.0 FTE - Crime Scene Investigation Supervisor
3.0 FTE - Crime Scene Specialist
1.0 FTE - Electronics Technician
1.0 FTE - Emergency Services Administrator
1.0 FTE - Office Specialist II
2.0 FTE - Police Lieutenant
25.0 FTE - Police Officer
1.0 FTE - Police Records Administrator
1.0 FTE - Police Records Bureau Supervisor
3.0 FTE - Police Records Shift Sup.
1.0 FTE - Police Records Technician
4.0 FTE - Police Sergeant
1.0 FTE - Property/Evidence Specialist
1.0 FTE - Property/Evidence Supervisor
6.0 FTE - Senior Communications Officer
1.0 FTE - Senior Communications Supervisor
1.0 FTE - Senior Police Officer
15.0 FTE - Senior Police Records Technician
11.27 FTE - Part-Time

WHAT DID WE DO IN FISCAL YEAR 2018-2019?

- Accomplished multiple goal activities listed in the Department's 5-year Strategic Plan.
- Aggressively recruited and hired new staff to fill both sworn and civilian vacancies.
- Expanded staffing in specialty assignments (i.e., Traffic and CPU).
- Purchased additional tablets for the Department's electronic citation system.
- Continued sworn personnel attendance to Crisis Intervention Training (CIT).
- Achieved 100% compliance with all State and legislative training mandates for department personnel.
- Met all Peace Officers Standards and Training (POST) mandates with 100% compliance.
- Obtained grant awards (UASI, JAG, & OTS) to fund department training and initiatives during the fiscal year.

WHAT DO WE PLAN TO DO IN FISCAL YEAR 2019-2020?

- Continue the Department's aggressive recruitment and hiring efforts for fill sworn and civilian vacancies.
- Purchase new Mobile Command Vehicle (MCV).
- Build upon the Department's collection and utilization of crime data.
- Focus on developing the City's Emergency Preparedness Program.
- Continue to update the City's Emergency Operations Plan (EOP).
- Initiate process to prepare City Hazard Mitigation Plan.
- Renovate/upgrade the Department's aging firearms range.
- Develop a department Drone Program.
- Identify and implement a new digital video and audio recording system to replace outdated version.
- Achieve 100% compliance with all State and legislative training mandates for department personnel.
- Meet all Peace Officers Standards and Training (POST) mandates with 100% compliance.
- Obtain grant awards (UASI, JAG & OTS) to fund department training and initiatives during the fiscal year.

POLICE DEPARTMENT (CONTINUED)

GOALS AND OBJECTIVES

The goals and objectives of the Police Department were developed in alignment with the City Council's priorities.



GOALS AND OBJECTIVES

1	Invest in its professionals by becoming a fully-staffed and highly trained department.	✓	✓				
2	Have secured and well-maintained facilities to ensure that personnel are able to perform their duties safely and efficiently.	✓	✓				
3	Be equipped with the necessary tools to keep the Costa Mesa community safe.	✓	✓				
4	Enhance internal department communication to enable staff at all levels to be informed and effectively carry out the Department's mission.	✓					✓
5	Continue the Department's aggressive recruitment and hiring efforts for fill sworn and civilian vacancies.	✓	✓				
6	Renovate/upgrade the Department's aging firearms range.	✓					
7	Continue to update the City's Emergency Operations Plan (EOP).	✓					✓
8	Develop a department Drone Program.	✓					

POLICE DEPARTMENT (CONTINUED)

PERFORMANCE MEASURES/WORKLOAD INDICATORS:

	FY 17-18 Actual	FY 18-19 Adopted	FY 19-20 Proposed
Part 1 Crimes	4,929	4,662	4,051
Part 2 Crimes	6,239	6,247	6,718
Calls for Service	118,107	114,919	136,180
Reports Taken and Processed	19,319	18,382	19,079
Arrests (Felony & Misdemeanor)	6,452	6,133	6,644
Citations Issued (Infractions)	7,102	7,711	9,145
Adult Bookings	4,076	4,202	4,572
Emergency Calls Responded	1,029	882	876
1. Responded within 5 minutes	741	661	631
Effectiveness	72%	75%	72%
2. Responded within 15 minutes	999	856	850
Effectiveness	97%	97%	97%
Non-Emergency Calls Responded	55,152	57,783	58,961
1. Responded within 30 Minutes	47,701	51,482	53,236
Effectiveness	86%	89%	90%
Property and Evidence – Total Items Booked	13,808	12,494	14,040
Assigned Hit-and-Run Cases Clearance Rate	52%	73%	59%
Assigned Robbery Cases Clearance Rate	71%	71%	60%
Assigned Burglary Cases Clearance Rate	69%	64%	46%
Assigned Juvenile Cases Clearance Rate	100%	94%	93%
Assigned Economic/Identity Theft Cases Clearance Rate	74%	64%	43%
911 Emergency/Public Safety Calls Received	55,333	51,005	46,612
911 Calls Answered within 10 Seconds	95%	97%	97.25%
Telephone Calls Received	253,433	246,323	216,118
Animal Control – Calls for Service	3,459	3,441	3,986
Animal Control - Impounds	808	635	678

The Police Department's performance measures and workload indicators are presented on a calendar year basis.

POLICE DEPARTMENT (CONTINUED)

WHAT DOES IT COST?

BUDGET NARRATIVE

The Fiscal Year 2019-20 budget for the Police Department is \$49.7 million, an increase of \$536 thousand, or 1% compared to the amended budget for Fiscal Year 2018-19. The increase was primarily attributed to an increase in salaries and benefits reduced by a vacancy factor of 8%.

Expense by Fund	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
POLICE BY FUNDING SOURCE				
General Fund - 101	\$ 39,581,676	\$ 43,421,898	\$ 47,582,985	\$ 49,482,346
Prop 172 - Public Safety Fund - 202	1,070,951	792,494	1,021,820	-
Supp. Law Enforcement COP Fund - 213	338,071	294,382	268,638	237,700
Narcotics Forfeiture Fund - 217	6,307	-	54,068	-
Local Law Enforcement Block Grant - 219	34,464	-	-	-
Offic of Traffc Safety Fund - 220	143,308	187,425	256,743	-
Total Police Department	\$ 41,174,777	\$ 44,696,199	\$ 49,184,255	\$ 49,720,046

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
POLICE DEPARTMENT BY PROGRAM				
ADMINISTRATION - 15100				
<u>Administration - 50001</u>				
Salaries & Benefits	\$ 2,411,479	\$ 2,993,774	\$ 3,189,141	\$ 1,677,320
Maintenance & Operations	665,058	805,262	631,640	2,814,079
Fixed Assets	5,457	2,882	12,800	2,500
Subtotal Administration	\$ 3,081,994	\$ 3,801,919	\$ 3,833,581	\$ 4,493,899
<u>Training - 10133</u>				
Salaries & Benefits	\$ 707,371	\$ 969,861	\$ 996,357	\$ 925,244
Maintenance & Operations	28,751	46,579	74,024	186,650
Fixed Assets	51,618	68,209	2,141	2,000
Subtotal Training	\$ 787,739	\$ 1,084,650	\$ 1,072,522	\$ 1,113,894
<u>BSCC Local Assistance Fund - 71100</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	5,439	21,501	-	-
Fixed Assets	11,015	30,072	-	-
Subtotal BSCC Local Assistance	\$ 16,454	\$ 51,573	\$ -	\$ -
POLICE FIELD OPERATIONS - 15300				
<u>Field Area Policing - 10111</u>				
Salaries & Benefits	\$ 18,085,504	\$ 18,727,245	\$ 19,323,687	\$ 19,881,904
Maintenance & Operations	671,765	523,372	756,592	832,600
Fixed Assets	4,432	-	14,150	15,400
Subtotal Field Area Policing	\$ 18,761,701	\$ 19,250,617	\$ 20,094,429	\$ 20,729,904

POLICE DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
POLICE FIELD OPERATIONS - 15300 (continued)				
<u>Traffic Enforcement - 10113</u>				
Salaries & Benefits	\$ 2,898,980	\$ 3,348,411	\$ 3,478,418	\$ 3,853,756
Maintenance & Operations	475,579	534,844	587,512	567,600
Fixed Assets	-	185	30,386	20,000
Subtotal Traffic Enforcement	\$ 3,374,559	\$ 3,883,439	\$ 4,096,316	\$ 4,441,356
<u>Contract and Special Events - 10114</u>				
Salaries & Benefits	\$ 496,081	\$ 593,156	\$ 531,292	\$ 523,388
Maintenance & Operations	-	-	-	-
Fixed Assets	-	-	-	-
Subtotal Contract and Special Events	\$ 496,081	\$ 593,156	\$ 531,292	\$ 523,388
<u>Animal Control - 10139</u>				
Salaries & Benefits	\$ 246,288	\$ 307,558	\$ 295,036	\$ 287,868
Maintenance & Operations	96,871	61,067	38,775	23,750
Fixed Assets	-	-	-	-
Subtotal Animal Control	\$ 343,159	\$ 368,626	\$ 333,811	\$ 311,618
<u>Office Traffic Safety RAID Grant - 10143</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	23,102	25,690	48,376	22,800
Fixed Assets	22,793	69,313	6,400	-
Subtotal Office Traffic Safety RAID	\$ 45,895	\$ 95,003	\$ 54,776	\$ 22,800
<u>2010 COPS Hiring Grant - 70210</u>				
Salaries & Benefits	\$ 5,574	\$ 12,984	\$ -	\$ -
Maintenance & Operations	-	-	-	-
Fixed Assets	-	-	-	-
Subtotal 2010 COPS Hiring Grant	\$ 5,574	\$ 12,984	\$ -	\$ -
<u>AB 109 Post Release Comm Sup - 71019</u>				
Salaries & Benefits	\$ 28,515	\$ 9,873	\$ 10,052	\$ -
Maintenance & Operations	-	21,485	24,925	-
Fixed Assets	19,378	4,381	-	39,600
Subtotal AB 109 Post Rel Comm Sup	\$ 47,893	\$ 35,739	\$ 34,977	\$ 39,600
<u>2016 Step Grant - 71026</u>				
Salaries & Benefits	\$ 23,445	\$ -	\$ -	\$ -
Maintenance & Operations	-	-	-	-
Fixed Assets	-	-	-	-
Subtotal 2016 Step Grant	\$ 23,445	\$ -	\$ -	\$ -
<u>2017 Step Grant - 71027</u>				
Salaries & Benefits	\$ 119,863	\$ 17,626	\$ -	\$ -
Maintenance & Operations	-	-	-	-
Fixed Assets	-	-	-	-
Subtotal 2017 Step Grant	\$ 119,863	\$ 17,626	\$ -	\$ -

POLICE DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
POLICE FIELD OPERATIONS - 15300 (continued)				
<u>2018 Step Grant - 71028</u>				
Salaries & Benefits	\$ -	\$ 144,980	\$ 31,818	\$ -
Maintenance & Operations	-	6,508	-	-
Fixed Assets	-	18,311	-	-
Subtotal 2018 Step Grant	\$ -	\$ 169,799	\$ 31,818	\$ -
<u>2019 Step Grant - 71029</u>				
Salaries & Benefits	\$ -	\$ -	\$ 224,926	\$ -
Maintenance & Operations	-	-	-	-
Fixed Assets	-	-	-	-
Subtotal 2019 Step Grant	\$ -	\$ -	\$ 224,926	\$ -
POLICE SUPPORT SERVICES - 15400				
<u>Administration - 50001</u>				
Salaries & Benefits	\$ 513,253	\$ 526,867	\$ 548,124	\$ 532,372
Maintenance & Operations	316,127	325,395	365,616	260,473
Fixed Assets	24,394	3,100	102,777	43,000
Subtotal Administration	\$ 853,774	\$ 855,363	\$ 1,016,517	\$ 835,845
<u>Helicopter Patrol - 10112</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	284,970	267,890	315,000	300,000
Fixed Assets	-	-	-	-
Subtotal Helicopter Patrol	\$ 284,970	\$ 267,890	\$ 315,000	\$ 300,000
<u>Crime Investigation - 10120</u>				
Salaries & Benefits	\$ 3,658,958	\$ 3,956,072	\$ 4,405,587	\$ 4,437,036
Maintenance & Operations	105,339	99,900	107,933	133,600
Fixed Assets	3,099	10,605	5,400	4,000
Subtotal Crime Investigation	\$ 3,767,396	\$ 4,066,577	\$ 4,518,920	\$ 4,574,636
<u>Vice and Narcotics - 10125</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	1,376	-	-	-
Fixed Assets	-	-	-	-
Subtotal Vice and Narcotics	\$ 1,376	\$ -	\$ -	\$ -
<u>Special Investigation Unit - 10127</u>				
Salaries & Benefits	\$ 976,485	\$ 1,203,454	\$ 1,607,904	\$ 1,660,324
Maintenance & Operations	75,302	105,408	219,473	124,700
Fixed Assets	10,342	16,219	11,000	5,000
Subtotal Special Investigation Unit	\$ 1,062,129	\$ 1,325,082	\$ 1,838,377	\$ 1,790,024
<u>Records/Information System - 10131</u>				
Salaries & Benefits	\$ 1,696,121	\$ 2,063,346	\$ 2,293,640	\$ 2,249,172
Maintenance & Operations	133,923	147,058	146,230	119,900
Fixed Assets	4,631	961	2,520	2,570
Subtotal Records/Information System	\$ 1,834,675	\$ 2,211,365	\$ 2,442,390	\$ 2,371,642

POLICE DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
POLICE SUPPORT SERVICES - 15400 (continued)				
<u>Crime Scene Investigation/Photos - 10132</u>				
Salaries & Benefits	\$ 324,584	\$ 264,347	\$ 654,772	\$ 688,528
Maintenance & Operations	34,717	27,477	63,573	38,600
Fixed Assets	1,662	183	2,900	3,000
Subtotal Crime Scene Invest./Photos	\$ 360,963	\$ 292,007	\$ 721,245	\$ 730,128
<u>Youth Crime Intervention - 10135</u>				
Salaries & Benefits	\$ 999,871	\$ 1,378,080	\$ 1,521,031	\$ 1,545,508
Maintenance & Operations	20,398	7,007	29,807	26,800
Fixed Assets	226	2,074	216	1,150
Subtotal Youth Crime Intervention	\$ 1,020,494	\$ 1,387,160	\$ 1,551,054	\$ 1,573,458
<u>Property and Evidence - 10136</u>				
Salaries & Benefits	\$ 412,905	\$ 494,933	\$ 512,168	\$ 492,200
Maintenance & Operations	81,952	90,634	108,354	117,100
Fixed Assets	-	-	-	-
Subtotal Property and Evidence	\$ 494,857	\$ 585,567	\$ 620,522	\$ 609,300
<u>Jail - 10137</u>				
Salaries & Benefits	\$ -	\$ -	\$ 10,000	\$ -
Maintenance & Operations	667,588	531,641	902,403	915,950
Fixed Assets	2,216	2,368	3,000	1,600
Subtotal Jail	\$ 669,804	\$ 534,009	\$ 915,403	\$ 917,550
<u>Equipment Maintenance - 10138</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	2,617	7,908	16,323	-
Fixed Assets	-	-	-	-
Subtotal Equipment Maintenance	\$ 2,617	\$ 7,908	\$ 16,323	\$ -
<u>Operations - 51010</u>				
Salaries & Benefits	\$ 3,049,683	\$ 3,119,810	\$ 4,010,409	\$ 3,487,504
Maintenance & Operations	198,674	229,073	211,722	239,340
Fixed Assets	1,639	1,865	4,126	2,200
Subtotal Operations	\$ 3,249,997	\$ 3,350,748	\$ 4,226,257	\$ 3,729,044
<u>Technical Support/ Maintenance - 51020</u>				
Salaries & Benefits	\$ 218,269	\$ 260,047	\$ 271,672	\$ 273,700
Maintenance & Operations	193,727	167,488	220,118	155,500
Fixed Assets	2,380	1,524	4,000	1,000
Subtotal Technical Support/Maintenance	\$ 414,376	\$ 429,059	\$ 495,790	\$ 430,200
<u>Emergency Services - 51040</u>				
Salaries & Benefits	\$ -	\$ -	\$ 157,500	\$ 168,360
Maintenance & Operations	1,876	1,776	18,800	13,400
Fixed Assets	16,655	16,556	5,000	-
Subtotal Emergency Services	\$ 18,530	\$ 18,332	\$ 181,300	\$ 181,760

POLICE DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
POLICE SUPPORT SERVICES - 15400 (continued)				
<u>2015 Justice Assistance Grant - 70910</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	14,460	-	-	-
Fixed Assets	-	-	-	-
Subtotal 2015 Justice Assist. Grant	\$ 14,460	\$ -	\$ -	\$ -
<u>2016 Justice Assistance Grant - 70911</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	-	-	-	-
Fixed Assets	20,004	-	-	-
Subtotal 2016 Justice Assist. Grant	\$ 20,004	\$ -	\$ -	\$ -
<u>EMPG - 71300</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	-	-	-	-
Fixed Assets	-	-	16,710	-
Subtotal EMPG	\$ -	\$ -	\$ 16,710	\$ -
TOTAL POLICE DEPARTMENT				
Salaries & Benefits	\$ 36,873,228	\$ 40,392,426	\$ 44,073,533	\$ 42,684,184
Maintenance & Operations	4,099,610	4,054,964	4,887,196	6,892,842
Fixed Assets	201,940	248,809	223,525	143,020
Total Police Department	\$ 41,174,777	\$ 44,696,199	\$ 49,184,255	\$ 49,720,046

FY 2019-2020 PRELIMINARY BUDGET
FIRE AND RESCUE DEPARTMENT



WHAT DO WE DO?

The Fire and Rescue Department is a public safety function that protects life, property and the environment through its mitigation, prevention, preparedness, response, and recovery services. The Fire/Rescue/Emergency Medical Services Division provides response services and staffs six fire stations, 24 hours a day, seven days a week, 365 days a year. The Community Risk Reduction Division provides life and fire safety planning, inspection, preparedness, and overall community risk reduction. Both divisions are supported by the Fire Administration division.

The Department is budgeted for 90 full-time staff members; 84 sworn positions and six non-sworn positions. Part-time staffing consists of 5.0 full-time equivalents to serve within the three divisions. The three divisions are as follows:

- *Fire Administration*
- *Fire/Rescue/Emergency Medical Services*
- *Community Risk Reduction*

FIRE ADMINISTRATION - 16100

ADMINISTRATION – 50001

The Administration Division is responsible for the delivery of all staff and support services, working towards the most effective and efficient operations of the department. Among these services the division provides direction for strategic, operational, and emergency planning; establishes department policies and procedures; coordinates internal functions of all divisions, programs, and external functions with other City departments and community organizations; develops and manages the budget; provides oversight and coordination for department training and education; represents the department on countywide fire/rescue/emergency medical services committees; coordinates ordering and purchasing; manages the department's human resources; manages the department's records and reports; performs additional functions and duties as needed by the City Manager.

FIRE/RESCUE/EMERGENCY MEDICAL SERVICES - 16200

FIRE/RESCUE OPERATIONS – 10210

The Operations Division manages Fire, Rescue and Emergency Medical Services and maintains constant readiness to answer calls for assistance from the citizens and visitors of the community. The Division is also tasked with rapid response to life, health, fire, rescue, and environmental emergencies, as well as the protection of property, fire cause and origin determination, and life safety inspections and education. In addition, the fire companies are involved in comprehensive building and fire protection systems inspections, including the high-rise buildings in the South Coast Metro area and South Coast Plaza.

EMERGENCY MEDICAL SERVICES – 10230

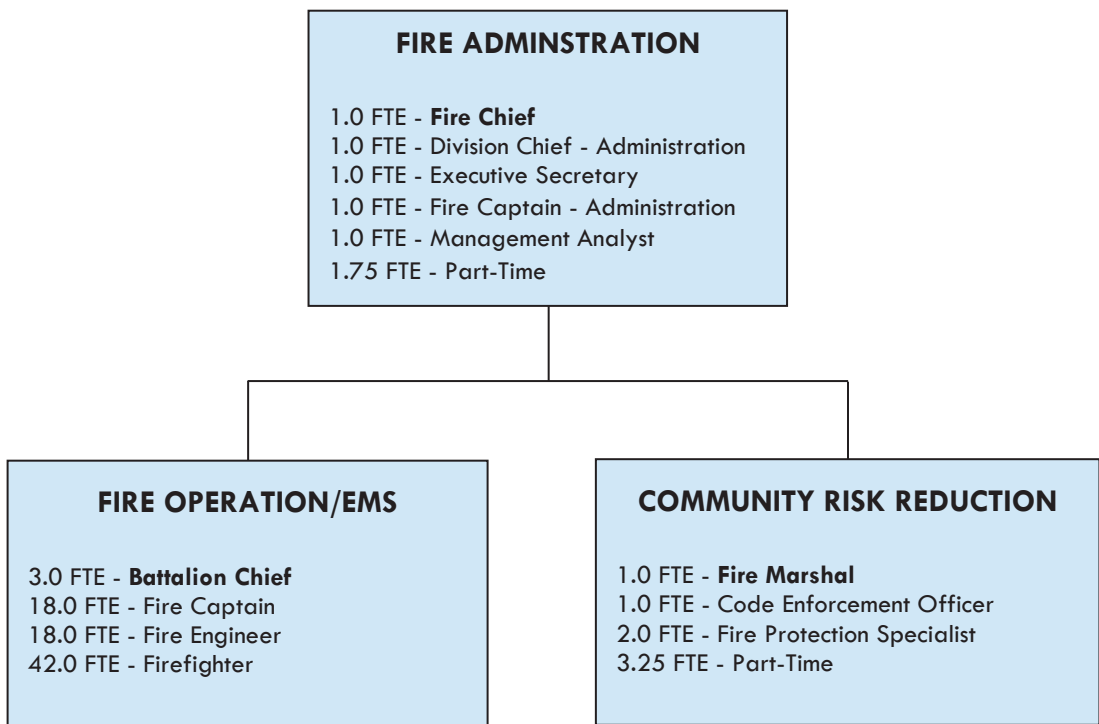
The Emergency Medical Services Division manages, supervises, and provides the functions required to support these services including; emergency planning, communications, training and education, equipment maintenance and repair, supplies, records, and quality control. Pre-hospital advanced life support (ALS) is provided by a combination of Paramedic Engine Companies and Rescue Ambulances.

FIRE AND RESCUE DEPARTMENT (CONTINUED)

COMMUNITY RISK REDUCTION - 16300

COMMUNITY RISK REDUCTION – 10220

The Community Risk Reduction Division develops and enforces local fire, life safety, property, and environmental protection standards; enforces state adopted fire and life safety codes; reviews building construction plans; conducts building construction and business inspections; investigates citizen complaints; serves on city-wide committees related to development review, group homes, homeless outreach, and marijuana business; provides training to department personnel in regard to fire and life safety codes; assists professional trades with technical fire code requirements and department community education efforts. Develops, provides, and coordinates community preparedness activities including, volunteer, outreach, education, training, and response program including; Business Preparedness Academies and Community Emergency Response Team Academies and embracing an overall strategy of community risk reduction.



WHAT DID WE DO IN FISCAL YEAR 2018-2019?

- Completion and opening of the communities new Fire Station No.1.
- Successful implementation of the City's new ambulance transportation and billing programs.
- Completion of the updated Fire Station Alerting System in all Fire Stations.
- Completion of the diesel exhaust extraction systems being installed in all Fire Stations.
- Successful completion of the second year of the Peer Assistance Program and the implementation of the Chaplain Program.
- 10 new Firefighters successfully completed their first year with Costa Mesa Fire & Rescue.
- Professional Development and Succession Planning efforts with proven results, as evidenced by multiple earned formal degrees (Associate, Bachelor, and Masters) and advanced training certifications being completed through all ranks.
- One successful promotion to position of Fire Engineer and two promotions to Fire Captain.

WHAT DO WE PLAN TO DO IN FISCAL YEAR 2019-2020?

- Initiate an external review and report on Standards of Cover for the Fire and Rescue Department.
- Initiate an external review and report of regional Fire and Rescue emergency dispatching.
- Evaluate progress of CMFR's cost recovery programs (i.e., ambulance, CRR, etc.).
- Continue to enhance our mental health, wellness, and cancer prevention efforts.
- Continue strong professional development and succession planning efforts.
- Complete the remodel of the Fire Station no. 4 Training Room.
- Initiate the Fire Station no. 2 rebuild project.
- Work on completing the final action items of 2015-2020 CMFR Strategic Plan and begin preparations to initiate CMFR 2021-2026 Strategic Plan.

FIRE AND RESCUE DEPARTMENT (CONTINUED)

GOALS AND OBJECTIVES

The goals and objectives of the Fire and Rescue Department were developed in alignment with the City Council's priorities.



GOALS AND OBJECTIVES

1	Initiate an external review and report on Standards of Cover for the Fire and Rescue Department.	✓	✓	✓			
2	Evaluate progress of CMFR's cost recovery programs.	✓		✓			✓
3	Complete the remodel of the Fire Station no. 4 Training Room.	✓		✓			
4	Continue strong professional development and succession planning efforts.	✓		✓			
5	Continue to enhance our mental health, wellness, and cancer prevention efforts.	✓		✓			
6	Initiate the Fire Station no. 2 rebuild project.	✓	✓	✓			✓
7	Initiate an external review and report of regional Fire & Rescue emergency dispatching.	✓	✓	✓			
8	Work on completing the final action items of 2015-2020 CMFR Strategic Plan and begin preparations to initiate CMFR 2021-2026 Strategic Plan.	✓	✓	✓			✓

FIRE AND RESCUE DEPARTMENT (CONTINUED)

PERFORMANCE MEASURES/WORKLOAD INDICATORS:

	2016	2017	2018
Calls For Service			
• Fire Incidents	217	218	261
• EMS	9,374	9,603	9,639
• Service Calls	495	430	195
• False Calls	399	447	477
Comm. Risk Reduction Plan Checks			
• Fire Systems Plans	492	472	531
• Architectural Plans	282	271	380
Inspections			
• Fire Prevention Inspections	6,791	6,763	6,827
• Sprinklers	602	674	583
• Life Safety	252	209	274
• Haz-Mat Disclosure Program	\$167,000	\$176,000	\$0
Fire Prevention Intern Program			
• Hours worked	2,912	2,080	2,500
• Apartment Inspections	437	379	385
• Fire permit inspection/issued	452	500	523
Community Education Programs			
• CPR in High Schools	634	1,056	1,000
• Station Tours (participants)	752	951	1,041
• Special Events	29	30	27
• Volunteer Hours - CERT	7,312	9,374	9,912
• Presentations (participants)	22,477	22,239	20,187

The Fire and Rescue Department's performance measures and workload indicators are presented on a calendar year basis.

FIRE AND RESCUE DEPARTMENT (CONTINUED)

WHAT DOES IT COST?

BUDGET NARRATIVE

The Fiscal Year 2019-20 budget for the Fire Department is \$28.2 million, an increase of \$1.7 million, or 6.3% compared to the amended budget for Fiscal Year 2018-19. The increase was primarily attributed to the inclusion of costs previously netted against revenue and the increases in salaries and benefits.

Expense by Fund	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
FIRE DEPARTMENT BY FUNDING SOURCE				
General Fund - 101	\$ 22,109,184	\$ 23,008,284	\$ 26,463,846	\$ 28,237,213
Prop -172 Fund - 202	73,987	6,642	95,241	-
Total Fire Department	\$ 22,183,172	\$ 23,014,926	\$ 26,559,087	\$ 28,237,213

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
FIRE DEPARTMENT BY PROGRAM				
FIRE ADMINISTRATION - 16100				
<u>Fire Administration - 50001</u>				
Salaries & Benefits	\$ 1,937,847	\$ 2,156,127	\$ 2,139,704	\$ 1,887,200
Maintenance & Operations	551,236	238,888	273,443	953,048
Fixed Assets	-	-	-	-
Subtotal Fire Administration	\$ 2,489,082	\$ 2,395,015	\$ 2,413,147	\$ 2,840,248

EMERGENCY MEDICAL SERVICES - 16200

Response and Control - 10210

Salaries & Benefits	\$ 17,809,314	\$ 18,659,616	\$ 19,872,901	\$ 20,606,000
Maintenance & Operations	898,276	956,274	1,078,418	1,355,100
Fixed Assets	13,187	30,862	101,223	25,000
Subtotal Response and Control	\$ 18,720,777	\$ 19,646,752	\$ 21,052,542	\$ 21,986,100

Emergency Medical Aid - 10230

Salaries & Benefits	\$ 37,221	\$ 30,181	\$ 62,709	\$ -
Maintenance & Operations	222,163	211,100	2,003,286	2,409,200
Fixed Assets	52,721	9,701	4,600	10,000
Subtotal Emergency Medical Aid	\$ 312,104	\$ 250,983	\$ 2,070,595	\$ 2,419,200

COMMUNITY RISK REDUCTION - 16300

Fire Prevention - 10220

Salaries & Benefits	\$ 453,030	\$ 496,110	\$ 628,053	\$ 805,300
Maintenance & Operations	208,178	226,067	394,750	186,365
Fixed Assets	-	-	-	-
Subtotal Fire Prevention	\$ 661,208	\$ 722,177	\$ 1,022,803	\$ 991,665

FIRE AND RESCUE DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
TOTAL FIRE DEPARTMENT				
Salaries & Benefits	\$ 20,237,412	\$ 21,342,034	\$ 22,703,367	\$ 23,298,500
Maintenance & Operations	1,879,853	1,632,329	3,749,897	4,903,713
Fixed Assets	65,907	40,563	105,823	35,000
Total Fire Department	\$ 22,183,172	\$ 23,014,926	\$ 26,559,087	\$ 28,237,213



FY 2019-2020 PRELIMINARY BUDGET
DEVELOPMENT SERVICES
DEPARTMENT



DEVELOPMENT SERVICES DEPARTMENT

WHAT DO WE DO?

The Development Services Department is a Community Health and Environment function. The Department has 40 full-time positions composed of one department director, one assistant director, two managers, eight supervisors, 25 professional and three office support positions with some positions remaining vacant. Part-time staffing consists of 6.54 full-time equivalents. The Department is comprised of five divisions, each division allocated into different programs. The five divisions are as follows:

- *Administration*
- *Planning*
- *Building Safety*
- *Community Improvement*
- *Housing and Community Development*

DEVELOPMENT SERVICES ADMINISTRATION - 13100

DEVELOPMENT SERVICES ADMINISTRATION AND ECONOMIC DEVELOPMENT – 50001

Administration directs and coordinates the Department's activities; provides support to the City Manager; and serves as a liaison to the City Council, Planning Commission, Housing and Public Service Grant Committee, Mobile Home Park Advisory Committee, Successor Agency, Oversight Board, and Costa Mesa Housing Authority. Administration directs and coordinates the City's economic development activities. The Economic Development team works towards attraction and retention of key businesses in Costa Mesa. Efforts to date include streamlining the application and approval processes, marketing Costa Mesa on a regional and nationwide basis, and improving the business climate within the City. Staff has also facilitated new companies getting started and existing companies expanding through responsive customer services.

The Economic Development team works closely with the Costa Mesa Chamber of Commerce and Costa Mesa Conference and Visitor Bureau to promote the City. The Economic Development program is focused on promoting a business-friendly atmosphere from very low business license fees to expedited services to facilitating business establishment. The Department monitors economic trends and quarterly financial reports on the City's sales tax and major retail performance compared to other Orange County cities. Staff helps with the relocation of new businesses, the expansion of existing businesses, promotes shopping within the City and supports the "Harbor Boulevard of Cars," and "Shop Local This Holiday Season," campaigns. The team provides updates to the City's Finance Advisory Committee and elected and appointed officials; updates the Community Economic Profile information; maintains "Space Available" under "Doing Business" on the City's website; and publishes "An Applicant's Guide to Entitlement Processing in the City of Costa Mesa."

PLANNING - 18200

PLANNING – 20320

The Planning Division is responsible for implementing the Zoning Code and the goals, policies, and objectives of the City's General Plan. Planning staff provides comprehensive City planning services in both long-range planning and development review. The division's role is to promote quality of life in the city and maintain the public health, safety, and general welfare of its business and residential communities. The Planning Division supports City decision-makers including the Zoning Administrator, Planning Commission and City Council. On a daily basis, Planning staff maintains and implements the City's General Plan, Area Plans and Zoning Ordinance; tracks socio-economic and demographic trends; coordinates with regional planning agencies; provides high-quality customer service to Costa Mesa residents and businesses; and promotes balanced development patterns through the oversight of land use entitlement requests for private development projects.

