

2011-12 Operating Budget

Villa Park, CA





GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**City of Villa Park
California**

For the Fiscal Year Beginning

July 1, 2010



President

Executive Director

City of Villa Park
Fiscal Year 2011-2012
Annual Operating Budget
And
Capital Improvement Program

W. Richard Ulmer, Mayor
Brad Reese, Mayor Pro Tem
Bob Fauteux, Councilman
W. R. "Bill" MacAloney, Councilman
Deborah Pauly, Councilwoman

Submitted by:

Lori Sassoon, City Manager

Jarad Hildenbrand, Assistant City Manager

Michelle Danaher, Finance Director

June 28, 2011



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2011-12 City Council Goals

- 1) Maintain the City's high-quality of life and physical property standards through regular assessment, inventory, maintenance, and improvement of the City's physical infrastructure and public amenities.
- 2) Maintain the City's low crime rate through the promotion of safe community standards and values.
- 3) Develop community awareness and involvement through enhanced community participation, partnerships, and regional programs.
- 4) Promote and attract consumerism to the Villa Park Towne Centre through strong public-private partnerships and business retention programs.
- 5) Enhance and maintain the City's fiscal and organizational stability.



From left to right. Top row: Mayor Pro Tem Brad Reese, Councilmember Bob Fauteux.
Bottom row: Councilmember Bill MacAloney, Councilwoman Deborah Pauly, Mayor Rich Ulmer

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Budget Overview

A budget serves many purposes. It is the City's annual financing and spending plan, providing a means for allocating resources to meet the needs and desires of the residents of the City. The budget balances City revenues with community priorities and requirements as set by the City Council. The annual budget serves as a communication device, a policy document, a resource allocation tool, an accountability tool, and a management tool. The budget document grants spending authority to City staff, as well as providing the spending plan for the City of Villa Park.

Budget Overview

The City Manager's Budget Overview includes a short guide to the Budget and Philosophy statement to provide readers an understanding of how the Budget was produced, adopted by the City Council and carried out by City staff. The City Manager letter summarizes the budget by outlining major programs in progress, critical issues and challenges for the fiscal year, and accomplishments of the prior year. The letter also summarizes the financial components of the City, including revenue trends and significant new expenditures.

Budget Policies & Procedures

This section of the budget contains policies and procedures adopted by the City Council, and highlights the budgeting process, guidelines, and a framework used to assemble the City's annual operating budget. The General Fund Reserve is discussed and highlighted as an introductory to the reserve.

City Profile

This section contains summary information about the structure of the City government. It includes the City's history, a citywide organizational chart, and a summary of committees and boards established by the City Council.

Summary of Financial Information

This section provides a synopsis of the City's financial structure. Included in this section are revenue and expenditure summaries, fund balance summaries, departmental summaries, and a personnel allocation table.

Guide to the Budget

General Fund

The accounts of the City are organized based on funds and account groups. These funds and account groups are organized to segregate and account for restricted resources. Each fund and account group is a separate accounting entity. The General Fund is the primary revenue source for most services cities typically offer; these include Public Safety, Building Services, Code Enforcement, Engineering, Planning, Public Works, City Attorney, and Administration including City Council, City Manager, City Clerk, and Finance.

Other Funds

The Other Funds section contains non-general fund sources of revenues. These funds are grouped into Special Revenue Funds, Capital Fund, and Internal Service Fund. Each fund type is described in this section and a financial summary is provided for each.

Departmental Detail

Each Department is represented providing the following information:

- Description of Department and Responsibilities and Services
- Budget Year projects
- Source of Revenue
- Expenditure Summary
- Major Budget changes
- Staffing

Capital Improvement Plan

The Capital Improvement Projects scheduled for funding in the fiscal year are summarized in this section. A project description is provided, following the departmental summary, of each project scheduled to be completed during the fiscal year. A seven-year Capital Improvement Plan is included in the Capital Improvement section of the budget to present a comprehensive view of all proposed projects in the City.

Philosophy

“Our mission is to deliver the best possible service to the residents of Villa Park using the most cost effective and efficient means.”

The City of Villa Park is a very special place. The City is endowed with a beautiful physical setting, a strong sense of volunteerism, attractive neighborhoods, and prestigious schools. As City officials and employees, we are proud to say that we represent the City of Villa Park.

We take pride in our organization, our community, and ourselves. We endorse a set of fiscal policies that ensure the prudent management of City resources by proactively planning for the City’s needs and establishing sound budgetary practices.

We are committed to providing high quality and timely services to all residents in the community. We believe in maintaining a strong commitment to the community, the organization, and our profession. We believe in open and honest communication. We believe that the prudent management of the City’s resources demonstrates our respect to the citizens who have placed their trust in us.

- We value a personal approach to serving our residents.
- We believe in participative management.
- We encourage employees to enjoy their time at work.
- We encourage ideas that improve the employee, the organization, and the community.
- We value creativity. We believe in taking reasonable risks.
- We believe that our employees are the City’s most important assets in the provision of high quality services to the community.
- We value excellence in work product and customer satisfaction.
- We value a high ethical standard.
- We strive to set the standard of excellence and be the model for neighboring communities





City of Villa Park

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TO: Honorable City Council

FROM: Lori Sassoon, City Manager

SUBJECT: **Fiscal Year 2011-2012 Operating Budget and Capital Improvement Program**

DATE: June 28, 2011

I am pleased to present to you the FY 2011-2012 Operating Budget and Capital Improvement Program. The annual budget is the City's financing and spending plan, providing the formal ability for the City to provide necessary services to its residents. The budget also serves as a communications, accountability, management, and resource allocation tool; it is the financial road map for the upcoming fiscal year.

The City of Villa Park is a community that prides itself on continuous enhancement to its quality of life. City Councils from the City's inception to present day have sought to ensure that City operations take an efficient, effective, and fiscally conservative approach to the provision of City services. The proposed budget continues this tradition.

Much like last year, the preparation of this year's Annual Budget has presented special challenges. The prolonged and dramatic recession has continued, and unemployment rates have remained at record levels in Orange County and across the entire state. In turn, declines in consumer spending and real estate values are continuing to have negative impacts on sales tax and property tax revenues at the local level.

Our City's revenue challenges are further compounded by the State's own fiscal catastrophe. It seems as if this story is repeated each year, as each year the State avoids the structural budget changes needed to confront its new budget reality. Instead, each year the Governor and Legislature resort to various one-time measures that only postpone the inevitable, including raids on local government funding.

This year's budget has been prepared assuming that the current state of the economy will generally stay flat in the coming fiscal year with both General Fund revenues and expenditures declining slightly as compared to Fiscal Year 2010-11. The budget does assume a significant one-time investment of General Fund dollars for the City Hall Façade project. Finally, the budget assumes additional funds will be set aside for reserves designated for specific future obligations. All these key changes are discussed more fully below.

2011-2012 Budget Summary

For Fiscal Year 2011-12, the General Fund Budget has been balanced as a result of all the various measures that are discussed below in the budget assumptions.

The budget has been developed to reflect the goals and priorities established by the City Council this year with the adoption of our FY 2011-12 Priorities and Work Plan. This document was approved by the Council on February 22, 2011, and has provided a framework for the development of this budget.

The following table breaks down the fund balances for both the General Fund and combined total of all funds of the City.

	<u>General Fund</u>	<u>All Funds</u>
Estimated Fund Balance 6/30/11, including reserves	\$ 1,523,787	\$ 948,785
General Fund Undesignated Reserve	(850,000)	(850,000)
Designated Reserves	<u>(58,600)</u>	<u>(68,694)</u>
Estimated Available Fund Balance 6/30/11	615,187	30,091
Estimated Revenues 11/12	<u>2,570,100</u>	<u>4,339,975</u>
Estimated Combined Funding	3,185,287	4,370,066
Estimated Expenditures 11/12	(3,032,900)	(3,934,000)
Change in Reserves	<u>48,000</u>	<u>44,429</u>
Estimated Available Fund Balance 6/30/12	200,387	480,495
General Fund Undesignated Reserve	759,800	759,800
Designated Reserves	100,800	114,465
Estimated Fund Balance 6/30/12, including reserves	<u>\$ 1,060,987</u>	<u>\$1,354,760</u>

You will note that as indicated in the table above, the General Fund's total balance, including reserves, is anticipated to decline from \$1,523,787 on June 30, 2011, to \$1,060,987 on June 30, 2012. This is due to the significant outlay of one-time funds for the City Hall Façade project. The estimated ending fund balance for all funds is projected to increase from \$948,785 to \$1,354,760 by June 30, 2012, reflecting the receipt of grant funding reimbursements for the Taft Avenue and Lemon Street projects, which offsets the use of the one-time General Fund funds for the City Hall Façade project.

The General Fund, which is the primary revenue source for discretionary spending, has established an unrestricted General Fund Reserve amount of \$759,800. In addition, the proposed budget includes designated reserves for specific future obligations, such as vehicle and infrastructure replacement, future Towne Centre improvements, future VPTV capital improvements, and accrued employee leave time. The purpose of these designated reserves is a prudent financial approach that recognizes these future obligations. These designated reserves are meant to be accessed when necessary to fund the specified costs.

General Fund

Revenues:

Overall, staff is assuming approximately \$100,000 less in General Fund revenues for FY 2011-12. The majority of the downturn is attributed to two one-time events that occurred in the prior year, and will not occur again; these are the sales tax misallocation that was detected by

MuniServices, and the VPTV revenue transfer. Staff has not included any potential additional revenue that might result from the cell tower project or the state mandate reimbursement (SB90 claim) for the Opening Meeting Act/Brown Act.

The City's primary source of General Fund revenue is property tax, representing approximately 70% of General Fund revenues. The County Assessor's Office has not released official projections for next year, but based on data provided by that office along with property tax projections prepared by the Orange County Fire Authority's revenue consultants, it appears that property tax revenues will likely remain flat or even grow slightly in FY 2011-12. However, in order to maintain a conservative approach, the budget assumes a flat projection in property tax revenues.

Other key revenue changes include:

- The economy is on a slow recovery and the City assumes a flat projection in sales tax, less the one-time find of \$42,000 of misallocated sales tax in FY 2010-11.
- Per the Building Inspector, building activity is on a slow rise. It is projected that permit revenues will increase approximately 5% or \$5,000 from FY 2010-11 estimated actual revenues.
- Investment earnings are anticipated to grow slightly (approximately \$5,000) because of the CD laddering and Agency laddering interest to be paid out in FY 2011-12.
- City Council Chamber Support revenue is reduced by \$2,000 to reflect the closure of the Council Chambers during the City Hall Façade Improvement Project.

Expenditures:

This year, General Fund operating expenditures (not including one-time capital funds) are anticipated to total \$2,546,500. It is worth noting that this operational expenditure budget is also more than \$50,000 *lower* than the \$2.6 million spent on General Fund operations five years ago (FY 2006-07).

Overall expenditure savings have been achieved without reductions in services to the community. Instead, City staff has worked diligently to reduce costs by bidding out various services, making modest budget adjustments that do not impact service, and seeking out cost savings across all budget categories that add up to significant savings. From changing our office supply vendor to switching to online postage to managing our dues and subscriptions wisely, our staff has developed a culture of creative cost savings that is to be commended.

Key expenditure issues and changes include the following:

- The major expenditure from the General Fund continues to be law enforcement. The City will continue its contract with the Orange County Sheriff's Department and this year will contract for four deputy positions providing 24/7 coverage. The City's basic contract with the Sheriff's Department will increase by a modest 2.69% this year.
- Due to the continued economic downturn, cost of living (COLA) increases for City staff are not awarded again this year, as they were in the previous two years. The budget does assume merit increases that are potentially earned by most employees in accordance with the City's salary plan that was adopted in 2002. That plan provides that employees are eligible for merit increases of up to 5% annually until they reach the top

of their salary range. It should be noted that even with these adjustments, staff salaries remain at least 20% below comparable positions in other local agencies.

- Beginning July 1, all employees will be contributing 3% of their salary toward the cost of their PERS retirement plan an increase of 1%. Prior Fiscal Year 2010-11, the City had paid both the employer's contribution to PERS (currently 20% of pay) and the employee's 7% share. The Human Resources Committee has recommended that this contribution be escalated by 1% each fiscal year until employees are paying the full 7% employee share of PERS. This is an additional \$4,300 in savings for the City. In addition to this savings, management pre-pays the annual contribution to PERS, saving the City \$3,300 more.
- State Disability Insurance (SDI) was a new benefit to be offered to City staff in FY 2010-11. However, following Council's approval this spring, staff learned that the benefit could not be paid by the City. We also learned that a limited disability benefit is already provided as part of our PERS plan. For this reason, staff no longer recommends our participation in the SDI program, saving approximately \$4,700.
- Per the City Attorney's recommendation, we assumed an increase of \$4,000 in other legal services for pending anticipated litigation.
- Management is planning to upgrade some staff computers this year for a cost of approximately \$3,000. Computers have not been replaced for several years, and regular equipment problems are being encountered. We will be phasing in additional replacements over the next few years as well.
- Management is additionally assuming a \$3,000 expenditure to paint the public works building. The trim and beams are in need of this maintenance work.
- Southern California Gas audited their files and noted that the City had been undercharged for our gas. The City budgeted an increase of \$1,200 for this service.
- The City purchased a new vehicle in 2010-11, therefore reducing the maintenance costs for the older vehicle. However, this recognized cost savings will be offset by a significant increase in gas prices resulting in a small net increase of \$500 in expenditures.
- Pavement rehabilitation varies from year to year. The City's Maintenance of Effort (MOE) for Measure M eligibility is \$263,000, so that will be the minimum General Fund goal for each year. In FY 2010-11 the City had a few pavement projects (Taft and Lemon) that had significant General Fund matching that covered the General Fund's requirement for MOE expenditures, however, this is not the case in FY 2011-12. In this new budget, the General Fund has to absorb a significant portion (approximately \$140,000) of the pavement rehabilitation project. The City is still assuming approximately a \$330,000 pavement management program for 2011-12 utilizing an additional combination of Gas Tax, Prop 42, and Local Sales Tax funds.
- The City is contracting with a new engineering firm and is assuming a \$10,000 increase in current year engineering retainer fees. In addition to the new City Engineer, the City will now be contracting with independent engineering firms for management of the capital projects within the city. The engineering/construction management and design costs will be competitively selected in future years, which will result in engineering cost savings in future years. This savings will not be recognized in FY 2011-12 as the only

significant capital project occurring will commence in the current year under the current engineering fee cost structure.

- The City has contracted with Lilley Planning Group for planning services for an annual cost of \$24,000, which is equivalent to the cost of planning services with Winzler and Kelley in FY 2010-11.
- Per the City Engineer, we are assuming the radar speed survey to be performed for an estimated cost of \$11,000. This study is required every five years.
- This year's General Fund expenditure budget includes a major one-time expenditure of \$486,400 for the City Hall Façade project, which will be completed this fiscal year.

Other Funds

The following are highlights of the anticipated status of the other funds of the City:

Gas Tax Fund - Gas tax revenues are anticipated to remain consistent with FY 2010-11 levels. As of this writing, the California Legislative Office, assumes that the City will receive approximately \$107,000 of the State gas tax money (HUTA).

Aid to Cities Fund - Traffic Congestions Relief revenues are anticipated to remain consistent with FY 2010-11 levels. As of this writing, the California Legislative Office, assumes that the City will receive approximately \$63,000 of Traffic Congestion Relief money (Prop 42).

Measure M – Local Sales Tax Fund - Measure M revenues are increasing this year as the Measure M2 funding commences on April 2011. This revenue increase of approximately \$22,000 is the latest estimate (provided by OCTA) as of this writing.

COPS Fund - Per the California Legislative Analyst's Office, we are assuming that the COPS Supplemental Law Enforcement Services Funding of \$100,000 will not be funded due to the State's Budget issues. The League of Cities local government finance consultant, Michael Coleman, is recommending that cities use this assumption for budget purposes. The City has used these funds to staff a School Resource Officer (SRO) at the City schools to proactively reduce calls for service. It is an important service to the City, and it is management's desire to maintain this service even with the anticipated loss of the State funding.

The City has used these funds conservatively over the years, building up a fund balance of approximately \$130,000 that will dwindle quickly without funding from the state; therefore, it is staff's recommendation to fund the SRO program on a half-time basis for approximately three years (\$45,000 a year), at which time the fund balance will be exhausted.

Sewer Improvement Fund – The Sewer Master Plan adopted in 2006-07 had a seven-year plan for repairs and maintenance. Including the 2011-12 budget, this program will have been in existence for 6 years. In FY 2011-12, the City will embark on the Sewer Condition TV Monitoring project for a cost of approximately \$199,000, which will allow prioritization in the next round of sewer plans.

Capital Projects

Despite the bleak economic conditions, Fiscal Year 2011-12 will see some Capital Improvement Program progress with the following projects:

- *City Hall Façade Improvements* - The completion of the City Hall Façade Improvements capital project represents both a remediation of a safety issue and a major milestone for the City's Façade for its 50th Anniversary Celebration. The City's General Fund will provide the funding of an estimated cost of \$486,400 for this project alone. This is a major one-time investment of General Fund dollars that will allow the City to repair the damaged façade yet beautify the City for its 50th Anniversary. This is the only financial investment the City is contributing to the Anniversary Celebration.

In order to remediate the safety hazard of the façade improvements, management recommended that Council approve borrowing \$100,000 from the General Fund Reserve to fund these necessary safety costs in FY 2011-12, with the remainder of the project cost coming from undesignated fund balance. Since the safety issues must be rectified immediately, use of the reserve for this purpose is in keeping with the reserve policy designated in Resolution 2011-3158. It also allows the City to capitalize on the construction cost savings afforded by the current economy. The General Fund will pay back into the General Fund Reserve for \$20,000 a year for five years in order to repay the \$100,000 to be released and used in FY 2011-12.

- *Mesa Drive Guardrail Curb and Gutter* - The City is utilizing Gas Tax money to fund the redesign of the Mesa Drive Guardrail redesign. The City has been awarded a traffic safety grant for \$204,500 for this project, but that amount was inadequate as the project was originally designed. The Council discussed this project at its January strategic planning session, and the consensus was to move ahead with a re-design that would allow the grant funds to be used.
- *School Site Traffic Improvements* - Staff is proposing to use AB 2766 subvention funds for the School Site Traffic Improvements. These funds must be used to reduce emissions from mobile sources, such as cars. AQMD, who is responsible for administering the AB 2766 program in this region, has said that projects that encourage walking and biking are eligible uses for the funds.

Because of the significant General Fund monies associated with these projects, no other major capital non-routine improvements are planned in the fiscal year.

Reserves

Over the last several years, the City Council has built up a General Fund reserve that now totals \$759,800. Pursuant to the annual budget resolutions (most recently Resolution 2010-3121), a 4/5 vote of the Council is required to use this reserve, and it can only be used in very limited and unusual circumstances. As mentioned above, the Council approved a release of \$100,000 from this reserve for use in the City Hall Façade project.

In accordance with the City's Work Plan for FY 2010-11, the proposed budget builds on this undesignated reserve in the General Fund, adding designated reserves in addition to the \$759,800. Designated reserves are funds that are set aside for expenditures that can be expected to occur in future fiscal years. Building designated reserves allows the City to "pay as we go" for these expenditures when they are incurred.