DEVELOPMENT SERVICES DEPARTMENT (CONTINUED)

PLANNING COMMISSION – 20360

The Planning Division provides staff support to the Planning Commission, a seven-member advisory board to the City Council on land use and community development issues and applications. The Planning Commission decides on discretionary planning applications (e.g. conditional use permits, variances, master plans, design reviews, subdivision maps, and residential developments). As an advisory body to the City Council, the Planning Commission also makes recommendations to the City Council for projects such as rezones, General Plan amendments, Zoning Code amendments, Specific Plans and other planning and land development matters.

BUILDING SAFETY - 18300

PERMIT & PLAN CHECK SERVICES – 20410

The Building Division provides local enforcement of mandatory State building codes and standards and municipal ordinances related to the construction, modification, use, and occupancy of private and public buildings and properties. The division enforces the Costa Mesa Municipal Code and provides a variety of daily services such as permit issuance and plan check for new construction and modification of existing structures. The division oversees the routing of plans and coordination of approvals from other city departments. It also calculates and collects fees related to development and other projects requiring plan review and/or a building permit.

INSPECTION SERVICES – 20410

The Building Division provides inspection of building construction and tenant improvement activities for compliance with applicable State and local codes; conducts damage assessment, evaluation and determination of building safety following a major disaster, such as an earthquake; investigates building construction, illegal conversions, and disabled access and other building-related complaints generated by the public through Costa Mesa Connect.

COMMUNITY IMPROVEMENT - 18400

The Community Improvement Division works in partnership with the public to promote and maintain a safe and desirable living and working environment by applying the division's resources to the City Council's priorities. The division achieves this in the following areas of focus:

CODE ENFORCEMENT – 20350

Code Enforcement provides strategic enforcement of the Municipal Code related to land use, private property regarding land use, building construction, building occupancy, private property maintenance, and signage. Such enforcement may be the result of complaints received from citizens or may be initiated by code enforcement officers on a proactive basis. Code Enforcement is also responsible for implementation and enforcement of zoning regulations and operating requirements for group homes, residential care facilities, and offsite service providers. Code Enforcement also performs lodging inspections in conjunction with the Orange County Health Department. The division inspects the City's stock of lodging establishments for compliance with the Municipal Code, State Health & Safety laws, and other concerns that often lead to blighted conditions at these locations. Finally, Code Enforcement is responsible for the enforcement of the City's restrictions on the illegal cultivation and retail sales of recreational and medical marijuana, including nuisance abatement for any use, structure, or property used for these operations in close collaboration with the Police Department and State of California's Bureau of Cannabis Control.

DEVELOPMENT SERVICES DEPARTMENT (CONTINUED)

MARIJUANA BUSINESS PERMITTING/INSPECTIONS – 20350

This Community Improvement Division provides inspections related to the issuance of permits to marijuana businesses vetted through the thorough application process outlined in Measure X, as well as close coordination and routine inspections of City-approved businesses to ensure their facilities maintain compliance with all applicable regulations.

HOUSING AND COMMUNITY DEVELOPMENT – 11310/11320

PUBLIC SERVICES PROGRAMS – 20421

HCD solicits public service sub-recipient grant applicants for HUD-qualified activities and reviews, recommends and presents preliminary applications to the Housing and Public Service Grants Ad-hoc Committee for recommendation to the City Council. HCD staff coordinates and implements public service grants allocated by the City Council and funded through the CDBG program. Public service grants are awarded to nonprofit agencies that provide services such as homelessness prevention; homeless services; youth, senior and disabled services; and other eligible uses through the City's annual CDBG funding allocation. The City contracts with the Fair Housing Foundation to provide fair housing services to the community. HCD staff monitors all sub-recipients to insure compliance and performance.

SINGLE FAMILY HOUSING REHABILITATION – 20422

HCD promotes the HUD-funded program for eligible, very low-income, single-family Costa Mesa homeowners, by providing technical assistance to program participants including how to apply for grants (up to \$15,000) and/or deferred low-interest loans (up to \$50,000). Property rehabilitation is limited to interior and exterior residential property improvements addressing basic code and building violations, lead-based paint hazards, and other non-luxury repairs. HCD staff performs income qualification, coordinates homeowner work write-ups, loan documentation, ongoing loan management and monitoring, processes requests for loan refinance, loan subordination and loan payoff, and conducts compliance monitoring through the life of each loan.

CDBG ADMINISTRATION – 20427

HCD provides technical assistance to government and nonprofit service providers; administers, coordinates and implements the City's federally-funded CDBG programs and capital improvement projects, as approved by the City Council; and assures that sub-recipients receiving grant funding maintain HUD compliance. Included in these programs are community outreach, soliciting requests for Capital Improvement Projects from other City divisions and departments, providing technical assistance in meeting HUD requirements, reviewing projects submitted for compliance with HUD requirements, and presentation of projects to the City Council for consideration and coordination of progress reporting requirements on all projects undertaken

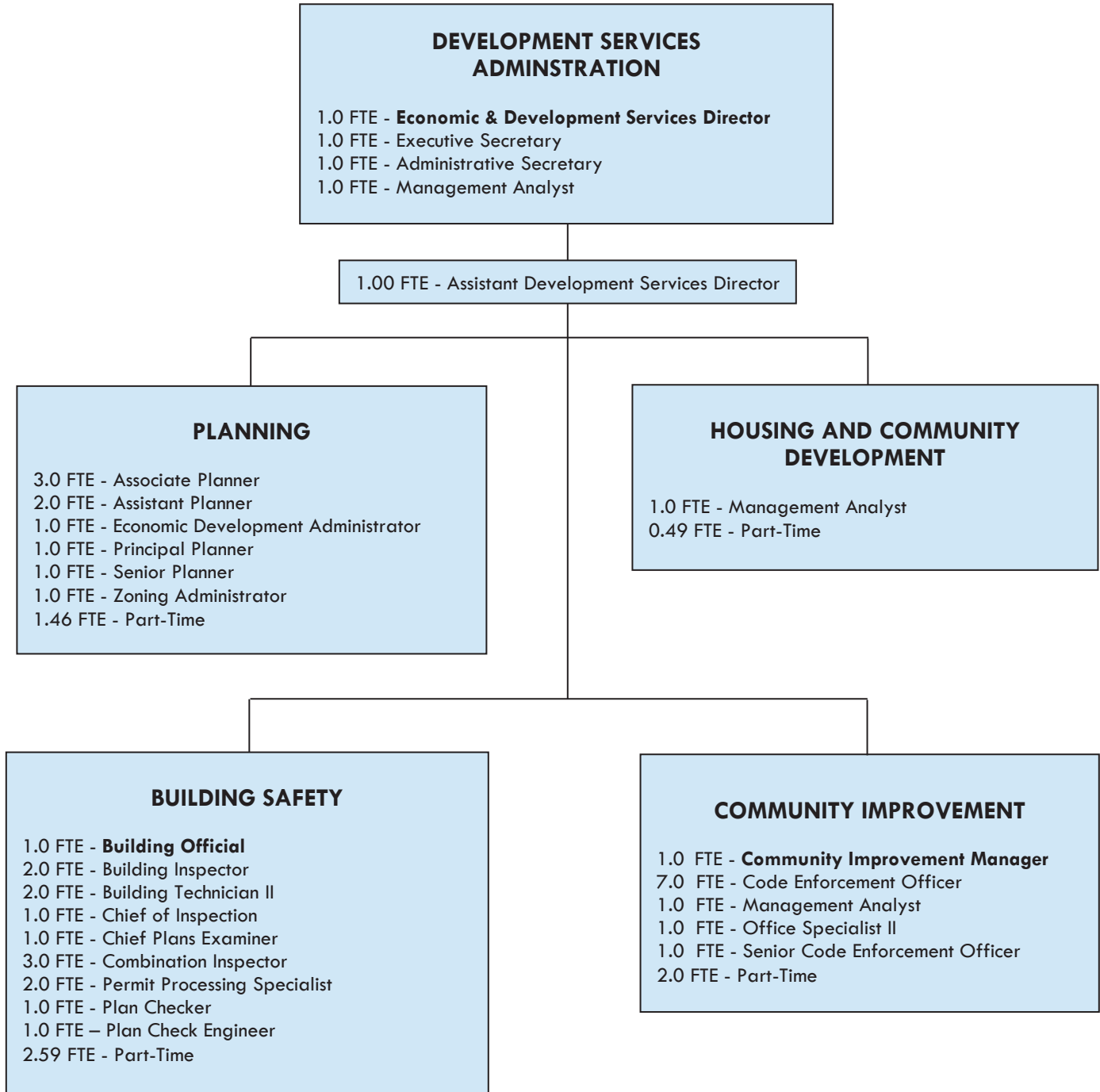
HOME ADMINISTRATION – 20440

HCD coordinates and implements the City's federally funded HOME programs, as approved by the City Council to enhance decent housing and suitable living environments for low and moderate-income residents. HCD staff prepares, reviews, implements, and provides updated recommendations to the City Council, as needed, to be consistent with City goals and objectives, and HUD Regulations, as may be changed from time to time.

HOME PROJECTS – 20445

HCD supports and presents HOME Projects for review and approval by the City Council and monitors and meets regulatory reporting requirements for the City's affordable housing projects funded with HOME grant funds.

DEVELOPMENT SERVICES DEPARTMENT (CONTINUED)



WHAT DID WE DO IN FISCAL YEAR 2018-2019?

- Development Services staff assisted over 17,000 walk-in customers at the Planning and Building counters and over 69,000 customers over the phone in FY 18-19.
- Development Services staff maintained an average wait time of less than 15 minutes at the public counter and received a customer service rating of 9.42 out of 10 from customers surveyed.
- Planning staff completed updates to the Small Lot Ordinance and the Residential Incentive Overlay districts per City Council's direction. Both were adopted by City Council in September/October 2018.
- The Planning and Building Divisions permitted hundreds of housing units, including entitlements for 393 rental units at 585/595 Anton Boulevard; 28 residential condominium units at Harbor and Hamilton; and 200 rental units at 2277 Harbor Boulevard that includes an affordable housing component.
- The Planning and Building Divisions permitted a significant number of commercial, industrial and institutional businesses in FY 18-19, including entitlements for the Orange County Museum of Art, Vanguard University, creative office spaces, event centers, and marijuana industrial uses.
- Development Services, along with Fire Department, staff expedited Marijuana Business Permit applications and over 30 Conditional Use Permits for marijuana businesses in FY 18-19, ahead of the State's mandatory licensing deadline. The first marijuana manufacturing and distribution businesses became operational in FY 18-19 and submitted their first marijuana revenue payments to the City in February 2019. In addition, Community Improvement Division staff identified 14 illegal dispensaries; four of those locations have since closed and 10 have received citations.
- The Planning Division completed processing its backlog of sober living permit requests in FY 18-19, and Community Improvement Division staff actively enforced the City's Group Home Ordinances resulting in the closure of 21 unpermitted locations.
- Planning and Building staff expedited permits to allow the temporary homeless shelter at Lighthouse Church to open on time, allowing the City again enforce its anti-camping ordinance. Staff is also expediting a Code Amendment and other entitlements to allow for a potential permanent homeless shelter site in the City.
- The Building Division adopted a new fee schedule that allows for full cost recovery, plus an annual escalator.
- The Building Division is fully staffed with the exception of one part-time position, thereby lowering reliance on consultants for plan checks and inspections.
- In its attempts to improve customer service and satisfaction, the Building Division has reduced in-house plan check turnaround time from fifteen working days to less than five working days and implemented an electronic sign-in system that efficiently routes and tracks customers. The Building Division has also implemented an electronic plan check process.
- Community Improvement Division staff completed one neighborhood community event and conducted two receiverships that dealt with nuisance/substandard conditions at residential homes.
- CID staff responded to 1,806 complaints and 102 building code violations.

WHAT DO WE PLAN TO DO IN FISCAL YEAR 2019-2020?

- Assist a high volume of customers at the Planning and Building counters with minimal wait times and a high level of customer satisfaction.
- Manage a high volume of development applications, while promoting high-quality neighborhoods and businesses in Costa Mesa. Anticipated development projects in FY 19-20 to include:
 - Processing entitlements for over 1,000 residential units as well as office/commercial space north of the I-405 Freeway;
 - Processing entitlements for a new Fletcher Jones-Audi car dealership at 1275 Bristol Street; mixed use projects at the Plant and the Campout in the SoBECA area;
 - Processing entitlements for creative office spaces such as The Press at 1375 Sunflower, also proposed to include 65,000 square feet of retail and restaurant uses; office expansion at Vans Headquarters 1588 South Coast Drive; and the re-use of the Trinity Broadcast site by Education First, an international language school.
- Provide the public and decision-makers with high quality, professional staff reports, recommendations, information and materials.
- Fill vacant positions and provide adequate staffing and training levels in order to provide excellent customer service.
- Implement a fully integrated GIS platform and a new Land Management System and permitting software. The new system will replace 20-year-old technology that is no longer supported and provide for improved efficiency, transparency, and customer service.
- Complete the City's Economic Development Strategic Plan and continue to promote business development and retention of high-quality businesses and jobs in Costa Mesa.
- Complete the SoBECA Parking Study and promote parking solutions City-wide.
- Adopt new guidelines and significance thresholds consistent with SB 743, which mandates the use of Vehicle Miles Traveled (VMT) as the metric for assessing traffic impacts in environmental documents while still ensuring community-acceptable service levels are maintained.
- Assist the remaining approved marijuana businesses through the plan check process toward becoming operational in FY 19-20. Continue to improve and streamline marijuana processes, outreach to local businesses through the Chamber of Commerce, and enforce City ordinances prohibiting illegal dispensaries.
- Complete permitting work to allow for a Homeless Shelter location in Costa Mesa and expedite review and inspection of such.
- Enforce Group Home Ordinances to ensure Code compliance in the City's residential neighborhoods.
- Adopt California Building Code 2019 and begin preliminary preparations for 2021 Housing Element update.
- Monitor, with the intent to continue to improve, customer satisfaction and achieve broader implementation of electronic plan check.
- Identify possible nuisance properties through police reports, Community Improvement meetings, field observations, and community complaints.

DEVELOPMENT SERVICES DEPARTMENT (CONTINUED)

GOALS AND OBJECTIVES

The goals and objectives of the Development Services Department were developed in alignment with the City Council's priorities.



GOALS AND OBJECTIVES

1	Ensure that properties are repaired and maintained at the highest standards.	✓	✓				
2	Enforce Group Home Ordinances to ensure Code compliance in the city's single family and multi-family zones.	✓	✓				
3	Improve cooperation with the State to honor the intent of local group home regulations.	✓	✓				
4	Respond to citizen complaints within two working days from receipt of complaint.	✓	✓				✓
5	Implement a fully integrated GIS platform and land management system with permitting software.			✓			✓
6	Complete the SoBECA Parking Study and promote parking solutions City-wide.					✓	
7	Complete permitting work to allow for a Homeless Shelter location in Costa Mesa and expedite review and inspection of such.				✓		
8	Provide support to Marijuana Businesses through the permitting process to ensure compliance with local and State laws.	✓	✓	✓			
9	Promote business development (Keeping the City Fiscally Sustainable).			✓			

DEVELOPMENT SERVICES DEPARTMENT (CONTINUED)

PERFORMANCE MEASURES/WORKLOAD INDICATORS:

	FY 17-18 Actual	FY 18-19 Adopted	FY 19-20 Proposed
Customer Satisfaction Rating (out of 10 points)	No data	9.42	9.5
Average Wait Time for Counter Customers	15	11.54	12
Customers Assisted at the Planning and Building Counters	17,300	16,734	16,834
Number of Customers Assisted by Phone	70,000	69,746	70,000
Total Planning Applications Received	No data	261	260
Number of Report Items to City Council	66	39	40
Number of building permits issued	2,991	3,032	3,000
Number of inspections performed	27,532	28,012	29,000
Number of plan checks performed	250	1,080	1,300
Code Enforcement cases	1,626	1,806	1,900
Number of code violations cleared	1,200	1,633	1,710
Number of criminal court cases	4	6	6
Number of administrative citations issued	192	424	450
SUP applications for Group Home received	6	1	2
CUP applications for Group Homes received	1	1	2
Director's Hearings Conducted	0	4	2
Marijuana Business Permit applications received	20	10	10

DEVELOPMENT SERVICES DEPARTMENT (CONTINUED)

WHAT DOES IT COST?

BUDGET NARRATIVE

The Fiscal Year 2019-20 Proposed budget for the Development Services Department is \$8.0 million, an decrease of \$537 thousand, or 6.3% compared to the amended budget for Fiscal Year 2018-19. The decrease was primarily attributed to the reduction of consulting costs.

Expense by Fund	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
DEVELOPMENT SERVICES BY FUNDING SOURCE				
General Fund - 101	\$ 4,871,846	\$ 5,601,397	\$ 7,215,016	\$ 6,963,062
HOME Program Fund - 205	255,033	275,946	568,293	306,462
CDBG Fund - 207	515,667	438,128	751,336	728,027
Total Development Services Department	\$ 5,642,546	\$ 6,315,471	\$ 8,534,644	\$ 7,997,551

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
DEVELOPMENT SERVICES DEPARTMENT BY PROGRAM				
ADMINISTRATION - 18100				
<u>Development Services Administration - 50001</u>				
Salaries & Benefits	\$ 496,635	\$ 804,427	\$ 785,864	\$ 728,800
Maintenance & Operations	198,400	194,488	189,904	139,127
Fixed Assets	59	-	36,000	7,200
Subtotal Development Services Admin	\$ 695,094	\$ 998,915	\$ 1,011,768	\$ 875,127
PLANNING - 18200				
<u>Planning - 20320</u>				
Salaries & Benefits	\$ 1,021,235	\$ 1,333,345	\$ 1,546,450	\$ 1,828,547
Maintenance & Operations	555,242	197,161	527,115	208,520
Fixed Assets	1,290	8,715	6,494	-
Subtotal Planning	\$ 1,577,767	\$ 1,539,221	\$ 2,080,059	\$ 2,037,067
<u>Planning Commission - 20360</u>				
Salaries & Benefits	\$ 1,230	\$ -	\$ 600	\$ -
Maintenance & Operations	25,491	27,589	27,800	36,940
Fixed Assets	-	-	-	-
Subtotal Planning Commission	\$ 26,721	\$ 27,589	\$ 28,400	\$ 36,940
BUILDING SAFETY - 18300				
<u>Building Safety - 20410</u>				
Salaries & Benefits	\$ 1,245,689	\$ 1,394,971	\$ 1,983,134	\$ 2,245,300
Maintenance & Operations	619,604	295,524	319,058	253,037
Fixed Assets	787	7,439	-	4,000
Subtotal Building Safety	\$ 1,866,080	\$ 1,697,934	\$ 2,302,192	\$ 2,502,337

DEVELOPMENT SERVICES DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
COMMUNITY IMPROVEMENT - 18400				
<u>Code Enforcement - 20350</u>				
Salaries & Benefits	\$ 871,028	\$ 1,170,559	\$ 1,614,327	\$ 1,560,100
Maintenance & Operations	54,973	320,654	433,104	260,217
Fixed Assets	10,582	2,200	5,165	-
Subtotal Code Enforcement	\$ 936,584	\$ 1,493,414	\$ 2,052,596	\$ 1,820,317
<u>Marijuana Businesses - 20415</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	2,625	-	-	-
Fixed Assets	-	-	-	-
Subtotal Marijuana Businesses	\$ 2,625	\$ -	\$ -	\$ -
HOUSING ADMINISTRATION - 11310				
<u>Public Service Programs - 20421</u>				
Salaries & Benefits	\$ 14,118	\$ -	\$ -	\$ -
Maintenance & Operations	133,202	144,653	168,798	162,000
Fixed Assets	-	-	-	-
Subtotal Public Service Programs	\$ 147,320	\$ 144,653	\$ 168,798	\$ 162,000
<u>CDBG Administration - 20427</u>				
Salaries & Benefits	\$ 28,720	\$ 29,776	\$ 54,666	\$ 44,800
Maintenance & Operations	106,602	107,663	226,674	169,235
Fixed Assets	-	-	1,200	-
Subtotal CDBG Administration	\$ 135,321	\$ 137,439	\$ 282,540	\$ 214,035
<u>CDBG Housing Rehab Admin - 20455</u>				
Salaries & Benefits	\$ -	\$ 360	\$ 39,998	\$ 42,600
Maintenance & Operations	-	-	-	666
Fixed Assets	-	-	-	-
Subtotal CDBG Housing Rehab Admin	\$ -	\$ 360	\$ 39,998	\$ 43,266
HOME - 11320				
<u>Single Family Housing Rehab - 20422</u>				
Salaries & Benefits	\$ 41,549	\$ 49,671	\$ 41,122	\$ 38,900
Maintenance & Operations	165,733	160,864	\$ 400,863	234,351
Fixed Assets	-	-	-	-
Subtotal Single Family Housing Rehab	\$ 207,282	\$ 210,535	\$ 441,985	\$ 273,251
<u>HOME Program - 20440</u>				
Salaries & Benefits	\$ 42,592	\$ 47,795	\$ 11,324	\$ 9,000
Maintenance & Operations	5,159	17,616	39,199	23,661
Fixed Assets	-	-	-	550
Subtotal HOME Program	\$ 47,751	\$ 65,411	\$ 50,523	\$ 33,211
<u>HOME Projects - 20445</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance & Operations	-	-	75,785	-
Fixed Assets	-	-	-	-
Subtotal HOME Projects	\$ -	\$ -	\$ 75,785	\$ -

DEVELOPMENT SERVICES DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
TOTAL DEVELOPMENT SERVICES				
Salaries & Benefits	\$ 3,762,797	\$ 4,830,905	\$ 6,077,485	\$ 6,498,047
Maintenance & Operations	1,867,031	1,466,212	2,408,300	1,487,754
Fixed Assets	12,718	18,353	48,859	11,750
Total Development Services Department	\$ 5,642,546	\$ 6,315,471	\$ 8,534,644	\$ 7,997,551



FY 2019-2020 PRELIMINARY BUDGET

PUBLIC SERVICES DEPARTMENT



WHAT DO WE DO?

The Public Services Department provides services related to engineering design, construction management, transportation, street, park and city facilities maintenance, water quality, waste management and recycling, street sweeping, and fleet management. The Department has 67 full-time staff members composed of four management, six clerical, and 57 professional/technical staff. Part-time staffing consists of 9.7 full-time equivalents. The Department is organized in four divisions as follows:

- *Public Services Administration*
- *Engineering*
- *Transportation Services*
- *Maintenance Services*

PUBLIC SERVICES ADMINISTRATION - 19100

ADMINISTRATION – 50001

Provides the overall coordination, direction, and oversight for all Department activities, which include four divisions, overseeing 22 municipal services functions. Administrative management includes development of the Department's operational budget; personnel management; securing and implementing grant programs; providing commercial, multi-family, and construction and demolition waste collection and recycling services; evaluation and monitoring of current and pending legislation's impact on Department programs and operations; overseeing short and long-range capital improvement planning and development; and accomplishing the Department's strategic goals, operational goals and objectives within general policy guidelines.

RECYCLING – 20230

Implements and monitors the City's compliance to solid waste and recycling mandates such as the Integrated Waste Management Act 1989 AB939, AB341 Mandatory Recycling for Commercial and Multi-family sectors, AB1826 Mandatory Commercial Organics Recycling, and the California Green Building Standards Code (CALGreen) waste diversion requirements for construction and demolition projects. Administers the non-exclusive Waste Hauling Franchise and Contractor Self-Haul Permit. Manages the City's participation in State grant and recycling programs including the Used Oil Recycling Grant and Beverage Container Recycling Grant. Responsible for participation in and compliance with the California Department of Resources Recycling and Recovery (CalRecycle) jurisdiction reviews and submission of the Local Jurisdiction Electronic Annual Report (EAR) to CalRecycle.

ENGINEERING - 19200

The Engineering Division is responsible for the design and construction of the City's Capital Improvement Program. The Division is also responsible for the procurement of real property and public right-of-way, the design and development of all parks and open space facilities, administration of water quality regulations, construction management and inspection of public works improvements, development review and processing, and utility coordination. The Engineering Division is organized into nine sections.

FAIRVIEW PARK – 20115

Administers design and construction projects aimed at implementing the Fairview Park Master Plan. Manages and coordinates construction activities and projects with regulatory agencies.

PUBLIC SERVICES DEPARTMENT (CONTINUED)

WATER QUALITY – 20510

Implements and monitors the City's compliance with the National Pollutant Discharge Elimination System (NPDES). Coordinates and implements the Santa Ana Regional Water Quality Board directives for compliance with the Water Quality Act, as it relates to City draining into the Santa Ana River and the Newport Bay. Prepares the City's Annual Program Effectiveness Assessment (PEA) and coordinates compliance with Newport Bay Total Maximum Daily Load (TMDL) regulations.

STREET IMPROVEMENTS – 30112

Designs plans and specifications for the construction and maintenance of City Capital Improvement Projects. Administers the Pavement Management Program. Administers design consultant contracts. Reviews and approves engineering submittals, including improvement plans, material reports, utility work, engineering estimates, and ADA accessibility. Secures competitive grant funding for street improvement projects.

STORM DRAIN IMPROVEMENTS – 30122

Designs and manages the construction of the City's Storm Drain System (approximately 42 miles of storm drain), as it relates to the implementation of the Master Plan of Drainage.

CURB & SIDEWALKS – 30130

Establishes a parkway maintenance program that is essential to remove and replace damaged curb, gutter and sidewalk throughout the City.

DEVELOPMENT – 30310

Conducts development review of private development submittals. Permits work in the public right-of-way. Identifies development conditions for Planning Commission hearings. Administers Subdivision Map Act requirements. Provides staff support to the Planning Commission.

REAL PROPERTY – 30320

Responsible for land acquisition, vacation, and abandonment of right-of-way. Conducts acquisition negotiations and manages agreements. Responsible for preparing real property documents and administering consultant services related to the acquisition and relinquishment of real property.

PARK DEVELOPMENT – 40112

Acquires, develops, and renovates park facilities. Manages the design and construction of new park projects and renovation of existing park facilities. Responsible for master planning new park and open space facilities and managing compliance of Capital Improvement Projects with the Master Plan of Parks and Recreation. Secures park and open space competitive grant funding.

PUBLIC SERVICES DEPARTMENT (CONTINUED)

CONSTRUCTION MANAGEMENT – 50002

Administers construction contracts. Manages and inspects construction activities and projects in the public right-of-way, City-owned buildings, and facilities. Manages the construction and implementation of the City's Capital Improvement Program. Administers compliance with Federal and State Labor Laws including Prevailing Wage Regulations, Disadvantaged Business Participation, Equal Opportunity Employment Practices, and Public Contract Laws.

TRANSPORTATION - 19300

The Transportation Services Division is responsible for the operation and maintenance of the traffic operations infrastructure including, but not limited to: traffic signals, closed circuit television cameras, Traffic Operations Center, radar feedback signs, implementation of the General Plan Circulation Element, Active Transportation Program and transportation planning activities within the City. Administers programs and projects to promote safe and efficient movement of people and goods throughout the City. Manages the private contract for school crossing guards, in order to enhance the safety of elementary school students walking to and from school. The Transportation Division is organized into three sections:

TRAFFIC PLANNING – 30210

Responsible for the implementation of the Circulation Element of the City's General Plan. Studies and implements short- and long-range transportation improvements in accordance with the General Plan. Manages the City's traffic model. Participates and monitors development projects. Administers the City's Trip Fee Program. Coordinates with other agencies on transportation related activities and manages the City's school crossing guard and bus shelter contracts.

TRAFFIC OPERATIONS – 30241

Maintains, operates, and updates traffic signals, traffic control devices, and street lights in the City. Manages the City's overall traffic flow/movement through Intelligent Transportation Systems (ITS) elements including signal coordination, closed circuit televisions (CCTV), and a centralized traffic operations center. Designs and implements traffic operations improvements such as radar speed feedback signs and in-pavement flashing cross-walks.

ACTIVE TRANSPORTATION PROGRAM – 30225

Responsible for development and implementation of City's Bicycle and Pedestrian Master Plan component of the City's Circulation Element. Address bikeway and pedestrian issues, bicycle/pedestrian network connectivity and infrastructure maintenance requests. Design and construct bicycle and pedestrian facility improvements, and complete street solutions, where applicable.

MAINTENANCE SERVICES - 19500

The Maintenance Services Division is responsible for the care, maintenance, repair and alteration of the City's municipal facilities. This also includes the maintenance of vehicles and equipment, parks and parkways, trees, traffic signs and markings, street sweeping, storm water systems, graffiti abatement and roadways. The Maintenance Services Division is structured in nine programs listed below:

PUBLIC SERVICES DEPARTMENT (CONTINUED)

MAINTENANCE SERVICES ADMINISTRATION – 50001

Provides overall direction, coordination, and support to the maintenance sections operational and administrative activities and functions. Provides staff support to the Parks & Recreation Commission.

STREET CLEANING – 20120

Sweeps and cleans approximately 400 miles of residential, commercial and arterial roadway lanes in the City.

GRAFFITI ABATEMENT – 20130

Removes graffiti in the public right-of-way, public parks, City-owned facilities, and on private structures where graffiti is visible from the public right-of-way. Pressure washes city playgrounds, bus stops, sidewalks and city facilities.

STREET MAINTENANCE – 30111

Maintains approximately 525 lane miles of streets, 15 miles of City alleys, and miscellaneous easements.

STORM DRAIN MAINTENANCE – 30121

Maintains the City's storm drain system and 1,165 catch basins.

SIGNS AND MARKINGS – 30243

Installs and maintains all street and traffic signage and pavement markings in the City.

PARK, PARKWAY AND MEDIAN MAINTENANCE – 40111

Maintains the City's 29 parks, sports fields and related facilities, 13 acres of landscaped street medians, and approximately 22,000 parkway trees. Administers the City's landscape maintenance and tree maintenance contracts.

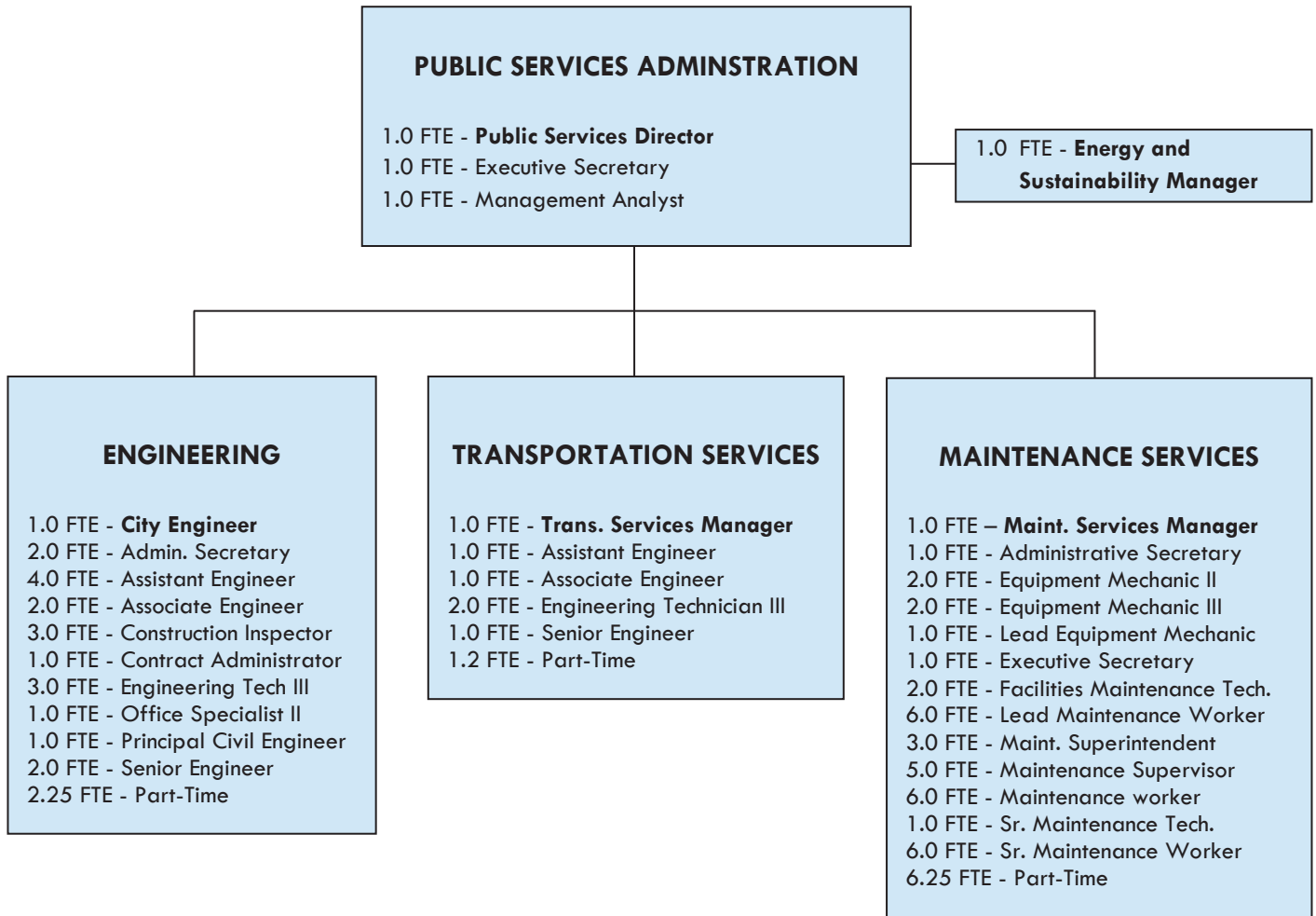
FACILITY MAINTENANCE – 50910

Maintains, repairs, and rehabilitates 22 City-owned buildings, including those leased to outside agencies. Administers and supervises contract services required for maintaining City facilities.

FLEET SERVICES – 50920

Maintains and repairs the City's fleet of 360 fire, police, general use vehicles, motorcycles, highway equipment, generators, trailers and other miscellaneous equipment.

PUBLIC SERVICES DEPARTMENT (CONTINUED)



WHAT DID WE DO IN FISCAL YEAR 2018-2019?

- Completed the construction of the Placentia Avenue Bicycle Signal project at Fairview Channel.
- Completed the construction of the Red Hill Avenue and Harbor Boulevard medians.
- Completed the reconstruction of the thirteen alleys (The construction cost was \$1,200,000).
- Started a new underground utility district for Adams Avenue between Placentia Avenue/Mesa Verde Drive West and Mesa Verde Drive East.
- Completed Installation of emergency generators at three first-responder facilities.
- Completed Fire Station #1 Project.
- Completed reconstruction of City Council Chambers upgrades.
- Completed construction of Lions Park library and the one-acre open space to the north.
- Initiated design of Lions Park playground.
- Initiated design of Randolph Avenue parking improvements.
- Completed installation of GPS Emergency Vehicle Pre-Emption (EVP's) devices at 36 locations (Including seven along Newport Blvd.) and established a maintenance program of the EVP's.
- Completed design for the Merrimac Way Active Transportation and roadway improvements.
- Replaced the rubberized playground surfacing at sixteen City parks.
- City Hall: Replacement of three (3) remaining HVAC unitary controllers, and HVAC chiller tower.
- Responded to 2,068 calls for service related to graffiti removal.

WHAT DO WE PLAN TO DO IN FISCAL YEAR 2019-2020?

- Provide landscape maintenance of 463 acres of City parks, fields, parkways, and medians.
- Manage approximately 25,000 City-owned trees. Will Pursue designation of "Tree City USA".
- Abate graffiti within 24 hours of notification or discovery.
- Repair potholes on City streets within 24 hours of notification or discovery.
- Complete Phase 2 of construction of The Lions Park Projects, including the playground improvements.
- Continue with traffic signal synchronization system improvements.
- Complete design and implementation of Randolph Avenue parking improvements.
- Implement storm drain improvements at locations with potential for chronic flooding issues.
- City Wide Street Improvements Project for Fiscal Year 2018-19 - Complete design and construction to maintain Pavement Condition Index (PCI) goal of 85.
- Complete design of Adams Avenue Improvement Projects from Harbor Boulevard to Santa Ana River.
- Complete construction of Jack Hammett Sports Field Improvements.
- Complete construction of five alleys (Construction cost \$500,000).
- Complete construction of City Hall Electric Vehicle charging stations (estimated construction cost \$250,000).

PUBLIC SERVICES DEPARTMENT (CONTINUED)

GOALS AND OBJECTIVES

The goals and objectives of the Public Services Department were developed in alignment with the City Council's priorities.



GOALS AND OBJECTIVES

1	Provide landscape maintenance of 463 acres of City parks and fields.		✓				
2	Complete design and construction to maintain Pavement Condition Index (PCI) goal of 85.	✓	✓				
3	Complete construction of Jack Hammett Sports Field Improvements.	✓	✓				
4	Complete design and implementation of Randolph Avenue parking improvements.		✓			✓	
5	Implement storm drain improvements at locations with potential for chronic flooding issues.		✓				
6	Complete construction of the Lions Park Playground Improvements.		✓				
7	Pursue designation of "Tree City USA".		✓				
8	Complete construction of City Hall Electric Vehicle charging Stations.		✓				

PUBLIC SERVICES DEPARTMENT (CONTINUED)

PERFORMANCE MEASURES/WORKLOAD INDICATORS:

	FY 17-18 Actual	FY 18-19 Adopted	FY 19-20 Proposed
Percent of the total number of City trees trimmed	18%	25%	35%
Percent of budgeted building maintenance projects completed	90%	75%	90%
Pavement Condition Index (P.C.I.) for streets network	86	86.3	86
Percent of budgeted Capital Improvement Projects completed in budgeted fiscal year	85%	90%	80%
Percentage change in bulky items removed from City right of way	7%	10%	10%
Number of trees planted	150	200	200
Number of facility work requests	1,000	1,000	1,800
Number of calls for service for Graffiti	2,919	2,068	2,000
Number of facility rehabilitation projects completed	59	60	44
Number of traffic and street signs maintained	867	1,500	1,000
Number of linear feet of lanes repainted	1,014,569	1,250,000	1,250,000
Number of facility rehabilitation projects completed	47,701	51,482	53,236
Number of crosswalks repainted/ reapplied	60	80	60
Number of lineal feet of red curb repainted	263,426	375,000	350,000
Tons of asphalt applied annually by City forces	411	300	300
Tons of debris removed and diverted from the waterways	1,250	1,300	1,400

PUBLIC SERVICES DEPARTMENT (CONTINUED)

WHAT DOES IT COST?

BUDGET NARRATIVE

The Fiscal Year 2019-20 budget for the Public Services Department is \$22.8 million, a decrease of \$1.1 million, or 4.7% compared to the amended budget for Fiscal Year 2018-19. The decrease was primarily attributed to the reduction of consulting and maintenance costs offset by the addition of three new full-time positions.

Expense by Fund	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
PUBLIC SERVICES BY FUNDING SOURCE				
General Fund - 101	\$ 15,650,280	\$ 17,985,611	\$ 19,441,223	\$ 19,209,987
Gas Tax Fund - 201	526,634	847,721	735,735	659,900
Air Quality Improvement Fund - 203	555	9,150	-	15,000
CDBG Fund - 207	-	9,114	-	-
Capital Improvement Fund - 401	-	6,629	-	-
Golf Course Improvement Fund - 413	-	-	-	275,000
Measure "M2" Fund - 416	8,235	4,805	12,735	290,500
Equipment Replacement Fund - 601	2,592,644	2,711,253	3,785,328	2,399,412
Total Public Services Department	\$ 18,778,348	\$ 21,574,284	\$ 23,975,021	\$ 22,849,799

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
PUBLIC SERVICES DEPARTMENT BY PROGRAM				
ADMINISTRATION - 19100				
<u>Administration - 50001</u>				
Salaries & Benefits	\$ 669,538	\$ 901,150	\$ 888,425	\$ 743,227
Maintenance & Operations	637,214	1,007,592	1,155,997	834,162
Fixed Assets	-	13,678	-	-
Subtotal Administration	\$ 1,306,751	\$ 1,922,420	\$ 2,044,422	\$ 1,577,389
<u>Recycling - 20230</u>				
Salaries & Benefits	\$ -	\$ 105	\$ -	\$ -
Maintenance & Operations	151,807	150,566	198,190	197,800
Fixed Assets	-	-	-	-
Subtotal Recycling	\$ 151,807	\$ 150,671	\$ 198,190	\$ 197,800
ENGINEERING - 19200				
<u>Fairview Park - 20115</u>				
Salaries & Benefits	\$ 74,160	\$ 96,317	\$ 95,410	\$ -
Maintenance & Operations	-	-	-	-
Fixed Assets	-	-	-	-
Subtotal Fairview Park	\$ 74,160	\$ 96,317	\$ 95,410	\$ -
<u>Water Quality - 20510</u>				
Salaries & Benefits	\$ 23,219	\$ 26,474	\$ 282,798	\$ 96,490
Maintenance & Operations	245,803	224,860	250,495	220,100
Fixed Assets	-	-	-	-
Subtotal Water Quality	\$ 269,021	\$ 251,334	\$ 533,293	\$ 316,590

PUBLIC SERVICES DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
ENGINEERING - 19200 (continued)				
<u>Street Improvements - 30112</u>				
Salaries & Benefits	\$ 490,449	\$ 702,144	\$ 522,312	\$ 769,469
Maintenance & Operations	28,307	162,775	34,809	30,100
Fixed Assets	6,057	54	54	900
Subtotal Street Improvements	\$ 524,813	\$ 864,973	\$ 557,175	\$ 800,469
<u>Storm Drain Improvements - 30122</u>				
Salaries & Benefits	\$ 90,419	\$ 191,164	\$ 235,311	\$ 192,780
Maintenance & Operations	3,052	3,286	3,975	3,200
Fixed Assets	-	1,776	12,086	1,000
Subtotal Storm Drain Improvements	\$ 93,471	\$ 196,227	\$ 251,372	\$ 196,980
<u>Public Services - Development - 30310</u>				
Salaries & Benefits	\$ 24,789	\$ 26,656	\$ 257,916	\$ 263,790
Maintenance & Operations	547	988	1,850	800
Fixed Assets	-	-	-	-
Subtotal Public Services - Develop.	\$ 25,336	\$ 27,644	\$ 259,766	\$ 264,590
<u>Public Services - Real Property - 30320</u>				
Salaries & Benefits	\$ 47,648	\$ 55,177	\$ 93,608	\$ 101,990
Maintenance & Operations	341	381	2,550	700
Fixed Assets	-	-	-	-
Subtotal Public Services - Real Prop.	\$ 47,989	\$ 55,557	\$ 96,158	\$ 102,690
<u>Park Development - 40112</u>				
Salaries & Benefits	\$ 72,839	\$ 183,238	\$ 129,366	\$ 146,990
Maintenance & Operations	1,081	1,416	3,100	276,700
Fixed Assets	-	-	-	-
Subtotal Park Development	\$ 73,920	\$ 184,654	\$ 132,466	\$ 423,690
<u>Construction Management - 50002</u>				
Salaries & Benefits	\$ 858,934	\$ 785,139	\$ 1,298,108	\$ 1,708,880
Maintenance & Operations	1,096,275	633,405	25,578	64,000
Fixed Assets	2,381	9,397	-	1,000
Subtotal Construction Management	\$ 1,957,589	\$ 1,427,940	\$ 1,323,686	\$ 1,773,880
<u>RMRA Road Maintenance Rehab Account - 71200</u>				
Salaries & Benefits	\$ -	\$ 4,184	\$ -	\$ -
Maintenance & Operations	-	-	-	-
Fixed Assets	-	-	-	-
Subtotal RMRA Road Maint. Rehab	\$ -	\$ 4,184	\$ -	\$ -
TRANSPORTATION SERVICES - 19300				
<u>Traffic Planning - 30210</u>				
Salaries & Benefits	\$ 212,694	\$ 246,709	\$ 397,255	\$ 471,821
Maintenance & Operations	55,499	150,274	98,200	60,850
Fixed Assets	-	-	-	-
Subtotal Traffic Planning	\$ 268,193	\$ 396,983	\$ 495,455	\$ 532,671

PUBLIC SERVICES DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
TRANSPORTATION SERVICES - 19300 (continued)				
<u>Active Transportation Improvement - 30225</u>				
Salaries & Benefits	\$ 31,893	\$ 56,164	\$ 106,223	\$ 208,075
Maintenance & Operations	-	84,922	182,395	41,900
Fixed Assets	-	-	-	-
Subtotal Active Transportation Imp.	\$ 31,893	\$ 141,086	\$ 288,618	\$ 249,975
<u>Traffic Operations - 30241</u>				
Salaries & Benefits	\$ 191,981	\$ 260,123	\$ 267,768	\$ 328,375
Maintenance & Operations	1,858,313	1,737,984	1,895,336	1,820,500
Fixed Assets	3,292	1,297	-	-
Subtotal Traffic Operations	\$ 2,053,585	\$ 1,999,405	\$ 2,163,104	\$ 2,148,875
MAINTENANCE SERVICES - 19500				
<u>Administration - 50001</u>				
Salaries & Benefits	\$ 173,473	\$ 99,630	\$ 307,576	\$ 358,700
Maintenance & Operations	14,903	16,100	30,143	5,400
Fixed Assets	-	-	-	-
Subtotal Administration	\$ 188,376	\$ 115,730	\$ 337,719	\$ 364,100
<u>Parkway and Median Maintenance - 20111</u>				
Salaries & Benefits	\$ 39,522	\$ -	\$ -	\$ -
Maintenance & Operations	1,204,330	-	-	-
Fixed Assets	-	-	-	-
Subtotal Park and Median Maint.	\$ 1,243,851	\$ -	\$ -	\$ -
<u>Fairview Park - 20115</u>				
Salaries & Benefits	\$ 11,721	\$ 143,580	\$ 98,297	\$ 16,400
Maintenance & Operations	42,847	26,073	106,778	38,000
Fixed Assets	-	-	-	-
Subtotal Fairview Park	\$ 54,568	\$ 169,653	\$ 205,075	\$ 54,400
<u>Street Cleaning - 20120</u>				
Salaries & Benefits	\$ 61,549	\$ 55,036	\$ 57,314	\$ 45,012
Maintenance & Operations	695,911	704,950	764,509	747,200
Fixed Assets	-	-	-	-
Subtotal Street Cleaning	\$ 757,460	\$ 759,986	\$ 821,823	\$ 792,212
<u>Graffiti Abatement - 20130</u>				
Salaries & Benefits	\$ 155,046	\$ 354,008	\$ 298,102	\$ 387,612
Maintenance & Operations	29,047	31,191	39,241	42,400
Fixed Assets	-	-	-	-
Subtotal Graffiti Abatement	\$ 184,094	\$ 385,199	\$ 337,343	\$ 430,012
<u>Street Maintenance - 30111</u>				
Salaries & Benefits	\$ 438,759	\$ 499,018	\$ 529,038	\$ 428,390
Maintenance & Operations	269,152	265,219	482,977	361,900
Fixed Assets	-	-	6,500	-
Subtotal Street Maintenance	\$ 707,911	\$ 764,237	\$ 1,018,515	\$ 790,290

PUBLIC SERVICES DEPARTMENT (CONTINUED)

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
MAINTENANCE SERVICES - 19500 (continued)				
<u>Storm Drain Maintenance - 30121</u>				
Salaries & Benefits	\$ 160,341	\$ 170,466	\$ 171,925	\$ 267,712
Maintenance & Operations	29,814	14,100	27,896	1,600
Fixed Assets	-	-	-	-
Subtotal Storm Drain Maintenance	\$ 190,154	\$ 184,566	\$ 199,821	\$ 269,312
<u>Signs and Markings - 30243</u>				
Salaries & Benefits	\$ 398,899	\$ 578,789	\$ 509,826	\$ 519,012
Maintenance & Operations	164,005	232,954	285,381	149,800
Fixed Assets	-	-	-	-
Subtotal Signs and Markings	\$ 562,905	\$ 811,743	\$ 795,207	\$ 668,812
<u>Park Maintenance - 40111</u>				
Salaries & Benefits	\$ 1,626,621	\$ 914,107	\$ 891,224	\$ 945,700
Maintenance & Operations	1,812,843	4,312,298	4,388,065	4,584,100
Fixed Assets	-	211	-	-
Subtotal Park Maintenance	\$ 3,439,464	\$ 5,226,615	\$ 5,279,289	\$ 5,529,800
<u>Building Maintenance - 50910</u>				
Salaries & Benefits	\$ 887,191	\$ 1,300,487	\$ 1,193,581	\$ 1,291,900
Maintenance & Operations	1,081,731	1,389,008	1,554,536	1,485,950
Fixed Assets	2,195	30,438	7,668	5,000
Subtotal Building Maintenance	\$ 1,971,117	\$ 2,719,933	\$ 2,755,785	\$ 2,782,850
<u>Equipment Maintenance - 50920</u>				
Salaries & Benefits	\$ 660,474	\$ 616,650	\$ 743,538	\$ 913,512
Maintenance & Operations	1,824,178	2,040,787	1,317,662	1,230,900
Fixed Assets	115,267	59,792	1,724,129	255,000
Subtotal Equipment Maintenance	\$ 2,599,919	\$ 2,717,228	\$ 3,785,328	\$ 2,399,412
<u>Warehouse - 50925⁽¹⁾</u>				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ 180,200
Maintenance & Operations	-	-	-	2,800
Fixed Assets	-	-	-	-
Subtotal Warehouse	\$ -	\$ -	\$ -	\$ 183,000
TOTAL PUBLIC SERVICES DEPARTMENT				
Salaries & Benefits	\$ 7,402,158	\$ 8,266,515	\$ 9,374,921	\$ 10,386,037
Maintenance & Operations	11,246,999	13,191,128	12,849,663	12,200,862
Fixed Assets	129,191	116,642	1,750,437	262,900
Total Public Services Department	\$ 18,778,348	\$ 21,574,284	\$ 23,975,021	\$ 22,849,799

(1) As of FY 2019-20, the Warehouse operations were transferred from the Finance Department to the Public Services Department.

**FY 2019-2020 PRELIMINARY BUDGET
NON-DEPARTMENTAL**



WHAT DO WE DO?

For accounting and budgeting purposes only, Non-Departmental serves as a cost center to house charges and appropriations that are not assigned or chargeable to a specific department or function. It is categorized as a General Government Support function.

NON-DEPARTMENTAL - 90000

NON-DEPARTMENTAL – 50240

This cost center accounts for debt service requirements related to the City’s outstanding bonds. It also accounts for interfund transfers planned for the fiscal year, including the transfer to the Capital Improvement Fund in accordance with the Capital Asset Needs Ordinance.

A contingency of \$500,000 has been included in the annual operating budget. These amounts will allow the City Manager to retain budget flexibility for operations during the fiscal year and will be used in accordance with the City’s financial policies.

Legal costs to defend the City in litigation matters that are not assigned or associated with a specific department are included here.

This cost center also reflects the budget for general salary adjustment for the coming year. After the budget is adopted and labor negotiations are completed, the appropriations for general salary adjustment are moved to each department, as appropriate. Hence, the “actual” columns for salaries and benefits account reflect a zero amount. There are no labor negotiations scheduled for Fiscal Year 2019-20, therefore this adjustment is zero.

For FY 2019-20, the adopted budget for Non-Departmental includes the following:

	<u>FY 19/20</u>
<u>Maintenance and Operations:</u>	
Multi-Media, Promotions and Subscriptions	\$ 164,000
Legal Costs Related to Litigation	1,500,000
Contingency	500,000
Operating Subsidy to the Housing Authority	2,000,000
Total Maintenance and Operations	<u>4,164,000</u>
 <u>Debt Service:</u>	
2006 Refunding Revenue Bonds	215,708
2017 Lease Revenue Bonds	2,815,250
Total Debt Service	<u>3,030,958</u>
 <u>Transfers Out:</u>	
General Fund to the Capital Improvement Fund	4,264,971
General Fund to the Capital Improvement Fund for Bridge Shelter	1,400,000
Total Transfer Out	<u>5,664,971</u>
Total Non-Departmental	<u>\$ 12,859,929</u>

NON-DEPARTMENTAL (CONTINUED)

WHAT DOES IT COST?

BUDGET NARRATIVE

The Fiscal Year 2019-20 budget for Non-Departmental is \$12.9 million, an increase of \$2.9 million, or 29.2% compared to the amended budget for Fiscal Year 2018-19. The increase was primarily attributed to the \$2 million operating subsidy for the Homeless Shelter which is accounted for in the Costa Mesa Housing Authority budget, the addition of \$1.5 million for legal costs related to litigation, the removal of the vacancy factor totaling \$2.7 million which is now accounted for in the applicable departments and a reduction in the transfers to the Capital Improvement Fund.

Expense by Fund	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
NON-DEPARTMENTAL BY FUNDING SOURCE				
General Fund - 101	\$ 18,511,252	\$ 18,241,551	\$ 15,443,690	\$ 12,859,929
Park Development Fees Fund - 208	11,879	10,810	-	-
Fire Systems Dev. Fees Fund -218	-	125,000	-	-
Office of Traffic Safety - 220	464	-	-	-
Capital Improvement Fund - 401	1,326,000	-	-	-
Vehicle Parking District #1 Fund - 409	163	319	-	-
Vehicle Parking District #2 Fund - 410	308	605	-	-
Equipment Replacement Fund - 601	1,326,000	-	-	-
Total Non-Departmental	\$ 21,176,065	\$ 18,378,283	\$ 15,443,690	\$ 12,859,929

Expense Category by Program	FY 16-17 Actuals	FY 17-18 Actuals	FY 18-19 Amended Budget	FY 19-20 Proposed Budget
NON-DEPARTMENTAL BY PROGRAM				
NON-DEPARTMENTAL - 90000				
Non-Departmental - 50240				
Salaries & Benefits	\$ 8,814	\$ 500,000	\$ (2,670,731)	\$ -
Maintenance & Operations	3,701,287	3,852,935	3,662,851	7,194,958
Fixed Assets	-	-	-	-
Transfers Out	17,465,964	14,025,348	14,451,570	5,664,971
Subtotal Non-Departmental	\$ 21,176,065	\$ 18,378,283	\$ 15,443,690	\$ 12,859,929

TOTAL NON-DEPARTMENTAL				
Salaries & Benefits	\$ 8,814	\$ 500,000	\$ (2,670,731)	\$ -
Maintenance & Operations	3,701,287	3,852,935	3,662,851	7,194,958
Fixed Assets	-	-	-	-
Transfers Out	17,465,964	14,025,348	14,451,570	5,664,971
Total Non-Departmental	\$ 21,176,065	\$ 18,378,283	\$ 15,443,690	\$ 12,859,929



FY 2019-2020

CAPITAL IMPROVEMENT PROGRAM





WHAT IS THE CAPITAL IMPROVEMENT PROGRAM?

The Capital Improvement Program (CIP) is a summary of the major capital and public improvements to the City's infrastructure. A capital or public improvement project is defined as expenditures on capital assets with a value greater than \$30 thousand that are stationary in nature, including but not limited to, publicly owned or operated streets, highways, bridges, sidewalks, curbs, gutters, alleys, storm drains, trees and landscaping, medians, parks, playgrounds, traffic signals, streetlights, fences, walls, or other infrastructure. The CIP also includes another type of capital improvements including those specific to capital facilities, which are defined as city owned or operated buildings including, but not limited to, City Hall, Civic Center, Police Department, Old Corp Yard, fire stations, libraries, and community centers. Also included within the CIP are consolidated building modification projects. Capital projects differentiate themselves from building modification projects in the dollar amount of the project. Individual building modification projects are minor maintenance improvements capped at \$30 thousand, each respectively. In addition, capital projects have a wider scope of work and can span over multiple fiscal years. In such cases, continuing appropriations are a part of the annual budget to transparently track these multi-year capital projects. Other routine capital purchases, such as the purchase of new vehicles, computer hardware, and other equipment, are accounted for in other special funds, such as the Equipment Replacement Fund and IT Replacement Fund. These are not reflected in the CIP.

The CIP is important for planning and managing the City's growth and development as well as maintaining existing infrastructure. The CIP is a living document that continues to evolve each fiscal year through the budgeting process to reflect City Council and community goals, needs, and desires. Planning for capital improvements is an ongoing process. As the City's infrastructure condition(s) and needs change, capital programs and priorities are adjusted. New construction may be required to accommodate an increased demand or replace aging facilities, while existing infrastructure requires periodic rehabilitation, replacement, or other improvements to protect the City's investments.

WHAT DOES IT COST?

The Fiscal Year 2019-20 preliminary budget for the Capital Improvement Program is \$19 million across all funding sources, which is an increase of \$2 million, or a 12.06% increase compared to the adopted budget for Fiscal Year 2018-19.

One primary factor increasing the 1-Year CIP by more than the prior year is the Merrimac Way – Active Transportation and Street Improvements Project. This project includes a \$1.1 million grant along with matching funds and street rehabilitation funds; the project appropriation is contingent upon the California Transportation Commission (CTC) ratifying and adopting the project on June 26, 2019. If the project is not adopted by the CTC, the proposed appropriations will be defunded, resulting in a total revised 1-Year CIP Budget of \$17 million. This would be a 0.12% decrease from Fiscal Year 2018-19.

The proposed Fiscal Year 2019-20 1-Year CIP also includes funding the final year appropriation of the Lions Park Projects, the design of Fire Station 2 – Reconstruction, and the Costa Mesa Bridge Shelter, which all represent large financial commitments. It should be noted that at this time, the funding for the Costa Mesa Bridge Shelter project is being proposed using \$1.4 million in General Fund reserves.

The table below reflects the adopted project expenditures for the 1-Year CIP as well as the \$48.4 million in re-budgeted funds estimated to carry forward from the prior fiscal year for ongoing capital projects:

TOTAL CAPITAL IMPROVEMENT PROGRAM	
1-Year CIP	\$18,982,196
Ongoing CIP (continuing appropriation)	\$48,440,237
Total Capital Improvement Program	\$67,422,433

HOW IS IT ORGANIZED?

The CIP is organized and summarized by the following sections:

BUDGET GUIDE

The CIP Budget Guide provides a narrative overview of the CIP, including how the program is developed. The guide identifies funding sources and categories of projects. It also reflects various summaries of projects by category, district, and funding source.

CIP ACCOMPLISHMENTS

Included in this CIP section are major project-specific accomplishments from the prior fiscal year. A full list of recently completed and active projects with more information and photos is available on the City's website at www.costamesaca.gov/CIP.

ONGOING CAPITAL IMPROVEMENT PROJECTS

The CIP section includes a list of ongoing capital projects that the City Council has authorized to rebudget and carry forward from the prior fiscal year. As the implementation of some capital projects straddle fiscal years, due to complexities of project or other issues, this list is a transparent way to reflect all open projects with their corresponding remaining balance. Adoption of the CIP also provides explicit City Council approval to reappropriate these remaining project balances.

PROPOSED CAPITAL IMPROVEMENT PROJECTS BY CATEGORY AND CITY COUNCIL GOALS

Best practices recommend that state and local governments establish an objective process for categorizing and prioritizing capital improvement projects. The proposed capital projects by category provides a high-level summary of the projects by voting district. The voting district reflects the actual project location; however, some projects may provide a communitywide benefit. The capital projects are also classified using the following categories (which are further defined under the *Prioritization and Categorization* section):

- 1 – Risk to Health, Safety or Environment
- 2 – Regulatory or Mandated Requirement
- 3 – Grant Funding
- 4 – Master Plan, General Plan
- 5 – Asset Condition, Annual Recurring Costs

In addition, this summary includes a corresponding project status, defined below:

- **New project** – projects with this status are not previously budgeted projects and represent new financial commitments to fund the projects as well as ongoing operation, maintenance, and rehabilitation costs.
- **Existing project** – projects with this status are previously budgeted projects that are not completed or span multiple fiscal years and are generally phased.
- **Ongoing project** – projects with this status are ongoing citywide projects that are budgeted every fiscal year in the CIP and relate to annual citywide improvements or maintenance. Examples of projects with this status include Citywide Street Improvements, Citywide Storm Drain Improvements, or Parkway Improvement Program. The project detail forms for these projects will not reflect prior budgets or expenditures as the remaining balances for these projects are reflected on the *Ongoing Capital Improvement Projects* summary.

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

This section also reflects how all capital projects tie back to the City Council's established goals. Each project will meet one or more of the below priorities:

- **Goal #1:** Keep our Community Safe
- **Goal #2:** Improve our Neighborhoods and Quality of Life
- **Goal #3:** Keep the City Fiscally Sustainable
- **Goal #4:** Housing
- **Goal #5:** Improve Mobility and Parking
- **Goal #6:** Good Government and Community Engagement

PROPOSED CAPITAL IMPROVEMENT PROJECTS MAP – BY VOTING DISTRICT

Fiscal Year 2019-20 marks the transition of the CIP to reflect voting districts. A map depicting the geographical location of the capital projects with an overlay reflecting the voting districts is included in this section. The voting district reflects the actual project location; however, some projects may provide a communitywide benefit. Citywide or “ongoing” projects are not included on this map they are not specific to any one location or voting district.

PROPOSED CAPITAL IMPROVEMENT PROJECTS BY FUNDING SOURCE

The summary of adopted capital projects by funding source provides a detailed list of each project and corresponding funding sources for Fiscal Year 2019-20. This summary is organized by the following project types:

- **Facilities** – projects in this category include any facility maintenance, improvements or reconstruction.
- **Parks** – projects in this category include any maintenance, improvements, or development at park facilities.
- **Parkway and Medians** – projects in this category include any parkway and median landscape maintenance or curb/median construction.
- **Streets** – projects in this category include any street maintenance (i.e. slurry seal, rehabilitation, etc.) or repairs and storm drain or water quality related improvements.
- **Transportation** – projects in this category include any transportation related improvements or maintenance, including active transportation projects, traffic signal maintenance and improvements, and general neighborhood traffic improvements.

CAPITAL IMPROVEMENT PROJECT DETAILS

This section provides detailed information about all projects, funding levels, and funding sources. These forms are project-specific and reflect all prior, current, and future project expenditures by phase to provide a total project cost for the City Council and community.

Each project-specific form also includes an estimated financial operating impact for consideration in the budget adoption process that outlines ongoing operation, maintenance, and rehabilitation costs. These estimates are prepared per project and are subject to change based on final project design and/or construction. Certain ongoing citywide projects do not include maps or images as the maintenance districts are not specific to any one location or voting district. Additionally, these projects do not reflect prior budgets or expenditures as they are classified as “ongoing” projects. As such, the remaining balances for these projects are reflected on the *Ongoing Capital Improvement Projects* summary.

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Fiscal Year 2019-20 marks the transition of the CIP from a Seven-Year CIP to a Five-Year CIP. The Five-Year CIP also includes a “future” column for projects that are not developed at this time or may be implemented after Fiscal Year 2024-25. Each fiscal year of the Five-Year CIP includes a realistic cost estimate that is within range of prior year CIP total costs. However, the cost estimates for each project are presented at current value/current dollars and are not escalated for inflation. As a result, the estimates are subject to change. Additionally, although the schedule spans five years and future, funds for only the first year are appropriated within the Fiscal Year 2019-20 Budget. The schedule provides a view of upcoming fiscal year capital projects that could be adjusted based on changing City Council and community priorities or financial capabilities. The revised 5-year CIP represents an overall well-balanced, long-term plan reflecting current City Council’s strategic goals and priorities. All projects including those in “future” years remain eligible for any grant funding, should opportunities arise.

HOW IS IT DEVELOPED?

PERCENTAGE OF GENERAL FUND BUDGET FOR CAPITAL EXPENDITURES

On September 15, 2015, the City Council adopted the Capital Asset Needs (CAN) Ordinance as a result of a new policy being adopted during the preparation of the Fiscal Year 2015-16 budget. The ordinance added Article 8 to Chapter V of Title 2 of the Costa Mesa Municipal Code to establish the requirement for the City to annually allocate a minimum of five percent (5%) of the General Fund revenue to a capital expenditures account and one and one-half percent (1.5%) of General Fund revenue to a capital facilities account. These funds are to be used for the construction, design, engineering, project management, inspection, contract administration and property acquisition of city owned or operated facilities.

In addition, the Capital Facilities account may also be used toward debt obligations created to fund Capital Facilities where the indebtedness originated after September 16, 2015.

In the event of an economic downturn, natural disaster, emergency or other unforeseen circumstance, or if the General Fund Operating Reserve falls below the level established in Section 2-205 of the Costa Mesa Municipal Code, the City need not comply with the requirements above. This can only be achieved upon approval by a supermajority of the City Council.

CIP GOALS

The CIP is developed based on the City Council and community’s overarching goals. This is specifically reflected in the Proposed Capital Improvement Projects by Category and City Council Goals section. Additionally, the program is developed in accordance with elements in the City’s General Plan as well as City Council adopted planning documents and master plans.

CIP BUDGET DEVELOPMENT PROCESS

As part of the annual budget process, the Finance Department and Public Services Department partner to propose a balanced list of projects that consider the complex workloads associated with each project as well as funding sources and available resources. In collaboration with the City Manager’s Office, capital projects are recommended by departments and reviewed and evaluated by both the Finance Department and Public Services Department to ensure that the City’s priorities, infrastructure needs, financial capacity, and impact the projects have on the City’s operating budget are addressed.