The following designated reserves are established with this proposed budget:

General Fund Designated Reserves –Designated reserves for vehicle replacement (\$5,000), infrastructure replacement (\$57,100), Towne Centre improvements (\$30,000), VPTV capital equipment replacement (\$3,700), and accrued employee leave (\$5,000) are maintained for the this year’s budget, for a total of \$100,800 in designated reserves.

Gas Tax Fund Designated Reserves - \$10,000 is designated in this fund for future median landscaping replacement projects.

Sewer Improvement Fund Reserves – When the sewer user charge was originally established in 2006, the fee structure included funds to be set aside for an evaluation of the system at the seven year point using video cameras. Additional funds were to be set aside to update the Sewer Master Plan at that time.

As part of adoption of the final budget, staff will present a resolution that will adopt an update reserve policy.

Conclusion

While continually revenue-challenged because of the limited sales tax base and the general residential nature of the City, Villa Park continues to be fiscally conservative in its elected leadership, budgeting practices, and expenditure history. The City is a viable and thriving municipality able to perform its core functions while judiciously planning improvements and expenditures which benefit the our community’s quality of life.

I want to thank our Finance Director, Michelle Danaher, and the City’s Budget and Finance Committee members Mayor Ulmer and Councilmember Fauteux for their diligent work on this year’s budget. The budget document this year has been prepared in accordance with the Government Finance Officers’ Association (GFOA) standards for the Distinguished Budget Presentation Awards Program. Staff is proud to submit our budget document to GFOA for this award, which represents the gold standard for government budget documents.

I also want to thank the following staff members for their input in compiling this year’s budget: Maintenance Supervisor Mike Knowles and Assistant City Manager Jarad Hildenbrand.

Additionally, we need to thank the countless volunteers who serve our community in so many ways. While their work is not recognized formally in our budget numbers, we know that their labor saves many taxpayer dollars and creates the civic fabric that is so unique to Villa Park.

As a final thought, I will leave you with what humorist Evan Esar said about money:

“The art is not in making money, but in keeping it.”



Lori Sassoon
City Manager

Budget Policies and Procedures

Policy

The City Manager is to submit a proposed balanced budget to the City Council each year in June. The goal of the Council and City Manager is for available funding to exceed ongoing appropriations, ensuring a balanced operating budget each fiscal year. For the purposes of ensuring this balanced operating budget, available funding includes only revenue projected to be received, and not fund balances from prior years.

Fund balances from prior years may be appropriated for one-time expenditures. This policy ensures that the budget remains structurally balanced across all funds. All funds are appropriated on an annual basis.

Budget Basis

The budgetary basis of accounting determines when a government charges expenditures to a budget appropriation, or when it credits revenue to its funds for budgeting purposes. A fund is a separate fiscal and accounting entity with a separate set of accounting records. The use of Fund Accounting is one of the basic requirements of Generally Accepted Accounting Principles (GAAP) for government and one of the major differences between governmental and commercial accounting. It requires separate record keeping for each individual fund that a government uses. Governmental fund types and the agency funds use the *modified accrual basis of accounting*. Under this method, revenues are recognized when they become available and measurable. “Measurable” means the amount can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the fund liability is incurred. The accounting and reporting policies of the City conform to GAAP applicable to state and local governments. GAAP for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB).

Responsibility

The City Manager and the Finance Director are responsible for preparing a budget in accordance with the guidelines established by the City Council and GAAP. The City Manager and Finance Director use direction provided throughout the year by the Council as well as the understanding of the day-to-day operational needs of the City in order to prepare a balanced budget for presentation to the City Council.

Budget Preparation

The City of Villa Park uses a “base budget” budgeting method. Each department requests an annual appropriation sufficient to fund current levels and other costs the department is responsible for managing. The budget base year is the prior years adopted budget, reducing it for previous one-time expenditures, increasing it for known future impacts (such as increased utility costs) and adding new proposed projects as determined necessary by key staff. The City does not automatically increase the budget by a percentage. For 2011-12, the City made several key adjustments in department budgets reflecting the uncertain economic conditions, resulting in a balanced budget for 2011-2012.

Operating Budget

Ongoing operating costs should be supported by ongoing, stable revenue sources. This protects the City from fluctuating service levels and avoids crisis when one-time revenues are reduced or removed. Listed below are some corollaries to this policy:

- Fund balances or contingency accounts should be used only for one-time expenditures, such as capital equipment and capital improvements.
- Ongoing maintenance costs, such as street resurfacing and trails maintenance, shall be financed through recurring operating revenues rather than through a bond issuance.
- Fluctuating federal or state grants shall not be used to fund ongoing programs; instead, such revenue is to fund capital costs, equipment purchases, or public improvements.

Revenue Policies

A diversified and stable revenue system will be maintained to ensure fiscal health and absorb short run fluctuations in any one revenue source. Unpredictable revenue sources, such as sales tax and interest earnings, constitute only a small portion of the City’s revenue stream. A healthy mix of property tax, franchise fees, building fees, sales tax, business license fees, and other user fees fund ongoing operations.

The City Manager and Finance Director shall review the encumbrances and continuing appropriations to be submitted to the City Council for approval from one fiscal year to the next. The Finance Director shall also prepare financial reports in a format adequate for public presentation and understanding of the City’s financial condition.

User fees will be evaluated each year to ensure that, in general, user fees are sufficient to cover the cost of providing a given service to the end user. Proposed fees will be based on cost analysis prepared for each service, and also considering the fees imposed by other similar cities providing the same services. Fees are adopted at a public hearing of the City Council, following input from stakeholders impacted by the fees.

One-time revenues, such as grant funds, sales of government assets, or other one-time payments are used for one-time expenditures, such as capital improvements, or placed in the City's designated or undesignated reserves.

Debt Policy

Unlike most cities in California, the City of Villa Park has no bonded indebtedness. It is the policy of the City Council that municipal debt is to be avoided, and that capital projects are generally to be funded on a "pay as you go" basis.

Contingency Planning

In the event of an emergency, such as a natural disaster or other unexpected major occurrence, the City Manager is authorized to incur expenses necessary to address immediate health and safety matters. The Emergency Response Plan adopted by the City Council will be followed in these situations. The Finance Director is responsible for documenting all expenditures for potential cost recovery.

Capital Improvement Budget

The Seven-Year Capital Improvement Plan is prepared and updated each year. Although this plan may include unfunded projects that carry out the City's strategic and general plans, it must also include a capital spending plan that identifies projects that can be completed with known funding sources. When planning capital projects the City must estimate the project's impact on the City's operating budget. Amendments to capital appropriations fall under the same guidelines as changes to the operating budget, with one exception: any project change exceeding 20 percent of the original contract price must receive specific City Council approval. This approval can be by motion rather than resolution and may accompany a recommendation for award of bid, change order, or other Council action. While this approval is not a strict legal requirement, it serves to keep the Council informed on capital activity and funding, and ensures that revisions of project priorities are in line with Council expectations.

Budget Review

During the budget review phase, the City Manager and Finance Director analyze operating and capital budget requests. Several scenarios are reviewed and readjustments are made as needed to reflect newer revenue and expenditure projections. The City Manager and Finance Director meet with other City staff beginning in January of each year to discuss changes in their department that would affect the next year's budget. Then in May, the Budget and Finance Committee (including its role as the Capital Improvement Committee) meets for a minimum of two times to review the projects and appropriation requests in the draft budget. The last step in early June is when the budget is taken to the City Council to review the budget during a budget study session. This study session is open to the public and provides a forum for Council to receive information and make recommendations regarding the budget year. These appropriations shall become a part of the City budget after approval by the City Council at the June City Council meeting.

The budget calendar for 2011-2012 was as follows:

- January 24th, 1st meeting with staff discussing issues and priorities
- February 21st, 2nd meeting with staff revising issues and priorities
- March 21st, 3rd meeting with staff revising issues and priorities
- April 18th, review of by management of first budget draft
- May 11th, 1st Budget & Finance Committee meeting discussing budget draft
- June 1st, 2nd Budget & Finance Committee meeting discussing budget revisions
- June 8th, 3rd Budget & Finance Committee meeting discussing budget revisions
- June 14th, Council Budget Study Session discussing budget
- June 28th, Council meeting adopting the final budget

Budget Adoption

The budget is required by law to be adopted prior to July 1st of each year. The budget must be balanced, that is, operating expenditures must be equal to or less than total operating revenues. Any changes in appropriated levels require City Council authorization. Upon adoption of the budget, the Finance Director prepares the final budget document.

Budget Amendments

The budget is adopted at the fund and department level. The City Manager is authorized to make transfers between account codes and departments within each fund. On a quarterly basis the Finance Director reviews the appropriations and if necessary, prepares a budget transfers within a fund for the City Manager's approval. Once approved by the City Manager, the Finance Director makes the appropriate Budget Amendment. However, City Council approval is required for transfers between funds or increases to total appropriations, except for those inter-fund transfers approved in the budget. If a fund transfer is required, the Finance Director prepares a staff report that explains the reasoning for transfers between funds or reason for the need to increase appropriations and presents it to Council for approval. Once approved by Council, the Finance Director makes the appropriate Budget Amendment.

General Fund Reserve

The City Council has prioritized the keeping of a General Fund Reserve. The City Council has historically established and maintained a General Fund Reserve separate from General Fund balances for financial contingencies and catastrophic events. In June 2011, the City Council adopted Resolution 2011-3158, establishing a formal policy for undesignated reserves. This policy requires a four-fifths vote of the entire City Council for use of undesignated reserves. The designated reserves established for anticipated future expenditures, such as vehicle replacement, infrastructure replacement and accrued employee leave are approved through the budget process.

The General Fund Reserve for Fiscal Year 2011-2012 is \$759,800. Additional funds are set aside in General Fund Designated Reserves totaling \$100,800. A more detailed review of the General Fund Reserve is discussed on Page 55.

Community Profile

Overview

Villa Park is Orange County's second smallest city in land area and least populous, but the friendliest and most welcoming place to live. Here, you will find people with a wide range of backgrounds, interests, and occupations; quiet neighborhoods and beautiful residential streets; the lowest crime rate in the County; and four high performing schools within walking distance.

The City of Villa Park is in the center of Orange County. It has an area of 2.1 square miles, a population of approximately 5,800 and is almost 99.9% built out, with 2,021 residential homes. With the exception of the Villa Park Towne Centre, the only commercial center, the City is zoned for single-family residences, most of which are on half-acre lots.

The Villa Park Towne Centre includes a grocery store, banks, a pharmacy with a postal substation, and a variety of specialty shops and offices. The Towne Centre also includes the Villa Park Library (a branch of the Orange County Public Library system), City Hall, and the Council Chamber/Community Room.

The schools - Villa Park High, Cerro Villa Middle, Villa Park Elementary and Serrano Elementary - are a part of the Orange Unified School District.

Although the City does not have a dedicated newspaper, staff sends out City newsletters as well as maintains a vibrant Electronic Network for news and community events. The City is served by the "Foothill Sentry," a community paper published once a month, which generously includes Villa Park news and events. In addition, the Orange County Register's Orange City News provides coverage of pertinent City news. Villa Park is also home to a strong community access cable presence with Villa Park Cable Access TV (VPTV) available on Channel 3 on Time Warner Cable, AT&T's U-Verse service, and streaming live on the City's website. Broadcasts of recent City Council meetings and "Meet the Mayor" programs are also available on demand on the City's website.

There are no churches within the City limits, but facilities can be found close by to support all beliefs.

Villa Park's central location facilitates access to the wealth of cultural, social, recreational, business and philanthropic activities that Orange County offers. The City is an oasis in the midst of urbanity, providing truthfulness to our motto, "The Hidden Jewel."

Governance

The City is governed by five council members, each elected for four-year terms, who serve without compensation and meet on the fourth Tuesday of each month at 7:00 p.m. Residents are encouraged to attend and participate in these meetings and the political life of the City. Council agendas are posted on the bulletin board outside of the City Hall as well as made available via the City's website at www.villapark.org. The City boasts the fewest number of paid staff members in the State, with five full time employees. The City Manager is appointed by the Council and serves as the Director of Planning, Public Works, and other positions. A small and friendly office staff and maintenance crew serve residents in a small town way without compromising quality and efficiency. Police, fire, legal, and engineering services are all contracted services to increase the efficiency and effectiveness of our service delivery. The City is strongly centered on acts of volunteerism and greatly encourages members of the Community to partake in that spirit.

Community Pride

The residents of the City of Villa Park take extreme pride in the City and in the strong commitment towards community service and volunteerism.

The Villa Park Community Services Foundation (Foundation) was established in 2002 to receive donations for the benefit of a wide variety of community activities, services, and programs. The Foundation assists the entire community through the generous private support of long-time residents, newcomers, businesses, community events, and other caring people. The goals of the Foundation are to: provide recreational and other community activity opportunities in the City of Villa Park for youths, adults, and seniors; to coordinate the planning, preservation, and presentation of leisure, historical, and/or arts programs in Villa Park; and, to coordinate the use and development of community resources to promote and support activities which advance the overall well-being and improve the quality of life in Villa Park. Events sponsored by the VP Foundation include the Annual City Picnic; Halloween Fest; Santa Tour; and VP Boat Parade and Holiday Celebration. Beginning January 2012, the City will begin its yearlong 50th Anniversary celebration.

The Villa Park Women's League, founded in 1969 has long been a center of activity and enthusiasm for City events. It is open to any Villa Park resident of voting age. The League's aims are to provide support, friendship and a focus for the citizens of Villa Park and to promote

safety, education, beautification, and cultural enrichment within the City and its environs. It also sponsors a host of social and recreational activities for its members: bowling, bridge, gourmet, stitchery, golf, newcomers, etc. The League's major fundraiser in 2010 was the Holiday Home Tour. There is no better way to make friends and become a part of this community than to join the League.

The Villa Park Rotary Club was formed in 1995 and meets every Thursday morning at City Hall. The Rotary works for peace and goodwill locally and internationally. Service above self is their motto and they have proved it through their building of a medical center in Tecate, Mexico, along with many other philanthropic activities.

History

Villa Park was incorporated 1962, but the history of the area goes back to around 1860. It was known in its early days as Mountain View. Villa Park came into usage when a post office was located here and the name Mountain View was already used in Northern California.

Villa Park was, for many years, an agricultural area producing, in turn, grapes, walnuts, apricots, and finally, citrus, which was the major crop for about 60 years and is most closely associated with our development. It was the citrus ranchers and their families who shaped Villa Park into a vital community and organized its incorporation to save it from what they believed were unwelcome zoning practices.

These ranchers established the Serrano Water District, which still provides Villa Park's water. (The district office is located on Lincoln Street.) They also founded the Villa Park Orchard's Association, still a thriving business in Orange; although the packing house that was the dominant Villa Park landmark for many years, located west of the Villa Park Towne Centre, and was torn down in 1983.

The citrus groves have yielded to the developers, but these pioneers have left an enduring legacy in our half-acre zoning, which has been instrumental in shaping the City's character, and in many of our street names; such as, Brewer, Nichols, Squire, Collins, Morrow, Ragan, Knuth, Workman, Adams, Wulff, Abbott, Durfee, Sterling, as well as, Hazel, Mary and Florence.

Form of Government

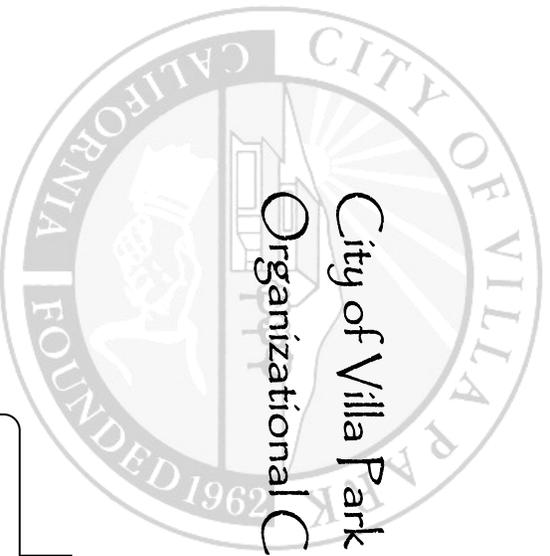
The City of Villa Park is a general-law City operating under a Council-Manager form of government, with the City Council acting as the part-time legislative body of the City. Five members are elected to the City Council at large on a nonpartisan basis, with members serving four-year terms. In 2006, the City's voters approved a term limits measure, restricting Councilmembers to serving no more than two (2) full terms. Villa Park Council members are the only non-compensated Council in Orange County and are strong advocates of community volunteerism. Elections are staggered every two years, with the Mayor and Mayor Pro Tem serving a one-year term as elected by the City Council.

The City Council appoints a City Manager to be the Chief Executive Officer responsible for the day-to-day operation of the City. The City Manager's duties are to serve as Director of Planning, Public Works, Building & Community Preservation, Public Safety, and Engineering. In addition the City Manager manages city staff. The Assistant City Manager serves as the City Clerk.

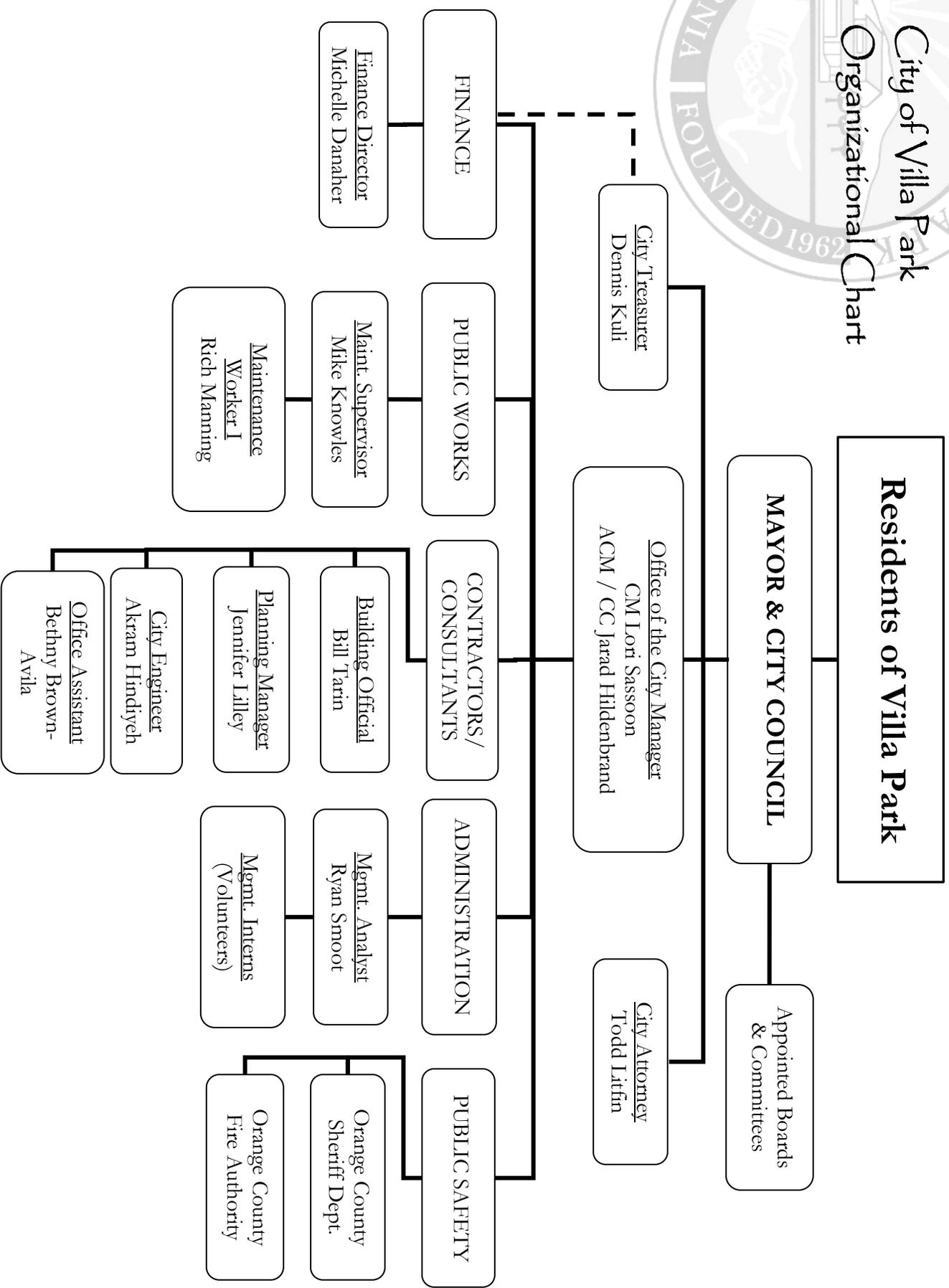
The City, through the leadership of the Council, encourages a philosophy of outsourcing in order to provide our residents the most effective and efficient form of government for least cost. Accordingly, the City maintains the among the fewest number of employees for any City in California, contracting out for most services instead.