Typically, a number of projects are identified and requested each year; however, not all of the projects can be funded. An evaluation process is conducted in collaboration with each department to discuss priorities and needs. A list of recommended projects is presented to the City Manager for consideration and all projects considered, but not recommended, are deferred and included in the Five-Year CIP for future consideration.

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Additionally, there is a number of capital projects that may be requested and are pending other funding sources, including competitive grants. Projects that may be expecting such competitive grant funding, or funded with other similar outside resources, are not budgeted in the current fiscal year until the funding is awarded, but they are referenced in the Five-Year CIP. As a result, throughout the fiscal year, the City Council will receive recommendations to authorize new capital projects and approve budget adjustments to recognize and appropriate the competitively sourced funding.

Once the proposed list is prepared, the City Council meets individually with staff to review the proposed projects and make additional recommendations. Once the CIP budget is completed, it is presented to the Finance and Pension Advisory Committee, Parks, Arts and Community Services Commission, and the Planning Commission for consideration based on their respective purviews. Following their respective reviews and approval, the CIP budget is presented to City Council for consideration and adoption.

PRIORITIZATION & CATEGORIZATION

The CIP is updated annually allowing the City to re-evaluate its priorities and needs in each subsequent year based upon the most current revenue projections and project priorities. Capital projects affecting public health and safety, and/or legal mandates receive the highest priority. The remaining projects are prioritized for final City Council consideration and adoption by City Council goals, conformance to the City's General Plan and corresponding planning documents and approved master plans, asset conditions, and available grant funding.

The categories aiding in prioritization of these projects are outlined and defined below:

- **1 – Risk to Health, Safety or Environment** – projects in this category provide an immediate health or safety concern. These are high priority projects.
- **2 – Regulatory or Mandated Requirement** – projects in this category are mandated or in accordance with government regulations. Projects in this category are required and may not be defunded or deferred.
- **3 – Grant Funding** – projects in this category generally have competitively sourced funding and are subject to a timeframe outlined in the grant documents. Consequently, deferring these projects may result in forfeiture of grant funding.
- **4 – Master Plan, General Plan** – projects in this category are in conformance with the City's General Plan and related planning documents. They are also projects specifically identified in other approved master plans, such as park-specific master plans, Active Transportation Plan or Parks, Open Space, & Recreation Master Plan.
- **5 – Asset Condition, Annual Recurring Costs** – projects in this category may either be annual recurring extraordinary maintenance costs or one-time/infrequent projects that improve the condition of the City's assets. Some projects in this category include playground resurfacing and equipment replacement, street rehabilitation or sidewalk and parkway repairs. Some projects in this category may also be categorized as 1 – Risk to Health, Safety or Environment after previously being deferred.

PROJECT ESTIMATES & FUNDING SOURCES

The Public Services Department develops project cost estimates based on prior experience with similar projects or preliminary designs already completed. The cost estimates for each project are presented at current value/current dollars and are not escalated for inflation. As a result, the estimates are subject to change or escalation, particularly in the outer years of the Five-Year CIP. Occasionally the scope of the project may change resulting in higher costs than the original estimate. This also includes projected operating costs or impacts of the capital projects which are estimated per project and subject to change based on final project design and/or construction.

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

If project costs at the time of bid award are more than budgeted amounts, five options are considered:

- Eliminate the project; or
- Defer the project for consideration during future budget processes; or
- Re-scope or change the phasing of the project to meet the existing approved budget; or
- Request City Council to transfer funding from another specified project that has savings and/or is a lower priority; or
- Request City Council appropriate additional resources, as necessary, from the respective fund balances.

At project completion, any unused funds are returned to the unassigned fund balance for the respective funds.

The City employs a combination of approaches to fund its capital projects. The Finance Department and Public Services Department funding recommendations are based upon the most current revenue projections. For many smaller improvement projects, funds are appropriated from available cash on hand. Large-scale capital projects are funded through a variety of methods including long-term financing, user fees, proceeds from bond issues, grants, assessments, impact fees, and reserve balances. A list and description of capital project funding sources is provided in the *Description of Funds*.

CONTINGENCIES & CHANGE ORDERS

A contingency is included within applicable projects as specified on the project detail forms' cost breakdown. These amounts allow for budget flexibility for unanticipated concerns or cost escalations during the project, including potential change orders.

Change orders for projects are processed in accordance with the adopted City Council Policy 700-1, *Change Orders on Capital Improvements*. This Policy provides flexibility for unforeseen circumstances on Capital Improvement Projects when change orders are required. These change orders are generally the result of additions or deletions to the project, revisions to the project, and omissions or errors in the original project plans and/or specifications. The policy does not provide budget authority for change orders as City Council would first need to approve a budget adjustment appropriating or transferring the necessary funding.

The policy provides staff with the following latitude while also maintaining accountability for expenditures:

CITY COUNCIL POLICY 700-1		
CHANGE ORDER AMOUNT/PERCENT	MAXIMUM COLLECTIVE SUM	APPROVAL LEVEL
\$5,000 or 1% of original contract (whichever is greater)	Sum of all change orders can't exceed 5% of original contract or \$5,000	Department Head
Up to \$50,000 or 5% of original contract (whichever is greater)	Sum of all change orders can't exceed 10% of original contract or \$50,000	City Manager
Over \$50,000 or 5% of original contract (whichever is greater)	Sum of all change orders that exceed 10% of original contract or \$50,000	City Council (requires new business item on Agenda)
Scope of work changes (when project is materially changed)	All material changes to the scope regardless of the amount or collective sum	City Council (requires new business item on Agenda)

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

WHAT DID WE DO IN FISCAL YEAR 2018-2019?

FIRE STATION NO. 1 RECONSTRUCTION



The Fire Station No. 1 Reconstruction project is the first of its kind for the City of Costa Mesa. The project encompassed the demolition of the previously existing Fire Station No. 1, and the construction of an 11,740 square foot LEED Gold Certified Fire Station in its place. The new station features the following:

- Two training rooms
- Laundry room
- Kitchen and dining room
- Three offices
- Exercise/fitness room
- Communication room
- Ten beds
- Five restrooms
- Public lobby and restroom

The project budget was approximately \$10 million dollars; the project came in \$300 thousand under budget.



THE LIONS PARK PROJECTS PHASE 1 – THE DONALD DUNGAN LIBRARY



The Lions Park Projects are a complete revitalization of the Lions Park area, including the recently constructed new community library. The two-story library is LEED Gold Certified. The first phase of the project was completed in Spring 2019 and included the following project highlights:

- Demolition of existing 20,000 sq. ft. Neighborhood Community Center
- New approximately 20,000 sq. ft. two-story LEED Gold Certified Library
- Construction of an approximately one-acre park area for recreation activities and events
- Construction of new surface parking lot adjacent to the Costa Mesa Historical Society

Phase 2 of the project includes the renovation of the existing Donald Dungan Library into a repurposed 9,302 square foot LEED Silver Certified Neighborhood Community Center, which is anticipated for completion in Spring 2020.



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

BRISTOL STREET IMPROVEMENTS I-405 FWY TO NEWPORT BOULEVARD



The Bristol Street Improvements project included rehabilitation of existing pavement and overlaying it with new asphalt, adjusting utilities to grade, and re-striping. Additionally, the project scope also included the construction of new medians on Bristol Street, between I-405 Freeway and Newport Boulevard. A high traffic volume area, Bristol Street serves as the main thoroughfare through the South Coast and SOBECA areas into Costa Mesa. Overall, this project improved the functionality and aesthetics of Bristol Street, while improving mobility and promoting economic development. The project consisted of several elements which are summarized below:



- Street rehabilitation of Bristol Street, from I-405 Freeway to Randolph Avenue
- Median improvements of Bristol Street, from I-405 Freeway to Newport Boulevard
- New traffic signal at The Camp on Sobeca Way
- Storm drain improvements on Bristol Street

PLAYGROUND RESURFACING IMPROVEMENTS VARIOUS PARKS



The Playground Resurfacing Improvements project consisted of the removal and replacement of rubberized playground surfacing at sixteen City parks – Balearic Center Park playground and Balearic Community Center pre-school playground, Brentwood Park, Del Mesa Park, Gisler Park, Harper Park, Jordan Park, Ketchum-Libolt Park, Marina View Park, Mesa Verde Park, Moon Park, Paularino Park, Shiffer Park, Vista Park, Wakeham Park, and Wimbledon Park.

The project included the removal of raised, cracked, deteriorating and damaged rubberized surfacing; and installation of new rubber surfacing. The new surfacing provides an aesthetic and safety improvement while also providing superior cushioning compared to the prior surfacing.



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

EMERGENCY VEHICLE PREEMPTION CITYWIDE



The recent installation of the Emergency Vehicle Preemption (EVP) devices at signalized intersections citywide allows for quicker response to calls for service by the City's first responders. With the completion of this project and new traffic signal projects underway, GPS EVP devices will be at 100 intersections in the City. This represents approximately 76% of all signalized intersections citywide.

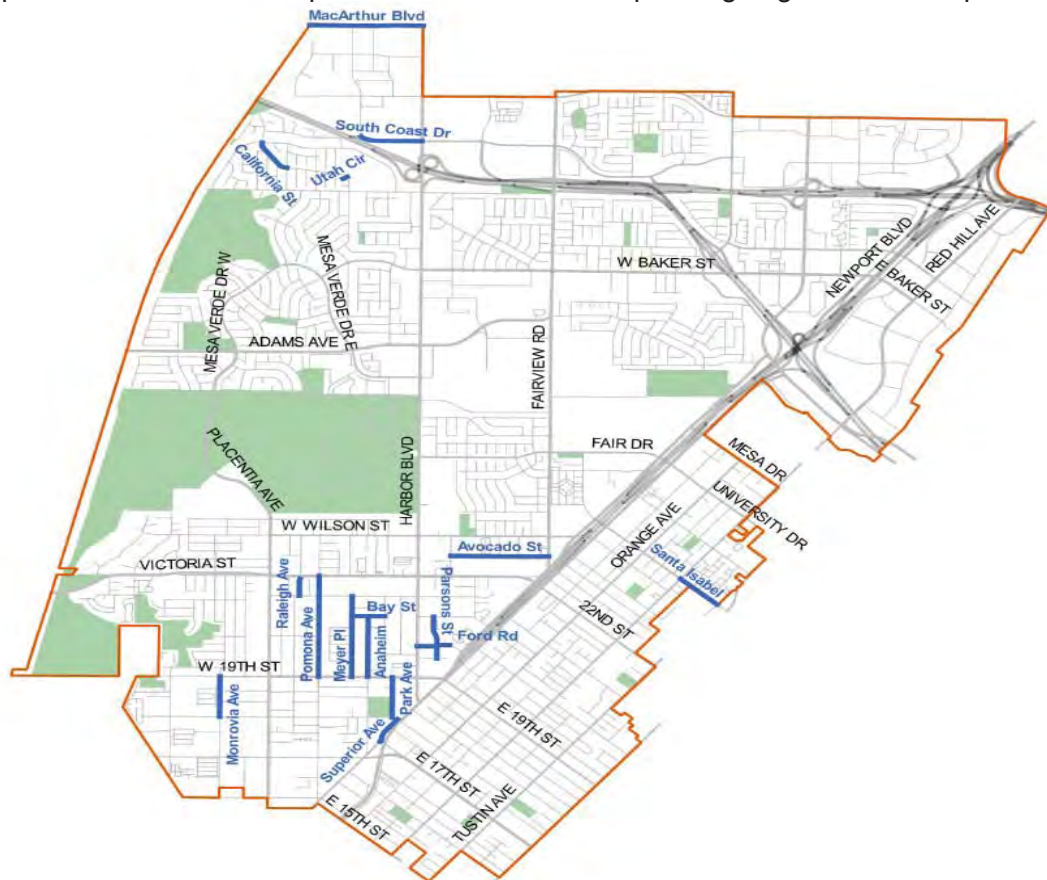
The U.S. Department of Transportation's Federal Highway Administration's study of signal preemption system deployments in the United States shows decreases in response times from 14% to 50% for systems installed across several cities. Consequently, the City will continue to focus efforts on

enhancing maintenance of the installed equipment to ensure its functionality for years.

STREET IMPROVEMENTS CITYWIDE

The City completes street improvements annually to provide major rehabilitation to City streets which are in immediate need of improvement. By completing these improvements annually, the City has maintained an average citywide pavement condition index (PCI) of 85.

The overall scope of the Citywide Street Improvements project includes the removal and reconstruction of damaged pavement sections, milling and overlaying with new asphalt, and reconstruction of damaged parkway improvements over the project limits. For Fiscal Year 2018-19, the City completed rehabilitation of streets in voting districts 1,4,5, and 6 for a total of \$6 million utilizing various funding sources, including Measure M, Gas Tax and Capital Improvement funds. The specific streets and corresponding segments are depicted on the map below.





CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Ongoing Capital Improvement Projects Remaining Balances as of April 30, 2019

No.	Proj #	Project Name	TOTAL ALL FUNDS		
			Budget	Actuals	Remaining Balance
1	200062	Building Maintenance Projects	2,659,998	2,310,242	349,756
2	200063	City Hall 1st Floor ADA Improvements	3,282,000	2,341,097	940,903
3	200076	Fire Station #1 Reconstruction	9,953,005	9,512,691	440,314
4	200084	Fire Stations #2-#6: Critical Infrastructure Protection	80,000	29,549	50,451
5	200085	Relocation of IT Department	235,000	32	234,968
6	200091	City Hall- Elevators Modernization	700,000	-	700,000
7	200092	Fire Suppression System in Communications	99,594	10,686	88,908
8	200093	Police Department Back Wall Security Project	46,000	556	45,444
9	200094	Range Remodel/Update	50,000	-	50,000
10	200098	Costa Mesa Bridge Shelter	7,550,000	200,000	7,350,000
11	200099	City Hall - 1st Floor Finance Security & Efficiency Reconfiguration	29,999	-	29,999
12	300148	Citywide Bicycle Rack Improvements	50,000	-	50,000
13	300150	Bicycle Signal Project on Placentia Avenue	244,288	188,603	55,685
14	300151	Bristol Street Medians (Baker St. to Newport Blvd.)	1,391,927	1,236,226	155,701
15	300156	Red Hill Avenue Medians (McCormick Ave. to Bristol St.)	1,064,700	1,028,868	35,832
16	300159	Bristol St Rehab	1,174,494	791,774	382,720
17	300160	Hyland/MacArthur Intersection Improvements	405,734	-	405,734
18	300162	I-405 Improvement	344,900	143,338	201,562
19	300163	Citywide Neighborhood Traffic Improvements	200,000	109,820	90,180
20	300166	Intersection Safety Lighting	308,095	207,303	100,792
21	300167	MacArthur Blvd Rehab Project	1,224,327	-	1,224,327
22	300168	Bear Street Improvements I-405 to Baker Street	715,000	-	715,000

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Ongoing Capital Improvement Projects Remaining Balances as of April 30, 2019

No.	Proj #	Project Name	TOTAL ALL FUNDS		
			Budget	Actuals	Remaining Balance
23	300169	Fairview Road Improvements - I-405 to Adams Avenue	1,178,820	-	1,178,820
24	350017	Harbor Blvd Median Improvements	1,732,954	658,495	1,074,459
25	350029	Rehabilitate Landscape - Davis Fields Parkways	125,000	598	124,402
26	370004	Baker - Coolidge Avenue Traffic Signal Modifications	50,000	10,446	39,554
27	370034	Fairview Road Traffic Signal Synchronization	1,984,336	866,188	1,118,148
28	370036	E 19th Safe Route to School	510,138	372,166	137,972
29	370047	Sunflower Traffic Signal Synchronization	713,746	464,494	249,252
30	370048	Harbor Boulevard - South Coast Drive Improvements	200,000	-	200,000
31	370050	West 17th St. Design - Newport Boulevard to West City Limits	862,500	106,412	756,088
32	370051	Fairview Road Improvements (Baker St. to Adams Av.)	710,600	120,500	590,100
33	370052	Newport Boulevard Widening Design from 19th St. to 17th St.	656,250	-	656,250
34	370054	Baker - Randolph Avenue Traffic Signal Installation	250,000	13,553	236,447
35	370055	Traffic Signal Preemption	375,000	189,984	185,016
36	370056	Bear Street Traffic Signal Synchronization	605,253	52,567	552,686
37	400012	Citywide Alley Improvements	1,580,000	1,139,646	440,354
38	400015	Citywide Street Improvements	18,970,337	12,762,650	6,207,687
39	450009	West 19th Bicycle Lanes and Route	475,000	294,038	180,962
40	450010	Citywide Class II and III Bicycle Projects	150,000	20,461	129,539
41	450011	Merrimac Way Multipurpose Trail and Cycle Tracks	125,000	74,699	50,301
42	450012	Paularino Channel Multipurpose Trail	150,000	-	150,000
43	450013	Adams Ave Multi-Purpose Trail	325,000	-	325,000
44	500009	New Sidewalk / Missing Link Program	391,525	341,525	50,000

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Ongoing Capital Improvement Projects Remaining Balances as of April 30, 2019

No.	Proj #	Project Name	TOTAL ALL FUNDS		
			Budget	Actuals	Remaining Balance
46	500017	Priority Sidewalk Repair	200,000	116,677	83,323
47	550008	Citywide Catch Basin Insert and Water Quality Improvement	60,886	10,886	50,000
48	550011	Citywide Storm Drain Improvements - Fairview Park Storm	990,000	2,482	987,518
49	550011	Citywide Storm Drain Improvements	6,849,307	4,710,780	2,138,527
50	550021	Bristol Street Storm Drain Diversion Project	1,700,000	1,158,498	541,502
51	700027	TeWinkle Park - Skate Park Expansion	70,000	37,842	32,158
52	700029	Fairview Park Improvements	2,272,224	1,496,953	775,271
53	700064	Concrete Walkway Replacement - Various Parks	150,000	138,865	11,135
54	700080	Park Security Lighting	475,000	48,396	426,604
55	700100	Various Parks-Rehabilitate Park Parking Lots	420,000	364,801	55,199
56	700110	Open Space Master Plan Update	200,000	183,408	16,592
57	700115	Jack Hammett Sports Complex ADA Improvements	2,070,856	289,599	1,781,257
58	700120	NMUSD - Field Improvements	1,240,000	-	1,240,000
59	700125	Fairview Park Master Plan Habitat Restoration Park Project	1,000,000	864,582	135,418
60	700127	Pinkley Park - Remove and Replace Playground Equipment	130,000	-	130,000
61	700128	Park Accessibility	54,000	-	54,000
62	700129	Shalimar Park Improvements	50,000	-	50,000
63	700132	Fairview Park - Vernal Pool Restoration	300,000	-	300,000
64	800015	Lions Park Projects and Playground	35,181,600	23,881,180	11,300,420
Total Ongoing Capital Improvement Projects			118,979,203	70,538,966	48,440,237






More detailed information and photos for these projects is available at <https://www.costamesaca.gov/CIP>.



No.	Project Name	Category	Dist. No.	Safe Community
1	Building Modification Projects	5 - Asset Condition, Annual Recurring Costs	All	✓
2	City Hall - 1st Floor Finance Security & Efficiency Reconfiguration	1 - Risk to Health, Safety or Environment	3	
3	City Hall - 1st Floor Kitchen Improvements	1 - Risk to Health, Safety or Environment	3	
4	City Hall - 2nd Floor Lobby and Front Counter Improvements	1 - Risk to Health, Safety or Environment	3	
5	City Hall - Electric Vehicle Charging Stations	3 - Grant Funding	3	
6	City Hall - Fire Alarm System Upgrade	1 - Risk to Health, Safety or Environment	3	✓
7	Costa Mesa Bridge Shelter	2 - Regulatory or Mandated Requirement	2	✓
8	Downtown Aquatic Center - Pool Replaster	1 - Risk to Health, Safety or Environment	5	✓
9	Downtown Recreation Center - HVAC Roof Top Units Replacement	1 - Risk to Health, Safety or Environment	5	
10	Emergency Operations Center - Equipment Update	1 - Risk to Health, Safety or Environment	3	✓
11	Fire Station 2 - Reconstruction	1 - Risk to Health, Safety or Environment	2	✓
12	Police Department - Back Wall Security Project	1 - Risk to Health, Safety or Environment	3	✓
13	Police Department - Range Remodel/Update	1 - Risk to Health, Safety or Environment	3	✓
14	The Lions Park Projects	4 - Master Plan, General Plan	5	

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

FY 2019-2020 Capital Improvement Projects By Category and City Council Goals






 Improving Neighborhoods	 Fiscally Sustainable	 Housing Commitments	 Transportation Solutions	 Community Engagement	Fiscal Year 2019-20
					\$ 234,600
					200,000
					60,000
					44,830
	✓		✓		227,540
					382,380
✓		✓			2,500,000
					226,000
	✓				150,000
					150,000
					1,000,000
					80,000
					327,000
✓				✓	3,451,500



No.	Project Name	Category	Dist. No.	Safe Community
15	Westside Costa Mesa City Office	5 - Asset Condition, Annual Recurring Costs	5	
16	Canyon Park - Inventory, Management, and Restoration Plans	4 - Master Plan, General Plan	5	
17	Fairview Park - Trail, Signage, and Fencing Restoration	2 - Regulatory or Mandated Requirement	5	✓
18	Fairview Park - Master Plan Update	4 - Master Plan, General Plan	5	
19	Jordan Park - Playground Equipment Replacement	5 - Asset Condition, Annual Recurring Costs	6	
20	Shalimar Park - Improvements	4 - Master Plan, General Plan	4	
21	TeWinkle Park - Lakes Repairs	1 - Risk to Health, Safety or Environment	3	✓
22	Victoria Street Trail - Outdoor Exercise Equipment	4 - Master Plan, General Plan	5	
23	New Sidewalk/Missing Link Program	1 - Risk to Health, Safety or Environment	All	✓
24	Parkway Improvement Program	1 - Risk to Health, Safety or Environment	All	✓
25	Priority Sidewalk Repair	1 - Risk to Health, Safety or Environment	All	✓
26	Westside Restoration Project	4 - Master Plan, General Plan	4&5	
27	Citywide Alley Improvements	4 - Master Plan, General Plan	All	✓
28	Citywide Catch Basin Insert and Water Quality Improvement Project	2 - Regulatory or Mandated Requirement	All	✓

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

FY 2019-2020 Capital Improvement Projects By Category and City Council Goals






 Improving Neighborhoods	 Fiscally Sustainable	 Housing Commitments	 Transportation Solutions	 Community Engagement	Fiscal Year 2019-20
✓					30,000
✓				✓	60,000
✓				✓	150,000
✓				✓	250,000
✓					175,000
✓				✓	200,000
✓					75,000
✓					140,000
✓	✓		✓		100,000
✓	✓		✓		350,000
✓	✓		✓		50,000
✓				✓	250,000
✓					420,000
✓					50,000



No.	Project Name	Category	Dist. No.	Safe Community
29	Citywide Street Improvements	4 - Master Plan, General Plan	1,4,& 5	✓
30	S/B Newport Boulevard Improvements, from Mesa Dr. to Victoria St.	4 - Master Plan, General Plan	3	✓
31	Westside Storm Drain Improvements	4 - Master Plan, General Plan	4&5	✓
32	Citywide Bicycle Rack Improvements	4 - Master Plan, General Plan	All	
33	Citywide Class II and III Bicycle Roadway Projects	4 - Master Plan, General Plan	All	
34	Citywide Neighborhood Traffic Improvements	1 - Risk to Health, Safety or Environment	All	✓
35	Fairview Road - Traffic Signal Synchronization	3 - Grant Funding	3&5	
36	Merrimac Way - Active Transportation and Street Improvements	3 - Grant Funding	3	✓
37	Redhill Avenue - Traffic Signal Synchronization Project	3 - Grant Funding	2	

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

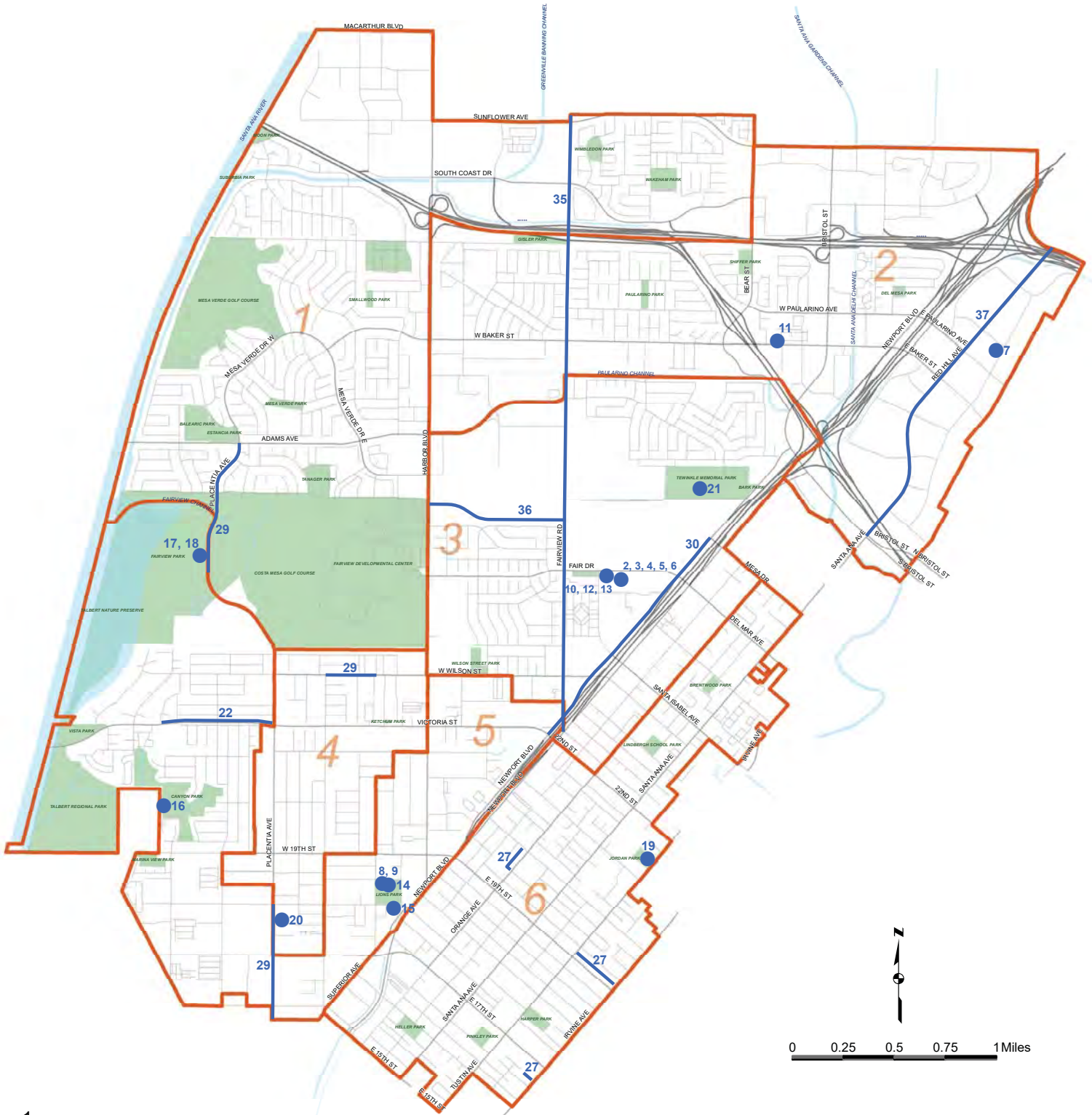
FY 2019-2020 Capital Improvement Projects By Category and City Council Goals

 Improving Neighborhoods	 Fiscally Sustainable	 Housing Commitments	 Transportation Solutions	 Community Engagement	Fiscal Year 2019-20
✓			✓		2,526,400
✓			✓		1,908,337
✓					500,000
			✓		50,000
			✓		100,000
✓			✓		112,800
			✓		90,409
✓			✓	✓	2,030,000
			✓		330,400
					<u>\$ 18,982,196</u>



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Map by Voting District



1

¹ Citywide projects that are not specifically defined and/or larger projects (i.e. Westside projects) are not geographically displayed above as they are not specific to any one location or district.

No.	Category/Project Name	Gas Tax (HUTA) Fund 201	AQMD Fund 203	CDBG Fund 207
FACILITIES				
1	Building Modification Projects	\$ -	\$ -	\$ -
2	City Hall - 1st Floor Finance Security & Efficiency Reconfiguration	-	-	-
3	City Hall - 1st Floor Kitchen Improvements	-	-	-
4	City Hall - 2nd Floor Lobby and Front Counter Improvements	-	-	-
5	City Hall - Electric Vehicle Charging Stations	-	105,000	-
6	City Hall - Fire Alarm System Upgrade	-	-	-
7	Costa Mesa Bridge Shelter	-	-	1,100,000
8	Downtown Aquatic Center - Pool Replaster	-	-	-
9	Downtown Recreation Center - HVAC Roof Top Units Replacement	-	-	-
10	Emergency Operations Center - Equipment Update	-	-	-
11	Fire Station 2 - Reconstruction	-	-	-
12	Police Department - Back Wall Security Project	-	-	-
13	Police Department - Range Remodel/Update	-	-	-
14	The Lions Park Projects	-	-	-
15	Westside Costa Mesa City Office	-	-	-
	<i>SUBTOTAL FACILITIES</i>	-	105,000	1,100,000
PARKS				
16	Canyon Park - Inventory, Management, and Restoration Plans	-	-	-
17	Fairview Park - Fencing, Signage, and Trail Restoration	-	-	-
18	Fairview Park - Master Plan Update	-	-	-
19	Jordan Park - Playground Equipment Replacement	-	-	-
20	Shalimar Park - Improvements	-	-	-
21	TeWinkle Park - Lakes Repairs	-	-	-
22	Victoria Street Trail - Outdoor Exercise Equipment	-	-	-
	<i>SUBTOTAL PARKS</i>	-	-	-
PARKWAY AND MEDIANS				
23	New Sidewalk/Missing Link Program	50,000	-	-
24	Parkway Improvement Program	175,000	-	-
25	Priority Sidewalk Repair	50,000	-	-
26	Westside Restoration Project	-	-	-
	<i>SUBTOTAL PARKWAY AND MEDIANS</i>	275,000	-	-
STREETS				
27	Citywide Alley Improvements	420,000	-	-
28	Citywide Catch Basin Insert and Water Quality Improvement Project	-	-	-
29	Citywide Street Improvements	370,000	-	-
30	S/B Newport Boulevard Improvements, from Mesa Dr. to Victoria St.	-	-	-
31	Westside Storm Drain Improvements	-	-	-
	<i>SUBTOTAL STREETS</i>	790,000	-	-

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Fiscal Year 2019-2020 Capital Improvement Projects by Funding Source

Park Fees Fund 208	Drainage Fund 209	Traffic Impact Fee Fund 214	Gas Tax (RMRA) Fund 251	Capital Improvement Fund 401	Measure M2 Regional Fund 415	Measure M2 Fairshare Fund 416	Total
\$ -	\$ -	\$ -	\$ -	\$ 234,600	\$ -	\$ -	\$ 234,600
-	-	-	-	200,000	-	-	200,000
-	-	-	-	60,000	-	-	60,000
-	-	-	-	44,830	-	-	44,830
-	-	-	-	122,540	-	-	227,540
-	-	-	-	382,380	-	-	382,380
-	-	-	-	1,400,000	-	-	2,500,000
-	-	-	-	226,000	-	-	226,000
-	-	-	-	150,000	-	-	150,000
-	-	-	-	150,000	-	-	150,000
-	-	-	-	1,000,000	-	-	1,000,000
-	-	-	-	80,000	-	-	80,000
-	-	-	-	327,000	-	-	327,000
-	-	-	-	3,451,500	-	-	3,451,500
-	-	-	-	30,000	-	-	30,000
-	-	-	-	7,858,850	-	-	9,063,850
60,000	-	-	-	-	-	-	60,000
150,000	-	-	-	-	-	-	150,000
250,000	-	-	-	-	-	-	250,000
175,000	-	-	-	-	-	-	175,000
200,000	-	-	-	-	-	-	200,000
75,000	-	-	-	-	-	-	75,000
140,000	-	-	-	-	-	-	140,000
1,050,000	-	-	-	-	-	-	1,050,000
-	-	-	-	50,000	-	-	100,000
-	-	-	-	-	-	175,000	350,000
-	-	-	-	-	-	-	50,000
-	-	-	-	250,000	-	-	250,000
-	-	-	-	300,000	-	175,000	750,000
-	-	-	-	-	-	-	420,000
-	50,000	-	-	-	-	-	50,000
-	-	-	-	-	-	2,156,400	2,526,400
-	-	-	1,908,337	-	-	-	1,908,337
-	500,000	-	-	-	-	-	500,000
-	550,000	-	1,908,337	-	-	2,156,400	5,404,737



No.	Category/Project Name	Gas Tax (HUTA) Fund 201	AQMD Fund 203	CDBG Fund 207
TRANSPORTATION				
32	Citywide Bicycle Rack Improvements	-	-	-
33	Citywide Class II and III Bicycle Roadway Projects	-	-	-
34	Citywide Neighborhood Traffic Improvements	-	-	-
35	Fairview Road - Traffic Signal Synchronization Project	-	-	-
36	Merrimac Way - Active Transportation and Street Improvements*	730,000	195,000	-
37	Redhill Avenue - Traffic Signal Synchronization Project	-	66,080	-
	<i>SUBTOTAL TRANSPORTATION</i>	<u>730,000</u>	<u>261,080</u>	<u>-</u>
Total Capital Improvement Projects		\$ 1,795,000	\$ 366,080	\$ 1,100,000

*The project appropriations are contingent upon the California Transportation Commission (CTC) ratifying and adopting this project on June 26, 2019. If the project is not adopted by the CTC, the proposed appropriations will be defunded.

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Fiscal Year 2019-2020 Capital Improvement Projects by Funding Source

Park Fees Fund 208	Drainage Fund 209	Traffic Impact Fee Fund 214	Gas Tax (RMRA) Fund 251	Capital Improvement Fund 401	Measure M2 Regional Fund 415	Measure M2 Fairshare Fund 416	Total
-	-	50,000	-	-	-	-	50,000
-	-	100,000	-	-	-	-	100,000
-	-	-	-	100,000	-	12,800	112,800
-	-	90,409	-	-	-	-	90,409
-	-	-	-	1,105,000	-	-	2,030,000
-	-	-	-	-	264,320	-	330,400
-	-	240,409	-	1,205,000	264,320	12,800	2,713,609
\$ 1,050,000	\$ 550,000	\$ 240,409	\$ 1,908,337	\$ 9,363,850	\$ 264,320	\$ 2,344,200	\$ 18,982,196

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Building Modification Projects

Type: Facilities
 Department: Public Services
 Category: 5 - Asset Condition, Annual Recurring Costs

Item No. 1
 CIP Project No. 200062
 District No. All

Project Description: The attached summary of proposed maintenance projects are building modifications and maintenance projects in the 22 City-owned buildings, including those leased to outside agencies. The City administers and supervises contract services for maintaining these facilities.

Project Justification: Building Modification Projects consolidates many smaller projects that are minor maintenance and repair-related (i.e. painting, electrical, repair, etc.) amounting to \$30,000 or less.

Project Status: Ongoing citywide project; therefore, no prior budgeted amounts are included below.

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	-	234,600	300,000	300,000	300,000	300,000	400,000	1,834,600
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 234,600	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 400,000	\$ 1,834,600

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ -	\$ 234,600	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 400,000	\$ 1,834,600
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 234,600	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 400,000	\$ 1,834,600

Project Account (Account-Fund-Org-Program-Project): 500000-401-19500-50910-200062

Operating Impacts: \$ -

Location: Citywide

Total Estimated Project Cost:	\$	1,834,600
Funds Expended to Date:	\$	-



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Building Modification Projects

Item No. 1

No.	Project Title/Location	Cost	Description
1	Balearic Center	\$ 6,500	Replace electrical panel/breakers in ECP Office.
2	Balearic Center	18,000	Replace roof top HVAC unit with new energy efficient HVAC unit.
3	Citywide Park Sports Court Resurfacing	26,100	Sports court resurfacing at Del Mesa Park (\$4,500), Shiffer Park (\$5,300), Wakeham Park (\$10,500), and Wimbledon Park (\$5,800).
4	Downtown Recreation Center	20,000	Integrate PA system and audio equipment. Allow for two separate systems for the Aquatic Center and the Recreation Center.
5	Downtown Recreation Center	7,000	Construct new gate along Anaheim Avenue to allow access for tree trimming trucks.
6	Downtown Recreation Center	10,000	Back area drainage improvements.
7	Downtown Recreation Center	12,000	Interior painting of various areas.
8	Fire Station #3 - #6	20,000	Critical Infrastructure Assessment: Per OCIA Report, addresses security flaws and soft points/recommended security needs.
9	Fire Station #5	15,000	Paint exterior trim and apparatus doors.
10	Fire Station #5	10,000	Installation of a flag pole.
11	Senior Center	15,500	Replace existing flooring with new flooring for the stage.
12	Senior Center	25,000	Replace cabinets in rooms MR 101, 201, 202 and 203; and in break room, sunroom and kitchen.
13	TeWinkle Athletic Complex	14,000	Replace existing gates with new gates with frames and enclosures on the outside entry area to restrooms.
14	TeWinkle Park Angels Playground & Skate Park	20,500	Paint restroom interior and epoxy paint floors at TeWinkle Park Angels Playground (\$9,500) and Skate Park (\$11,000).
15	Wakeham Park	15,000	Remove deteriorated wooden posts; remove and replace lifted concrete from perimeter of rock formation play area.
<i>GRAND TOTAL</i>		<u>\$ 234,600</u>	

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

City Hall - 1st Floor Finance Security & Efficiency Reconfiguration

Type: Facilities
 Department: Finance
 Category: 1 - Risk to Health, Safety or Environment

Item No. 2
 CIP Project No. 200099
 District No. 3

Project Description: The project reconfigures the Treasury Unit to increase security due to increased cash collections by removing partition walls separating the Budget/Purchasing/Accounting Units from the Treasury Unit to create an open concept floor plan for the Department and provide secured entry for Treasury Unit staff. This also provides sufficient space for the creation of additional cubicle workspaces, additional offices for key confidential positions, and bullet-proof glass at the Treasury counter. The project also includes relocating IT Operations staff behind the secured entry.

Project Justification: There is a critical need to improve security of the Department due to the level and type of finance transactions presenting unprecedented security concerns. Relocating the Treasury counter, adding bullet-proof glass, and eliminating direct public access to the vault are required to ensure personnel safety and limit the City's risk and liability related to such processes and operations. Additionally, these security improvements coincide with other reconfiguration plans that also contribute to the Department's security. The proposed reconfiguration strategically restructures the existing floor plan to an open concept floor plan, which will improve the use of existing space, provide a more structurally collaborative environment, and provide more flexibility for future planning.

Project Existing project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	29,999	-	-	-	-	-	-	29,999
Construction	-	170,000	195,000	-	-	-	-	365,000
Contingency	-	30,000	30,000	-	-	-	-	60,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ 29,999	\$ 200,000	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ 454,999

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ 29,999	\$ 200,000	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ 454,999
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ 29,999	\$ 200,000	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ 454,999

Project Account (Account-Fund-Org-Program-Project): 500000-401-13100-50001-200099

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 454,999

Location: City Hall, 77 Fair Dr.

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

City Hall - 1st Floor Kitchen Improvements

Type: Facilities
 Department: Public Services
 Category: 1 - Risk to Health, Safety or Environment

Item No. 3
 CIP Project No.
 District No. 3

Project Description: The project includes replacement of the City Hall, 1st Floor kitchen. The project includes a reconfiguration of the existing space to improve functionality for all departments located on the first floor of City Hall as well as provide a kitchen/break area adjacent to the City Council chambers for use by staff and City Council during City Council meetings.

Project Justification: Over the last few fiscal years, each floor's kitchen/break area of City Hall has been upgraded to provide adequate break areas for employees. The first floor is the last and largest kitchen. Additionally, the existing layout is not functional for use by all departments or during public meetings.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	5,000	-	-	-	-	-	5,000
Construction	-	50,000	-	-	-	-	-	50,000
Contingency	-	5,000	-	-	-	-	-	5,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -

Location: City Hall, 77 Fair Dr.

Total Estimated Project Cost: \$ 60,000

Funds Expended to Date: \$ -



EXISTING

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

City Hall - 2nd Floor Lobby and Front Counter Improvements

Type: Facilities
 Department: Public Services
 Category: 1 - Risk to Health, Safety or Environment

Item No. 4
 CIP Project No.
 District No. 3

Project Description: The project includes the following: replacement of the three front permit counter workstations and the receptionist's workstation; replacement and installation of new custom workstations to fit in existing space, meet ADA requirements, add storage for documents and plans with doors to create efficient workstations; replacement of chairs and broken storage cabinets; addition of desk arms for monitors; installation of new flooring to match new carpet and furniture; and demolition of existing cabinet and save countertop for reuse.

Project Justification: The existing workstations and front permit counter are broken and present a safety concern. The proposed improvements will also provide an aesthetic improvement to the lobby/permit counter area. The design cost for the project is included in the construction estimate.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	-	44,830	-	-	-	-	-	44,830
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 44,830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,830

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ -	\$ 44,830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,830
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 44,830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,830

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -

Location: City Hall, 77 Fair Dr.

Total Estimated Project Cost: \$ 44,830

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

City Hall - Electric Vehicle Charging Stations

Type: Facilities
 Department: Public Services
 Category: 3 - Grant Funding

Item No. 5
 CIP Project No. 200097
 District No. 3

Project Description: The project includes installation of up to five electric vehicle station equipment (EVSE) or charging stations at City Hall. This includes a combination of Level II and fast charging Level III stations with a majority providing dual filling capabilities. The public charging stations will be available to residents and visitors and be shared with City fleet as well as meeting all applicable ADA requirements.

Project Justification: On July 17, 2018, the City Council authorized staff to submit an application for the Mobile Source Air Pollution Reduction Committee (MSRC) Local Government Partnership Program to install EVSE at City Hall. The City successfully secured \$122,540 towards this project. The requested appropriation include the grant funding, matching funds, and additional AQMD funding to complete the overall requested improvements. The project aims to facilitate electric vehicle ownership for the Costa Mesa community and commuters by providing publicly accessible charging stations and supports the City's greenhouse gas reduction and sustainability goals.

Project Status: New project

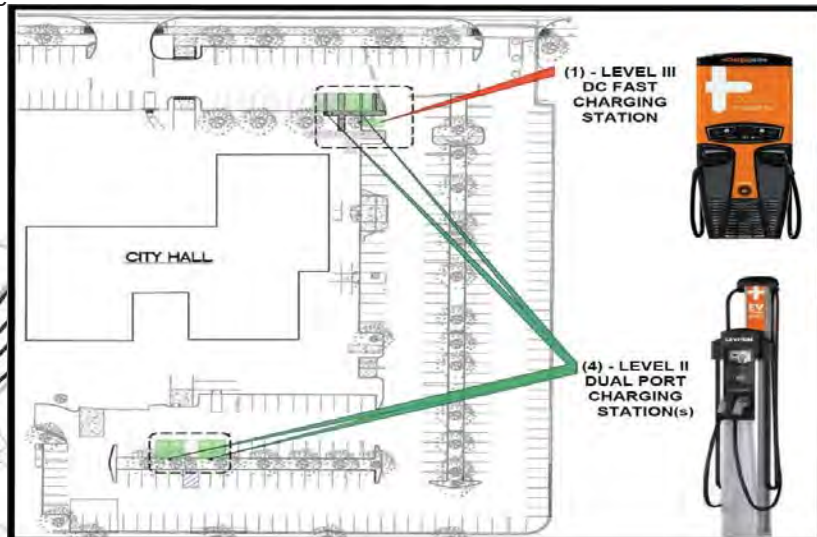
Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	-	227,540	-	-	-	-	-	227,540
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 227,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 227,540

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ -	\$ 122,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,540
AQMD Fund	-	105,000	-	-	-	-	-	105,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 227,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 227,540

Project Account (Account-Fund-Org-Program-Project): 500000-XXX-19300-50910-200097

Operating Impacts: 9,000 annually after 5 years, offset by \$10,692 in annual revenue
Location: City Hall, 77 Fair Dr.

Total Estimated Project Cost: \$ 227,540
Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

City Hall - Fire Alarm System Upgrade

Type: Facilities
 Department: Public Services
 Category: 1 - Risk to Health, Safety or Environmental

Item No. 6
 CIP Project No. 200092
 District No. 3

Project Description: This project is Phase 2 of the City Hall Fire Alarm System Upgrade. The project utilizes the new Simplex 4100es Fire Alarm Control panel for upgrading the system to comply with current codes. This project provides common areas notification devices throughout all floors as well as total area smoke detection.

Project Justification: The project will bring City Hall compliant with all current fire codes and regulations. The existing Fire Alarm Panel (FAP) was installed during the original construction of City Hall and is over 55 years old. Replacement parts are no longer available and there is no factory support for the entire system. Most Fire Alarm Panels are considered for replacement every 10 years. The FY 2018-19 funding included the Fire Suppression System in Communications and Phase 1 of the Fire Alarm System Upgrade.

Project Existing project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	99,594	347,618	-	-	-	-	-	447,212
Contingency	-	34,762	-	-	-	-	-	34,762
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ 99,594	\$ 382,380	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 481,974

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ 99,594	\$ 382,380	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 481,974
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ 99,594	\$ 382,380	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 481,974

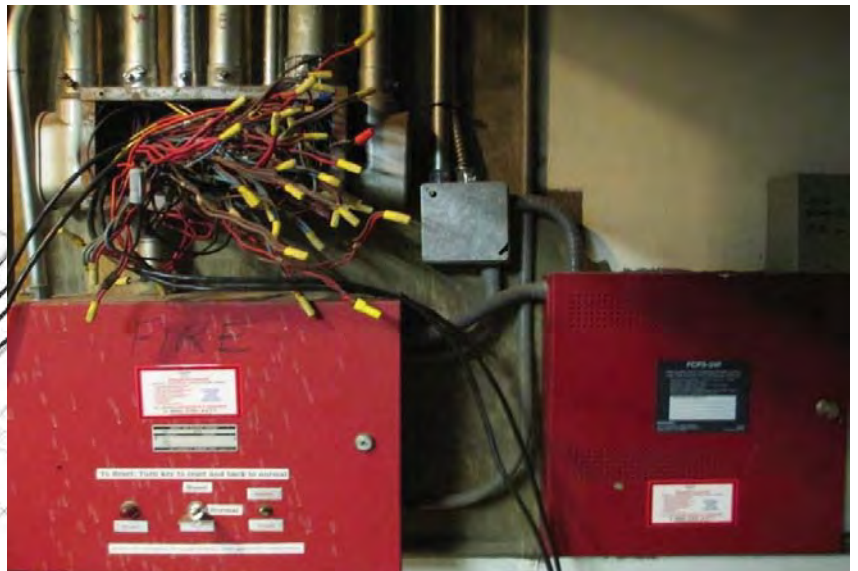
Project Account (Account-Fund-Org-Program-Project): 500000-401-19500-50910-200092

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 481,974

Location: City Hall, 77 Fair Dr.

Funds Expended to Date: \$ 10,686



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Costa Mesa Bridge Shelter

Type: Facilities
 Department: Parks & Community Services
 Category: 2 - Regulatory or Mandated Requirement

Item No. 7
 CIP Project No. 200098
 District No. 2

Project Description: This project provides complete design and construction of a long-term bridge shelter to provide individuals with a fresh start so they may effectively pursue permanent housing opportunities.

Project Justification: This project is a continuation of the City's efforts to end homelessness and will significantly reduce homelessness in Costa Mesa. Additionally, construction of a long-term bridge shelter is a requirement of the City per existing litigation. Construction of a bridge shelter in Costa Mesa will also allow the City to enforce its anti-encampment ordinance.

Project Status: Existing project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition*	\$ 7,550,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,550,000
Design, environmental, permits	-	500,000	-	-	-	-	-	500,000
Construction	-	1,500,000	-	-	-	-	-	1,500,000
Contingency	-	500,000	-	-	-	-	-	500,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ 7,550,000	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,050,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund*	\$ 7,550,000	\$ 1,400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,950,000
CDBG Fund	-	1,100,000	-	-	-	-	-	1,100,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ 7,550,000	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,050,000

*Of the \$7,550,000 facility acquisition, \$3,425,000 came from General Fund reserves.

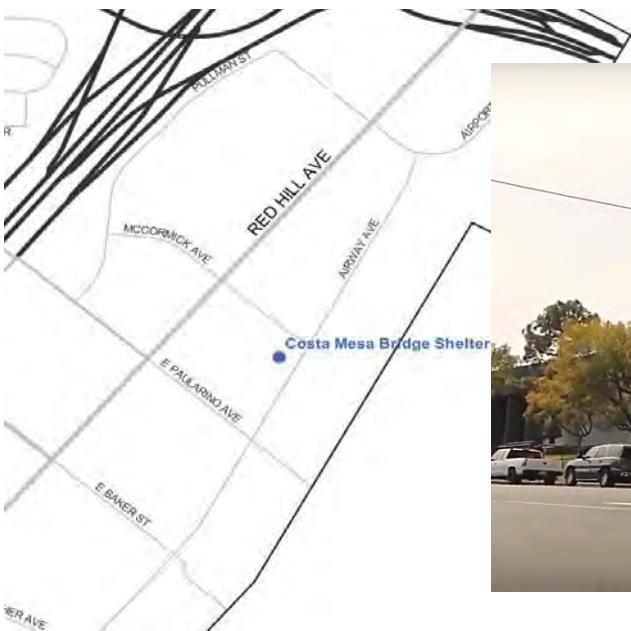
Project Account (Account-Fund-Org-Program-Project): 500000-XXX-19200-20606-200098

Operating Impacts: \$ 3,130,234 estimated annually

Total Estimated Project Cost: \$ 10,050,000

Location: Bridge Shelter, 3175 Airway Ave.

Funds Expended to Date: \$ 200,000



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Downtown Aquatic Center - Pool Replaster

Type: Facilities
 Department: Public Services
 Category: 1 - Risk to Health, Safety or Environment

Item No. 8
 CIP Project No.
 District No. 5

Project Description: The project includes re-plastering the Aquatic Center's pool.

Project Justification: Large pieces of pool re-plaster continue to fall from the existing walls and floor of the pool. This leaves rough areas that are abrasive to the feet of constituents participating in water aerobics classes and of recreational users. The plaster was installed approximately 18 years ago during the original construction of the Aquatic Center and has exceeded it's service life.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	10,000	-	-	-	-	-	10,000
Construction	-	180,000	-	-	-	-	-	180,000
Contingency	-	36,000	-	-	-	-	-	36,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 226,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 226,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ -	\$ 226,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 226,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 226,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 226,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 226,000

Location: Downtown Aquatic Center, 1860 Anaheim Ave.

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Downtown Recreation Center - HVAC Roof Top Units Replacement

Type: Facilities
 Department: Public Services
 Category: 1 - Risk to Health, Safety or Environment

Item No. 9
 CIP Project No.
 District No. 5

Project Description: The project includes the replacement of four (4) HVAC units and related ductwork. The project also includes patching of the roof after installation.

Project Justification: The four (4) roof top Heating-Ventilation-Air Conditioning units at the Downtown Recreation Center are over 18 years old and are past their ASHRAE recommended useful service life. The corrosive environment created by close proximity to the ocean and daily on-shore winds have deteriorated the condensing coils within each of the units.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	125,000	-	-	-	-	-	125,000
Construction	-	25,000	-	-	-	-	-	25,000
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -
Location: Downtown Recreation Center, 1860 Anaheim Ave.

Total Estimated Project Cost:	\$ 150,000
Funds Expended to Date:	\$ -



EXISTING

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Emergency Operations Center - Equipment Update

Type: Facilities
 Department: Police
 Category: 1 - Risk to Health, Safety or Environment

Item No. 10
 CIP Project No.
 District No. 3

Project Description: The project will update the EOC's technology systems to ensure the facility has the capability to support the requirements of the City in the event of an emergency.

Project Justification: The technology systems in the EOC are obsolete and do not support the needs of Costa Mesa in the event of a large scale emergency. The systems do not work as designed; many of the parts have not been manufactured for over a decade. The existing EOC is also unable to receive, process and share information available to other cities in the county as the systems are not fully integrated with the internet and other communications conduits. Interoperability is reduced and the ability to maintain situational awareness of city operations is limited.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	8,000	-	-	-	-	-	8,000
Construction	-	117,000	125,000	-	-	-	-	242,000
Contingency	-	25,000	25,000	-	-	-	-	50,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 300,000

Location: Costa Mesa Police Department, 99 Fair Dr.

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Fire Station 2 - Reconstruction

Type: Facilities
 Department: Fire & Rescue
 Category: 1 - Risk to Health, Safety or Environment

Item No. 11
 CIP Project No.
 District No. 2

Project Description: The project includes the complete demolition and replacement of Fire Station 2.

Project Justification: Fire Station 2 was opened in 1966 and has exceeded its useful life span. The current facility has multiple infrastructure defects and is no longer sufficient for current day operational needs, including but not limited to, multi gender operations, privacy, ADA, seismic stability, electrical and plumbing needs, security, and occupational health.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	1,000,000	-	-	-	-	-	1,000,000
Construction	-	-	4,500,000	3,000,000	-	-	-	7,500,000
Contingency	-	-	800,000	600,000	-	-	-	1,400,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 1,000,000	\$ 5,300,000	\$ 3,600,000	\$ -	\$ -	\$ -	\$ 9,900,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ -	\$ 1,000,000	\$ 5,300,000	\$ 3,600,000	\$ -	\$ -	\$ -	\$ 9,900,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 1,000,000	\$ 5,300,000	\$ 3,600,000	\$ -	\$ -	\$ -	\$ 9,900,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: TBD
Location: Fire Station 2, 800 Baker St.

Total Estimated Project Cost:	\$ 9,900,000
Funds Expended to Date:	\$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Police Department - Back Wall Security Project

Type: Facilities
 Department: Police
 Category: 1 - Risk to Health, Safety or Environment

Item No. 12
 CIP Project No. 200093
 District No. 3

Project Description: The project will raise the back wall and surrounding perimeters of the Police Department facility for safety and liability purposes.

Project Justification: The Police Department's perimeter walls does not provide adequate security to the main facility and rear lot. The areas outside those walls are high traffic areas and it is crucial to enhance security to prevent further incidents. There has been two (2) incidents where individuals compromised the walls and had access to the facility and police vehicle parking lot, which exposes trespassers to police firearms, equipment, evidence, arrestees and other threats. Additionally, the recent Vulnerability Assessment Mitigation Report provided by the Orange County Intelligence Assessment Center (OCIAC) identified the walls as one of the top three risk areas of the Police Department.

Project Status: Existing project

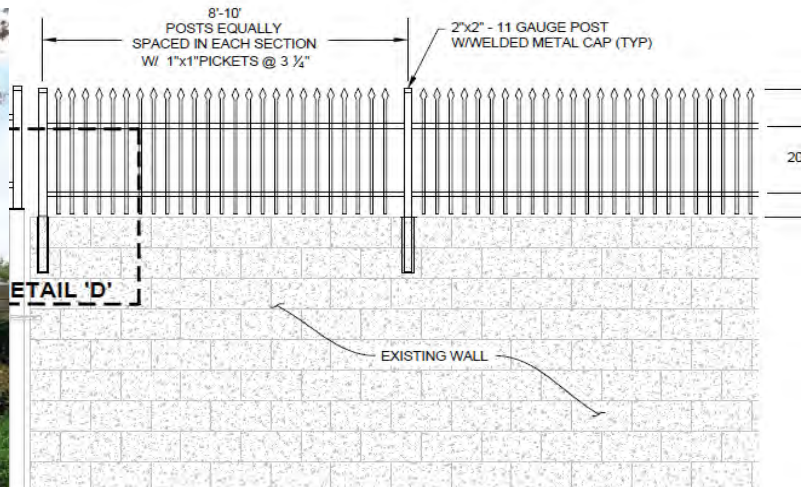
Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	46,000	-	-	-	-	-	-	46,000
Construction	-	80,000	-	-	-	-	-	80,000
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ 46,000	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ 46,000	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ 46,000	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,000

Project Account (Account-Fund-Org-Program-Project): 500000-401-15400-50910-200093

Operating Impacts: -
Location: Costa Mesa Police Department, 99 Fair Dr.

Total Estimated Project Cost:	\$	126,000
Funds Expended to Date:	\$	556



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Police Department - Range Remodel/Update

Type: Facilities
 Department: Police
 Category: 1 - Risk to Health, Safety or Environment

Item No. 13
 CIP Project No. 200094
 District No. 3

Project Description: The project will update the range to ensure POST firearms training mandates and quarterly training requirements are met. The project improves the inadequate and unprotected lighting, replaces the target controller and rail equipment, improves the protective baffling and sound proofing, addresses the range's electrical controls, repairs the water leaks from the AC condensation causing weapons to rust and other water damage, replaces the public address to communicate with shooters, improves existing inadequate ammo storage, and provides an aesthetic improvement.

Project Justification: The indoor firearms range is in poor condition with obsolete and/or inoperable equipment. The range is required to ensure POST firearms training mandates and quarterly training requirements for the 136 sworn officers, 4 reserve officers, and 6 Fire Department arson investigators are met. It allows the department to meet these mandates and needs in the most effective and efficient manner, without jeopardizing training standards or requiring staff to travel out of area. The range was not included in the prior Police Department Remodel project. A remodel allows the city to address these significant issues and ensures the department can meet its firearms training mandates and proficiency.

Project Status: Existing project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	50,000	50,000	-	-	-	-	-	100,000
Construction	-	227,000	-	-	-	-	-	227,000
Contingency	-	50,000	-	-	-	-	-	50,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ 50,000	\$ 327,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 377,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ 50,000	\$ 327,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 377,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ 50,000	\$ 327,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 377,000

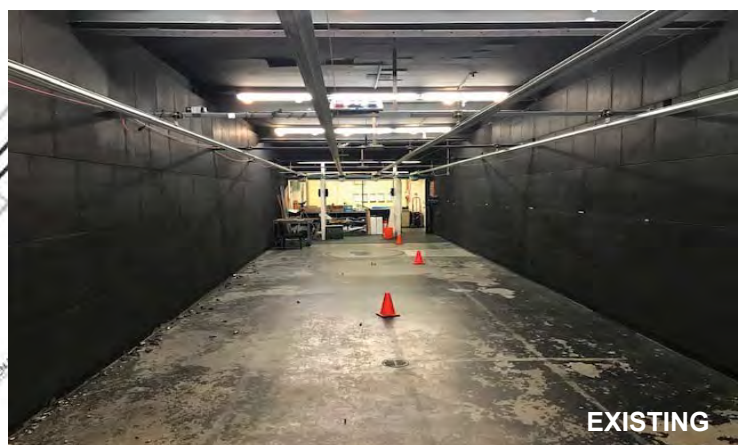
Project Account (Account-Fund-Org-Program-Project): 500000-401-15100-50910-200094

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 377,000

Location: Costa Mesa Police Department, 99 Fair Dr.

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

The Lions Park Projects

Type: Facilities
 Department: Public Services
 Category: 4 - Master Plan, General Plan

Item No. 14
 CIP Project No. 800015
 District No. 5

Project Description: This is a multi-phase project, with Phase 1 including the demolition of the existing Neighborhood Community Center and the construction of a new library, and the construction of a one-acre park and Phase 2 including the renovation of the existing library to be a new Neighborhood Community Center (NCC). Phase 2 will be completed in FY 2019-20. Funding also includes completion of the Lions Park playground improvements.

Project Justification: The project is in accordance with the revised funding approved by the City Council in July 2017. The project provides facilities and open space that meet the needs of the public. The project also provides playground improvements while maintaining the existing Grumman F9F-2 Panther jet.

Project Status: Existing project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	3,357,287	-	-	-	-	-	3,357,287
Construction	30,836,976	2,586,402	-	-	-	-	33,423,378
Contingency	-	-	-	-	-	-	-
Furniture, Fixtures & Equip.	799,590	865,098	-	-	-	-	1,664,688
Other	92,000	-	-	-	-	-	92,000
Total Estimated Project Costs	\$ 35,085,853	\$ 3,451,500	\$ -	\$ -	\$ -	\$ -	\$ 38,537,353

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Total
Capital Improvements Fund	\$ 8,363,897	\$ 3,451,500	\$ -	\$ -	\$ -	\$ -	\$ 11,815,397
Park Fees Fund	7,045,000	-	-	-	-	-	7,045,000
Gas Tax Fund	820,000	-	-	-	-	-	820,000
Drainage Fund	350,000	-	-	-	-	-	350,000
2017 Lease Revenue Bonds	18,506,603	-	-	-	-	-	18,506,603
Total Funding Sources	\$ 35,085,500	\$ 3,451,500	\$ -	\$ -	\$ -	\$ -	\$ 38,537,000

Project Account (Account-Fund-Org-Program-Project): 500000-XXX-19200-40112-800015

Operating Impacts: \$ 454,731 annually

Total Estimated Project Cost: \$ 38,537,353

Location: Lions Park, 1855 Park Ave.

Funds Expended to Date: \$ 23,881,180



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Westside Costa Mesa City Office

Type: Facilities
 Department: Public Services
 Category: 5 - Asset Condition, Annual Recurring Costs

Item No. 15
 CIP Project No.
 District No. 5

Project Description: This project is proposed to improve the use of the existing Police substation to include meeting spaces as well as administrative offices for City Council and City Council support staff. This project will improve the use of the existing space and provide a second City Office for constituents.

Project Justification: The existing substation is underutilized and includes modular units and trailers as working spaces for staff stationed at the facility. This project is proposed to be phased, with the first phase including a feasibility study to evaluate the potential ADA improvements and project the estimated design and construction costs. As such, the proposed design and construction estimates are subject to change based on the results of the feasibility study.

Project Status: New Project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Feasibility Study	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Design, environmental, permits	-	-	500,000	-	-	-	-	500,000
Construction	-	-	-	2,000,000	2,000,000	-	-	4,000,000
Contingency	-	-	-	500,000	500,000	-	-	1,000,000
Other	-	-	-	-	-	-	-	-
Total Estimated Project Costs	\$ -	\$ 30,000	\$ 500,000	\$ 2,500,000	\$ 2,500,000	\$ -	\$ -	\$ 5,530,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ -	\$ 30,000	\$ 500,000	\$ 2,500,000	\$ 2,500,000	\$ -	\$ -	\$ 5,530,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 30,000	\$ 500,000	\$ 2,500,000	\$ 2,500,000	\$ -	\$ -	\$ 5,530,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: TBD
Location: Westside Substation, 567 18th St.

Total Estimated Project Cost:	\$	5,530,000
Funds Expended to Date:	\$	-



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Canyon Park - Inventory, Management, and Restoration Plans

Type: Parks
 Department: Parks & Community Services
 Category: 4 - Master Plan, General Plan

Item No. **16**
 CIP Project No.
 District No. **5**

Project Description: Initiate an official flora and fauna inventory of Canyon Park; develop management and restoration plans.

Project Justification: Canyon Park is recognized as a valuable open space resource within Costa Mesa and the region for its natural resources and trails. The park has never had an inventory of flora and fauna completed, nor a master plan. The natural resource has the potential to have species of special concern that the City should be managing within the both State and Federal regulatory requirements; as well, the park is within the State Coastal Commission regulatory jurisdiction. A plan is needed to better inform and protect the City by providing vital information for management, operations and restoration. The City is actively applying for Proposition 68 Restoration Grant Programs to assist in funding this project in future fiscal years.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	60,000	-	-	-	-	-	60,000
Plan Development	-	-	135,000	135,000	-	-	-	270,000
Contingency	-	-	15,000	15,000	-	-	-	30,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 60,000	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 360,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Park Fees Fund	\$ -	\$ 60,000	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 360,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 60,000	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 360,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 360,000

Location: Canyon Park, 970 Arbor St.

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Fairview Park - Fencing, Signage, and Trail Restoration

Type: Parks
 Department: Parks & Community Services
 Category: 2 - Regulatory or Mandated Requirement

Item No. 17
 CIP Project No.
 District No. 5

Project Description: The project includes restoration to upgrade and bring into regulation fencing and signage, and to rehabilitate trails that are in various states of disrepair. This project is phased over five-years, and the restoration will be completed in zones. The project is to fix, upgrade, and restore park assets and amenities; provide safety improvements and way-finding on trail system; bring into regulatory compliance; and to provide signage and fencing to protect sensitive habitats. Overall the restoration of trails and signage improvements will increase the number of park users.