Also appointed by the City Council are the City Attorney, who is the legal advisor to the Council; City Engineer, who is responsible for coordinating all major public works and capital improvements projects; and City Treasurer, who is responsible for the accurate reporting of financial information.

Committees of the City Council serve within assigned areas of responsibility for the purpose of gathering and studying information and making recommendations to the City Council. A majority vote of the City Council at a regular, adjourned, or special council meeting is required for approval of Committee recommendations or for the Committee authority to carry out a specific task. Standing Committees of the City Council include the Budget and Finance Committee, Community Development and Public Safety Committee, City/Schools Committee, Towne Centre Committee, Public Utilities and Transportation Committee, and Human Resources Committee.



City of Villa Park Organizational Chart



Board Appointments and Committees

Committees of the Council serve at the pleasure of the City Council for the purpose of gathering information, studying information, and making recommendations to the City Council, as needed. A majority vote of the City Council at a regular, adjourned, or special Council Meeting shall be required for approval of Committee recommendations or for Committee authority to carry out a specific task.

Committees of the City Council shall be comprised of two Council Members who are appointed by the Mayor and approved by the Council. Assignments to the Committees are made at the next regular Council Meeting after the annual reorganization and are effective immediately. Each Council Committee may be given specific charges for the year when appointments are made. Each Committee has an appointed Chair. Citizens at large may be included to assist in carrying out a Committee's charges, as approved by the City Council. All Committee meetings are publicly noticed pursuant to the Brown Act, and members of the public are encouraged to attend.

Appointments

Orange County Vector Control

The appointee serves on the Orange County Vector Control District. The District protects public health by controlling rats, mosquitoes, biting flies, fire ants and other vector related problems. The District has 35 members, comprised of each Orange County City and one member from the County of Orange.

Orange County Fire Authority

The appointee serves as the city's principal representative on the Orange County Fire Authority (OCFA) Board of Directors. An alternate is also appointed. The position advises the City Council on all matters pertaining to fire protection and emergency medical response services in the City. The City's representative attends monthly meetings of the Board of Directors and serves on board committees, as appropriate. The committee provides information on the status of the OCFA Reserve Firefighters Program serving Villa Park and makes recommendations relating thereto.

Orange County Sanitation District

In accordance with the California Health and Safety Code, the Board of Directors of the Orange County Sanitation District is comprised of

the Mayor or other elected official from each municipality served by the District. The Orange County Sanitation District collects and treats sewage for a majority of the County area. The City of Villa Park makes an appointment and the representative attends meetings and advises the City on sanitation matters as well as represents our residents to the District. The District's Board of Directors meets monthly. Various committees within the board meet in addition to the full board.

City Council Committees

Finance and Budget

The Finance & Budget Committee reviews and signs the monthly List of Demands together with any supporting documentation. The Committee reviews the monthly Treasurer's reports for accuracy and adherence to City policy. The Committee is directly involved in the City's annual budget process, meeting several times in the development of the Budget to provide direction and comment as well as serves in the capacity of the former Capital Improvement Committee. As such, they are an advisory resource to the City Council and staff on Capital Improvement Projects assisting in the preparation of the Capital Improvement Plan for the upcoming Fiscal Year.

The Committee members sit as part of the appointed Investment Advisory Committee which reviews the City's investment policy, explores alternative short-term investments to maximize the rate of return on available City funds, and identifies possible new sources of revenue. The Committee reviews the annual Audit Report and Management Letter and reports to the City Council with recommendations.

The Chairman of the Committee serves as the City's principal representative on the California Joint Powers Insurance Authority (CJPIA) Board of Directors. The Committee serves to assist the City Manager in advising the Council on matters of insurance and risk management, attends semi-annual meetings of the CJPIA, votes on membership applications, and if necessary, dismissal from CJPIA membership, approves the CJPIA's annual budget, and serves on the CJPIA executive committee.

Community Development and Public Safety

The Community Development/Public Safety Committee is responsible for the review and interpretation of the City's General Plan, Zoning Code, and Subdivision of Land Ordinance. The Committee advises the City Council and makes recommendations on proposed revisions and amendments. The Committee reviews all second dwelling unit applications for conformity to Villa Park codes. The Committee advises the City Council and staff on streetscape plan implementation, reviews the City policy on approved trees for public improvements, reviews the final landscape plans that are required as a condition of approval, such as a Division of Land, Tract, or Parcel Map, and coordinates cooperative projects with other agencies.

The Committee is also charged with monitoring the operations of all agencies serving the City of Villa Park that relate to the safety and welfare of the general public, residents of Villa Park and their property, City employees and City property. Whenever a potentially unsafe condition arises, the Committee can study the situation with appropriate members of staff and recommend solutions for Council action. An ad hoc committee of citizens may be formed to assist in gathering information and making recommendations. The Committee advises the City Council on matters relating to traffic, public safety, and public health; and a member may attend hearings and testify on behalf of Villa Park after obtaining consensus of Council.

City/Schools Advisory

The City/Schools Advisory Committee was formed by the City Council in 2007 to proactively address issues of Orange Unified School District schools within Villa Park boundaries, maintain open and honest communication, and foster a collaborative environment in order to resolve issues of mutual concern. Two members are appointed by the City Council, one to serve as the Chair. Additional members include two members of the School Board, an OUSD administrator and, when possible, the principals and parent group leadership of each public school in order to address issues and seek resolution.

Human Resources

The Human Resources Committee serves as an advisory resource to the City Manager on personnel matters. The Committee reviews and updates position descriptions and classifications as required; reviews surveys of compensation plans of other cities of comparable size and similar positions and of private industry to maintain competitive

position standards; reviews internal personnel policies; may develop or review salary and fringe benefit recommendations; and conducts periodic review of existing personnel forms.

Public Utilities and Transportation

The Public Utilities and Transportation Committee serves as an advisory resource to staff and the City Council on any matter related to the services of the Serrano Water District; Southern California Edison Company; Southern California Gas Company; AT&T; Cable Franchisee; Trash Collection Franchisee; and any other function in this category. The Chair formally represents the Council to these and other related entities.

Villa Park Community Access Television

The Villa Park Community Access Television Corporation was historically a separate non-profit corporation set up to run the public access television needs for the City. VPCATV Channel 3 is provided to Time Warner Cable and AT&T for distribution to viewers.

Beginning FY 2009-10, the City Council began to restructure VPTV operations to transition them to City operations, with the goal of improving quality and reducing operating expenses. The City Councilmembers are now serving as the Board of Directors for the VPCATV Corporation, pending approval of the dissolution of the corporation by the California Attorney General. In the meantime, VPTV operations are being managed by City Staff, with the assistance of a consultant engineer, and relying heavily on student volunteers from the Villa Park High School media program.

Council Appointed Resident Committees

Investment Advisory Committee

The Investment Advisory Committee (IAC) is charged with the responsibility to offer advice with respect to the City's investments and the investment portfolio strategy of the City. The IAC consists of two City Council Members (the Budget & Finance Committee members) and three public members who are residents of the City. The chair and vice-chair are selected from the public members. The City Council has the option to appoint an alternate member to the IAC to serve in the absence of any public member. Terms for public members are two years. The City Manager, City Treasurer, and Finance Director attend all meetings.

Villa Park Community Services Foundation

The Villa Park Community Services Foundation was formed in 2002. The mission of the Foundation includes providing safe recreational and other community opportunities for youth, adults, and seniors; coordinating the presentation of leisure, historical, music, and/or arts programs; and, coordinating the use and development of community resources to lessen the burdens of government and to improve the quality of life of persons who live, work or play in the City of Villa Park.

Budget Summary

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operation of each fund is accounted for with a separate set of self-balancing accounts that comprise assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Certain funds have varying levels of restrictions imposed either by legal requirements or policy choices. It can be helpful to gain a broad overview of the City's finances through summaries of the different funds.

The City's funds are grouped into five basic types:

- General
- Special Revenue
- Capital
- Internal Service
- Fiduciary

The first three fund types listed above comprise the majority of the day-to-day operating activities of the City. The remaining fund types are more specialized funds, and typically account for specific activities rather than ongoing and recurring services. Brief descriptions of each fund type follow.

General Fund

The **General Fund** is the primary revenue source and operating fund for most services cities typically offer. These include public safety, public works, building, code enforcement, engineering, and planning. In addition, The City Council, City Manager, City Clerk, Finance, Support Services, and City Attorney budgets are predominantly funded by the General Fund.

The activities are financed through general tax dollars from property, sales, business license tax, motor vehicle-in-lieu fees, and by revenues generated from permits, fees, and investment earnings.

Special Revenue Fund

Special revenue funds account for activities funded by special purpose revenue, that is, revenues that are legally restricted to expenditures for a specific purpose. Many of these funds have grant-based or state statutory revenues, which may only be spent under specific guidelines.

The City maintains nine special revenue funds: Gas Tax, Aid to Cities, Traffic Safety, Local Sales Tax, Sewer Assessment District, AQMD, Supplemental Law Enforcement Services Funds (SLESF or “COPS”), California Law Enforcement Equipment Program (or CLEEP), and the Sewer Improvement Fund.

Assessment Districts

Included in the City’s nine Special Revenue Funds are two assessment funds; Sewer Assessment District No. 1 for the Sycamore Circle Pump Station and the Sewer Improvement Fund. The Sewer Assessment District is charged to the residents of Sycamore Circle to cover costs associated with maintaining their sewage pumping station. The Sewer Service User Charge is assessed to all residents, schools, businesses, and local agencies for city-wide sewer improvements and maintenance.

Capital Improvement Projects Fund

The Capital Improvement Project (CIP) fund is used for the acquisition or construction of major capital improvements. The City is required to maintain a seven-year CIP plan. The City Hall Façade Improvements, Mesa Street Guardrail Curb and Gutter and the School Site Traffic Improvements Projects are scheduled for construction in Fiscal Year 2011-2012.

Internal Service Fund

The City currently has one Internal Service Fund. The Employee Benefits Fund is used to collect benefit costs from all departments based on a cost allocation plan implemented by the City. Expenditures related to employee benefits are made from this fund. The fund is not included in the Revenue Summary because internal funds are used to pay into it.

Fiduciary Fund Types

The Street Improvement Fund, formerly referred to as the Trust and Agency Fund, is used to account for assets held by the City as

an agent or trustee for individuals, private organizations, other governments and/or funds. The Street Improvement Fund is comprised of deposits placed for future curb, gutter, and right-of-way improvements to City streets during the construction of residential/commercial property.

The section following contains Summaries of Financial Information including revenues, expenditures, reserves, and specific information on funds used by the City.

Gann Limit

The Appropriations Limit, established by the State of California per Article XIII B of the California State Constitution, sets a limit for the annual appropriations of tax proceeds for all municipalities.

Article XIII B was amended by Proposition 111 to change the method of calculating the annual appropriations limit. Prior to Proposition 111, the appropriations limit was adjusted annually by the change in the cost of living or by the change in California per capita personal income, whichever was less, and by the percentage change in the population of the City.

Under the guidelines set forth by Proposition 111, the annual appropriations limit will not exceed a base year adjusted by the change in population of the City or the County combined with either the change in California per capita personal income or the change in the local assessment roll due to local non-residential construction. Proposition 111 also changed the base year for all municipalities to 1986-87. Starting with a base year limit of \$1,008,643 for 1986-87 and increasing it to the 2011-12 limit by using the guidelines set forth in Proposition 111, the calculation would be as follows:

Appropriations Subject to Limitation for Fiscal Year 2011-2012	
Proceeds from Taxes	\$ 2,075,100
Less: Current Year Limit (FY 11/12)	\$ 3,323,210
Excess of Appropriations limit over proceeds of taxes	\$ (1,248,110)
<i>* City is well below appropriations limit for FY 11/12</i>	

Section 9710 of the California Government Code, added in 1980 by the State legislature, requires the City Council to adopt the City's Gann appropriations limits for the following year by resolution. Accordingly, Resolution 2011-3157 was adopted by the City Council on June 28, 2011. Below is information for five years on the appropriations limit:

Fiscal Year	Prior Year's Limit	Add Change in Personal Income	Add Change in Population	Appropriation Limit
2007-08	\$2,900,101	4.42%	0.84%	\$3,053,723
2008-09	\$3,053,723	4.29%	1.02%	\$3,217,212
2009-10	\$3,217,212	0.62%	1.02%	\$3,270,178
2010-11	\$3,270,178	-2.54%	1.01%	\$3,219,305
2011-12	\$3,219,305	2.51%	0.70%	\$3,323,210

Fiscal Year 2011-2012 Budget Overview

Fund Balance Projections	Estimated Beginning	Fiscal Year 2011-2012	Fiscal Year 2011-2012	Fiscal Year 2011-2012 Estimated Expenditures and Change in Reserves	Estimated Ending	Fiscal Year 2011-2012 Reserves	Estimated Available	Change of Beginning of	
	Balance at 07/01/11	Estimated Revenues	Balance + Revenues		Balance 06/30/12		Balance 06/30/12	Year Balance to End of Year Balance	% Change
General Fund	\$ 1,523,787	2,570,100	4,093,887	3,032,900	1,060,987	-	1,060,987		
General Fund Undesignated Reserve	(850,000)	-	(850,000)	(90,200)	(759,800)	(759,800)	(759,800)		
Designated Reserves:									
Vehicle Replacement Reserve	-	-	-	5,000	(5,000)	(5,000)	(5,000)		
Infrastructure Replacement Reserve	(27,100)	-	(27,100)	30,000	(57,100)	(57,100)	(57,100)		
Towne Centre Improvements Reserve	(30,000)	-	(30,000)	-	(30,000)	(30,000)	(30,000)		
VPTV Capital Improvements Reserve	-	-	-	3,700	(3,700)	(3,700)	(3,700)		
Accrued Leave Reserve	(1,500)	-	(1,500)	3,500	(5,000)	(5,000)	(5,000)		
Subtotal Fund Balance - General Fund	615,187	2,570,100	3,185,287	2,984,900	200,387	(860,600)	200,387	(414,800)	-67% a
Street Improvements *	114,276	-	114,276	-	114,276	-	114,276	-	0%
Gas Tax Fund	19,302	107,400	126,702	88,500	38,202	-	38,202		
Designated Reserves:									
Median Replacement Reserve	(10,000)	-	(10,000)	-	(10,000)	(10,000)	(10,000)		
Subtotal Fund Balance - Gas Tax Fund	9,302	107,400	116,702	88,500	28,202	(10,000)	28,202	18,900	203% b
Aid to Cities Fund	21,136	63,500	84,636	84,000	636	-	636	(20,500)	-97% b
Traffic Safety Fund	870	13,100	13,970	13,100	870	-	870	-	0%
Measure M - Local Sales Tax Fund	8,650	70,400	79,050	48,500	30,550	-	30,550	21,900	253% b
Sewer Pump Maintenance District No. 1	32,803	14,100	46,903	14,200	32,703	-	32,703	(100)	0%
AQMD Fund	16,443	6,600	23,043	22,000	1,043	-	1,043	(15,400)	-94% c
COPS Fund	130,230	300	130,530	45,000	85,530	-	85,530	(44,700)	-34% d
Sewer Improvement Fund	185,233	415,300	600,533	578,100	22,433	-	22,433		
Designated Reserves:									
Sewer Conditioning TV Monitoring Reserve	-	-	-	-	-	-	-		
Sewer Master Plan Update Reserve	(94)	-	(94)	3,571	(3,665)	(3,665)	(3,665)		
Subtotal Fund Balance - Sewer Improvement Fund	185,139	415,300	600,439	581,671	18,768	(3,665)	18,768	(166,371)	-90% e
CLEEP Fund	65,375	100	65,475	7,700	57,775	-	57,775	(7,600)	-12% f
Capital Facilities (Improvement) Fund	(1,169,320)	1,079,075	(90,245)	-	(90,245)	-	(90,245)	1,079,075	-92% g
TOTAL ALL FUNDS	\$ 30,091	4,339,975	4,370,066	3,889,571	480,495	(874,265)	480,495	450,404	
				Total Change in Reserves	(44,429)				
				Total Expenditures	\$ 3,934,000				

* Formerly identified as Trust and Agency Fund in previous budgets, this fund is now called the Street Improvement Fund to align with the terminology used in the City's Audited Financial Statements.

Explanations of greater than 10% change in beginning and ending Fund Balance:

- a In FY 2011-2012 the General Fund is contributing over \$480,000 to complete the City Hall Façade project.
- b In order to meet the FY 2011-2012 Maintenance of Effort (MOE) requirement for street improvements for Measure M eligibility, the General fund and the Aid to Cities fund will absorb most of the street maintenance project costs this year freeing up Measure M to be used on future maintenance projects and Gas Tax funds to be used on other right of way projects.
- c In FY 2009-2010 the Cities' Natural Gas Vehcile Pump broke down. The City has been awaiting parts from the vendor that have been discontinued; therefore, in FY 2011-2012 the City will use the AQMD monies on the School Site Improvement project which will reduce fuel emissions.
- d Due to the State budget crisis, City Management has been very conservative in spending only the minimum necessary to maintain the School Resource Officer (SRO) position over the past few years in light of the State discontinuing the funding for this position. COPS monies are for Supplemental Law Enforcement Services only. The past few years, the City had built a minor surplus in this fund in order to fund the SRO position for an approximate year in case the State ceases to fund this program, and now the State has pulled the funding in FY 2011-2012.
- e The Sewer Improvement Fund is designed to have a sewer condition TV monitoring done every 7 years. The City will perform this monitoring in FY 2011-2012.
- f The CLEEP Fund is a one-time source of money to be used for Law Enforcement Equipment Purchases and the Fund Balance will decrease each year as the City purchases equipment for law enforcement in order to better protect the residents in the City of Villa Park.
- g The Capital Projects Fund fund balance fluctuates every year based on timing issues. Most of the grants the City receives are cost reimbursement grants which means that the City most likely will spend the money in one fiscal year and be reimbursed through the granting agency in the next fiscal year.