Project Justification: Significant restoration of the fencing, signage, and trails is required to avoid risks to public safety (trail conditions) and to State and Federally regulated, protected environments (fencing and signage). Several different types of fencing are required throughout the park, including perimeter vehicle and pedestrian chain link; dilapidated wooden telephone poles used as decorative parking lot edge delineations; six different gates or entry fencing; two types of protective habitat post and wire fences; and moveable temporary fencing for project delineation. The project also provides ADA accessibility in several areas and two new access points to protect the environment from further foot and bicycle traffic on steeply eroding banks. The signage improvements are necessary for required environmentally sensitive and protected areas, wayfinding and directional trail use, public information and environmental education, and park use and City codes.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	-	150,000	75,000	75,000	25,000	25,000	-	350,000
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 150,000	\$ 75,000	\$ 75,000	\$ 25,000	\$ 25,000	\$ -	\$ 350,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Park Fees Fund	\$ -	\$ 150,000	\$ 75,000	\$ 75,000	\$ 25,000	\$ 25,000	\$ -	\$ 350,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 150,000	\$ 75,000	\$ 75,000	\$ 25,000	\$ 25,000	\$ -	\$ 350,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ 25,000

Total Estimated Project Cost: \$ 350,000

Location: Fairview Park, 2025 Placentia Ave.

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Fairview Park - Master Plan Update

Type: Parks
 Department: Parks & Community Services
 Category: 4 - Master Plan, General Plan

Item No. 18
 CIP Project No.
 District No. 5

Project Description: The Fairview Park Master Plan was created in 2003 and revised in 2008. This project is to develop updates and amendments to the 2008 version of the Master Plan.

Project Justification: Several changes have occurred that impact the concepts, design elements, and future implementation of the 2008 revised version of the Fairview Park Master Plan. These changes include: elements have been omitted from the plan but not documented (playgrounds); new concepts such as the Wetlands have been implemented but not added to the document; Measure AA was passed by the voters of Costa Mesa; and restoration efforts have increased. Amendments must be made before implementation of the Plan can be executed.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	250,000	-	-	-	-	-	250,000
Construction	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Park Fees Fund	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -
Location: Fairview Park, 2025 Placentia Ave.

Total Estimated Project Cost:	\$	250,000
Funds Expended to Date:	\$	-



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Jordan Park - Playground Equipment Replacement

Type: Parks
 Department: Public Services
 Category: 5 - Asset Condition, Annual Recurring Costs

Item No. 19
 CIP Project No.
 District No. 6

Project Description: The project will remove and replace entire playground equipment, remove sand and replace with wood fiber, and replace rubber surfacing.

Project Justification: The existing playground equipment is worn and deteriorated. The new equipment will improve the overall aesthetics and bring the equipment to current standards. The Boys and Girls Club is working on other improvements to their facility. This replacement will coincide with the timing of those improvements.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	10,000	-	-	-	-	-	10,000
Construction	-	150,000	-	-	-	-	-	150,000
Contingency	-	15,000	-	-	-	-	-	15,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 175,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Park Fees Fund	\$ -	\$ 175,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 175,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -
Location: Jordan Park, 2157 Tustin Ave.

Total Estimated Project Cost:	\$ 175,000
Funds Expended to Date:	\$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Shalimar Park - Improvements

Type: Parks
 Department: Public Services
 Category: 4 - Master Plan, General Plan

Item No. 20
 CIP Project No. 700129
 District No. 4

Project Description: The project provides a new playground area, rubberized play surface, additional viewing area/benches, and overall landscape improvements.

Project Justification: The project will significantly improve Shalimar Park by providing improvements to the existing park equipment and play surfacing. The FY 2019-20 funding will expand the scope of work to include the specified improvements. The original \$50,000 to design the park improvements was appropriated in the FY 2018-19 budget using CDBG funding; however, In March 2019, the City Council approved a budget adjustment authorizing a funding swap to use the Park Fees Fund.

Project Status: Existing project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	50,000	-	-	-	-	-	-	50,000
Construction	-	200,000	-	-	-	-	-	200,000
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ 50,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Park Fees Fund	\$ 50,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ 50,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000

Project Account (Account-Fund-Org-Program-Project): 500000-208-19200-40112-700129

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 250,000

Location: Shalimar Park, 782 Shalimar Dr.

Funds Expended to Date: \$ -



EXISTING

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

TeWinkle Park - Lakes Repairs

Type: Parks
 Department: Public Services
 Category: 1 - Risk to Health, Safety or Environment

Item No. 21
 CIP Project No.
 District No. 3

Project Description: The project includes draining and re-lining both lakes at TeWinkle Park to seal off all existing leaks.

Project Justification: This project will seal all holes, cracks, openings and leaks that are draining the lakes on a daily basis, the leaks are continuously getting worse. The repairs would minimize the amount of water used to replenish what is lost through the leaks. The project will require coordination with US Fish and Wildlife and California Fish and Game agencies.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Future
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	75,000	-	-	-	-	-	75,000
Construction	-	-	-	-	-	-	1,100,000	1,100,000
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000	\$ 1,175,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Future
Park Fees Fund	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000	\$ 1,175,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000	\$ 1,175,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -

Location: TeWinkle Park Lakes, 970 Arlington Dr.

Total Estimated Project Cost: \$ 1,175,000

Funds Expended to Date: \$ -



EXISTING

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Victoria Street Trail - Outdoor Exercise Equipment

Type: Parks
 Department: Parks and Community Services
 Category: 4 - Master Plan, General Plan

Item No. **22**
 CIP Project No.
 District No. **5**

Project Description: The project adds 12-station fit workout equipment at intervals along the Victoria Street (trail) area to provide an outdoor exercise system that includes instruction signs and equipment designed for the novice or conditioned athlete.

Project Justification: In the Parks, Recreation, and Open Space Master Plan, the west side of Costa Mesa has been identified as an area lacking in parks and recreational opportunities. This 12-station fit workout would be placed at intervals along Victoria Street. Residents would have the opportunity to get exercise and enjoy park surroundings at no cost any time of day. This would be an important recreation addition to Costa Mesa residents located in the Westside, and would create minimal impact insofar as the surrounding community as it requires nominal construction. This project also increases the City's park acreage.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	5,000	-	-	-	-	-	5,000
Construction	-	120,000	-	-	-	-	-	120,000
Contingency	-	15,000	-	-	-	-	-	15,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 140,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Park Fees Fund	\$ -	\$ 140,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 140,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ 2,000

Location: Victoria St., from American Ave. to Placentia Ave.

Total Estimated Project Cost: \$ 140,000

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

New Sidewalk/Missing Link Program

Type: Parkway and Medians
 Department: Public Services
 Category: 1 - Risk to Health, Safety or Environment

Item No. 23
 CIP Project No. 500009
 District No. All

Project Description: This program includes the construction of new sidewalk at locations where short segments are missing.

Project Justification: This program allows for the construction of new sidewalk mid-block where short segments are missing to provide a continuous path of travel or for entire blocks at or near high priority areas such as around schools, hospitals, convalescent homes, public facilities, bus routes, and arterial highways.

Project Status: Ongoing citywide project; therefore, no prior budgeted amounts are included below.

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	5,000	5,000	5,000	5,000	5,000	5,000	30,000
Construction	-	85,000	85,000	85,000	85,000	85,000	85,000	510,000
Contingency	-	10,000	10,000	10,000	10,000	10,000	10,000	60,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000

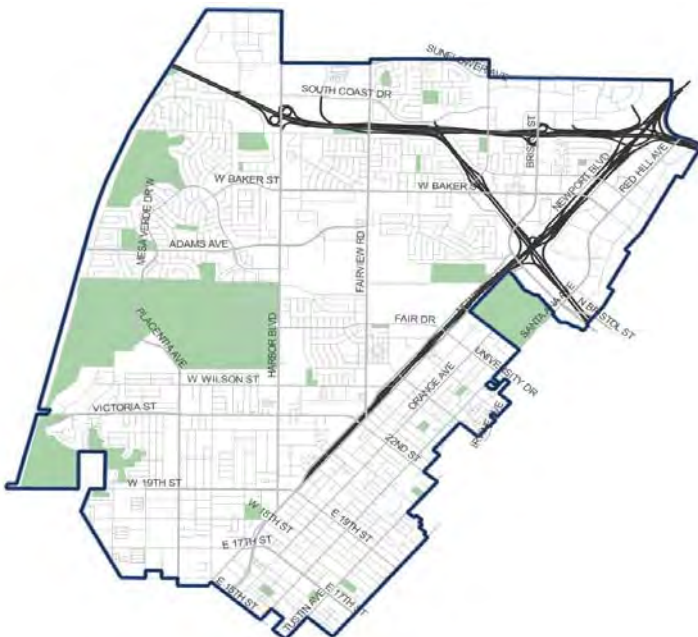
Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000
Gas Tax Fund	-	50,000	50,000	50,000	50,000	50,000	50,000	300,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000

Project Account (Account-Fund-Org-Program-Project): 500000-XXX-19200-30130-500009

Operating Impacts: \$ 5,000

Location: Citywide

Total Estimated Project Cost:	\$ 600,000
Funds Expended to Date:	\$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Parkway Improvement Program

Type: Parkway and Medians
 Department: Public Services
 Category: 1 - Risk to Health, Safety or Environment

Item No. 24
 CIP Project No. 500010
 District No. All

Project Description: The Parkway Improvement Program provides for the reconstruction of damaged sidewalk, wheelchair ramps, curb and gutter, cross gutters, driveways and other parkway improvements. The program also includes the construction of new wheelchair ramps within the project limits.

Project Justification: A parkway maintenance program is essential to remove and replace damaged curb, gutter, and sidewalk which eliminates the City's liability associated with pedestrian accidents. This program is intended to provide funds to permanently repair the damaged concrete improvements within the City right-of-way. These funds will be used to perform necessary parkway repairs in anticipation of the residential street maintenance program for the following year. Additionally, ADA accessibility ramps are also constructed as part of this program throughout the City.

Project Status: Ongoing citywide project; therefore, no prior budgeted amounts are included below.

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	10,000	10,000	10,000	10,000	10,000	10,000	60,000
Construction	-	310,000	310,000	310,000	310,000	310,000	310,000	1,860,000
Contingency	-	30,000	30,000	30,000	30,000	30,000	30,000	180,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 2,100,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Gas Tax Fund	\$ -	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000	\$ 1,050,000
Measure M2 Fund	-	175,000	175,000	175,000	175,000	175,000	175,000	1,050,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 2,100,000

Project Account (Account-Fund-Org-Program-Project): 500000-XXX-19200-30130-500010

Operating Impacts: \$ 3,000

Total Estimated Project Cost: \$ 2,100,000

Location: Citywide

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Priority Sidewalk Repair

Type: Parkway and Medians
 Department: Public Services
 Category: 1 - Risk to Health, Safety or Environment

Item No. 25
 CIP Project No. 500017
 District No. All

Project Description: This project is an ongoing parkway maintenance program to remove and replace damaged curb, gutter, and sidewalk.

Project Justification: A parkway maintenance program is essential to remove and replace damaged curb, gutter, and sidewalk. This program is intended to provide funds to repair the damaged concrete improvements within the City right-of-way. These funds will be used to perform the necessary parkway repairs where staff has been directed to remove trees by the Parks & Recreation Commission. Additionally, ADA accessibility ramps are constructed as staff receives individual requests.

Project Status: Ongoing citywide project; therefore, no prior budgeted amounts are included below.

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	-	45,000	45,000	45,000	45,000	45,000	45,000	270,000
Contingency	-	5,000	5,000	5,000	5,000	5,000	5,000	30,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Gas Tax Fund	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000

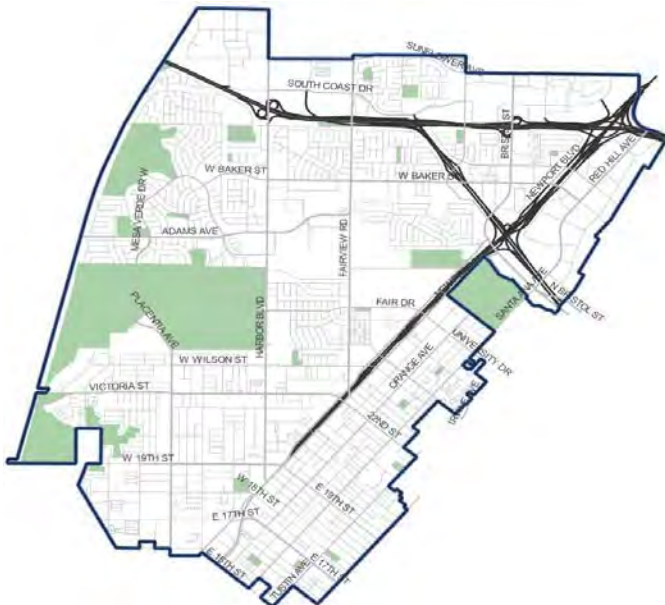
Project Account (Account-Fund-Org-Program-Project): 500000-XXX-19200-30130-500017

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 300,000

Location: Citywide

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Westside Restoration Project

Type: Parkway and Medians
 Department: Public Services
 Category: 4 - Master Plan, General Plan

Item No. 26
 CIP Project No.
 District No. 4&5

Project Description: The Westside Restoration Project is located in Districts 4 and 5 and proposes improvements designed to beautify the neighborhood, improve pedestrian and bicycle accessibility, repair aging infrastructure and enhance lighting and safety.

Project Justification: The restoration of the Westside is an important goal for the community. It is hoped that with the implementation of the proposed infrastructure improvements that it will be the catalyst for an overall revitalization of this neighborhood, contribute to utilizing alternative modes of transportation and provide a safe environment. The below rendering is a sample of the neighborhood and beautification improvements for consideration and design in the west side of Costa Mesa.

Project Status: New project

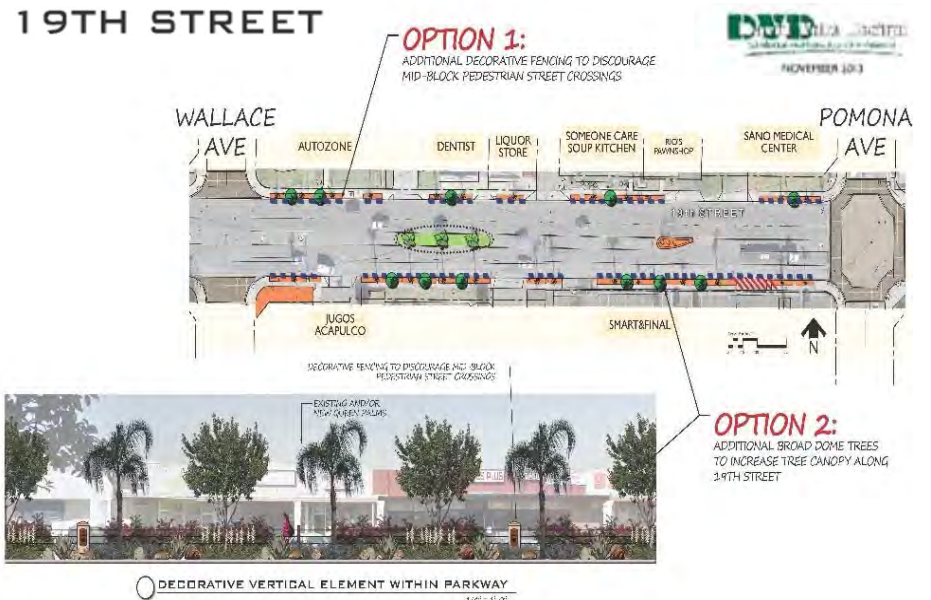
Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	250,000	250,000	-	-	-	-	500,000
Construction	-	-	-	250,000	250,000	250,000	250,000	1,000,000
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,500,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvements Fund	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,500,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,500,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -
Location: Westside Costa Mesa

Total Estimated Project Cost: \$ 1,500,000
Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Citywide Alley Improvements

Type: Streets
 Department: Public Services
 Category: 4 - Master Plan, General Plan

Item No. 27
 CIP Project No. 400012
 District No. All

Project Description: The project provides citywide alley rehabilitation by replacing asphalt alleyways with concrete.

Project Justification: A comprehensive study was conducted citywide to provide information about the existing condition of the alleys and their rehabilitation cost. In 2007, the City Council adopted an Alley Improvement Priority List and directed staff to move forward with their rehabilitation. To date, 94 out of 129 alleys have been reconstructed. Funding is requested this fiscal year to reconstruct additional alleys in accordance with the list. The alley's include Alley No. 114 (Costa Mesa St., from Tustin Ave. to Irvine Ave.), No. 105 Rosemary Pl., from 20 St. to Orange Ave.), and No. 055 (17th St., from Irvine Ave. to West End). However, the proposed alleys are subject to change. The last proposed year for funding to complete this project and all alleys is FY 2024-2025.

Project Status: Ongoing citywide project; therefore, no prior budgeted amounts are included below.

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	20,000	20,000	20,000	20,000	20,000	20,000	120,000
Construction	-	350,000	430,000	430,000	430,000	430,000	430,000	2,500,000
Contingency	-	50,000	50,000	50,000	50,000	50,000	50,000	300,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 420,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,920,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Gas Tax Fund	\$ -	\$ 420,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 2,420,000
Capital Improvements Fund	-	-	100,000	100,000	100,000	100,000	100,000	500,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 420,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,920,000

Project Account (Account-Fund-Org-Program-Project): 500000-XXX-19200-30112-400012

Operating Impacts: \$ -
Location: Alley No.'s 114, 105 and 055

Total Estimated Project Cost: \$ 2,920,000
Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Citywide Catch Basin and Water Quality Improvement Project

Type: Streets
 Department: Public Services
 Category: 2 - Regulatory or Mandated Requirement

Item No. 28
 CIP Project No. 550008
 District No. All

Project Description: This program allocates funding to implement structural improvements to the City's Stormdrain system to remove pollutants associated with stormwater deposited onto the City's right-of-way.

Project Justification: In FY 2017-18, this program funded the installation of 142 catch basin insert devices at high priority locations for storm water trash capture throughout the City. In FY 2018-19, this program funded the installation of 130 catch basin inserts near high priority land uses for trash capture in the City. This project will continue funding catch basin insert devices citywide. The City is applying for a competitive Measure M2 grant that will complete all catch basin inserts citywide. Proposed future funding will be towards other water quality improvements.

Project Status: Ongoing citywide project; therefore, no prior budgeted amounts are included below.

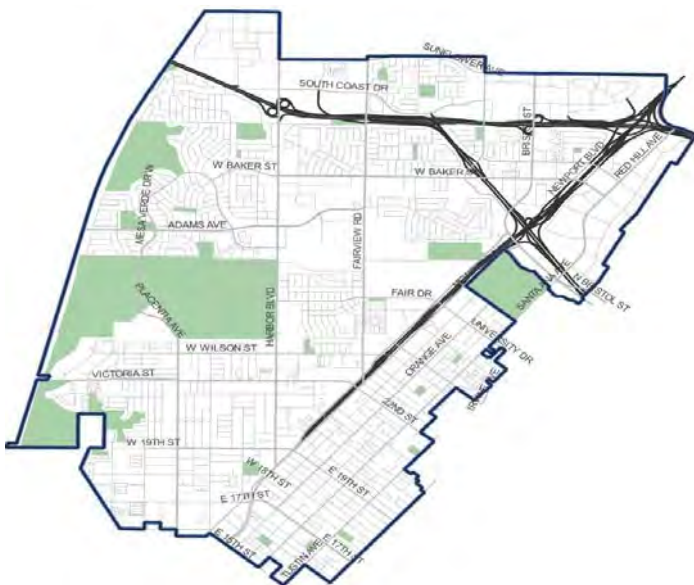
Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	-	50,000	25,000	25,000	25,000	25,000	25,000	175,000
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 175,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Drainage Fund	\$ -	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 175,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 175,000

Project Account (Account-Fund-Org-Program-Project): 500000-XXX-19200-20510-550008

Operating Impacts: \$ -
Location: Citywide

Total Estimated Project Cost: \$ 175,000
Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Citywide Street Improvements

Type: Streets
 Department: Public Services
 Category: 4 - Master Plan, General Plan

Item No. 29
 CIP Project No. 400015
 District No. 1,4&5

Project Description: Rehabilitation of streets that include by one or a combination of the following methods: grind and overlay, leveling course and slurry seal, and reconstruction of structurally deficient spots.

Project Justification: This program provides major rehabilitation to streets and is implemented in accordance with the Pavement Management System to meet the City Council Goal to reach and maintain an average Citywide Pavement Condition Index (PCI) of 85. For FY 2019-20, residential streets in the Mesa Verde North neighborhood will also be completed per the biannual street maintenance report and overall low PCI. A list of the specific residential streets will be available close to project completion at www.costamesaca.gov/CIP.

Project Status: Ongoing citywide project; therefore, no prior budgeted amounts are included below.

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental	-	31,400	50,000	50,000	50,000	50,000	50,000	281,400
Construction	-	2,975,000	3,050,000	3,050,000	5,050,000	5,050,000	5,050,000	24,225,000
Contingency	-	250,000	400,000	400,000	400,000	400,000	400,000	2,250,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 3,256,400	\$ 3,500,000	\$ 3,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 26,756,400

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Gas Tax Fund	\$ -	\$ 1,100,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 3,600,000
Measure M2 Fund	-	2,156,400	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	14,656,400
Gas Tax (RMRA) Fund	-	-	-	-	2,000,000	2,000,000	2,000,000	6,000,000
Capital Improvements Fund	-	-	500,000	500,000	500,000	500,000	500,000	2,500,000
Total Funding Sources	\$ -	\$ 3,256,400	\$ 3,500,000	\$ 3,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 26,756,400

Project Account (Account-Fund-Org-Program-Project): 500000-XXX-19200-30112-400015

Operating Impacts: \$ -

Location: Placentia Ave., Fairview Park to Adams Ave. and Production Pl. (s/o 16th St.) to 18th St.; Wilson St., Pomona Ave. to Fountain Way E.

Total Estimated Project Cost:	\$	26,756,400
Funds Expended to Date:	\$	-



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

S/B Newport Boulevard Improvements, from Mesa Dr. to Victoria St.

Type: Streets
 Department: Public Services
 Category: 4 - Master Plan, General Plan

Item No. 30
 CIP Project No.
 District No. 3

Project Description: The project includes the rehabilitation of roadway by removing and reconstructing structurally deficient spots and constructing a 2" ARHM overlay.

Project Justification: This project is proposed to be funded with Road Maintenance and Rehabilitation Account (RMRA) funds. RMRA is a program that provides funding for major rehabilitation of City streets which are in need of improvement. The program is implemented in accordance with the Pavement Management System to meet the City Council Goal to reach and maintain an average Citywide Pavement Condition Index (PCI) of 85.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	180,000	-	-	-	-	-	180,000
Construction	-	1,548,337	-	-	-	-	-	1,548,337
Contingency	-	180,000	-	-	-	-	-	180,000
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 1,908,337	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,908,337

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Gas Tax (RMRA) Fund	\$ -	\$ 1,908,337	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,908,337
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 1,908,337	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,908,337

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 1,908,337

Location: S/B Newport Frontage Rd., between Mesa Dr. and Victoria St.

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Westside Storm Drain Improvements

Type: Streets
 Department: Public Services
 Category: 4 - Master Plan, General Plan

Item No. 31
 CIP Project No.
 District No. 4&5

Project Description: Upgrade existing undersized storm drain pipes between 17th Street/Pomona Ave and 16th Street/Superior as per the Master Drainage Plan. The following projects are currently in the design or construction phases and included with this phased project: Update of the Master Drainage Plan, design and construction of a pumping system for the underground storage facility in Lions Park, Fairview Park storm drain and reconstruction of storm drain at n/b Newport Blvd. north of Del Mar.

Project Justification: These projects are maintenance and repair related (i.e. painting, electrical repair, etc.) amounting to \$30,000 or less, respectively, and encompass many small projects. These projects also address the installation of replacement or upgraded equipment, as necessary. There are no significant changes to ongoing operating costs involved with these projects.

Project Status: Ongoing citywide project; therefore, no prior budgeted amounts are included below.

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	-	500,000	2,000,000	1,000,000	500,000	500,000	500,000	5,000,000
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 500,000	\$ 2,000,000	\$ 1,000,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 5,000,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Drainage Fund	\$ -	\$ 500,000	\$ 2,000,000	\$ 1,000,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 5,000,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 500,000	\$ 2,000,000	\$ 1,000,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 5,000,000

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 5,000,000

Location: Westside Costa Mesa

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Citywide Bicycle Rack Improvements

Type: Transportation
 Department: Public Services
 Category: 4 - Master Plan, General Plan

Item No. 32
 CIP Project No. 300148
 District No. All

Project Description: This project includes installation of new custom designed bicycle racks at various facilities within the City of Costa Mesa. The bicycle rack design for this ongoing citywide project was approved by the Bikeway and Walkability Committee.

Project Justification: The project is in accordance with the City's General Plan and Active Transportation Plan. The installation of citywide bicycle racks promotes a friendly Active Transportation System in Costa Mesa. In coordination with Bikeway and Walkability Committee, in FY 2017-18, this project included installation of 16 bicycle racks at 13 City parks. The proposed future funding will continue this effort.

Project Status: Ongoing citywide project; therefore, no prior budgeted amounts are included below.

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	-	50,000	25,000	25,000	25,000	25,000	25,000	175,000
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 175,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Traffic Impact Fee Fund	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Capital Improvements Fund	-	-	25,000	25,000	25,000	25,000	25,000	125,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 175,000

Project Account (Account-Fund-Org-Program-Project): 500000-XXX-19300-30225-300148

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 175,000

Location: City Facilities

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Citywide Class II and III Bicycle Roadway Projects

Type: Transportation
 Department: Public Services
 Category: 4 - Master Plan, General Plan

Item No. 33
 CIP Project No. 450010
 District No. All

Project Description: This project includes implementation of new Class II and Class III bicycle roadway projects throughout the City. Class II projects are on-street bicycle lanes that are typically implemented by restriping lanes and providing a separate lane for bicyclists. Class III bicycle projects is achieved by enhanced signing and markings on roadways. There are no separate bike lanes for Class III routes. The enhanced signing and markings are implemented to inform motorists of usage of the street as an active bicycle route.

Project Justification: This project is in accordance with City's General Plan and the Active Transportation Plan. Class II and III bicycle projects identified in the Active Transportation Plan will be implemented and improve mobility and safety for bicyclists.

Project Status: Ongoing citywide project; therefore, no prior budgeted amounts are included below.

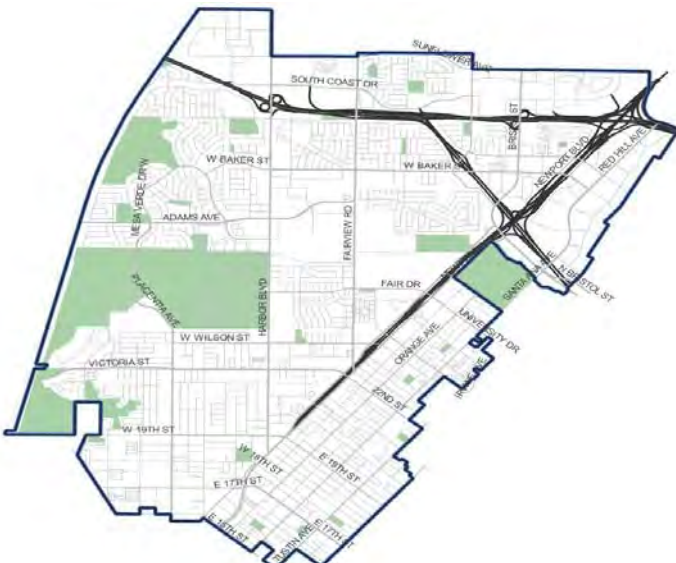
Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	-	100,000	50,000	50,000	50,000	50,000	50,000	350,000
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 350,000

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Traffic Impact Fee Fund	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Capital Improvements Fund	-	-	50,000	50,000	50,000	50,000	50,000	250,000
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 350,000

Project Account (Account-Fund-Org-Program-Project): 500000-XXX-1930030225-450010

Operating Impacts: \$ -
Location: Citywide

Total Estimated Project Cost:	\$ 350,000
Funds Expended to Date:	\$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Citywide Neighborhood Traffic Improvements

Type: Transportation
 Department: Public Services
 Category: 1 - Risk to Health, Safety or Environment

Item No. 34
 CIP Project No. 300163
 District No. All

Project Description: This project includes ongoing citywide implementation of neighborhood traffic improvements including signs, approved speed humps, design of entry monument signs, and minor landscape improvements to enhance the neighborhood

Project Justification: The project will enhance citywide neighborhood character and improve neighborhood traffic for all modes of transportation.

Project Status: Ongoing citywide project; therefore, no prior budgeted amounts are included below.

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	-	112,800	100,000	100,000	100,000	100,000	100,000	612,800
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 112,800	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 612,800

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Measure M2 Fund	\$ -	\$ 12,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,800
Traffic Impact Fees Fund	-	100,000	-	-	-	-	-	100,000
Capital Improvements Fund	-	-	100,000	100,000	100,000	100,000	100,000	500,000
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 112,800	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 612,800

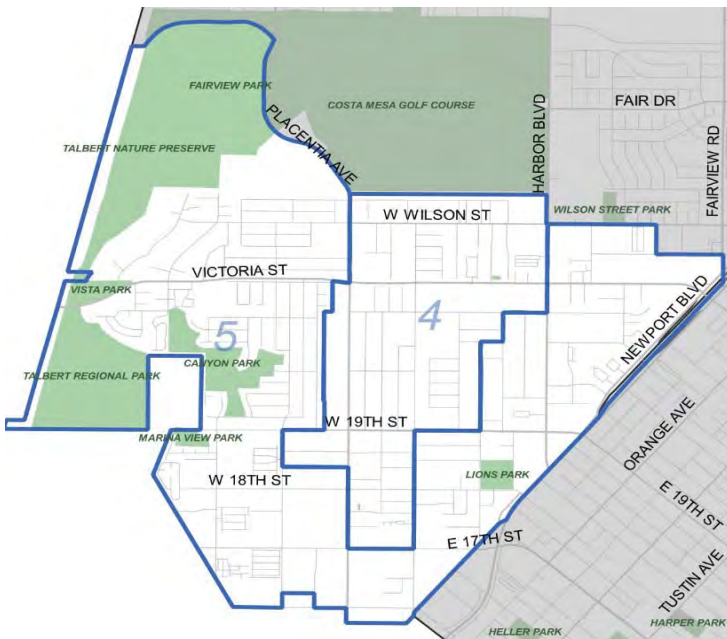
Project Account (Account-Fund-Org-Program-Project): 500000-XXX-19300-30241-300163

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 612,800

Location: Citywide Costa Mesa

Funds Expended to Date: \$ -



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Fairview Road - Traffic Signal Synchronization Project

Type: Transportation
 Department: Public Services
 Category: 3 - Grant Funding

Item No. 35
 CIP Project No. 370034
 District No. 3&5

Project Description: The project will result in a comprehensive review of traffic signal coordination along the entire length of the corridor from Garden Grove Boulevard in the City of Santa Ana to Southbound Newport Boulevard in the City of Costa Mesa. The project includes 13 signalized intersections in the City of Costa Mesa to be improved and coordinated as part of this project. The scope of work for this project includes: development of optimized traffic signal synchronization timing plans; installation of traffic signal upgrades; communication upgrades; implementation of timing plans; preparation of “before and after” studies; and two years of signal timing maintenance.

Project Justification: The project will improve traffic signal operations on Fairview Road and result in a comprehensive review of traffic signal coordination along the entire length of the corridor from Garden Grove Boulevard in the City of Santa Ana to Southbound Newport Boulevard in the City of Costa Mesa. In FY 2017-18, the City Council previously approved appropriating the remaining \$90,409 in AQMD funds as part of the required grant match; however, it is recommended to use Traffic Impact Fees instead.

Project Status: Existing project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	1,984,336	90,409	-	-	-	-	-	2,074,745
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ 1,984,336	\$ 90,409	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,074,745

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Capital Improvement Fund	\$ 209,806	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 209,806
Measure M2 (415)	1,695,150	-	-	-	-	-	-	1,695,150
AQMD Fund	79,380	-	-	-	-	-	-	79,380
Traffic Impact Fees	-	90,409	-	-	-	-	-	90,409
Total Funding Sources	\$ 1,984,336	\$ 90,409	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,074,745

Project Account (Account-Fund-Org-Program-Project): 500000-XXX-19300-30241-370034

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 2,074,745

Location: Fairview Road

Funds Expended to Date: \$ 866,188



CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Redhill Avenue - Traffic Signal Synchronization Project

Type: Transportation
 Department: Public Services
 Category: 3 - Grant Funding

Item No. 37
 CIP Project No.
 District No. 2

Project Description: The project includes comprehensive review and update of traffic signal coordination along Redhill Avenue in the cities of Costa Mesa, Irvine, Santa Ana, and Tustin. The project also includes conduit upgrades, Closed Circuit Televisions (CCTV's), traffic signal preemption for emergency vehicles at all intersections along Redhill Avenue, and new cabinets, where applicable. The project will also prepare detailed before and after studies to document efficiencies achieved with any proposed timing changes.

Project Justification: The City's portion of the competitive M2 Traffic Signal Synchronization Program grant secured for this project implementation is \$264,320. This requires \$ 66,080 in City matching funds. This project is necessary to increase the traffic-handling capacity of the intersections along Redhill Avenue and consequently reduces congestion and delays.

Project Status: New project

Expenditure Breakdown	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
Land acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Design, environmental, permits	-	-	-	-	-	-	-	-
Construction	-	330,400	-	-	-	-	-	330,400
Contingency	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Estimated Costs	\$ -	\$ 330,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 330,400

Funding Sources	2018-19 and Prior	Proposed 2019-20	2020-21	2021-22	2022-23	2023-24	Future	Total
AQMD Fund	\$ -	\$ 66,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,080
Measure M2 - Regional	-	264,320	-	-	-	-	-	264,320
AQMD Fund	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 330,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 330,400

Project Account (Account-Fund-Org-Program-Project):

Operating Impacts: \$ -

Total Estimated Project Cost: \$ 330,400

Location: Redhill Ave., from Bristol St. to Paularino Ave.

Funds Expended to Date: \$ -



Category/Project Title	FY 2019-20
FACILITIES	
Balearic Center - ADA Upgrades (Exterior Restrooms)	\$ -
Balearic Center - Fire Protection Sprinklers	-
Balearic Center - Install New HVAC Unit	-
Building Modification Projects	234,600
City Hall - 1st Floor ADA Improvements	-
City Hall - 1st Floor Finance Security & Efficiency Reconfiguration	200,000
City Hall - 1st Floor Kitchen Improvements	60,000
City Hall - 2nd Floor Lobby and Front Counter Improvements	44,830
City Hall - 3rd Floor Repaint Walls and Carpet Replacement	-
City Hall - Curtain and Window Improvements (1 floor per year)	-
City Hall - Electric Vehicle Charging Stations	227,540
City Hall - Exterior Painting Improvements	-
City Hall - Fire Alarm System Upgrade	382,380
City Hall - HVAC Retrofit	-
City Hall - Remodel of patio by stairs (1 floor per year)	-
City Hall - Replace Roof on Exterior Walkway Canopy	-
Corp Yard (Fleet) - Extent Bay #2 on North Side of Building for Fire Apparatus	-
Corp Yard (Fleet) - Removal of UST/Install Above-Ground Tanks	-
Corp Yard Old - Facility Perimeter Concrete Improvements	-
Costa Mesa Bridge Shelter	2,500,000
Costa Mesa Tennis Center Improvements	-
Downtown Aquatic Center - Pool Replaster	226,000
Downtown Recreation Center - HVAC Roof Top Units Replacement	150,000
Emergency Operations Center - Equipment Update	150,000
Fire Station 2 - Reconstruction	1,000,000
Fire Station 3 - Remove UST/Install Above-Ground Tank	-
Fire Station 4 - Living Quarters Remodel	-
Fire Station 4 - Training Ground Improvements	-
Fire Station 6 - Remove UST/Install Above-Ground Tank	-
Fire Station 6 - Repair Failing Perimeter Walls	-
Fire Station 6 - Replace (3) HVAC Units	-
Mesa Verde Library - ADA Compliance Design	-
Mesa Verde Library - Roof Replacement	-
Police Department - Back Wall Security Project	80,000
Police Department - Carpet Replacement	-
Police Department - Communications Floor Finishes & Carpet Replacement	-
Police Department - Emergency Operations Center & Property Evidence Facility	-
Police Department - Locker Rooms HVAC Improvements	-
Police Department - Range Remodel/ Update	327,000
Police Substation - ADA Restrooms	-
Police Substation Upgrades	-
Senior Center - Painting and Power Wash	-
The Lions Park Projects	3,451,500

Cost estimates are presented at current value / current dollars and are not escalated for inflation. Although the schedule spans five years and future, funds for only the first year are appropriated within the FY 2019-20 Budget.

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Five Year Capital Improvement Program From Fiscal Year 2019-2020 Through Fiscal Year 2023-2024

FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Future	Total
\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ 150,000
-	-	-	-	160,000	160,000
-	-	-	-	350,000	350,000
300,000	300,000	300,000	300,000	400,000	1,834,600
200,000	-	-	-	-	200,000
225,000	-	-	-	-	425,000
-	-	-	-	-	60,000
-	-	-	-	-	44,830
125,000	-	-	-	-	125,000
-	-	-	-	550,000	550,000
-	-	-	-	-	227,540
-	200,000	-	-	-	200,000
-	-	-	-	-	382,380
-	-	-	-	900,000	900,000
-	-	-	-	225,000	225,000
-	130,000	-	-	-	130,000
-	-	-	25,000	250,000	275,000
-	-	-	-	1,000,000	1,000,000
-	-	-	-	75,000	75,000
-	-	-	-	-	2,500,000
-	-	-	-	202,000	202,000
-	-	-	-	-	226,000
-	-	-	-	-	150,000
150,000	-	-	-	-	300,000
5,300,000	3,600,000	-	-	-	9,900,000
250,000	-	-	-	-	250,000
-	-	600,000	3,000,000	2,100,000	5,700,000
-	-	-	-	2,100,000	2,100,000
-	-	-	-	250,000	250,000
-	100,000	-	-	-	100,000
-	75,000	-	-	-	75,000
-	-	-	-	550,000	550,000
200,000	-	-	-	-	200,000
-	-	-	-	-	80,000
110,000	-	-	-	-	110,000
-	-	-	100,000	-	100,000
-	-	450,000	1,000,000	2,000,000	3,450,000
200,000	-	-	-	-	200,000
-	-	-	-	-	327,000
-	-	-	-	175,000	175,000
-	-	-	-	200,000	200,000
-	-	-	-	100,000	100,000
-	-	-	-	-	3,451,500

Category/Project Title	FY 2019-20
FACILITIES (continued)	
Various Facilities - Electric Vehicle Charging Stations	\$ -
Westside Costa Mesa City Office	30,000
<i>TOTAL FACILITIES</i>	\$ 9,063,850
PARKS	
Brentwood Park - Improvements	\$ -
Canyon Park - Inventory, Management and Restoration Plans	60,000
Davis School Field & Lighting - Design & Construction	-
Del Mar Community Gardens - Plot Addition	-
Del Mesa Park - Replace Existing Playground Equipment	-
Del Mesa Park - Replace Walkway Lights	-
Entryway Monument - Industrial Way and Newport Blvd.	-
Fairview Developmental Center Sports Complex	-
Fairview Park - Bluff Stairs (South)Bluff Stairs at South Fairview Park	-
Fairview Park - CA-ORA-58 Fill Removal, Cap & Restore Native Habitat	-
Fairview Park - Educational Hubs and Signage	-
Fairview Park - Fence along Placentia Ave	-
Fairview Park - Fencing, Signage, and Trail Restoration	150,000
Fairview Park - Master Plan Update	250,000
Fairview Park - West Bluff Restoration	-
Gisler Community Garden	-
Golf Course Pocket Park	-
Heller Park - 2 New Lighted Basketball Courts	-
Heller Park - Replace Existing Restroom	-
Jordan Park - Playground Equipment Replacement	175,000
Kaiser Lighting and Turf	-
Lindbergh Park - 1 New Half Court Basketball Court	-
Lindbergh Park - Expand Park	-
Lions Park - Café	-
Lions Park - Open Space Improvements	-
Marina View Park - Replace Existing Playground Equipment	-
Mesa del Mar Neighborhood Entryway	-
Moon Park - Replace Existing Playground Equipment (2 areas)	-
Park Accessibility Program	-
Park Security Lighting Replacement Program	-
Parsons - Lighting and Turf	-
Shalimar Park - Improvements	200,000
Shiffer Park - Replace Existing Playground Equipment (2 Areas)	-
Shiffer Park - Shelter and Restroom Improvements	-
Smallwood Park - Improvements	-
Tanager Park - Replace Existing Playground Equipment	-
TeWinkle Athletic Complex - Batting Cage Structure	-
TeWinkle Park - 2 Sand Volleyball Courts	-
TeWinkle Park - Drainage Swale - North Boundary	-

Cost estimates are presented at current value / current dollars and are not escalated for inflation. Although the schedule spans five years and future, funds for only the first year are appropriated within the FY 2019-20 Budget.

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Five Year Capital Improvement Program From Fiscal Year 2019-2020 Through Fiscal Year 2023-2024

FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Future	Total
\$ 150,000	\$ -	\$ 150,000	\$ -	\$ 150,000	\$ 450,000
500,000	2,500,000	2,500,000	-	-	5,530,000
\$ 7,710,000	\$ 6,905,000	\$ 4,000,000	\$ 4,425,000	\$ 11,887,000	\$ 43,990,850
\$ -	\$ -	\$ -	\$ -	\$ 2,600,000	\$ 2,600,000
150,000	150,000	-	-	-	360,000
-	-	-	-	4,500,000	4,500,000
-	-	-	-	112,800	112,800
-	-	-	-	150,000	150,000
-	-	-	-	45,000	45,000
-	-	-	-	200,000	200,000
-	-	-	-	6,000,000	6,000,000
-	-	350,000	-	-	350,000
-	-	-	-	7,000,000	7,000,000
71,500	473,000	-	-	-	544,500
-	-	-	-	380,000	380,000
75,000	75,000	25,000	25,000	-	350,000
-	-	-	-	-	250,000
250,000	750,000	750,000	750,000	750,000	3,250,000
-	-	-	-	215,000	215,000
135,000	-	-	-	-	135,000
-	-	-	-	275,000	275,000
-	-	-	-	600,000	600,000
-	-	-	-	-	175,000
-	-	-	-	8,600,000	8,600,000
-	-	-	-	75,000	75,000
-	-	-	-	1,300,000	1,300,000
-	-	-	-	900,000	900,000
50,000	300,000	300,000	-	-	650,000
-	-	-	150,000	-	150,000
-	-	-	-	200,000	200,000
-	-	-	-	175,000	175,000
100,000	100,000	100,000	100,000	100,000	500,000
-	-	-	-	925,000	925,000
-	-	-	-	5,500,000	5,500,000
-	-	-	-	-	200,000
-	-	-	175,000	-	175,000
75,000	-	-	-	675,000	750,000
-	-	-	-	1,000,000	1,000,000
-	-	-	-	175,000	175,000
-	-	-	-	102,000	102,000
-	-	-	-	150,000	150,000
-	-	-	-	400,000	400,000

Category/Project Title	FY 2019-20
PARKS (continued)	
TeWinkle Park - Lakes Repairs	\$ 75,000
TeWinkle Park - Landscape Buffer North Boundary	-
TeWinkle Park - Landscape Median Improvements	-
TeWinkle Park - New Restroom - Lake Area	-
TeWinkle Park - New Tot Lot East of Junipero Dr.	-
TeWinkle Park - Security Lighting Project	-
TeWinkle Park - Skate Park Expansion	-
TeWinkle Park - Upper Pedestrian Bridge Replacement	-
Various Parks - Parking Lot Rehabilitation	-
Various Parks - Replace Playground Surfacing	-
Various Parks - Sidewalk Replacement	-
Victoria Street Trail - Outdoor Exercise System	140,000
Vista Park - Picnic Shelter	-
Wakeham Park - Playground and Planter Improvements	-
Wilson Park - Replace Existing Restroom w/Pre-Fabricated	-
<i>SUBTOTAL PARKS</i>	\$ 1,050,000
PARKWAY AND MEDIANS	
Adams Avenue - Median Landscape Rehabilitation	\$ -
Arlington Dr. at Newport Blvd. - Streetscape Improvements	-
Arlington Drive - Parking Lot Landscape Improvements	-
Fairview Road - Median Landscape Rehabilitation	-
Gisler Avenue - Bike Trail Landscape	-
Gisler/California - Improvements	-
New Sidewalk / Missing Link Program	100,000
Newport Boulevard Landscape Improvements - 19th St. to Bristol St.	-
Newport Boulevard Landscape Improvements - S/O 17th Street	-
Parkway Improvement Program	350,000
Priority Sidewalk Repair	50,000
Tree Planting Program	-
Victoria Street - Parkway Landscape Rehabilitation	-
Westside Restoration Project	250,000
<i>SUBTOTAL PARKWAY AND MEDIANS</i>	\$ 750,000
STREETS	
Adams Ave.- Harbor Blvd. To Santa Ana River	\$ -
Brentwood Ave. - Storm Drain System	-
Cherry Lake Storm Drain System - Phase I, II & III	-
Cherry Lake Storm Drain System - Phase IV & V	-
Citywide Alley Improvements	420,000
Citywide Catch Basin Insert and Water Quality Improvement Project	50,000
Citywide Storm Drain Improvements	-
Citywide Street Improvements	2,526,400
S/B Newport Boulevard Improvements, from Mesa Dr. to Victoria St.	1,908,337

Cost estimates are presented at current value / current dollars and are not escalated for inflation. Although the schedule spans five years and future, funds for only the first year are appropriated within the FY 2019-20 Budget.

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Five Year Capital Improvement Program From Fiscal Year 2019-2020 Through Fiscal Year 2023-2024

FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Future	Total
\$ -	\$ -	\$ -	\$ -	\$ 1,100,000	\$ 1,175,000
-	-	-	-	300,000	300,000
-	-	-	-	275,000	275,000
-	-	-	-	650,000	650,000
-	-	-	-	500,000	500,000
-	-	-	-	275,000	275,000
100,000	400,000	400,000	-	-	900,000
-	-	-	-	120,000	120,000
50,000	100,000	100,000	100,000	100,000	450,000
-	50,000	-	50,000	50,000	150,000
50,000	50,000	50,000	50,000	50,000	250,000
-	-	-	-	-	140,000
-	-	-	-	165,000	165,000
-	-	-	-	190,000	190,000
-	-	-	-	200,000	200,000
\$ 1,106,500	\$ 2,448,000	\$ 2,075,000	\$ 1,400,000	\$ 47,079,800	\$ 55,159,300
\$ 10,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 160,000
-	-	-	-	180,000	180,000
-	-	-	-	150,000	150,000
10,000	100,000	-	-	-	110,000
-	-	-	-	165,000	165,000
-	150,000	-	-	-	150,000
100,000	100,000	100,000	100,000	100,000	600,000
-	-	-	-	1,100,000	1,100,000
25,000	220,000	-	-	-	245,000
350,000	350,000	350,000	350,000	350,000	2,100,000
50,000	50,000	50,000	50,000	50,000	300,000
50,000	50,000	50,000	50,000	50,000	250,000
-	-	-	-	150,000	150,000
250,000	250,000	250,000	250,000	250,000	1,500,000
\$ 845,000	\$ 1,420,000	\$ 800,000	\$ 800,000	\$ 2,545,000	\$ 7,160,000
\$ 2,000,000	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 4,000,000
-	-	-	-	793,040	793,040
-	-	-	-	2,721,600	2,721,600
-	-	-	-	2,009,360	2,009,360
500,000	500,000	500,000	500,000	500,000	2,920,000
25,000	25,000	25,000	25,000	25,000	175,000
-	-	-	-	15,000,000	15,000,000
3,500,000	3,500,000	5,500,000	5,500,000	5,500,000	26,026,400
-	-	-	-	-	1,908,337

Category/Project Title	FY 2019-20
STREETS (continued)	
Westside Storm Drain Improvements	\$ 500,000
<i>SUBTOTAL STREETS</i>	<i>\$ 5,404,737</i>
TRANSPORTATION	
Adams Avenue - Fairview Rd. to Harbor Blvd.	\$ -
Adams Avenue - Multipurpose Trail	-
Adams Avenue at Pinecreek Drive - Improvements	-
Bicycle & Pedestrian Infrastructure Improvement Plan	-
Bicycle Safety Education - Sixteen Schools	-
Bristol St. / Baker St. - Intersection Improvement (Add EBT, WBT)	-
Bristol St. / I-405 NB - Ramps (Add WBR)	-
Bristol St. / Paularino Ave. (Add 2nd WBL)	-
Bristol St. / Sunflower Ave. - Intersection Improvement (Add 3rd NBL)	-
Bristol Street (Bear St. to Santa Ana Av.) - Bicycle Facility	-
Citywide Bicycle Rack Improvements	50,000
Citywide Class II and III Bicycle Roadway Projects	100,000
Citywide Neighborhood Traffic Improvements	112,800
Citywide Traffic Signal Improvements (Hardware)	-
Citywide Wayfinding Signage Program	-
Costa Mesa ITS Improvements (Communications, Central Sys. CCTV)	-
Del Mar Avenue (Newport Blvd. to Santa Ana Av.) - Bicycle Facility	-
E. 17th St. / Irvine Ave. - Intersection Improvement (Add SBR, EBR)	-
Eastside Traffic Calming (Cabrillo St., 18th St., 22nd St.)	-
Fairview Channel Trail - Placentia Ave. (n of park) to Placentia Ave. (s of park)	-
Fairview Rd./ Wilson St. - Improvements (Add EBT, WBT)	-
Fairview Road - Arlington Dr. Traffic Signal Modification	-
Fairview Road - Merrimac Way Traffic Signal Modification	-
Fairview Road - Traffic Signal Synchronization Project	90,409
Fairview Road (Fair Dr. to Newport Blvd.) - Bicycle Facility	-
Greenville-Banning Channel Pt. 1 (Sunflower Ave to South Coast Drive)	-
Greenville-Banning Channel Pt. 2 (Santa Ana River Trail to South Coast Dr.)	-
Harbor Blvd. / Gisler Ave. - Intersection Improvements (Add SBR)	-
Harbor Blvd. / South Coast Dr. - Intersection Improvement (Add EBR)	-
Harbor Blvd. / Sunflower Ave. - Intersection Improvement (Add EBR, WBR)	-
Harbor Blvd./ Adams Ave. - Intersection Improvements (Add NBL, NBR)	-
Harbor Blvd./ MacArthur - Bus Turnout	-
Hyland Ave. / I-405 NB Ramp & South Coast Drive (Add 2nd WBT)	-
Merrimac Way - Active Transportation and Street Improvements	2,030,000
Mesa Verde Drive E (Adams Av. to Harbor Bl.)	-
Newport Blvd. Northbound at Del Mar (Add WBTR)	-
Newport Blvd. Northbound/22nd St. (Add WBTR, convert NBT to NBTR)	-
Newport Blvd. Southbound at Fair Dr. (Add 2nd SBR)	-
Newport Blvd./17th St. (Add NBR)	-
Newport Boulevard Southbound (Bristol Street to Arlington Drive)	-

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CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Five Year Capital Improvement Program From Fiscal Year 2019-2020 Through Fiscal Year 2023-2024

FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Future	Total
\$ 2,000,000	\$ 1,000,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 5,000,000
\$ 8,025,000	\$ 7,025,000	\$ 6,525,000	\$ 6,525,000	\$ 27,049,000	\$ 60,553,737
\$ -	\$ -	\$ -	\$ -	\$ 1,290,000	\$ 1,290,000
-	1,300,000	1,300,000	-	-	2,600,000
100,000	125,000	850,000	-	-	1,075,000
333,100	-	-	-	-	333,100
-	60,000	-	60,000	60,000	180,000
-	-	-	-	962,500	962,500
-	-	-	-	90,000	90,000
-	-	-	-	300,210	300,210
-	-	-	-	1,130,000	1,130,000
-	75,000	450,000	-	-	525,000
25,000	25,000	25,000	25,000	25,000	175,000
50,000	50,000	50,000	50,000	50,000	350,000
100,000	100,000	100,000	100,000	100,000	612,800
250,000	250,000	250,000	250,000	250,000	1,250,000
50,000	50,000	-	-	-	100,000
250,000	250,000	250,000	250,000	250,000	1,250,000
30,000	-	-	-	-	30,000
-	-	-	100,000	700,000	800,000
-	-	-	-	2,200,000	2,200,000
-	-	-	100,000	980,000	1,080,000
-	-	-	-	1,525,000	1,525,000
100,000	-	-	-	-	100,000
150,000	-	-	-	-	150,000
-	-	-	-	-	90,409
-	-	60,000	480,000	-	540,000
-	-	-	-	870,000	870,000
-	-	-	-	3,280,000	3,280,000
-	-	-	-	4,895,000	4,895,000
-	-	-	-	2,167,200	2,167,200
-	-	-	-	920,000	920,000
-	-	-	-	6,000,000	6,000,000
-	-	-	-	396,000	396,000
-	-	-	50,000	813,000	863,000
-	-	-	-	-	2,030,000
-	100,000	-	-	-	100,000
-	-	-	-	132,000	132,000
-	-	-	-	15,000	15,000
-	-	-	68,750	695,750	764,500
-	-	50,000	400,000	-	450,000
-	-	-	75,000	370,000	445,000

Category/Project Title	FY 2019-20
TRANSPORTATION (continued)	
Newport Boulevard Widening - From 19th St. to 17th St.	\$ -
Orange Coast College Alley	-
Paularino Channel - Multipurpose Trail	-
Placentia Av./19th St. (Add SBR)	-
Randolph Avenue Improvements	-
Redhill Avenue - Traffic Signal Synchronization Project	330,400
Santa Ana Avenue (Bristol St. to Mesa Drive) Bicycle Facility	-
Signal System Upgrade - Paularino, Fair, Wilson, Anton	-
SR-55 Frwy. N/B / Baker St. - Intersection Improvement (Add NBL, EBL)	-
SR-55 Frwy. N/B / Paularino Ave. - Intersection Improvement (Add WBR)	-
SR-55 Frwy. S/B / Baker St. - Intersection Improvement (Add SBR)	-
SR-55 Frwy. S/B / Paularino Ave. - Intersection Improvement (Add SBR)	-
Superior Av./17th St. (Convert WBT to WBTL, NBR)	-
Vanguard Way/Santa Isabel Ave. (Fair Dr. to Irvine Av.) - Bicycle Facility	-
West 17th St. Widening - (Newport Boulevard to Placentia Avenue)	-
Wilson Street (Fairview Rd. to Santa Ana Av.) - Bicycle Facility	-
Wilson Street Widening - from College Ave. to Fairview Rd.	-
<i>SUBTOTAL TRANSPORTATION</i>	\$ 2,713,609
Total Five-Year Capital Improvement Projects	\$ 18,982,196

Cost estimates are presented at current value / current dollars and are not escalated for inflation. Although the schedule spans five years and future, funds for only the first year are appropriated within the FY 2019-20 Budget.

CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Five Year Capital Improvement Program From Fiscal Year 2019-2020 Through Fiscal Year 2023-2024

FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Future	Total
\$ 400,000	\$ 600,000	\$ 4,150,000	\$ 4,150,000	\$ -	\$ 9,300,000
-	-	-	-	760,000	760,000
200,000	1,500,000	1,500,000	-	-	3,200,000
-	-	-	-	386,000	386,000
300,000	-	-	-	-	300,000
-	-	-	-	-	330,400
-	-	30,000	150,000	-	180,000
-	300,000	300,000	300,000	-	900,000
-	-	-	-	1,370,000	1,370,000
-	-	-	-	642,750	642,750
-	-	-	-	625,350	625,350
-	-	-	-	413,730	413,730
-	-	-	100,000	563,000	663,000
-	-	-	60,000	-	60,000
-	-	-	40,000	1,200,000	1,240,000
-	-	-	-	200,000	200,000
-	-	-	-	20,000,000	20,000,000
\$ 2,338,100	\$ 4,785,000	\$ 9,365,000	\$ 6,808,750	\$ 56,627,490	\$ 82,637,949
\$ 20,024,600	\$ 22,583,000	\$ 22,765,000	\$ 19,958,750	\$ 145,188,290	\$ 249,501,836



FY 2019-2020 PRELIMINARY BUDGET

APPENDIX



Property Sales Prices

Homes	2018	2019
Highest	\$2,350,000	\$2,575,000
Median	\$815,000	\$870,000
Lowest	\$485,000	\$500,000
Condominiums		
Highest	\$1,298,000	\$1,250,000
Median	\$540,000	\$589,000
Lowest	\$265,000	\$345,000

Torelli Realty, 2019

Average Asking Rental Rates

Studio apartments	\$1,560
One-bedroom apartments	\$1,825
Two-bedroom apartments	\$2,213

Costar Data pulled 5/2019

Housing Units Distribution

	Units	%
Single Detached:	16,253	38.3%
Single Attached:	4,290	10.1%
2 to 4 units/ structure:	5,546	3.1%
5+ units/ structure:	15,395	36.3%
Mobile homes:	973	2.3%
Other:	19	0%
Total housing units:	42,476	100.0%
Occupied units:	40,557	95.5%
Vacant units:	1,919	4.5%
Persons per unit:	2.71	

Most Recent U.S. Census ACS 5 YR Estimate

Households

	Units	%
Owner occupied	15,853	39.1%
Renter occupied	24,704	60.9%

Most Recent U.S. Census ACS 5 YR Estimate



Land Use

A diversity of land uses exists within the City. Approximately 46% of area of land within the City is zoned for residential use, 14% is designated for commercial use, 11% is zoned for industrial uses, and 29% is designated for public and semi-public uses.

Costa Mesa General Plan 2015

Growth and Trends

	Population		Costa Mesa Retail Sales Tax Revenue
	O.C.	Costa Mesa	
1980	1,932,709	82,562	\$11.2 million
2000	2,846,289	106,103	\$30.3 million
2010	3,010,232	109,960	\$40.9 million
2015	3,451,757	112,343	\$50.1 million
2018	3,533,935	113,850	\$57.1 million

Center for Demographics Research, Dept. of Finance, City Finance Dept.

Property Valuation

In 2018-2019, the total assessed property valuation for the City was \$18.5 billion. The total valuation for the City may be evaluated within the following categories.

Residential	\$11.7 billion
Commercial	\$4.1 billion
Industrial	\$1.5 billion
Other	\$1.2 billion

Most Recent Data from County Assessor's Office



Employment

The major industries in the City are services and trade followed by manufacturing. The projection of future employment within the City is a total of 99,056 jobs in Year 2020, increasing to a total of 102,506 jobs in Year 2030. Wages, rates, extent of unionization, fringe benefits and related information for specific industries and job classifications may be obtained from the State Employment Development Department at (714) 558-6406. General information for the State of California is available at (916) 445-8008.

	Number	Percent of Total
Employed	61,784	92.1%
Unemployed	5,213	7.8%
Total Labor Force	67,109	100.0%

Most Recent U.S. Census ACS 5 YR Estimate

Education

School District::	(No. of Schools)
Elementary Schools 10	
Junior High Schools	2
High Schools	2
Private Schools	17
Orange Coast Community College	
Vanguard University	
Whittier Law School	
National University	



Major Development Projects/ Areas

- Harbor Gateway (78 acres)
- Segerstrom Home Ranch (43 acres)
- South Coast Plaza Town Center (54 acres)
- The Met / Experian Solutions (45 acres)
- Sakioka Farms Lot 2 (33 acres)
- The California by Legacy Partners (2 acres)
- Halcyon House Apartments (393 units)
- Avenue of the Arts Hotel (3 acres)
- West Gateway (177 ownership units)
- Lighthouse (89 ownership units)
- Hive Costa Mesa (13.75 acres)
- The Press (23.4 acres)
- 929 Baker (56 ownership units)
- Orange County Museum of Art

Income

Median Household Income	\$75,109	
Income and Benefits		
Less than \$10,000	1,853	4.6%
\$10,000 to \$14,999	1,321	3.3%
\$15,000 to \$24,999	2,811	6.9%
\$25,000 to \$34,999	3,004	7.4%
\$35,000 to \$49,999	4,547	11.2%
\$50,000 to \$74,999	6,715	16.6%
\$75,000 to \$99,999	5,230	12.9%
\$100,000 to \$199,999	11,140	32.0%
\$200,000 or more	3,936	9.7%

Most Recent U.S. Census ACS 5 YR Estimate (2017 Inflation-adjusted dollars)

Industry

Civilian Employed Population	
Construction	5.1%
Manufacturing	9.6%
Wholesale Trade	3.2%
Retail Trade	10.9%
Transportation	2.8%
Information	1.8%
Finance and Insurance	9.1%
Professional, Scientific	17.9%
Educational Services	16.4%
Arts, Entertainment	14.1%
Other Services, except	6.3%
Public Administration	2.1%
Agricultural, Forestry, Fishing	0.8%

Most Recent U.S. Census ACS 5 YR Estimate

Notable Employers

	Estimated Employees
EPL Intermediate, Inc.	3,998
Experian Information Solutions Coast Community College District Orange Coast Community College	3,700
Automobile Club of Southern California	2,900
Dynamic Cooking Systems, Inc.	1,200
FileNet Corporation	700
Vans	600
	520

CDR Progress Report

Major Retail Centers

- South Coast Plaza — 3333 Bristol St.
- Metro Pointe — 901-907 South Coast Dr.
- SOCO — South Coast Collection—3303 Hyland Ave.
- The Camp — 2937 Bristol St.
- The Lab — 2930 Bristol St.
- Harbor Center — 2300 Harbor Blvd.
- The Square — 3030 Harbor Blvd.
- The Courtyard — 1835 Newport Blvd.
- The Triangle — 1870 Newport Blvd.



City Offices

Police Services

Emergency	911 or (714) 754-5252
Police Information	(714) 754-5311
Animal Control	(714) 754-5311

Fire Services

Emergency	911
Administration	(714) 754-5106

City Council	(714) 754-5285
City Manager	(714) 754-5328
City Clerk	(714) 754-5225

Business Assistance Hotline	(917) 754-5613
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Development Services

Administration	(714) 754-5270
Plan Check	(714) 754-5273
Permit Inspections	(714) 754-5626
Planning	(714) 754-5245
Code Enforcement	(714) 754-5623

Business Licenses	(714) 754-5235
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Public Services	(714) 754-5323
Engineering	(714) 754-5323
Transportation	(714) 754-5335
Recreation	(714) 754-5300

Housing & Community Dev.	(714) 754-4870
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City Budget

The adopted City budget for all funds used for the Fiscal Year 2018-2019 is \$163,198,016. The General Fund portion of the budget is \$133,027,741. The approved budget is effective from July 1, 2018, through June 30, 2019.

Transportation

Rail

AMTRAK stations at the Irvine Transportation Center (949) 753-9713 and the Santa Ana Transportation Center (714) 547-8389.

Air

John Wayne Orange County Airport (949) 252-5200 and Los Angeles International Airport (310) 646-5252.

Bus

Orange County Transportation Authority, Dial-A-Ride, Park-N-Ride (714) 636-RIDE or (800) 636-7433.

Highways

San Diego Freeway (I-405), Costa Mesa Freeway (SR-55), and Corona del Mar Freeway (SR-73).

Water

Long Beach Harbor/ Port of Los Angeles (22 miles away).

Truck

All major trucking lines serve Orange County.

Utilities

Electricity

Southern California Edison (800) 655-4555

Natural Gas

Southern California Gas Company (800) 427-2000

Telephone

AT&T—Hotline (800) 288-2020

Cable

Time Warner Cable (888) 892-2253

Water

Mesa Consolidated Water District (949) 631-1200

Irvine Ranch Water District (949) 453-5300

Sewer:

Costa Mesa Sanitary District (949) 645-8400

Other Offices/ Contacts

Costa Mesa Chamber of Commerce (714) 885-9090

Orange County Association of Realtors (949) 722-2300

Newport Mesa Unified School District (714) 424-5000

Orange County Fair & Exposition Center (714) 708-1500

Orange County Department of Education (714) 966-4000

This brochure was prepared by the City of Costa Mesa Planning Division.



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Located on the "coastal tableland" above Newport Bay, Costa Mesa was once grazing grounds for cattle belonging to the Mission San Juan Capistrano. At the beginning of the 19th Century, missionaries built an adobe way station or "estancia" for the vaqueros who tended the herds. This structure still stands at 1900 Adams Avenue and was recently restored and transformed by the City into a museum. In 1810, this same area was a part of the Spanish land grant of Santiago del Santa Ana made to Jose Antonio Yorba. By 1880, settlers had begun buying portions of the rancho from Yorba's heirs and in the same decade established the town of Fairview. A school house and church were built near the present intersection of Harbor and Adams, and a 25-room hotel accommodated visitors to the nearby hot sulfur springs. But in early 1889, a storm washed out the railroad and brought financial disaster to the community which soon reverted to a farming country.

By this time, the little town of Harper, named after a nearby rancher, had emerged on a siding of the Santa Ana and Newport Railroad. Its first business, Ozment's General Store, stood on the corner of Newport and 18th Streets and contained the City's first post office, established in 1909. On May 11, 1920, Harper officially changed its name to Costa Mesa, which means "coastal tableland" in Spanish, and continued as an agricultural community, growing sweet potatoes, corn, tomatoes, strawberries, and apples.

Building and oil drilling industries were just beginning to bring new growth to the City when the depression hit Southern California. Industries collapsed and the local bank closed. More disaster followed when the 1933 earthquake shook the town, damaging businesses and the Main School. Soon after, the school was rebuilt and continued to operate as the Clara McNally School. These buildings are now used for school administrative and service purposes.