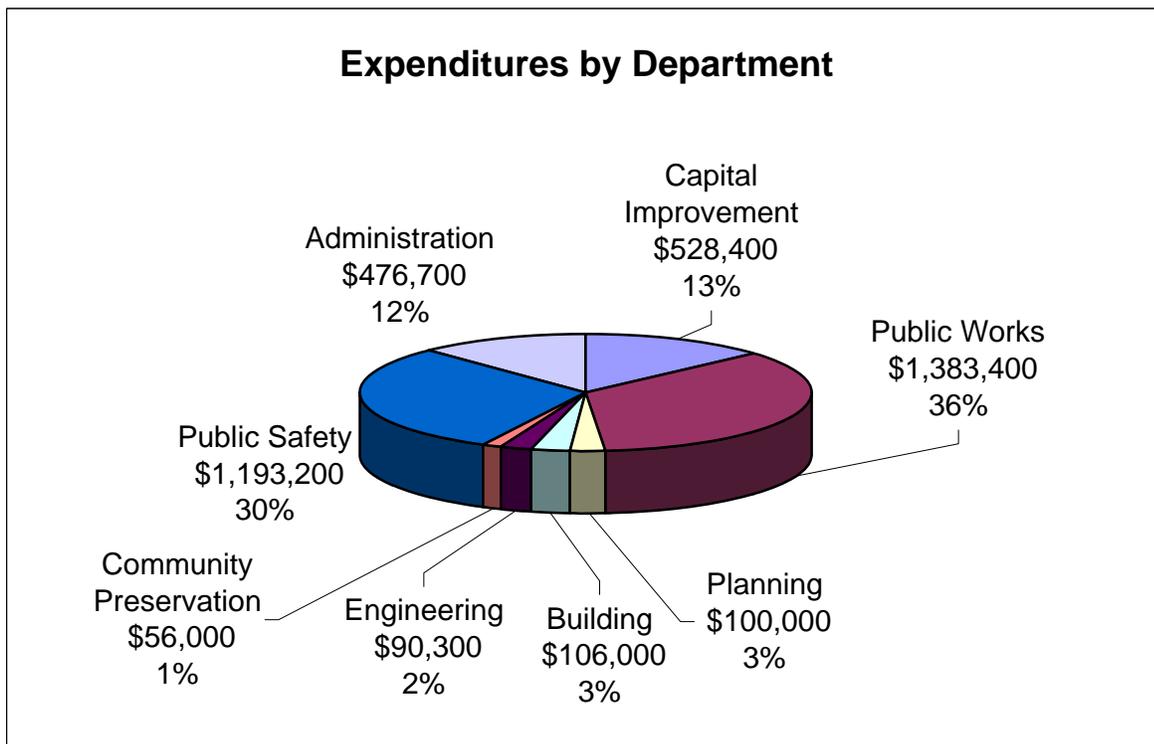
What is a Fund Balance?

Fund Balance is a simple way to explain the net of revenues minus expenditures. If there are funds left over from activities, then you have a positive fund balance. If there are not enough funds left over, you have a negative fund balance. The Statement of Fund Balance looks at all of the funds within the City and makes this simple review. The Estimated Beginning Fund Balance is based on the City's eleven months of actual transactions plus an estimated month to complete a 12 month cycle of transactions for the current Fiscal Year. This column is an estimate because it will not be known until the City closes out its financial books, typically two months after the end of the Fiscal Year. After that point, estimates are used for the subsequent current year Revenues and Expenditures. Estimates are made based on projected revenues and expenditures, however, estimates may change greatly based on events.

The idea of an Estimated Fund Balance is to assist City Staff in creating a budget and providing information to the City Council in which to make decisions. Available Fund Balances are important to creating a budget as the funds represent additional, planned funds to utilize in a proposed budget in addition to expected revenues which come in on an annual basis. Therefore, in the proposed budget City staff utilize both the expected annual revenues and the known available fund balance in order to present a balanced budget. Based on priorities, there are years in which expenditures exceed annual revenues, however, the use of available fund balances completes the budget picture. When used in a pre-planned and strategic fashion, the use of available fund balances allows a City to accomplish priority projects as identified in the Capital Improvement Program or make additional improvements such as additional street maintenance projects.

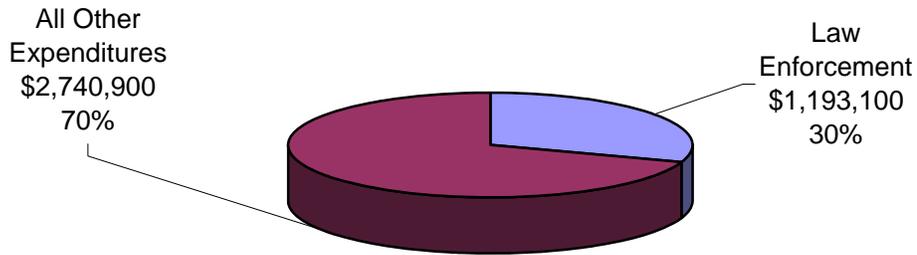
FULL CITY BUDGET SUMMARY

Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>	\$ 535,888	446,719	586,700	585,700	595,300
<u>Maintenance and Operations</u>	2,392,723	2,538,748	2,422,100	2,313,000	2,508,500
<u>Capital Outlay</u>	851,345	166,434	451,955	440,955	301,800
<u>Capital Projects</u>	543,919	265,096	1,973,200	1,984,200	528,400
Total Budget	<u>\$ 4,323,875</u>	<u>3,416,997</u>	<u>5,433,955</u>	<u>5,323,855</u>	<u>3,934,000</u>

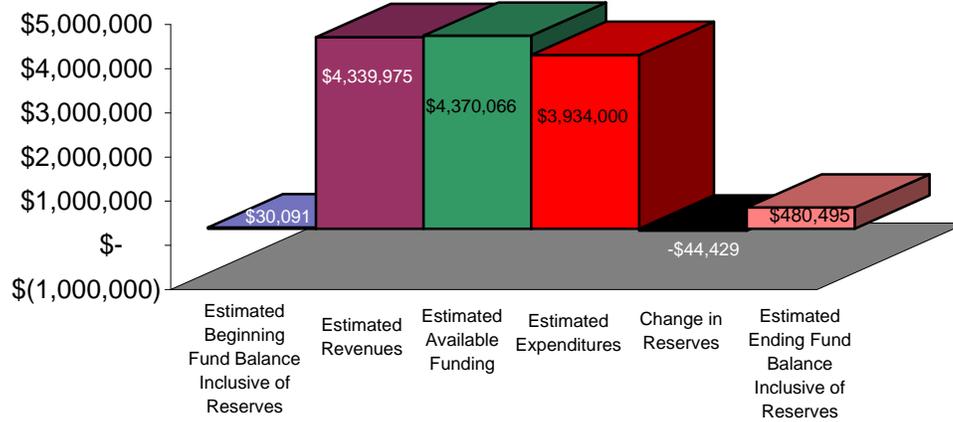


Fiscal Year 2011-2012 Budget Charts

Law Enforcement as Percentage of Budget

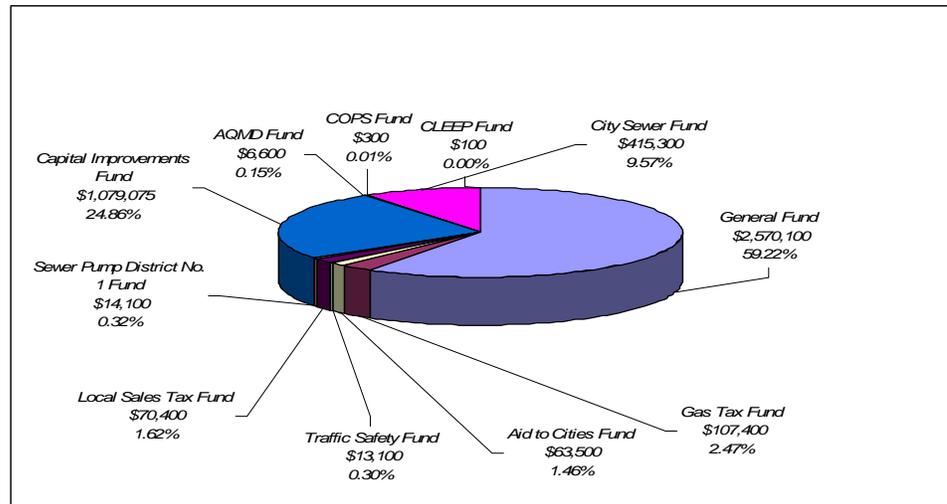


Fiscal Year 2011-12 Overview



Summary of Revenues

Total Available Funds for Fiscal Year 2011-2012 are \$4,370,066, which includes \$30,091 in beginning Fund Balance and revenues of \$4,339,975. This does not include \$874,265 in Fund Balance Reserves.



The Revenue sources reflect all expected revenues to be received as well as existing fund balances needed to fund proposed expenditures for Fiscal Year 2011-2012

The balance forward is 3% of the total revenue budget and represents prior year fund balances available for expenditure in 2011-2012 in the General, Special Revenue, Fiduciary, Internal Service, and Capital Improvement funds. It does not include the Fund Balance Reserves.

The General Fund revenue is approximately 59% of the total budget and is the largest resource of the budget. Information on the expenditure of funds is included in the department budget detail as part of the spending plan for that fund and department.

Special Revenue funds are 6% of the total budget and include the gas tax, aid to cities, traffic safety, local sales tax, air quality management district, COPS, and CLEEP fund.

The Assessment funds include the Sycamore Circle Sewer Pump Assessment District and the Sewer Service User Charge. This represents 10% of the total budget.

Capital Improvement Fund represents 25% of the total budget. Revenues from this fund are derived from grant revenues or previously allocated General Funds for specific Capital projects.

SUMMARY OF REVENUES

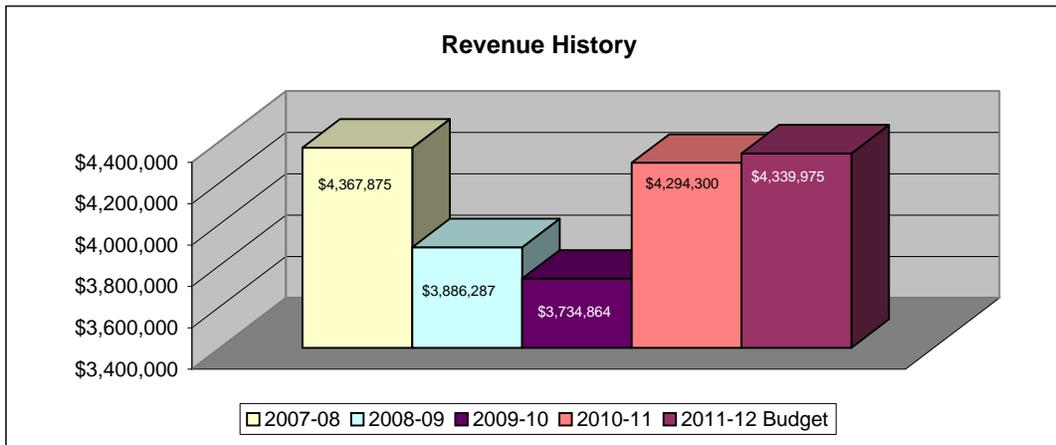
Account	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Est. Actual	2011-12 Budget	
<u>GENERAL FUND - 01</u>							
<u>Taxes</u>							
3010 Secured - Property Tax(Suppl/Pub Util)	\$ 1,327,951	1,347,358	1,304,806	1,279,300	1,312,000	1,312,000	1
3020 Unsecured - Property Tax	54,742	54,359	61,198	53,900	53,900	53,900	1
3030 Prior Years Property Tax (Sec/Unsec)	27,624	46,471	48,304	42,100	36,500	36,500	1
3035 Prop Tax in lieu of VLF	451,001	457,725	493,829	440,400	450,600	450,600	1
3040 Interest/Penalties(Sec PY Pen)	10,534	12,960	11,310	8,700	8,700	8,700	1
3120 Sales & Use Tax	182,217	159,085	95,683	135,000	138,400	96,400	2
3121 Sales & Use Tax - Public S.(1/2 Cent)	59,501	53,197	48,151	51,000	45,000	45,000	
3151 Business License Tax	38,037	36,553	35,284	36,000	33,600	34,000	
3160 Property Transfer Tax	31,953	28,614	36,785	34,500	38,000	38,000	1
SUBTOTAL	2,183,560	2,196,322	2,135,350	2,080,900	2,116,700	2,075,100	
<u>Intergovernmental</u>							
3520 Other Local Agency	7,290	21,640	18,222	26,400	29,000	12,000	3
3531 State Motor Vehicle Fees (VLF)	27,708	21,282	18,430	11,000	13,800	14,000	
3536 State Homeowners Property Relief	12,257	12,071	10,362	11,000	11,000	10,000	
3539 Other State Revenues	1,820	2,417	2,386	2,000	2,400	2,400	
SUBTOTAL	49,075	57,410	49,400	50,400	56,200	38,400	
<u>Licenses & Permits</u>							
3140 Franchise Fees	229,694	237,104	214,110	220,000	219,500	220,000	
3210 Building Permits	163,847	113,288	108,932	112,000	107,000	112,000	4
3220 Miscellaneous Permits (sign, film, etc.)	2,487	5,834	2,010	3,000	2,100	2,100	
3280 Encroachment Permits	28,438	12,635	13,744	11,000	11,700	11,300	
SUBTOTAL	424,466	368,861	338,796	346,000	340,300	345,400	
<u>Fines & Forfeitures</u>							
3302 Parking Citation Fees	23,001	17,363	21,309	15,000	15,000	15,000	
SUBTOTAL	23,001	17,363	21,309	15,000	15,000	15,000	
<u>Rental & Investment Income</u>							
3410 Investment Earnings	58,214	30,876	12,171	25,000	25,000	30,000	5
SUBTOTAL	58,214	30,876	12,171	25,000	25,000	30,000	
<u>Charges for Services</u>							
3152 Business License Administration Fee	-	60	17,461	21,000	17,700	17,700	
3610 Zoning Fees	20,275	22,500	9,625	16,000	14,500	15,000	
3611 Subdivision Fees(Tentative Map)	800	-	-	-	-	-	
3615 NPDES Fee	10,600	6,300	3,300	6,000	3,500	3,500	
3620 Grading Inspection/Issue Fees	1,790	900	1,000	3,000	-	3,000	
3625 Plan/Map Check Fees	5,000	550	3,000	3,000	-	3,000	
3630 Sewer Acreage Fees	4,064	-	-	-	-	-	
3640 Administrative Service Fees	5,306	2,992	1,444	3,000	1,500	1,500	
3642 Plans/Specs	895	2,580	2,900	3,000	4,200	3,000	
SUBTOTAL	48,730	35,882	38,730	55,000	41,400	46,700	
<u>Miscellaneous</u>							
3111 Nuisance Abatement	-	-	12,385	-	-	-	
3900 Miscellaneous	221,923	28,717	21,223	61,000	61,000	11,000	6
3901 Norris Repke Fine Contribution	26,250	-	-	-	-	-	
3902 City Council Chambers Support	4,649	4,127	6,243	6,000	8,000	6,000	
3906 City Council Chamber Cleaning Fee	640	315	705	700	600	500	
3907 Newsletter advertising revenue	1,550	-	-	-	-	-	
3908 Administrative Citations	-	861	68,303	8,000	2,700	2,000	
3950 Operating Transfer In	-	19,000	-	-	-	-	
SUBTOTAL	255,012	53,020	108,859	75,700	72,300	19,500	
TOTAL GENERAL FUND REVENUES	\$ 3,042,058	2,759,734	2,704,615	2,648,000	2,666,900	2,570,100	

SUMMARY OF REVENUES

Account	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Est. Actual	2011-12 Budget	
<u>GAS TAX FUND - 02</u>							
3410 Interest	\$ 7,886	4,829	1,112	900	300	300	
3534 Section 2105	24,910	43,055	33,813	33,200	33,200	34,000	7
3535 Section 2106	18,371	32,678	25,913	25,400	25,400	25,900	7
3536 Section 2107	33,196	57,545	44,954	44,300	44,300	45,200	7
3537 Section 2107.5	-	2,000	2,000	2,000	2,000	2,000	7
3539 Other State Revenues	400,000	-	-	-	-	-	
3900 Miscellaneous	-	7,831	-	3,000	-	-	
TOTAL GAS TAX REVENUES	\$ 484,363	147,938	107,792	108,800	105,200	107,400	
<u>AID TO CITIES FUND - 03</u>							
3410 Interest	\$ 175	2,014	751	600	300	300	
3515 Traffic Congestion Relief	-	73,970	56,832	14,608	14,600	-	
3520 Other Local Agencies	20,000	-	4,000	-	-	-	
3529 HUTA 2103	-	-	-	47,692	47,600	63,200	7
3533 State Park Grants	167,377	-	-	-	-	-	
3535 Other State Grants	5,000	55,000	5,000	-	-	-	
3950 Operating Transfer In	-	132,700	-	-	-	-	
TOTAL AID TO CITIES REVENUES	\$ 192,552	263,684	66,583	62,900	62,500	63,500	
<u>TRAFFIC SAFETY FUND - 04</u>							
3310 Motor Vehicle Code Fines	\$ 24,358	21,119	12,486	13,700	13,000	13,000	
3410 Interest	537	282	39	300	100	100	
TOTAL TRAFFIC SAFETY REVENUES	\$ 24,895	21,401	12,525	14,000	13,100	13,100	
<u>MEASURE M - LOCAL SALES TAX FUND - 05</u>							
3132 Measure M Transportation	\$ 70,116	61,982	53,984	48,000	48,000	70,300	8
3410 Interest	4,046	2,500	284	300	100	100	
3950 Operating Transfer In	-	70,000	-	-	-	-	
TOTAL MEASURE M - LOCAL SALES TAX REVENUES	\$ 74,162	134,482	54,268	48,300	48,100	70,400	
<u>ASSESSMENT DISTRICTS FUND - 06 (SEWER PUMP MAINTENANCE DISTRICT 1)</u>							
3110 Sewer Maintenance Assessments	\$ 12,313	15,154	14,006	14,000	14,000	14,000	
3410 Interest	679	412	171	300	100	100	
TOTAL ASSESSMENT REVENUES	\$ 12,992	15,566	14,177	14,300	14,100	14,100	
<u>CAPITAL IMPROVEMENT FUND - 07</u>							
3410 Interest	\$ 3,822	269	1,251	2,000	100	100	
3520 Other Agencies	-	29,337	213,248	600,800	795,600	252,623	
3535 Other State Grants	-	-	-	855,900	65,700	826,352	
3733 OCTA Arterial Highway Rehabilitation	-	233,596	-	-	-	-	
3950 Operating Transfers In	-	71,000	-	-	-	-	
TOTAL CAPITAL IMPROVEMENT REVENUES	\$ 3,822	334,202	214,499	1,458,700	861,400	1,079,075	
<u>AIR QUALITY MANAGEMENT FUND - 08</u>							
3410 Interest	\$ 307	185	56	200	100	100	
3532 AB 2766 AQMD	7,456	6,594	7,155	6,000	7,200	6,500	
TOTAL AQMD REVENUES	\$ 7,763	6,779	7,211	6,200	7,300	6,600	
<u>COPS FUND - 09</u>							
3410 Interest	\$ 8,316	643	629	600	300	300	
3532 AB 3229 COPS/SLESF	100,001	75,842	124,254	100,000	100,000	-	9
TOTAL COPS REVENUES	\$ 108,317	76,485	124,883	100,600	100,300	300	
<u>SEWER IMPROVEMENT FUND - 11 (CITY SEWER IMPROVEMENT & MAINTENANCE)</u>							
3410 Interest	\$ 9,614	3,377	1,521	1,200	300	300	
3530 Sewer Improvement Fee	407,337	412,769	423,497	415,000	415,000	415,000	
TOTAL SEWER IMPROVEMENT FUND REVENUES	\$ 416,951	416,146	425,018	416,200	415,300	415,300	