World War II brought many thousands of people to the area for training at the Santa Ana Army Air Base, located on what is now the Orange County Fairgrounds, Orange Coast College, and the present site of the Civic Center. When the war ended, many of these men returned with their families to begin a population boom in the City.

On June 29, 1953, the City was incorporated and a City Council-Manager form of government was chosen. The new City had an area of 3.5 square miles and a population of 16,840. The City has an area of 16.8 square miles and the population has risen to 109,960, as of January 1, 2010.

Today, Costa Mesa is a major commercial and industrial center of Orange County. The City, which formally adopted the slogan "The City of the Arts" in late 1984, is home to the Orange County Performing Arts Center and the Tony Award-winning South Coast Repertory Theatre. The Center includes a 3,000-seat facility, which was completed in 1985. And in September 2006, the 2,000-seat Henry and Renee Segerstrom Concert Hall and 500-seat Samueli Theatre opened with great success. The Concert Hall is the new home to the Orange County's Pacific Symphony and Pacific Chorale.

Costa Mesa also offers world-class shopping and dining experiences in and around South Coast Plaza. Home to large corner stores like Nordstrom's, Macy's, Saks Fifth Avenue, Bloomingdale's, and Sears. South Coast Plaza also offers smaller specialized stores like Tiffany & Co., Ralph Lauren, Williams-Sonoma, and Coach. The South Coast Plaza area also offers a variety of fine dining that include Maggiano's Little Italy, Vaca, Anqi, The Capital Grille, and Water Grill.

This history has made and continues to make the City of Costa Mesa a destination for all experiences.



MISCELLANEOUS STATISTICS

GENERAL	
Date of Incorporation	June 29, 1953
Form of Government	Council-Manager
Classification	General Law
Area (in square miles)	16.8
Population	112,377
Acres Zoned for Industry	1,026
Acres of Open Space	1,039
Post Offices	2
FIRE PROTECTION	
Number of Full-Time Employees	477
Number of Fire Stations	6
Number of Sworn Fire Fighters	84
Fire Insurance Rating	Class 2
POLICE PROTECTION	
Number of Sworn Police Officers	136
STREETS, PARKS and SANITATION	
Miles of Streets (in lane miles)	522
Miles of Alleys	15
Trees, Street	25,000
Park Sites	30
Skate Park	1
18-hole Public Golf Courses	2
Miles of Storm Drains	45.5
Miles of Sewers	325.7
Sanitation Pumping Stations Education Facilities	20
EDUCATION FACILITIES	
Elementary Schools	10
Junior High Schools	2
High Schools	2
2-year Community College	1
Private Colleges	19
Public Libraries	2

ACCRUAL BASIS OF ACCOUNTING: Revenues are recognized when both measurable and available; expenditures are recorded when services have been substantially performed or goods have been received and the liabilities incurred.

ADOPTED BUDGET: The official budget as approved by the City Council at the start of each fiscal year.

AD VALOREM TAX: (which means “according to its value”) A state or local government tax based on the value of real property as determined by the county tax assessor.

AGENCY FUND: Used to account for assets held by the City in a fiduciary capacity for individuals, government entities, and others. Such funds are operated by carrying out the specifications of trust indentures, statutes, ordinances, or other governing regulations.

AMENDED BUDGET: The adopted budget as amended by the City Council through the course of a fiscal year.

APPROPRIATIONS: A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and to the time when it may be expended.

ARBITRAGE: The interest rate differential that exists when proceeds from a municipal bond – which is tax-free and carries a lower yield – are invested in taxable securities with a yield that is higher. The 1986 Tax Reform Act made this practice by municipalities illegal solely as a borrowing tactic, except under certain safe-harbor conditions.

ASSESSED VALUATION: A municipality’s property tax base stated in dollars based on real estate and/or other taxable business property for the purposes of taxation, sometimes expressed as a percent of the full market value of the taxable property within a community.

AUTHORITY OR AGENCY: A state or local unit of government created to perform a single activity or a limited group of functions and authorized by the state legislature to issue bonded debt.

AUTHORIZING ORDINANCE: A law that, when enacted, allows the unit of government to sell a specific bond issue or finance a specific project.

BOND: A security whereby an issuer borrows money from an investor and agrees and promises, by written contract, to pay a fixed principal sum on a specified date (maturity date) and at a specified rate of interest.

BOND PREMIUM: The amount at which a bond or note is bought or sold above its par value or face value without including accrued interest.

BUDGET: A plan of financial operation comprised of estimated expenditures for a given period (usually a single fiscal year) and the proposed means of financing the expenditures (through revenues).

BUDGET MESSAGE: A written discussion of the budget presented by the City Manager to the City Council.

CAPITAL BUDGET: A budget which focuses on capital projects to implement the Capital Improvement Program.

CAPITAL IMPROVEMENT PROGRAM: A plan for capital improvements to be implemented each year over a number of years to meet capital needs arising from the assessment of long-term needs. It sets forth the estimated cost for each project and specifies the resources required to finance the projected expenditures.

GLOSSARY OF BUDGET TERMS (CONTINUED)

CAPITAL IMPROVEMENT PROJECT: The budget unit to group activities and costs necessary to implement a specific capital improvement and/or acquisition. A project can include the construction, acquisition, expansion, replacement, or rehabilitation of a physical facility or improvement. Projects often include planning and design, land acquisition, and project management costs related to such facilities and improvements.

CAPITAL PROJECTS FUNDS: Used to account for financial resources for the acquisition or construction of major capital facilities other than those financed by proprietary and trust funds.

CERTIFICATES OF PARTICIPATION (COPs): A form of lease revenue bond that permits the investor to participate in a stream of lease payments, installment payments or loan payments relating to the acquisition or construction of specific equipment, land, or facilities. COPs have become a popular financing device in California since the passage of Proposition 13. COPs are not viewed legally as “debt” because payment is tied to an annual appropriation by the government body. As a result, COPs are seen by investors as providing weaker security and often carry ratings that are a notch or two below an agency’s general obligation rating.

COMMUNITY FACILITIES DISTRICT 91-1: Established to account for a special tax received under the Mello-Roos Community Facilities Act of 1982. Bonds were issued to provide for improvements within the district and the special tax revenue is restricted for payment of principal and interest to the bondholder.

CONTRACTED SERVICES: Services rendered in support of City operations and activities by external parties. These may be based upon either formal contracts or ad hoc charges.

COUPON RATE: The specified annual interest rate payable to the bond or note holder as printed on the bond. This term is still used even though there are no coupon bonds anymore.

DEBT LIMIT: The maximum statutory or constitutional amount of debt that the general obligation bond issuer can either issue or have outstanding at any time.

DEBT SERVICE FUNDS: Account for the accumulation of resources set aside to meet current and future debt service requirements (payments) on general long-term debt.

DELINQUENT TAXES: Property Taxes that have been levied but remain unpaid on and after the due date. In California, the due dates are December 10 and April 10. Special taxes and assessments are often due on these dates as well. When tax delinquencies exceed 5%, the Bond Advisor places the issue on its internal Bond Watch.

DEPARTMENT: A major organizational group of the City with overall management responsibility for an operation or a group of related operations within a functional area.

DISCOUNT: The amount by which market value of a bond is less than par value or face value.

DIVISION: An organizational subgroup of a department.

ENCUMBRANCE: The commitment of appropriated funds to purchase goods, which have not yet been received, or services that has yet to be rendered

EXPENDITURES: Decreases in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service and capital outlays.

EXPENSES: Decreases in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

FEASIBILITY STUDY: A financial study provided by the issuer of a revenue bond that estimates service needs, construction schedules, and most importantly, future project revenues and expenses used to determine the financial feasibility and creditworthiness of the project to be financed.

GLOSSARY OF BUDGET TERMS (CONTINUED)

FISCAL AGENT: Also known as the Paying Agent, the bank, designated by the issuer, to pay interest and principal to the bondholder.

FISCAL YEAR: A 12-month period to which the annual operating budget applies and at the end of which an entity determines its financial position, the results of its operations, and adopts a budget for the coming year. The City of Costa Mesa's fiscal year is from July 1 to June 30.

FIXED ASSETS: Equipment costing \$5,000 or more, including tax, with a useful life longer than one year, and not qualifying as a capital improvement project. Includes automotive equipment, office equipment, office furniture, acquisitions, landscaping improvements, etc.

FULL FAITH AND CREDIT: The pledge of "the full faith and credit and taxing power without limitation as to rate or amount." A phrase used primarily in conjunction with General Obligation bonds to convey the pledge of utilizing all taxing powers and resources, if necessary, to pay the bond holders.

FULL-TIME EQUIVALENT (FTE): The conversion of part-time employee hours to an equivalent of a full-time position. For example: one person working 20 hours a week for a year would be 0.5 FTE.

FUND: An independent fiscal and accounting entity with a self-balancing set of accounts, recording resources, related liabilities, obligations, reserves and equities segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

FUND BALANCE: The equity (assets minus liabilities) of governmental fund and fiduciary fund types. However, for budgeting purposes, a working capital definition of current assets minus current liabilities is used for the computation.

GENERAL OBLIGATION (GO) BOND: A bond secured by a pledge of the issuer's taxing powers (limited or unlimited). More commonly the general obligation bonds of local governments are paid from ad valorem property taxes and other general revenues. Considered the most secure of all municipal debt. Limited in California by Proposition 13 to debt authorized by a two-thirds vote in the case of local governments or a simple majority for State issuance.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP): Uniform minimum standards of and guidelines for financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provides a standard by which to measure financial presentations.

GOVERNMENTAL FUNDS: Typically are used to account for tax-supported (governmental) activities. These include the General Fund, Special Revenue Funds, Capital Projects Funds, and Debt Service Funds.

HOMEOWNERS' SUBVENTION: Owner-occupied properties are eligible for an annual exemption of \$7,000 of the assessed value of the property. This State exemption is reimbursed to the City through this subvention.

INTERFUND TRANSFERS: Defined as "flows of assets" (such as goods or services) without equivalent flows of assets in return and without requirement for repayment.

INTERGOVERNMENTAL REVENUE: Revenue collected by one government and distributed (usually through some predetermined formula) to another level of government(s).

INTERNAL SERVICE FUNDS: Account for the goods or services provided by one fund and/or department to another fund and/or department on a cost reimbursement basis.

GLOSSARY OF BUDGET TERMS (CONTINUED)

INVESTMENT GRADE: A rating issued by the three major bond rating agencies, Moody's, Standard & Poor's, and Fitch, rated BBB, Baa or better. Many fiduciaries, trustees, and some mutual fund managers can only invest in securities with an investment grade rating.

ISSUER: A state or local unit of government that borrows money through the sale of bonds and/or notes.

JOINT POWERS AUTHORITY (JPA): The formation of two or more public entities with common powers to consolidate their forces and resources to acquire assets and/or provide services to the public. Their bonding authority and taxing ability is the same as their powers as separate units.

LETTER OF CREDIT: A form of supplement or, in some cases, direct security for a municipal bond under which a commercial bank or private corporation guarantees payment on the bond under certain specified conditions.

LIEN: A claim on revenues, assessments or taxes made for a specific issue of bonds.

MARKS-ROOS BOND: The State Legislature enacted the Marks-Roos (named after its legislative sponsors) Local Bond Pooling Act of 1985 to facilitate the financing of local government facilities by bond bank pools funded by bond proceeds. The pool, formed under a Joint Powers Authority, can buy any type of legally issued debt instrument within or without its geographic area. The idea was to save money through economies of scale by selling one large bond issue to finance several small projects. (Several Marks-Roos issues have defaulted and are under investigation by the Securities and Exchange Commission. Prospective investors should find out what sort of loans the pooled fund will make before buying such deals.)

MELLO-ROOS BOND: The Mello-Roos (named for its legislative sponsors) Community Facilities District Act of 1982 established another method where by almost every municipal subdivision of the state may form a special, separate district to finance a long list of public facilities by the sale of bonds and finance certain public services on a pay-as-you-go basis. These Community Facilities Districts are formed and bond issues authorized by a two-thirds vote of the property owners in the district. Typically, the only voters in a district are one or more real estate developers who own or have an option on all of the land in the district. These land-based financings were nicknamed "dirt bonds" by the Bond Advisor years ago. Bonds are sold to finance facilities that can include school, parks, libraries, public utilities and other forms of infrastructure. The Districts may provide public services that include police and fire protection, recreation programs, area maintenance, library services, flood and storm drainage. Bonded debt service and/or the public services are paid for by special taxes levied on the real property within the district. As the developer subdivides and sells off the land the new property owner assumes the tax burden. (Tax delinquencies can lead to fines and penalties and ultimately foreclosure and sale. The ultimate security for Mello-Roos bonds is the value of the real property being taxed, consequently a provision in the law requires the appraised value of the land be three times the bonded debt. Recent foreclosure sales have cast doubts on the skills of the appraisers and underscore the risk of some of this debt when a severe real estate slump hits developers.)

MODIFIED ACCRUAL BASIS: The accrual basis of accounting where revenues are recognized when they become both "measurable" and "available" to finance expenditures of the current period. All governmental funds and agency funds are accounted for using the modified accrual basis of accounting.

NET BUDGET: The legally adopted budget less interfund transactions. Those amounts in the budget representing transfers and interfund reimbursements are subtracted from the legally adopted budget amount.

OBJECTIVE: A simply stated, readily measurable statement of aim or expected accomplishment within the fiscal year. A good statement of objective should specify a standard of performance for a given program or stated goal.

GLOSSARY OF BUDGET TERMS (CONTINUED)

OBJECT CODE: The classification of expenditures in terms of what is bought and paid for grouped into categories.

OFFICIAL STATEMENT (OS): A document (prospectus) circulated for an issuer prior to a bond sale with salient facts regarding the proposed financing. There are two OS, the first known as the preliminary, or “red herring” – so named because some of the type on its cover is printed in red – and it is supposed to be available to the investor before the sale. The final OS must be sent to the purchaser before delivery of the bonds.

OPERATING BUDGET: A budget which focuses on everyday operating activities and programs. Usually includes personnel, maintenance and operations and capital equipment.

OVERLAPPING DEBT: The proportionate share of the general obligation bonds of local governments located wholly or in part within the limits of the reporting unit of government, that must be borne by property owners within the unit.

PAR VALUE: The face value or principal amount of a bond, usually \$5,000, due to the holder at maturity. It has no relation to the market value.

PERSONNEL EXPENSES: Compensation paid to or on behalf of City employees for salaries and wages, overtime and benefits.

PREMIUM: The amount, if any, by which the price exceeds the principal amount (par value) of a bond. Its current yield will be less than its coupon rate.

PRINCIPAL: The face value of a bond, exclusive of interest.

PROFESSIONAL SERVICES: Includes the cost of outside professional and specialized services purchased by the City, such as consultants for special studies, outside attorneys, architectural and engineering, etc.

PROGRAM BUDGET: A budget organized by a grouping of related activities, projects and services which are similar in purpose. The expenditure focus of a program budget is related to the nature of work and services performed.

PROPERTY TAX: A tax levied on real estate and personal property. The basic rate in Orange County is 1% of assessed value, of which Costa Mesa receives approximately 15 cents for every dollar collected.

PROPERTY TRANSFER TAX: An assessment on real property transfers at the current rate of \$.55 per \$500 in market value, and is collected at the time of the transfer with the County receiving half the collected amount. Also known as the Documentary Transfer Tax.

PROPOSED BUDGET: The budget as formulated and proposed by the City Manager. It is submitted to the City Council for review and approval.

RATINGS: Various alphabetical and numerical designations used by institutional investors, underwriters, and commercial rating companies to indicate bond and note creditworthiness. Standard & Poor’s and Fitch Investors Service Inc. use the same system, starting with their highest rating of AAA, AA, A, BBB, BB, B, CCC, CC, C, and D for default. Moody’s Investors Services uses Aaa, Aa, A, Baa, Ba, B, Caa, Ca, C, and D. Each of the services use + or – or +1 to indicate half steps in between. The top four grades are considered Investment Grade Ratings.

REFUNDING BOND: The issuance of a new bond for the purpose of retiring an already outstanding bond issue.

RETAINED EARNINGS: An equity account reflecting the accumulated earnings of Proprietary Fund types. For budgeting purposes, the working capital definition of fund balance is used.

GLOSSARY OF BUDGET TERMS (CONTINUED)

REVENUE: Moneys that the City receives as income such as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

REVENUE BOND: A municipal bond whose debt service is payable solely from the revenues received from operating the facilities acquired or constructed with the proceeds of the bonds.

SELF-INSURANCE: The retention of liabilities, arising out of the ownership of property or from some other cause, instead of transferring that risk to an independent third party through the purchase of an insurance policy. The City currently provides self-insurance for workers' compensation, general liability and unemployment, and purchases outside insurance for excess coverage in these areas.

SPECIAL REVENUE FUNDS: Account for the revenue derived from specific taxes or other earmarked revenue sources (other than expendable trusts or for major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

SUPPLEMENTAL ROLL PROPERTY TAXES: Assessed on property that changes ownership during the year and is based on the difference between the new and old assessed values.

TAX BASE: The total resource of the community that is legally available for taxation.

TAXES: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, user charges.

TRUSTEE: A bank designated as the custodian of funds and official representative of bondholders. Appointed to ensure compliance with trust indenture.

UNDERWRITER: A financial institution (investment or commercial bank), which purchases a new issue of municipal securities for resale; may acquire the bonds either by negotiated sale or based on competitive bidding.

USER CHARGES: Payments made by users or customers of publicly provided services that benefit specific individuals. These services exhibit "public good" characteristics. Examples of user charges are fees paid for recreational activities, building fees, police fees, etc.

<u>AV:</u> Audio/Video	<u>CNG:</u> Compressed Natural Gas
<u>AB:</u> Assembly Bill	<u>CO:</u> Carbon Monoxide
<u>ABLE:</u> AirBorne Law Enforcement	<u>COP:</u> Certificates of Participation
<u>AC:</u> Air Conditioning	<u>COPPS:</u> Community-Oriented Policing and Problem Solving
<u>ACT:</u> Activity Club for Teens	<u>COPS:</u> Citizen's Option for Public Safety
<u>ADA:</u> Americans with Disabilities Act	<u>CPI:</u> Consumer Price Index
<u>ADT:</u> Average Daily Traffic	<u>CPR:</u> Cardiopulmonary Resuscitation
<u>AHRP:</u> Arterial Highway Rehabilitation Program	<u>CSI:</u> Crime Scene Investigation
<u>ALS:</u> Advanced Life Support	<u>CSMFO:</u> California Society of Municipal Finance Officers
<u>APA:</u> American Planning Association	<u>CSS:</u> Community Services Specialist
<u>AQMD:</u> Air Quality Management District	<u>CUP:</u> Conditional Use Permit
<u>AVL:</u> Automatic Vehicle Location	<u>DARE:</u> Drug Awareness Resistance Education
<u>AYSO:</u> American Youth Soccer Organization	<u>DLT:</u> Digital Linear Tape
<u>BAN:</u> Bank Anticipation Note	<u>DOJ:</u> Department of Justice
<u>BCC:</u> Balearic Community Center	<u>DRC:</u> Downtown Recreation Center
<u>BIA:</u> Business Improvement Area	<u>DUI:</u> Driving under the Influence
<u>BLS:</u> Basic Life Support	<u>EAP:</u> Employee Assistance Program
<u>BMP:</u> Best Management Practices	<u>EDD:</u> Employment Development Department
<u>CAD:</u> Computer Automated Dispatch	<u>EIR:</u> Environmental Impact Report
<u>CAFR:</u> Comprehensive Annual Financial Report	<u>EMS:</u> Emergency Medical Service
<u>CAL OSHA:</u> California Occupational Safety and Health Administration	<u>EOC:</u> Emergency Operations Center
<u>CalPERS:</u> California Public Employees Retirement System	<u>ERAF:</u> Educational Revenue Augmentation Fund
<u>CalTrans:</u> California Department of Transportation	<u>ERF:</u> Equipment Replacement Fund
<u>CCTV:</u> Closed-circuit Television	<u>FEMA:</u> Federal Emergency Management Agency
<u>CD:</u> Community Design	<u>FHWA:</u> Federal Highway Administration
<u>CDBG:</u> Community Development Block Grant	<u>FTE:</u> Full-Time Equivalent
<u>CEO:</u> Chief Executive Officer	<u>FY:</u> Fiscal Year
<u>CEQA:</u> California Environmental Quality Act	<u>GAAP:</u> Generally Accepted Accounting Practices
<u>CERT:</u> Community Emergency Response Team	<u>GASB:</u> Governmental Accounting Standards Board
<u>CIP:</u> Capital Improvement Program	<u>GFOA:</u> Government Finance Officers' Association
<u>CIR:</u> Circulation Impact Report	<u>GIS:</u> Geographic Information System
<u>CMP:</u> Congestion Management Program	<u>GMA:</u> Growth Management Area
<u>CMRA:</u> Costa Mesa Redevelopment Agency	<u>GO:</u> General Obligation
<u>CMSD:</u> Costa Mesa Sanitary District	<u>HCD:</u> Housing and Community Development
<u>CMTV:</u> Costa Mesa's Municipal Access Channel	

ACRONYMS (CONTINUED)

HEPA: High-Efficiency Particulate Air (Filter)
HUD: Housing and Urban Development
HVAC: Heating, Ventilation, Air Conditioning
I-405: Interstate 405, also known as the San Diego Freeway
ICE: Immigration & Customs Enforcement
ICU: Intersection Capacity Utilization
IIP: Intersection Improvement Project
IIPP: Injury and Illness Prevention Program
IPEMA: International Playground Equipment Association
IT: Information Technology
JIC: Joint Information Center
JPA: Joint Powers Authority
JUA: Joint Use Agreement
LIDAR: Light Detection and Ranging
LLEBG: Local Law Enforcement Block Grant
LOS: Level of Service
LRMS: Law Records Management System
LTD: Long-term Disability
LTO: Linear Tape Open
M&O: Maintenance & Operation
MADD: Mothers Against Drinking and Driving
MDC: Mobile Data Computer
MIC: Mobile Intensive Care
MIS: Management Information Services
MOU: Memorandum of Understanding
MPAH: Master Plan of Arterial Highways
NACSLB: National Advisory Council on State and Local Budgeting
NCC: Neighborhood Community Center
NEC: National Electric Code
NFN: Neighbors for Neighbors
NIMS: National Incident Management System
NMUSD: Newport-Mesa Unified School District
NPDES: National Pollutant Discharge Elimination System
NPI: National Purchasing Institute
OCFCD: Orange County Flood Control District
OCFEC: Orange County Fair & Exposition Center

OCTA: Orange County Transportation Authority, OC Treasurer's Association
OPEB: Other Post Employment Benefits
OS: Official Statement
OTS: Office of Traffic Safety
PC: Personal Computer, Penal Code
PD: Police Department
PDAOC: Planning Director's Association of Orange County
PEG: Public, Education & Government
PERS: Public Employees Retirement System
POST: Peace Officer Standard Training
PPE: Personal Protective Equipment
PUC: Public Utility Commission
RAID: Reduce/Remove Aggressive & Impaired Drivers
RAN: Revenue Anticipation Note
RMS: Records Management System
ROCKS: Recreation on Campus for Kids
ROR: Rate of Return
ROW: Right-of-Way
RRIP: Residential Remodel Incentive Program
SAAV: Service Authority for Abandoned Vehicles
SB: Senate Bill
SBOE: State Board of Equalization
SCBA: Self-Contained Breathing Apparatus
SEC: Security and Exchange Commission
SED: Special Enforcement Detail
SEMS: Standardized Emergency Management Systems
SIP: Signal Improvement Program
SLESF: Supplemental Law Enforcement Services Fund
SMP: Senior Mobility Program
SOBECA: South Bristol Entertainment and Cultural Arts
SR-55: State Route 55, also known as the Costa Mesa Freeway
SR-73: State Route 73, also known as the Corona del Mar Freeway
SRO: School Resource Officer
SUV: Sports Utility Vehicle
SWAT: Special Weapons and Tactics (Team)
TAN: Tax Anticipation Note

ACRONYMS (CONTINUED)

TARGET: Tri-Agency Gang Enforcement Team

TEA: Transportation Enhancement Activities

TMC: Turning Movement Count

TOT: Transient Occupancy Tax

TPA: Third Party Administrator

TRAN: Tax and Revenue Anticipation Note

UASI: Urban Area Security Initiative

UBC: Uniform Building Code

UCM: Utility Cost Management

UMC: Uniform Mechanical Code

UPC: Uniform Plumbing Code

UPS: Uninterrupted Power System

UST: Underground Storage Tank

VLF: Vehicle License Fee

WMD: Weapons of Mass Destruction

WROC: Westside Revitalization Oversight Committee

ASSESSED VALUE
Last 10 Fiscal Years

Fiscal Year	Assessed Value	Increase (Decrease)	Percent Increase (Decrease)
2008-09	\$ 14,366,107,839	\$ 541,874,322	3.92%
2009-10	14,432,675,049	66,567,210	0.46%
2010-11	14,116,462,882	(316,212,167)	-2.19%
2011-12	14,117,917,712	1,454,830	0.01%
2012-13	14,377,053,503	259,135,791	1.84%
2013-14	14,926,307,046	549,253,543	3.82%
2014-15	15,711,723,908	785,416,862	5.26%
2015-16	16,532,734,533	821,010,625	5.23%
2016-17	17,470,054,913	937,320,380	5.67%
2017-18	18,504,516,800	1,034,461,887	5.92%

Sources: HDL Coren & Cone
 Orange County Assessor 2008/2009-2017/2018 Combined Tax Rolls

COMPUTATION OF LEGAL DEBT MARGIN

Fiscal Year Ended June 30, 2018

ASSESSED VALUE		<u>\$ 18,504,516,800</u>
	General Gvmt	
DEBT LIMIT: 3.75 Percent of Assessed Value		\$ 693,919,380
Amount of Debt applicable to Debt Limit:		
Total Bonded Debt	<u>\$</u>	<u>-</u>
LESS: Assets in Debt Service Fund (Net)	<u></u>	<u>-</u>
TOTAL AMOUNT OF DEBT APPLICABLE TO DEBT LIMIT	<u>\$</u>	<u>-</u>
LEGAL DEBT MARGIN		<u><u>\$ 693,919,380</u></u>

RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA

Last Ten Fiscal Years

Fiscal Year	Population ⁽¹⁾	Assessed Value ⁽²⁾	Gross Bonded Debt ⁽³⁾		
2008-09	116,479	\$ 14,366,107,839	\$ 5,145,000		
2009-10	116,341	14,432,675,049	4,650,000		
2010-11	109,960	14,116,462,882	4,140,000		
2011-12	110,757	14,117,917,712	3,615,000		
2012-13	111,358	14,377,053,503	-		
2013-14	111,846	14,926,307,046	-		
2014-15	112,343	15,711,723,908	-		
2015-16	112,377	16,532,734,533	-		
2016-17	113,000	17,470,054,913	-		
2017-18	115,296	18,504,516,800	-		
Fiscal Year	Less Debt Service Fund ⁽⁴⁾	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita	
2008-09	\$ 704,300	\$ 4,440,700	0.00031	\$ 38.12	
2009-10	704,300	3,945,700	0.00027	33.91	
2010-11	704,300	3,435,700	0.00024	31.24	
2011-12	704,300	2,910,700	0.00021	26.28	
2012-13	-	-	0.00000	0.00	
2013-14	-	-	0.00000	0.00	
2014-15	-	-	0.00000	0.00	
2015-16	-	-	0.00000	0.00	
2016-17	-	-	0.00000	0.00	
2017-18	-	-	0.00000	0.00	

(1) Costa Mesa Community Economic Profile

(2) Assessed Valuation - Source: HdL Coren & Cone, Orange County Assessor Combined Tax Rolls

(3) As of February 1, 2012, the Successor Agency to the former Costa Mesa Redevelopment Agency is responsible for the outstanding Redevelopment debt.

(4) Amount available for repayment of General Obligation Bonds

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES *

Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Total General Obligation Bonded Debt Services	Total General Governmental Expenditures	Ratio Debt Service to General Gvmt Expenditures
2008-09	\$ -	\$ -	\$ -	\$ 146,045,455	0.00%
2009-10	-	-	-	119,029,826	0.00%
2010-11	-	-	-	104,396,937	0.00%
2011-12	-	-	-	108,877,893	0.00%
2012-13	-	-	-	111,012,567	0.00%
2013-14	-	-	-	120,992,396	0.00%
2014-15	-	-	-	120,230,851	0.00%
2015-16	-	-	-	121,143,469	0.00%
2016-17	-	-	-	127,498,015	0.00%
2017-18	-	-	-	160,199,576	0.00%

* Includes General, Special Revenue, and Debt Service Funds.

2006 REFUNDING REVENUE BONDS

On June 1, 2006, the Costa Mesa Public Financing Authority issued \$2,365,000 of Revenue Refunding Bonds, Series 2006A, which was to advance refund the \$3,225,000 of the 1991 Lease Revenue Bonds issued on November 1, 1991. The original bonds were issued to provide monies to enable the Authority to acquire the City of Costa Mesa Community Facilities District 91-1 (Plaza Tower Public Improvements) 1991 Special Tax Bonds, issued under the Mello-Roos Community Facilities Act of 1982. The bonds mature serially from August 1, 2007 through August 1, 2022 in annual principal payments ranging from \$120,000 to \$210,000 and bear interest rates ranging from 3.85% to 5.10%. The debt service payments are funded by General Fund revenues.

2017 LEASE REVENUE BONDS

On October 4, 2017, the Costa Mesa Financing Authority issued a \$29,735,000 Lease Revenue Bond to fund (i) certain capital improvements in the City, (ii) refund all of the outstanding City of Costa Mesa 2007 Certificates of Participation (Police Facility Expansion Project), and (iii) pay the costs of issuing the Series 2017 Bonds. The debt service payments are funded by General Fund revenues.

SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

The annual requirements to amortize bonds payable by the City as of June 30, 2019, are as follows (excluding loans payable and advances from other funds for which minimum annual payments have not been established):

Year Ending June 30	Public Financing Authority 2006 Refunding Revenue	Financing Authority 2017 Lease Revenue Bonds	Totals
2020	\$ 215,708	\$ 2,815,250	\$ 3,030,958
2021	215,810	2,814,550	3,030,360
2022	215,355	2,802,550	3,017,905
2023	-	2,803,300	2,803,300
2024	-	2,799,550	2,799,550
2025	-	2,796,175	2,796,175
2026	-	2,792,925	2,792,925
2027	-	2,789,550	2,789,550
2028	-	1,069,800	1,069,800
2029	-	1,070,550	1,070,550
2030	-	1,069,800	1,069,800
2031	-	1,072,425	1,072,425
2032	-	1,068,425	1,068,425
2033	-	1,067,800	1,067,800
2034	-	1,065,425	1,065,425
2035	-	1,066,175	1,066,175
2036	-	1,073,375	1,073,375
2037	-	1,072,106	1,072,106
2038	-	1,074,450	1,074,450
2039	-	1,070,356	1,070,356
2040	-	1,069,806	1,069,806
2041	-	1,068,281	1,068,281
2042	-	1,070,700	1,070,700
2043	-	1,067,063	1,067,063
Total principal and interest	646,873	39,530,388	40,177,261
Less interest payments	(46,873)	(11,395,388)	(11,442,261)
Outstanding principal	<u>\$ 600,000</u>	<u>\$ 28,135,000</u>	<u>\$ 28,735,000</u>

California Society of Municipal Finance Officers

Certificate of Award

***Excellence Award for
Fiscal Year 2018-2019 Operating Budget***

Presented to the

City of Costa Mesa

For meeting the criteria established to achieve the CSMFO Excellence Award for Budgeting.

December 19, 2018



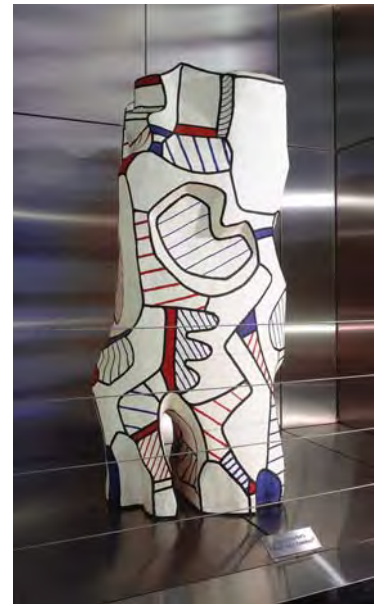
Margaret Moggia

***Margaret Moggia
CSMFO President***

Sara J Roush

***Sara Roush, Chair
Recognition Committee***

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