SUMMARY OF REVENUES

Account	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Est. Actual	2011-12 Budget
<u>CLEEP FUND - 12</u>						
3410 Interest	\$ -	2,570	232	200	100	100
3525 Other Agencies	-	-	3,061	-	-	-
TOTAL SEWER IMPROVEMENT FUND REVENUES	\$ -	2,570	3,293	200	100	100
TOTAL ALL FUNDS (WITH TRANSFERS)	4,367,875	4,178,987	3,734,864	4,878,200	4,294,300	4,339,975
Less Operating Transfers	-	(292,700)	-	-	-	-
TOTAL FISCAL YEAR REVENUES	\$ 4,367,875	3,886,287	3,734,864	4,878,200	4,294,300	4,339,975



- 1 After discussing projections with the County Assessor and Orange County Fire Authority, a flat projection in property taxes is conservatively assumed.
- 2 The economy is on a slow recovery and the City a flat projection in sales tax, less the one-time find of misallocated sales tax in Fiscal Year (FY) 2010-2011.
- 3 In FY 2010-11 the City received a one-time grant from Orange County Transportation Authority (OCTA) to aid in the PMP software conversion.
- 4 Per the Building Inspector, building activity is on the rise. It is projected that permit revenues will increase approximately 5% from 2010-11.
- 5 Investment earnings are anticipated to grow slightly as a result of the CD laddering and Agency laddering interest to be paid out in 2011-12.
- 6 A decrease in miscellaneous revenue in FY 2011-12 is realized as VPTV funds were recognized in FY 2010-2011.
- 7 Per the California Legislative Office, we are assuming that all gas tax money (HUTA) and Traffic Congestion Relief money (Prop 42) will be received.
- 8 In FY 2011-12 the City will be receiving additional Measure M funding as the M2 funding begins April 2011.
- 9 In FY 2011-12 we are assuming that the COPS Supplemental Law Enforcement Services Funding of \$100,000 will not be funded due to the State's Budget issues.

Summary of Expenditures - All Funds

Department	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Proposed	Change from Prior Year Est. Actual	
CITY COUNCIL	\$ 6,994	14,698	5,269	15,700	6,800	15,100	8,300	122%
CITY MANAGER	65,070	68,200	72,090	78,150	76,300	78,000	1,700	2%
CITY CLERK	104,576	95,371	67,870	78,400	75,700	72,700	(3,000)	-4%
FINANCE	117,401	130,087	121,548	129,200	127,000	130,200	3,200	3%
CITY ATTORNEY	46,667	44,648	46,654	48,000	46,000	50,000	4,000	9%
SUPPORT SERVICES	187,488	142,707	121,647	186,900	179,250	130,700	(48,550)	-27%
LAW ENFORCEMENT	1,219,547	1,102,245	1,185,904	1,221,200	1,200,600	1,193,100	(7,500)	-1%
EMERGENCY PREPAREDNESS	4,023	197	3,347	300	100	100	-	0%
CIVIC CENTER	65,967	129,513	66,808	68,200	70,100	71,900	1,800	3%
PUBLIC WORKS GENERAL	424,977	291,274	287,958	314,103	287,803	274,900	(12,903)	-4%
STREET MAINTENANCE	286,268	571,331	407,037	412,800	403,900	385,900	(18,000)	-4%
STORM DRAIN MAINTENANCE	115,155	48,603	64,172	143,610	143,410	58,400	(85,010)	-59%
CITY SEWER IMPROVEMENT/MAINT.	728,945	128,834	643,762	367,892	357,192	578,100	220,908	62%
BUILDING *	130,405	97,839	103,714	105,700	103,500	106,000	2,500	2%
SEWER PUMP MAINT. DIST. 1	5,469	12,100	9,756	14,100	10,400	14,200	3,800	37%
COMMUNITY PRESERVATION *	45,066	60,490	76,989	54,000	53,700	56,000	2,300	4%
PLANNING **	80,747	103,393	89,843	117,400	115,900	100,000	(15,900)	-14%
ENGINEERING **	130,806	110,371	67,352	105,100	82,000	90,300	8,300	10%
 SUBTOTAL	3,765,571	3,151,901	3,441,720	3,460,755	3,339,655	3,405,600	65,945	2%
CAPITAL IMPROVEMENTS	543,919	265,096	1,085,532	1,973,200	1,984,200	528,400	(1,455,800)	-73%
Operating Transfers	-	292,700	-	-	-	-	-	
TOTAL EXPENDITURES (WITH TRANSFERS)	4,309,490	3,709,697	4,527,252	5,433,955	5,323,855	3,934,000	(1,389,855)	-26%
Less Operating Transfers	-	(292,700)	-	-	-	-	-	
TOTAL ALL EXPENDITURES	\$ 4,309,490	3,416,997	4,527,252	5,433,955	5,323,855	3,934,000	(1,389,855)	

* - In order to improve the City's analysis of the Building and Community Preservation expenditures, management has separated the previous building department (Account Number 01-4230) into two new departments: Building 01-4400 and Community Preservation 01-4610.

** - In order to improve the City's analysis of the Planning and Engineering expenditures, management has separated the previous planning department (Account Number 01-4310) into two new departments: Planning 01-4620 and Engineering 01-4700.

Major Fiscal Changes in Expenditures for FY 2011-2012

A summary of changes to department line item amounts from previous estimated actual

City Council - no material changes from budget in FY 2010-11.

City Manager - 2% increase due to staff's budgeted merit increases.

City Clerk - 4% decrease as election expenses occur every other year.

Finance - 3% increase due to staff's budgeted merit increases.

City Attorney - 9% increase based on anticipated litigation over trash contract.

Support Services - 27% decrease due to VPTV capital overall purchases in FY 2010-11.

Law Enforcement - 1% net decrease due an increase in the annual law enforcement contract that is offset by an anticipated reduction in the SRO funding and services in FY 2011-12.

Civic Center - 3% increase based on painting required on public works building.

Public Works General - 4% reduction due to the purchase of a vehicle in FY 2010-11.

Street Maintenance - 4% decrease due to a one-time Rule 20A purchase in FY 2010-11.

Storm Drain Maintenance - 59% decrease due to the completion of the Valley storm drain failure in FY 2010-11.

City Sewer Improvement/Maintenance - 62% increase due to sewer condition TV monitoring project.

Building - 2% increase due to staff's budgeted merit increases.

Sewer Pump Maintenance Dist. 1 - no material changes from budget in FY 2010-11.

Planning - 14% decrease primarily due to the one-time cost of the EIR study for the General Plan performed in FY 2010-11.

Engineering - 10% increase based on an E&T Survey for speed limits that is required every five years and is being performed in FY 2011-12.

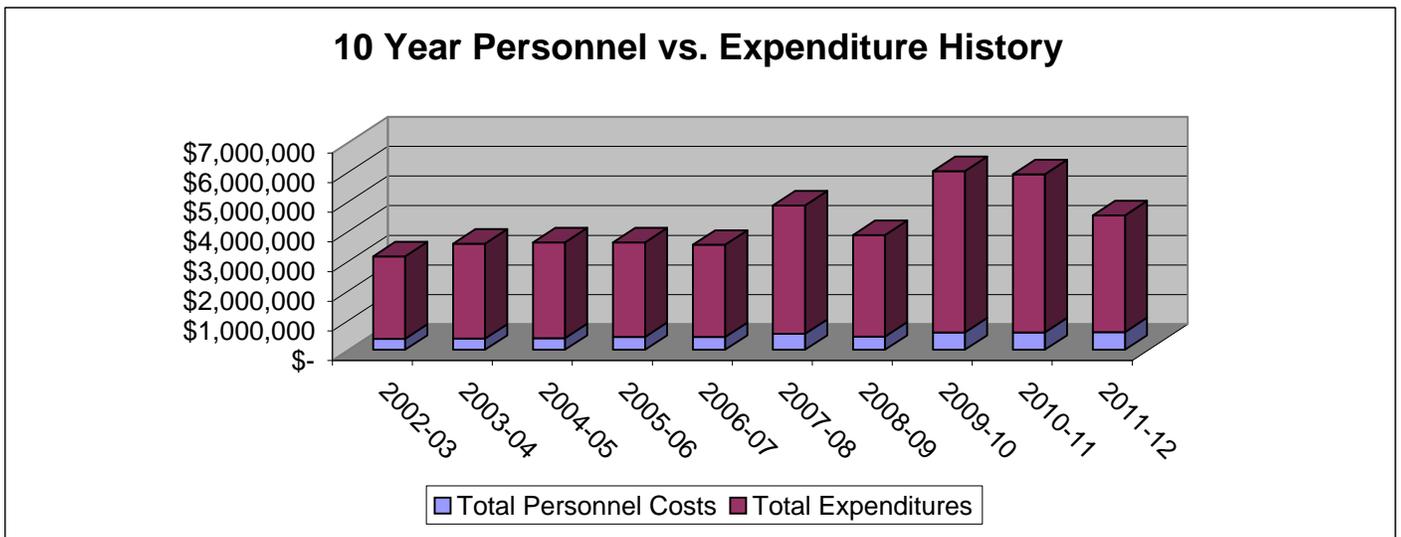
SALARY AND EMPLOYEE BENEFITS SUMMARY

Position	2010-2011		2011-2012		Personnel Percentages*	
	Total S&EB	Budgeted Salary	Employee Benefits	Total S&EB		
City Manager	\$ 178,749	134,229	49,259	183,488	2002-03	16.5%
Finance Director	88,395	72,017	18,575	90,592	2003-04	15.5%
Management Analyst	55,451	41,592	18,119	59,711	2004-05	11.8%
Maintenance Supervisor	90,784	64,906	25,697	90,604	2005-06	14.6%
Maintenance Worker I	68,057	43,344	21,622	64,966	2006-07	13.8%
Maintenance Overtime	5,000	5,000	-	5,000	2007-08	14.2%
Assistant City Manager/City Clerk	76,768	57,330	21,466	78,796	2008-09	14.2%
Office Assistant	17,693	15,600	4,398	19,998	2009-10	17.0%
Total	\$ 580,896	434,019	159,136	593,155	2010-11	17.5%
					2011-12	17.5%

* Personnel percentages are calculated by dividing operating expenditures, excluding capital expenditures, by total salaries and benefits.

Employee Position Count	FY 09/10	FY 10/11	Budgeted FY 11/12
City Manager	1	1	1
1 Assistant City Manager/ City Clerk	1	1	1
2 Finance Director	0.5	0.5	0.5
3 Management Analyst	1	1	1
Maintenance Supervisor	1	1	1
4 Maintenance Worker I	1	1	1
Office Assistant	0.5	0.5	0.5
Total Full Time Equivalent (FTE) Count	6	6	6 +

- 1 Previous titled Assistant to the City Clerk
- 2 Previously titled Finance Manager
- 3 Previously titled Management Assistant
- 4 Previously titled Maintenance I
- + Staffing levels have not changed in FY 2011-2012.



Expenditure Analysis by Fund
Fiscal Year 2010-2011 (Prior Year)

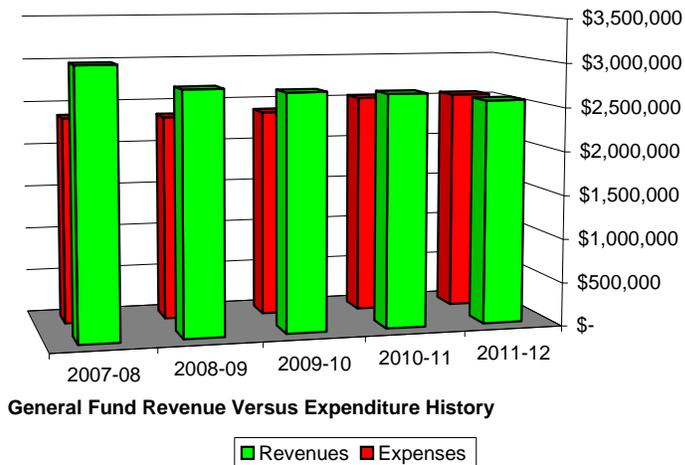
Department	2010-11 Estimated Expenditure	Measure M													
		General Fund (01)	Gas Tax (02)	Aid to Cities (03)	Traffic Safety (04)	- Local Sales Tax (05)	Assess District (06)	Capital Improv (07)	AQMD (08)	COPS (09)	Sewer Improv (11)	CLEEP (12)			
CITY COUNCIL	\$ 6,800	6,800	-	-	-	-	-	-	-	-	-	-	-	-	-
CITY MANAGER	76,300	76,300	-	-	-	-	-	-	-	-	-	-	-	-	-
CITY CLERK	75,700	75,700	-	-	-	-	-	-	-	-	-	-	-	-	-
FINANCE	127,000	127,000	-	-	-	-	-	-	-	-	-	-	-	-	-
CITY ATTORNEY	46,000	46,000	-	-	-	-	-	-	-	-	-	-	-	-	-
SUPPORT SERVICES	179,250	179,250	-	-	-	-	-	-	-	-	-	-	-	-	-
LAW ENFORCEMENT	1,200,600	1,096,600	-	-	-	13,500	-	-	-	-	-	-	83,500	-	7,000
EMERGENCY PREPAREDNESS	100	100	-	-	-	-	-	-	-	-	-	-	-	-	-
CIVIC CENTER	70,100	70,100	-	-	-	-	-	-	-	-	-	-	-	-	-
PUBLIC WORKS GENERAL	287,803	287,503	-	-	-	-	-	-	-	-	-	300	-	-	-
STREET MAINTENANCE	403,900	65,400	165,600	123,300	49,100	-	-	-	-	-	-	-	-	-	-
STORM DRAIN MAINTENANCE	143,410	143,410	-	-	-	-	-	-	-	-	-	-	-	-	-
CITY SEWER IMPRV/MAINT	357,192	-	-	-	-	-	-	-	-	-	-	-	357,192	-	-
BUILDING	103,500	103,500	-	-	-	-	-	-	-	-	-	-	-	-	-
SEWER PUMP MAINT. DIST. 1	10,400	-	-	-	-	10,400	-	-	-	-	-	-	-	-	-
COMMUNITY PRESERVATION	53,700	53,700	-	-	-	-	-	-	-	-	-	-	-	-	-
PLANNING	115,900	115,900	-	-	-	-	-	-	-	-	-	-	-	-	-
ENGINEERING	82,000	82,000	-	-	-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	3,339,655	2,529,263	165,600	123,300	13,500	49,100	10,400	-	300	83,500	357,192	7,000			
CAPITAL IMPROVEMENTS	1,984,200	554,300	-	-	-	-	-	1,429,900	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 5,323,855	3,083,563	165,600	123,300	13,500	49,100	10,400	1,429,900	300	83,500	357,192	7,000			

Expenditure Analysis by Fund
Fiscal Year 2011-2012

Department	2011-12 Proposed	General Fund (01)	Gas Tax (02)	Aid to Cities (03)	Traffic Safety (04)	Measure M					Sewer Improv (11)	CLEEP (12)	
						- Local Sales Tax (05)	Assess District (06)	Capital Improv (07)	AQMD (08)	COPS (09)			
CITY COUNCIL	\$ 15,100	15,100	-	-	-	-	-	-	-	-	-	-	-
CITY MANAGER	78,000	78,000	-	-	-	-	-	-	-	-	-	-	-
CITY CLERK	72,700	72,700	-	-	-	-	-	-	-	-	-	-	-
FINANCE	130,200	130,200	-	-	-	-	-	-	-	-	-	-	-
CITY ATTORNEY	50,000	50,000	-	-	-	-	-	-	-	-	-	-	-
SUPPORT SERVICES	130,700	130,700	-	-	-	-	-	-	-	-	-	-	-
LAW ENFORCEMENT	1,193,100	1,127,300	-	-	13,100	-	-	-	-	-	45,000	-	7,700
EMERGENCY PREPAREDNESS	100	100	-	-	-	-	-	-	-	-	-	-	-
CIVIC CENTER	71,900	71,900	-	-	-	-	-	-	-	-	-	-	-
PUBLIC WORKS GENERAL	274,900	274,900	-	-	-	-	-	-	-	-	-	-	-
STREET MAINTENANCE	385,900	184,900	68,500	84,000	-	48,500	-	-	-	-	-	-	-
STORM DRAIN MAINTENANCE	58,400	58,400	-	-	-	-	-	-	-	-	-	-	-
CITY SEWER IMPRV/MNT/MAINT	578,100	-	-	-	-	-	-	-	-	-	-	578,100	-
BUILDING	106,000	106,000	-	-	-	-	-	-	-	-	-	-	-
SEWER PUMP MAINT. DIST. 1	14,200	-	-	-	-	-	-	14,200	-	-	-	-	-
COMMUNITY PRESERVATION	56,000	56,000	-	-	-	-	-	-	-	-	-	-	-
PLANNING	100,000	100,000	-	-	-	-	-	-	-	-	-	-	-
ENGINEERING	90,300	90,300	-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	3,405,600	2,546,500	68,500	84,000	13,100	48,500	14,200	-	45,000	578,100	7,700	-	-
CAPITAL IMPROVEMENTS	528,400	486,400	20,000	-	-	-	-	22,000	-	-	-	-	-
TOTAL ALL EXPENDITURES	\$ 3,934,000	3,032,900	88,500	84,000	13,100	48,500	14,200	-	45,000	578,100	7,700	-	-
Administration	\$ 476,700	The City Budget can be thought of as five distinct parts: Administration (to include the departments of City Council, City Manager, City Clerk, Public Safety, City Attorney and Support Services); Public Safety (Law Enforcement and Emergency Preparedness); Development Services (to include Building, Community Preservation, Planning, and Engineering); Public Works (to include Civic Center, Public Works General, Street Maintenance, Storm Drain Maintenance, City Sewer Improvement and Sewer Pump Maintenance); and, Capital Improvements (Capital Improvement projects and infrastructure).											
Public Safety	1,193,200												
Development Services	352,300												
Public Works	1,383,400												
Capital Improvements	528,400												
	<u>\$ 3,934,000</u>												

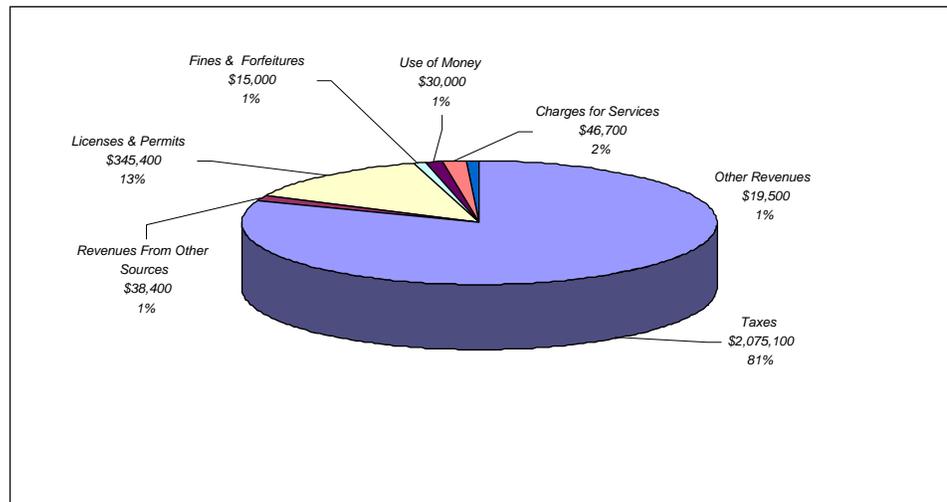
General Fund Review

	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Est. Actual	2011-2012 Budgeted	Change From Prior Year	
						In \$	In %
Financial Sources:							
Property Taxes	1,871,852	1,918,873	1,919,447	1,861,700	1,861,700	\$ -	0%
Sales & Use Tax	182,217	159,085	95,683	138,400	96,400	(42,000)	-30%
Sales & Use Tax - Public S.	59,501	53,197	48,151	45,000	45,000	-	0%
Business License Tax	38,037	36,553	35,284	33,600	34,000	400	1%
Property Transfer Tax	31,953	28,614	36,785	38,000	38,000	-	0%
State Motor Vehicle Fees (VLF)	27,708	21,282	18,430	13,800	14,000	200	1%
State Homeowners Prop. Relief	12,257	12,071	10,362	11,000	10,000	(1,000)	-9%
Other Agency Revenue	9,110	24,057	20,608	31,400	14,400	(17,000)	-54%
Licenses & Permits	424,466	368,861	338,796	340,300	345,400	5,100	1%
Fines, Forfeitures & Penalties	23,001	17,363	21,309	15,000	15,000	-	0%
Charges for Current Services	48,730	35,882	38,730	41,400	46,700	5,300	13%
Revenue from Use of Monies	58,214	30,876	12,171	25,000	30,000	5,000	20%
All Other Revenues	255,012	53,020	108,859	72,300	19,500	(52,800)	-73%
Total Financial Sources	3,042,058	2,759,734	2,704,615	2,666,900	2,570,100	(79,800)	-3%
Expenditures:							
City Council	6,994	14,698	5,269	6,800	15,100	8,300	122%
City Manager	65,070	68,200	72,090	76,300	78,000	1,700	2%
City Clerk	104,576	95,371	67,870	75,700	72,700	(3,000)	-4%
Finance	117,401	130,087	121,548	127,000	130,200	3,200	3%
City Attorney	46,667	44,648	46,654	46,000	50,000	4,000	9%
Support Services	152,880	142,707	121,647	179,250	130,700	(48,550)	-27%
Law Enforcement	988,200	1,002,105	1,084,221	1,096,600	1,127,300	30,700	3%
Emergency Preparedness	4,023	197	3,347	100	100	-	0%
Civic Center	65,967	129,513	66,808	70,100	71,900	1,800	3%
Public Works	273,670	277,059	265,929	287,503	274,900	(12,603)	-4%
Street Maintenance	38,711	27,145	128,178	65,400	184,900	119,500	183%
Storm Drain Maintenance	115,155	48,603	64,172	143,410	58,400	(85,010)	-59%
Building	130,405	97,839	103,714	103,500	106,000	2,500	2%
Community Preservation	45,066	60,490	76,989	53,700	56,000	2,300	4%
Planning	80,747	103,393	89,843	115,900	100,000	(15,900)	-14%
Engineering	130,806	110,371	67,352	82,000	90,300	8,300	10%
Total Budget Expenditures	2,366,338	2,352,426	2,385,631	2,529,263	2,546,500	17,237	1%
Net Increase (Decrease) In Fund Before Capital Project Expenditures	675,720	407,308	318,984	137,637	23,600		



Analysis of General Fund Revenues

The following chart illustrates the anticipated sources of General Fund revenues for Fiscal Year 2011-2012:



The seven revenue sources that comprise the City's discretionary General Fund revenues are taxes; revenues from other sources; licenses & permits; fines, forfeitures & penalties; charges for services; use of money (investment earnings); and other revenues (miscellaneous revenues). The four primary sources are discussed below.

Taxes

Property tax receipts represent approximately 72% of the total General Fund Revenue while all taxes are 81%. The property tax revenue is derived from the City's share of the one-percent basic levy on the assessed valuation of real property within the City of Villa Park. The assessed valuation is equal to the market price when real estate is sold, but limited by the California State Constitution (Proposition 13) to a 2% annual increase thereafter. This has the effect of limiting growth in this revenue source to less than the average inflation rate unless (1) property is resold in an appreciating real estate market, or (2) significant new development activity bolsters the remaining stagnating tax base. There are no significant opportunities for future development activities in the City of Villa Park, as the city is 99% built out.

Based on analysis provided by the County Assessors office, property tax revenue for Fiscal Year 2011-12 is projected to remain flat. Property Tax in-lieu of Vehicle License Fees (see below) is included in the Taxes category for computation of revenues.

Sales tax revenue is derived from one percent of the sales price on taxable products sold within the City of Villa Park. The City's primary source of sales tax revenue is derived from the Villa Park Towne Centre; however, there is sales tax derived from home occupations. In FY 2010-11 the City received a one-time find of \$42,000 of misallocated sales tax. Based on a multi-year trend analysis the City is assuming a flat projection in sales tax revenue for FY 2011-12.

Business License Tax is imposed upon any business, trade, profession, or occupation specified in the City's business license ordinance. Any change to the Business License Tax levy would require voter approval. Although we are in a slow economic recovery, the business license trend analysis assumes a flat projection for this revenue stream.

Revenue from Other Sources

There are three primary funding sources for this classification: Other Local Agency, State Homeowners Property Relief and State Motor Vehicle Fees.

Other Local Agency monies represent various funding received from local agencies that support various general fund expenditures within the City. In FY 2010-11, the City received one-time funding from OCTA for \$20,000 to fund the required conversion of the City's Pavement Management Program (PMP) from StreetSaver Online to MicroPAVER. Excluding this funding, other local agency monies are projected to remain flat in FY 2011-2012.

State Homeowners Property Relief is state funds directed to local governments to pay for the property tax exemption claimed by homeowners.

Additionally, the City receives vehicle license fees from the State based on car registration. This revenue was reduced by the Governor and Legislature starting in 1998. However, the passage of proposition 1A by the people of the State of California permanently reduced the Motor Vehicle License Fee from 2% for 65% of the value of the automobile. These fees are from the registration of vehicles throughout the state and are distributed to the cities and counties by the state based largely on population. To replace these constitutionally guaranteed fees, the implementation of a "Property Tax in Lieu of Motor Vehicle in Lieu Fees" was enacted and is now a significant revenue source for the City which increases based on property valuation. Since they are property taxes, they are included now in the Taxes category.

Licenses & Permits

The four sources of revenue for this classification are franchise fees, building permits, miscellaneous permits such as film permits, and encroachment street & curb permits.

Franchise fees are received from various utility and video services company(s) that have legal contracts with the City to provide services to its residents. Franchise fees are projected to remain flat in FY 2011-12.

Building activity is projected to see a slight increase in the City for Fiscal Year 2011-2012. The revenue for this account is budgeted \$5,000 more than the prior fiscal year, which is consistent with the estimates prepared by the City's Building Official.

Encroachment street & curb permits are issued for construction of driveways, curbs, or streets by residents or utility companies.

Charges for Services

Charges for services consist of a variety of City provided services, however the most significant service provided is made up of zoning fees.

Zoning fees include, but are not limited to, variance and conditional use permits, site plan reviews, general plan amendments, and lot line adjustments. These fees are based on staffs' time for reviewing projects that are required to be in compliance with the State and City building codes.

All Other Revenues

All other revenues consist mainly of nuisance abatement revenue, administrative citations, investment earnings, and miscellaneous revenues. Nuisance abatement and administrative citations are two revenue streams that are a direct result of the City placing liens on residential properties for non-compliance with City codes. However, the current trends indicate a significant decrease in these revenues, as long as the City does not have a large number of non-compliant property owners. With the start of the Community Preservation Program in 2010, the compliance rate for community preservation actions remains high.

Investment earnings are the accumulation of interest earnings on the money the City has invested. In FY 2010-2011, the City began

investing its long-term reserve money in a five-year CD ladder. This strategy has given the City a greater return on its investments while still maintaining a high level of safety and liquidity required by the Government Code. Because of this increase in earnings, the City is additionally diversifying its investments into a five-year Government Security ladder, which represents an anticipated increase in revenue of \$5,000 in FY 2011-2012.

Miscellaneous revenues represent a variety of small non-routine revenues. In FY 2010-2011, the City received approximately \$50,000 from VPTV as a reimbursement for the one-time capital expenditures used during the reorganization of VPTV. Excluding these one-time monies, the City projects miscellaneous revenues to remain flat in FY 2011-2012.

General Fund Reserves

A long term policy of prudent management and conservative spending has placed the City of Villa Park in a secure financial position. Fiscal stability will allow the City to respond to fiscal changes at the State level and prepare for emergency situations that may arise.

The City Council adopted Resolution 2011-3158, which establishes a formal policy regarding financial reserves. The policy establishes undesignated General Fund reserves, along with a formula that will recognize interest earnings to grow that reserve until it reaches 40% of General Fund expenditures.

The allowable uses of General Fund Reserves include insulating General Fund programs and current service levels from large and unanticipated one-time expenditure requirements. The use of reserves may also offset revenue reductions due to a change in state or federal legislation, impacts from adverse litigation or environmental occurrences/disasters, safety issues, or similar unforeseen action and economic uncertainty to include the continual State budget deficit. Use of reserves in any of these circumstances would require a four-fifths vote of the City Council.

The Council's reserve policy also establishes designated reserves for anticipated future expenditures, such as vehicle replacement, infrastructure replacement, and accrued employee leave.

For Fiscal Year 2011-2012, the proposed undesignated General Fund Reserve level is \$759,800. This level is approximately 30% of the General Fund revenues projected to be received during the fiscal year. In addition, \$100,800 is proposed to be set aside in designated General Fund Reserves for future use for infrastructure and vehicle replacement, as well as accrued employee leave.

The undesignated Reserve is declining this year by \$100,000 as a direct result of the remediation of the safety hazard created by the deterioration of the City Hall Façade. Management has recommended restoring the \$100,000 to the undesignated Reserve by adding an additional \$20,000 to the fund balance every year for the next five years, beginning in FY 2012-13.

In Fiscal Year 2011-12 the City is anticipating no direct General Fund impacts due to the ongoing State budget crisis and the State's potential diversion of funds from the City. While the FY 2011-12 budget does not necessitate the use of reserves as a result of state impacts, these remain a potential threat to the City's financial position.

The proposed budget continues all operating services at their present levels. On-going revenues are sufficient to cover all foreseeable on-going operational expenditures.

Other Funds

Other Funds included in the City of Villa Park budget are:

- Special Revenue Funds
- Capital Project Fund
- Internal Service Fund
- Fiduciary Funds

Special Revenue Funds

Special Revenue Funds

Special Revenue Funds account for activities funded by special purpose revenue that is legally restricted to specific use expenditures. The balance of the special revenue funds reflect one-time or limited duration funding from grants or the State of California and may take several fiscal years to properly expend the funds.

The on-going special revenue funds are:

- Gas Tax
- Traffic Safety
- Local Sales Tax
- Sewer Pump Maintenance District 1 (Sycamore Circle)
- Air Quality Management District
- City-wide Sewer Improvement/Maintenance

Gas Tax Fund

This fund supports funding for the annual pavement rehabilitation project to repair/reconstruct the City's streets and roads. These funds are legally restricted for use in maintaining roads and streets. The revenue projections for the gas tax fund are from the California State Controllers shared revenue estimates; and per the California Legislative Office, the City is anticipating receiving all Highway Users Tax Account money for Fiscal Year 2011-2012. The gas tax is apportioned on vehicle registration assessed valuation and population, therefore as the population and assessed value of registered vehicles changes, and as the population changes, the apportionment received is adjusted accordingly.

Traffic Safety Fund

This fund supplements public safety costs to the City through revenue received from moving violations.

Single Purpose
Special Revenue
Funds

Local Sales Tax (Measure M) Fund

This fund accounts for revenues received from the County's ½ cent local sales tax called Measure "M". Measure M is a voter approved tax used to fund improvement projects specifically for transportation, freeways, transit, and roads.

Sewer Pump Maintenance District 1 Fund

The development of tract number 10523 and tract number 13204 required the construction of a sewer pump station that serves only the properties within the two tracts. It is considered appropriate that the owners of the properties served by the pump station pay for the operation and maintenance of this station.

Air Quality Management District Fund

This fund accounts for revenues received from the South Coast Air Quality Management District to implement air quality improvement policies and programs. Revenues for Fiscal Year 2011-2012 will be used to for the School Site Traffic Improvements project to reduce fuel emissions.

City-wide Sewer Maintenance/Improvement Fund

The City-wide Sewer Maintenance/Improvement fund collects a Sewer Service User Charge from each school, commercial, and government parcel within the City of Villa Park. The funds are used to maintain/improve the public sewer system in good to excellent operating condition and to meet current and future requirements as set forth by the State Water Quality Control Boards. The Sewer Service User Charge is based on the annual revenue requirements to operate and maintain the City sewer system and cannot be used for any other purpose.

Additional Special Revenue funds can be categorized as the following:

- Aid to Cities Fund
- COPS Fund (Supplemental Law Enforcement Services)
- CLEEP Fund (California Law Enforcement Equipment Program)

These categories of special revenue funds are single purpose funds receiving revenue from specific grants and will be included on the schedule with beginning fund balance, expected revenues and expenditures, and projected ending fund balance as legally applicable.

Aid to Cities Fund

This fund accounts for revenue received from federal, state, county, and other local agencies used for a specific project. Typical revenue is in the form of grants, so the Aid to Cities Fund fluctuates from year to year based on the City's ability to obtain grant funding.

Citizens' Option Public Safety Fund

This fund accounts for a grant received from the State of California for Supplemental Law Enforcement Services. The grant is usually in the amount of \$100,000 and can only be used for front line law enforcement above regular contract services. The grant is subject to an annual approval, and it is not anticipated to be funded in Fiscal Year 2011-2012.

California Law Enforcement Equipment Program Fund

This fund accounts for a grant received from the State of California for California Law Enforcement Equipment purchases. The grant is was a one-time grant received in 2001 to stimulate homeland security among local law enforcement. These funds can only be used for law enforcement equipment purchases.

Capital Projects Fund

Capital Projects Fund

The Capital Projects Fund is used to account for the construction of major capital facilities for the City of Villa Park. Revenues credited to the Capital Projects Fund are direct grant revenues received for a particular project or funds specifically placed (banked) within the budget process for future year projects as a means to save for a project. Capital projects are determined during the budget process in conjunction with the City Engineer and the Budget & Finance Committee.

This fiscal year the City will rehabilitate the City Hall Façade; redesign the Mesa Street Guardrail Curb and Gutter and improve School Site Traffic areas.

Internal Service Fund

Internal Service Fund

The Employee Benefits Fund is an internal service fund and was created as a result of the various inter-departmental functions each employee performs. Due to the fact that there are only five full time and two part-time budgeted employees, each employee is required to perform many functions across many departments. Benefits attributed

Fiduciary Fund

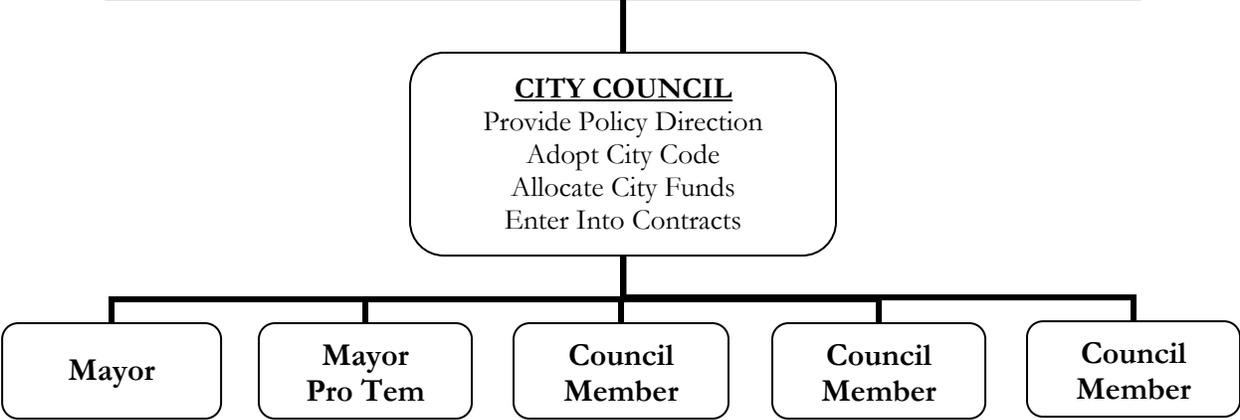
to each employee are allocated to various departments depending upon the employee's time spent in each department to reflect proper costs recognized in that department.

Fiduciary Fund

The City operates a fiduciary fund. Formerly called the Trust and Agency fund, it has been renamed to the Street Improvement Fund to follow the terminology used in the audited Financial Statements. The Street Improvement Fund is used to account for assets held by the City as an agent or trustee for individuals, private organizations, other governments and/or funds. Funds are received in the form of bonds required by the City for construction activities. The bonds cover potential damage, in the course of the activity, that may impact the City's streets or public right-of-ways.

Departmental Information

Office of the City Council



The City Council is comprised of five (5) individuals who are each elected to a four (4) year term. The City Council is the policy making and legislative body of the City of Villa Park. The City Council holds the authority over all legislative matters concerning the City, adopting all ordinances and resolutions. The Council also exercises its authority other matters requiring overall policy decisions and leadership.

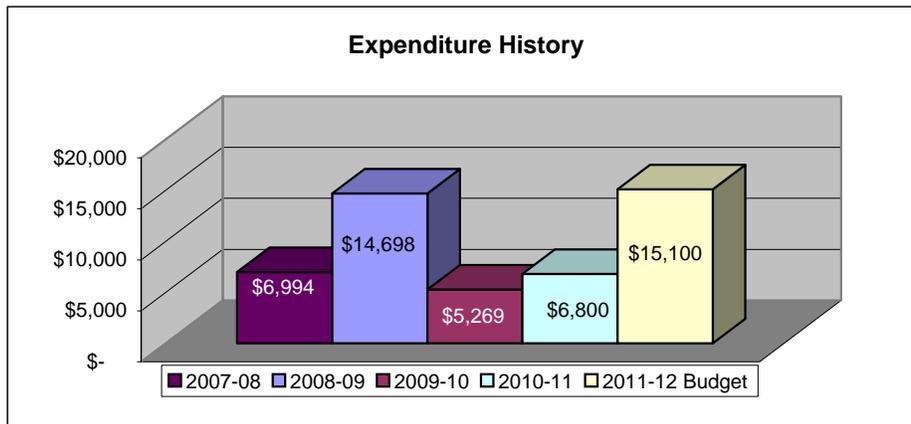
The City Council appoints the City Manager and City Attorney as well as the Villa Park Community Services Foundation Board and Investment Advisory Committee members. The Council may appoint other citizen committees to ensure broad-based citizen input in the City’s affairs. In reaching policy decisions, the City Council reviews proposals designed to meet community needs and sustain service levels; directs staff to initiate new programs or update existing services; and oversees the financial condition of the City.

The City Council for the City of Villa Park is the only non-compensated City Council in Orange County. The Mayor and Mayor Pro Tem are selected by their fellow Council Members annually. The Mayor is the presiding officer at City Council meetings.

Department
Administration
Division
4110 - City Council

Funding Sources
General Fund - 01

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services (Council Support Staff)</u>							
4101	Salaries - Full Time	\$ 163	-	735	-	-	-
4112	Salaries - Part Time	946	1,396	-	1,600	1,400	1,600
4132	Fringe Benefits - Part Time	299	180	-	300	300	500
	Total Personnel Services	1,408	1,576	735	1,900	1,700	2,100
<u>Maintenance and Operations</u>							
5105	Operating Supplies	871	2,615	517	1,300	1,300	500
5390	Contract Services	-	193	789	-	-	-
5630	Development Seminars	2,437	4,109	1,104	6,000	-	6,000
5701	Travel & Meetings	2,278	2,403	2,124	6,500	3,800	6,500
	Total Maintenance and Operations	5,586	9,320	4,534	13,800	5,100	13,000
<u>Capital Outlay</u>							
6100	Equipment	-	3,802	-	-	-	-
	Total Capital Outlay	-	3,802	-	-	-	-
	Total Division Budget	\$ 6,994	14,698	5,269	15,700	6,800	15,100



¹⁰ Total Development Seminars (5630) and Travel & Meetings (5701) are allocated in the amount of \$3,000 for the Mayor and \$2,000 for each of the other Councilmembers for a total Councilmembers expenditure budget of \$11,000.

Department
Administration
Division
4110 - City Council

Funding Sources
General Fund - 01

Account Description

5105 - Operating Supplies

Cost of plaques, special items of recognition, City Council photos (\$800 every two years), Sheriff recognition, and business cards.

5390 - Contractual Services/Special

Provides for temporary office help.

5630 - Development Seminars

Technical Workshops and conventions for Councilmember training. Each City Councilmember is allocated \$1,000 for seminars and the Mayor is allocated \$2,000 for the year. These costs include attendance to the Annual League of California City conference and other Council oriented seminars.

5701 - Travel & Meetings

City Council attendance to various meetings. Each City Councilmember is allocated \$1,000 for travel and meetings throughout the year. These costs include attendance to monthly OC Division of League of Cities meetings and local meetings as required. An additional \$1,500 is budgeted for the council meeting refreshments, Sheriff Medal of Valor meeting, and various Sheriff appreciation items.

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The City Manager is appointed by the City Council and is the Chief Executive Officer of the City. The City Manager is responsible for the efficient and effective operation of all City department programs and services. The Assistant City Manager supports the City Manager in the supervision of operations. The Management Analyst performs a variety of highly responsible and complex technical and administrative activities in support of the City Manager and Assistant City Manager.

The Assistant City Manager is the City Clerk for the City of Villa Park. The City Manager serves as the Planning and Building, Public Works, Public Safety and Engineering Director.

2010-11 Accomplishments

Completed virtually every item in the Priorities and Work Plan adopted by the City Council. Provided monthly comprehensive updates to the City Council and community regarding City operations.

Managed the ambitious capital improvement program, including major projects on Lemon Street and Taft Avenue.

Implemented various new policies and procedures to improve efficiency and accountability in the organization.

2011-12 Goals

Successfully implement the City's FY 2011-12 Work Plan.

Manage the capital improvement program, including major City Hall Façade Improvements.

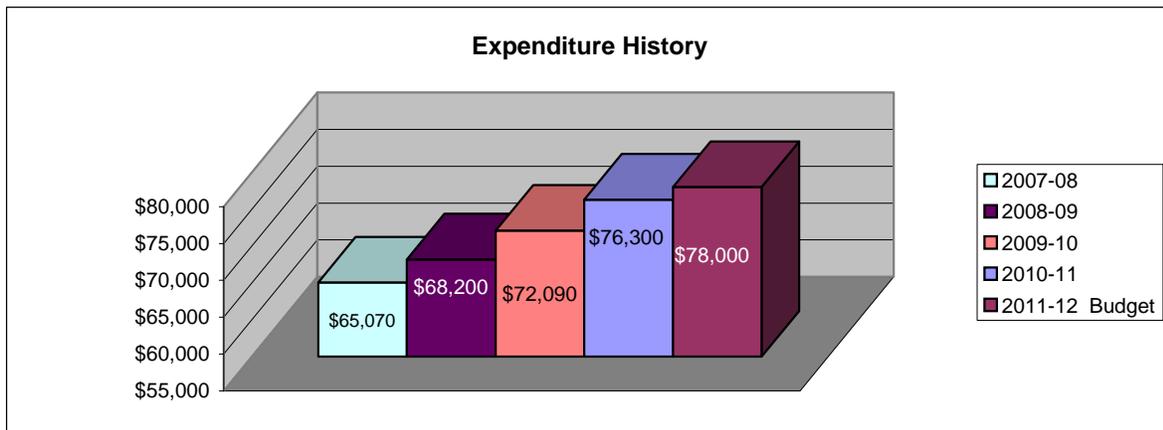
Encourage the improvement of Villa Park Towne Centre through strong public-private partnerships.

Manage the 50th year anniversary celebration for the City of Villa Park.

Department
 Administration
Division
 4120 - City Manager

Funding Sources
 General Fund - 01

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 43,633	32,095	43,566	45,700	45,700	48,100
4112	Salaries - Part Time	-	538	-	1,600	1,400	1,600
4131	Fringe Benefits - Full Time	16,936	13,472	19,024	18,400	18,600	17,900
4132	Fringe Benefits - Part Time	-	-	-	300	300	500
Total Personnel Services		60,569	46,105	62,590	66,000	66,000	68,100
<u>Maintenance and Operations</u>							
5105	Operating Supplies	40	154	308	300	100	100
5308	Contractual Services-Special	60	75	-	-	-	-
5390	Contractual Services	-	900	4,650	6,050	5,000	5,000
5394	Contractual Services-ICM	-	16,906	-	-	-	-
5625	Dues & Publications	2,184	1,075	642	700	700	800
5630	Development Seminars	1,389	1,922	3,042	2,000	2,000	2,000
5701	Travel & Meetings	828	1,063	858	3,100	2,500	2,000
Total Maintenance and Operations		4,501	22,095	9,500	12,150	10,300	9,900
Total Division Budget		\$ 65,070	68,200	72,090	78,150	76,300	78,000



Department
Administration
Division
4120 - City Manager

Funding Sources
General Fund - 01

Account Description

5105 - Operating Supplies

Provides for various office supplies specific to the City Manager, to include business cards, calendar, etc.

5308 - Contractual Services/Special

Provides for temporary office help.

5390 - Contractual Services

Provides for contractual services used to perform miscellaneous services authorized by the City Manager, including our Sales Tax monitoring agreement with MuniServices.

5625 - Dues & Publications

Membership in professional organizations and purchase of professional journals and books - to include membership in Women Leading Government - \$100, National Association in Telecommunications of Officers and Advisors - \$100, California City Managers Foundation - \$500 and Municipal Management Association of Southern California for membership for Management Analyst - \$100.

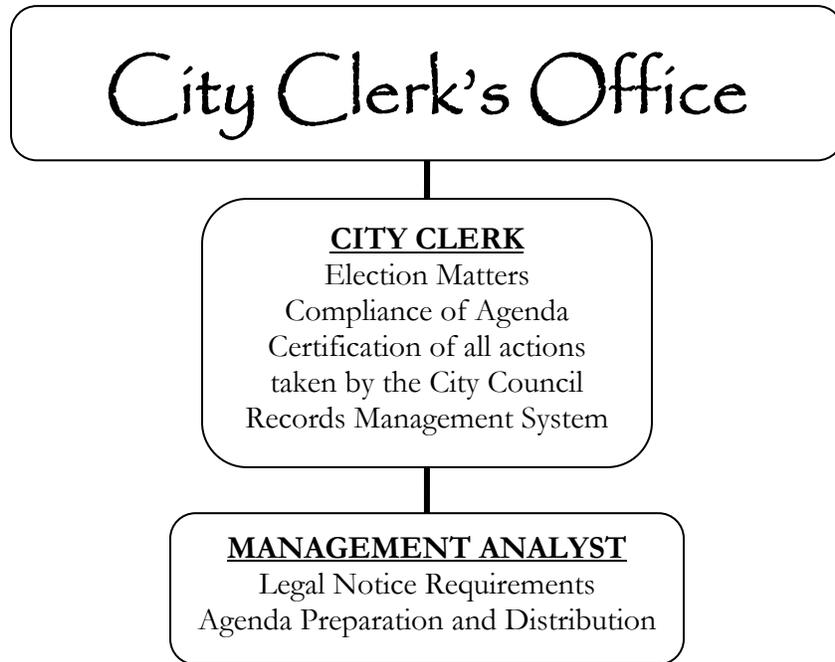
5630 - Development Seminars

Technical Workshops for staff training to be specifically approved by the City Manager. Trainings to include OC League of Cities conferences - \$2,000.

5701 - Travel & Meetings

City manager attended meetings such as: Orange County City Managers Meetings - \$600; CJPIA Risk Management Training; and other meeting & miscellaneous City related travel; along with Liebert & Cassidy training for all staff - \$1,000.

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The Assistant City Manager (ACM) serves as the City Clerk. The City Clerk is the custodian of records for the City of Villa Park and the City's Election Official responsible for all General Municipal and Special Elections. The City Clerk is also responsible for assuring compliance with the Brown Act (open meeting law).

The ACM/City Clerk is a full-time position that also carries other responsibilities within the City. The Management Analyst position provides support as needed for all administrative duties assigned by the City Clerk including meeting minutes, records management, and compliance. The part-time Office Assistant serves as a Deputy City Clerk. Volunteer management interns also prepare proclamations and certificates and coordinates with recipients for scheduling on Council agenda; duplicate and distribute agenda packets.

2010-11 Accomplishments

Implemented the City's records retention program, and with Council approval destroyed obsolete and unnecessary documents to free up storage space.
 Successfully conducted November 2010 election.

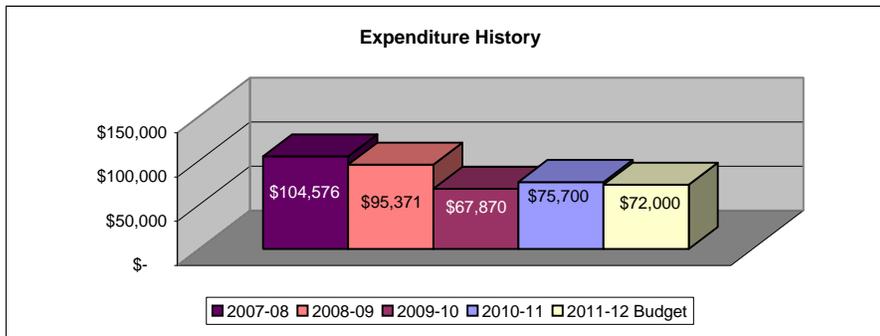
2011-12 Goals

Provide and maintain records in accordance with the laws of the State of California.
 Continue the digitalization of Resolutions, Ordinances, and Minutes for storage and review.
 Continue to provide access to the City's official record and legislative documents in as many different mediums as possible.
 As part of the IT strategy for City operations, evaluate options for online records retrieval software.

Department
Administration
Division
4130 - City Clerk

Funding Sources
General Fund - 01

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 55,040	27,282	41,605	42,200	42,200	44,700
4112	Salaries - Part Time	2,432	18,927	1,469	3,200	2,700	3,200
4131	Fringe Benefits - Full Time	40,709	18,543	17,887	17,600	17,800	17,200
4132	Fringe Benefits - Part Time	597	287	-	500	600	900
Total Personnel Services		98,778	65,039	60,961	63,500	63,300	66,000
<u>Maintenance and Operations</u>							
5105	Operating Supplies	579	111	167	400	200	400
5108	Legal Notices/Recordings	2,012	1,192	1,418	2,000	1,600	2,000
5308	Contractual Svcs	840	1,435	1,579	-	-	-
5390	Contractual Svcs/Special	1,793	3,560	2,265	2,300	2,300	2,500
5394	Contractual Services-ICM	-	11,271	-	-	-	-
5625	Dues & Publications	325	270	270	400	300	300
5630	Development Seminars	200	1,430	515	1,500	500	500
5701	Travel & Meetings	49	54	695	300	-	1,000
5810	Election Expenses	-	11,009	-	8,000	7,500	-
Total Maintenance and Operations		5,798	30,332	6,909	14,900	12,400	6,700
Total Division Budget		\$ 104,576	95,371	67,870	78,400	75,700	72,700



¹¹ An election is held every two years, and FY 2011-12 is the off election year.

Department
Administration
Division
4130 - City Clerk

Funding Sources
General Fund - 01

Account Description

5105 - Operating Supplies

Provides for various office supplies specific to the City Clerk function, to include business cards, calendars, and minute books (budgeted every 2-3 years).

5108 - Legal Notices/Recordings

Provides for various legal notices and recordings required for operation to include Variances, CUPS, Ordinances, and Negative Declarations. Some of these costs are reimbursed through the permitting process.

5308 - Contractual Services

Provides for temporary office help.

5390 - Contractual Services/Special

Provides for the Municipal California State Code Supplements and Updates and online postings.

5625 - Dues & Publications

Provides for membership in professional organizations and purchase of professional journals and publications. Include CA City Clerks Association dues - \$150, and \$100 of dues for Municipal Management Association of Southern California for City Clerk.

5630 - Development Seminars

Technical Workshops for staff training to include Personnel, Election Laws and Procedures. Must be approved by the City Manager.

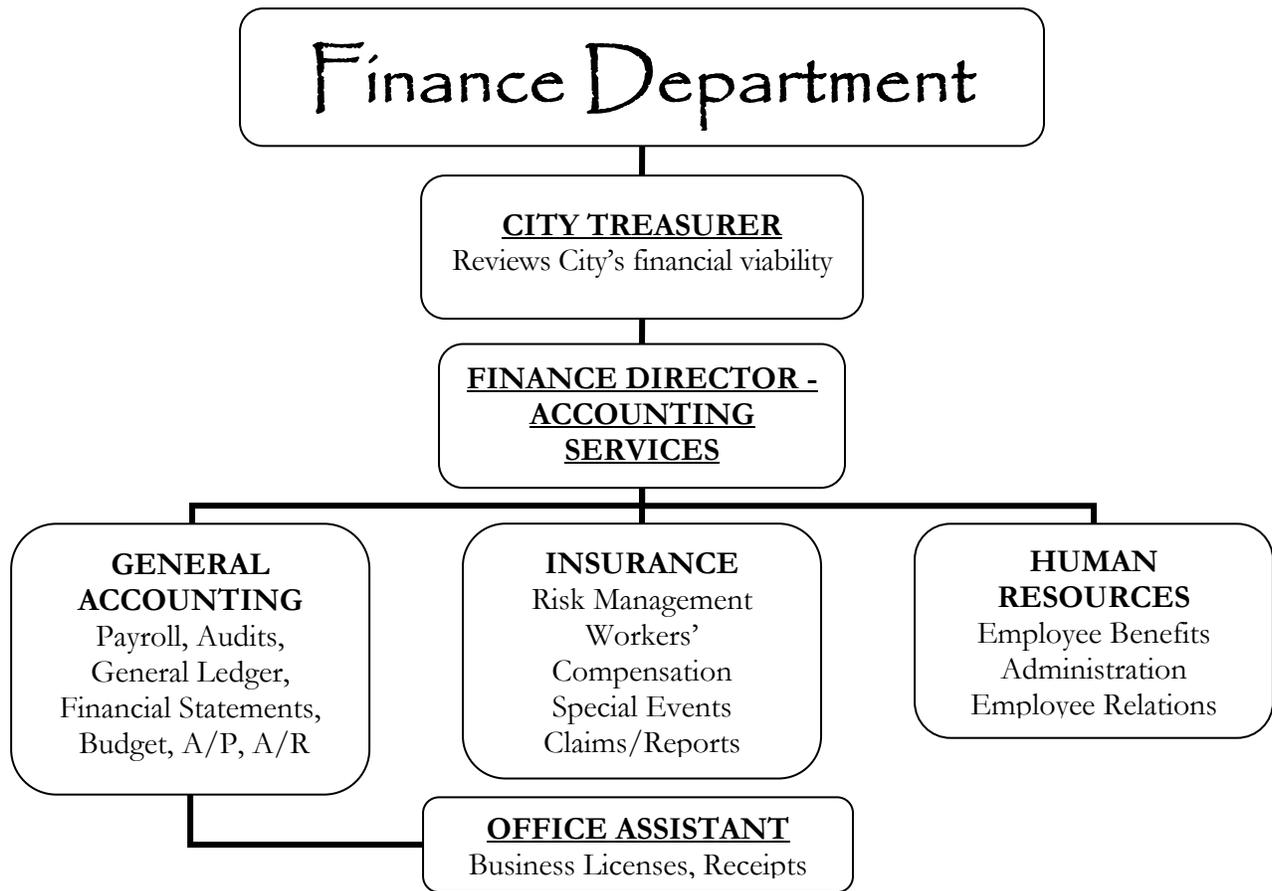
5701 - Travel & Meetings

Specified meetings for the City Clerk that are authorized by the City Manager, such as Southern California City Clerk Association meetings (approximately \$250), and other special policy and regulations meetings (MMASC).

5810 - Election Expenses

Provides for election related expenses paid to the County Registrar of Voters for General Election for both regular and absentee operations (every 2 years).

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The Finance Department plans, directs, and coordinates the fiscal affairs of the City in accordance with specific objectives established by legal and professional standards. It provides for the maintenance of the City's financial records, develops related systems, and provides management with information necessary for sound fiscal decisions. This includes preparation of the audit, appropriation control, payroll, cost and revenue accounting, accounts receivable, accounts payable, and business licensing. The Finance Department is also responsible for investing and safeguarding the City's cash in accordance with City Council investment policies.

2010-11 Accomplishments

- Established a grant management policy and construction bond policy.
- Completed the annual financial audit, with no significant deficiencies reported for the fiscal year.
- Worked with the Investment Advisory Committee to implement a new investment program involving laddered Agency's as an additional investment tool.
- Submitted reimbursement claims to the State for SB90 state mandates.
- Managed the new sales tax auditing service contract that investigated collection and remittance of sales taxes due to the City.
- Received the GFOA Distinguished Budget Award for FY 2010-11.
- Aggressively managed all vendor contracts to minimize costs wherever possible.

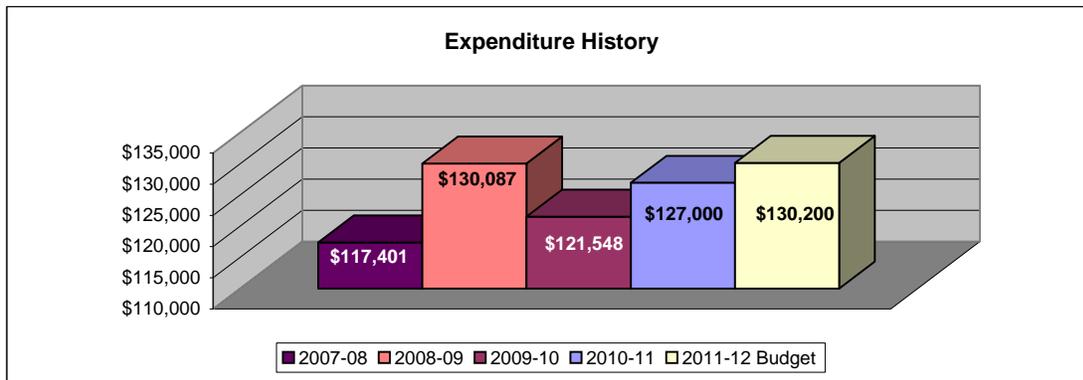
2011-12 Goals

- Pursue new bank services for the City.
- Pursue the GFOA Certificate of Achievement for Excellence in Financial Reporting for FYE 6/30/10.

Department
Administration
Division
4140 - Finance

Funding Sources
General Fund - 01

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 16,013	11,549	12,276	13,800	12,800	13,800
4112	Salaries - Part Time	62,160	67,283	62,903	68,000	67,700	69,400
4131	Fringe Benefits - Full Time	6,488	5,029	5,583	5,500	5,600	5,400
4132	Fringe Benefits - Part Time	6,987	15,660	19,024	18,700	18,900	18,000
Total Personnel Services		91,648	99,521	99,786	106,000	105,000	106,600
<u>Maintenance and Operations</u>							
5105	Operating Supplies	453	97	372	500	100	400
5110	Misc. Finance Charges	613	667	740	800	800	900
5301	Prof. Services - Audit	17,340	18,600	14,200	16,000	16,000	16,500
5308	Contractual Svcs	60	460	1,579	-	-	-
5390	Prof. Services - Payroll	2,489	2,380	2,553	2,500	2,400	2,400
5391	Contract Svcs - Software Spt.	368	1,749	1,805	1,900	1,800	1,800
5392	Contract Svcs - Accounting	3,152	-	-	-	-	-
5394	Contractual Services-ICM	-	5,636	-	-	-	-
5625	Dues & Publications	420	324	280	500	500	600
5630	Development Seminars	395	-	-	500	-	500
5701	Travel & Meetings	35	95	142	200	200	200
5820	Interest Expense	428	558	91	300	200	300
Total Maintenance and Operations		25,753	30,566	21,762	23,200	22,000	23,600
Total Division Budget		\$ 117,401	130,087	121,548	129,200	127,000	130,200



Department
Administration
Division
4140 - Finance

Funding Sources
General Fund - 01

Account Summary

5105 - Operating Supplies

Provides for various office supplies specific to Finance, to include business cards, checks - \$400 (every other year), and other accounting needs.

5110 - Misc. Finance Charges

Miscellaneous bank charges throughout the fiscal year, OCIP-\$750 and PERS-\$150.

5301 - Professional Services - Audit

Contractual service required by the State and Federal government.

5308 - Contractual Services

Provides for temporary office help.

5390 - Professional Services - Payroll

This account provides for employee payroll services that are contracted out to a private vendor, PAYCHEX.

5391 - Contract Svcs - Software Support

Provides for contract software (Blackbaud-Fundware) support for the City's Finance Software systems, basic package - \$1,800.

5625 - Dues & Publications

Provides for membership in professional organizations such as CA State Municipal Finance Officers - \$200; Government Finance Officers Association - \$200; Budget Award - \$200 and purchase of professional journals and publications.

5630 - Development Seminars

Provides for attendance at CSMFO conference - \$500 and other conferences available.

5701 - Travel & Meetings

Specified meetings for the Finance Director that are authorized by the City Manager for special policy and regulations meetings, MHM training - \$100.

5820 - Interest Expense

This account provides for interest expense related to street/pool/spa bond refunds upon project completion.

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City Attorney's Office

CITY ATTORNEY

Provides Legal Advice and Counsel
Represents the City in legal matters
Drafts Resolutions & Ordinances

DEPUTY CITY ATTORNEY

Legal Research and Assistance.
Serves in absence of City Attorney

2010-11 Accomplishments

Kept the City out of litigation.

Assisted with the transition of Villa Park Community Access Television to City-controlled operation.

Contained legal costs at the level of prior fiscal years.

2011-2012 Goals

Continue to provide economical legal services and steer city from costly legal battles to the fullest extent possible.

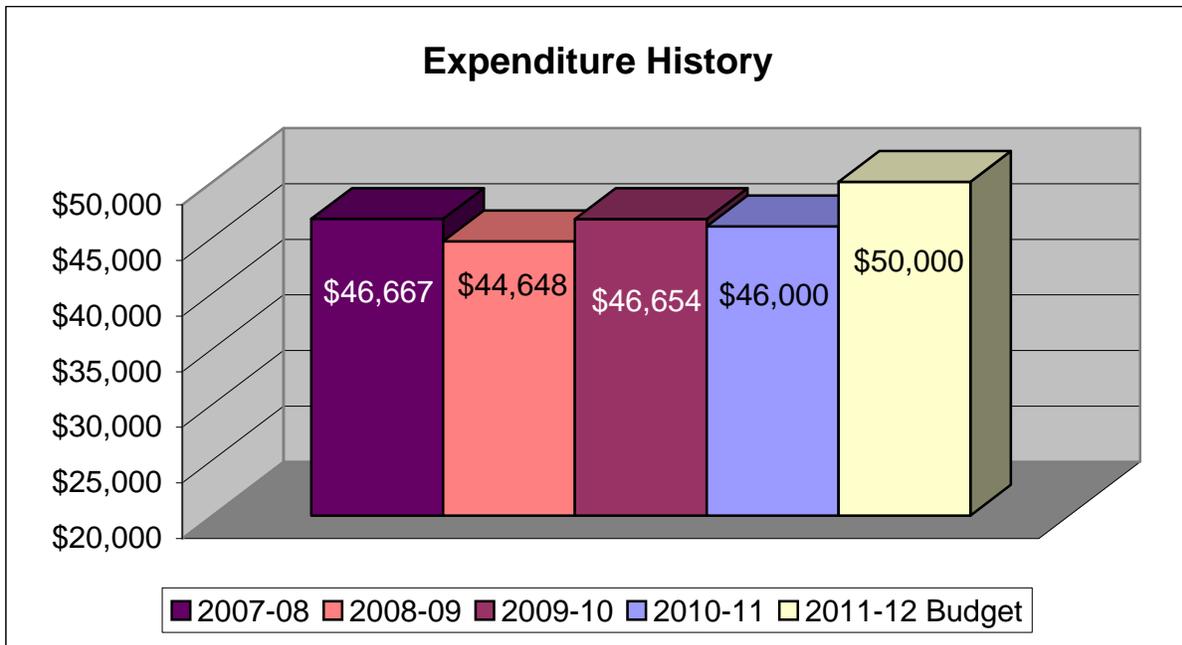
Complete the renegotiation of the City's solid waste collection franchise, with the goal of securing rates that are more competitive for residents while increasing franchise revenues.

Department
 Administration
Division
 4150 - City Attorney

Funding Sources
 General Fund - 01

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
5303	Legal Services	\$ 41,866	41,757	41,420	42,000	42,000	42,000
5340	Other Legal Services	4,801	2,891	5,234	6,000	4,000	8,000
Total Maintenance and Operations		46,667	44,648	46,654	48,000	46,000	50,000
Total Division Budget		\$ 46,667	44,648	46,654	48,000	46,000	50,000

12



12 Increase in FY 2011-12 other legal services pending anticipated litigation.

Department
Administration
Division
4150 - City Attorney

Funding Sources
General Fund - 01

Account Description

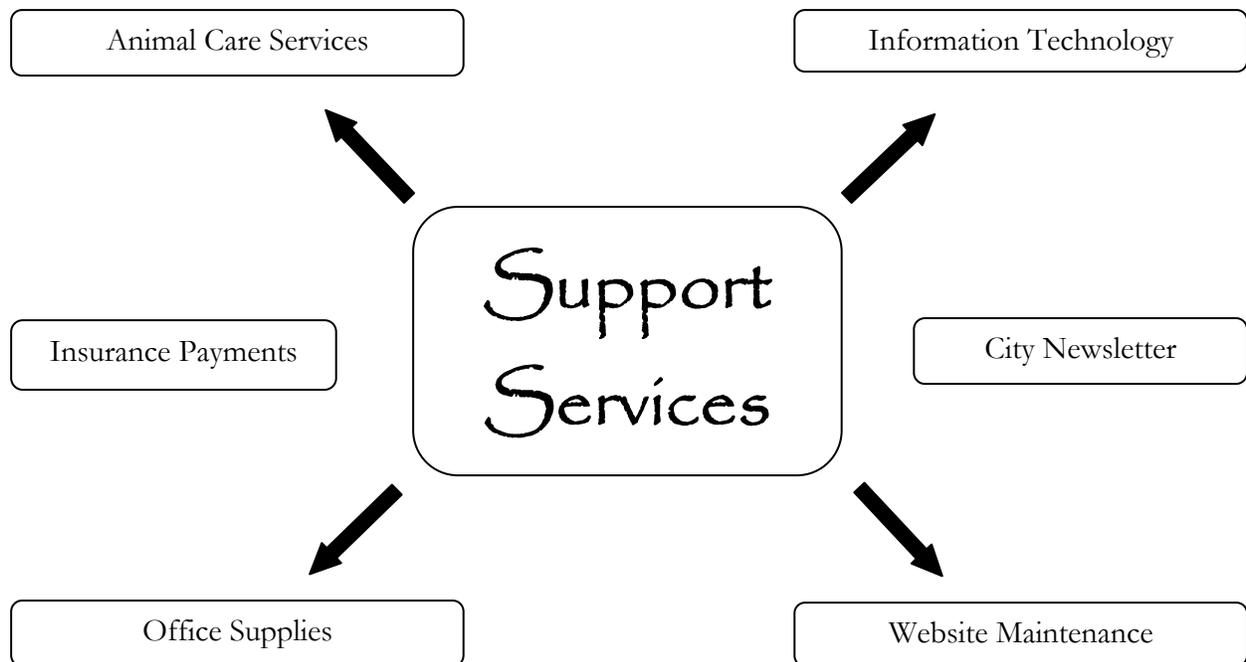
5303 - Legal Services

This account provides for the legal retainer for Rutan & Tucker.

5340 - Other Legal Services

Special legal services for the City such as Community Preservation, Nuisance Abatement, Election, Personnel, or other legal services.

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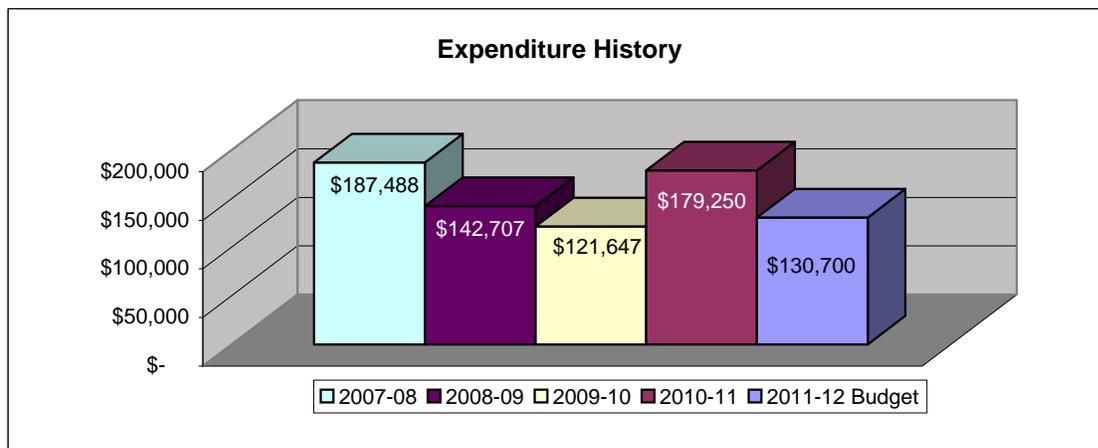
Support Services provides for expenditures not related to any one department in particular and general expenditures that pertain to the City as a whole.

For example, within the Support Services budget are costs related to general office supplies, postage, the City’s newsletter production, and insurance payments. Since the City is small in size, other costs are detailed within Support Services because their inclusion in another department is either not warranted or is not closely associated with another department, such as the City’s contract amount for Animal Care Services. In addition, the City does not contain a separate budget for information technology related items such as computer support or internet services. Those costs are within Support Services.

Department
Administration
Division
4170 - Support Services

Funding Sources
General Fund - 01
Capital Projects - 07

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Maintenance and Operations</u>							
General Fund - 01							
5105	Operating Supplies	\$ 3,921	6,172	5,318	6,000	5,000	5,000
5107	Postage	2,322	2,625	1,121	2,500	2,500	2,500
5210	Maintenance/Office Equip.	4,544	5,680	5,157	6,000	6,000	6,000
5322	Animal Control Services	-	3,784	-	-	-	-
5323	City Newsletter	2,671	3,354	1,597	3,500	2,700	3,600
5324	City Newsletter Postage	588	617	-	-	-	-
5345	CATV Corporation	39,518	21,188	1,624	-	-	-
5346	Cable TV - Contract Svcs	-	-	10,315	9,000	8,000	8,000
5347	Info/Tech Support	4,271	2,257	1,042	6,000	5,800	8,800 ¹³
5348	Cable TV-Miscellaneous Supp	-	-	2,810	5,000	5,000	1,000 ¹⁴
5350	Website Maintenance/Dev.	1,081	653	1,052	1,500	1,400	1,500
5368	Community Programs	-	2,500	-	-	-	-
5390	Contract Services/Special	-	-	900	1,000	-	500
5403	Property Tax Admin. Fee	14,390	17,749	17,645	20,400	18,700	21,000
5405	Insurance - P.L./P.D.	66,248	60,562	55,091	61,150	60,000	52,000
5410	Budgeted Contingency	-	2,083	1,510	7,500	7,000	7,000
5625	Dues & Publications	12,971	13,416	14,277	9,300	9,300	9,000
5801	Miscellaneous	355	67	928	1,000	800	1,000
		<u>152,880</u>	<u>142,707</u>	<u>120,387</u>	<u>139,850</u>	<u>132,200</u>	<u>126,900</u>
Capital Projects - 07							
5345	CATV Corporation	34,608	-	-	-	-	-
		<u>187,488</u>	<u>142,707</u>	<u>120,387</u>	<u>139,850</u>	<u>132,200</u>	<u>126,900</u>
<u>Capital Outlay</u>							
General Fund - 01							
6103	Cable TV Equipment	-	-	1,260	47,050	47,050	3,800 ¹⁴
		<u>-</u>	<u>-</u>	<u>1,260</u>	<u>47,050</u>	<u>47,050</u>	<u>3,800</u>
	Total Division Budget	\$ 187,488	142,707	121,647	186,900	179,250	130,700



¹³ In FY 2011-12 the City will upgrade some staff computers.

¹⁴ In FY 2010-11 VPTV was restructured and in FY 2011-12 only minor purchases are anticipated to complete the overhaul of VPTV.

Department
Administration
Division
4170 - Support Services

Funding Sources
General Fund - 01
Capital Projects - 07

Account Summary

5105 - Operating Supplies

The account provides for general office supplies and printing of the budget.

5107 - Postage

The account provides for citywide general postage requirements.

5210 - Maintenance/Office Equipment

This account provides for the routine maintenance of office equipment - copier, printers, fax machine, telephones, etc. This account combines the various accounts within the Administration function.

5322 - Animal Control Services

This account provides for contract animal control services through the County of Orange. The City is billed for services in Villa Park that are in excess of the total animal license fee revenue collected by the County for City of Villa Park residents.

5323 - City Newsletter

This account provides for expenses related to preparing approximately three City newsletters a year.

5324 - City Newsletter Postage

This account provides for postage for the City newsletter for years prior to fiscal year 2009/2010, as the postage is included in the cost for the newsletter production in the fiscal years 2010/2011 and 2011/2012.

5346 - Cable TV - Contractual Services

This account provides for the cable TV contractual services for filming Council meetings - \$6,000, monthly streaming of Council meetings - \$1,200 and other miscellaneous cable TV contractual services as needed.

5347 - Information Technology Support

This account provides for hardware (upgrades to servers and computer workstations in FY 2011/2012 - \$3,600), software (Dream Weaver - \$400) and technology support with MCDA - \$4,800 to maintain the City's computer system.

5348 - Cable TV Miscellaneous Support

This account provides for miscellaneous small equipment and other services related to cable TV services.

5350 - Website Maintenance/Development

This account provides for the hosting and email management of the City's website, and enet software - \$300.

5368 - Community Programs

This account provides funding for special projects authorized by Council to support the City's non-profits.

5390 - Contract Services Special

This account provides for the City's computer consultant and miscellaneous software and hardware support. This is not an annual contract, but is used on an as-needed basis.

5403 - Property Tax Admin Fee

This account provides for the administrative fee assessed by the County in order to process the City's Property Tax revenue.

5405 - Insurance P.L./P.D./Pollution

This account provides for the Public Liability - \$39,000, Property Damage & Pollution (every 3 years, paid in 2011/12) - \$10,500 Insurance through the CJPIA, crime insurance - \$800, and \$1,200 for VPCSF insurance.

5410 - Budgeted Contingency

This account provides for various contingencies throughout the year on a support level. This account can also be used for special projects.

5625 - Dues & Publications

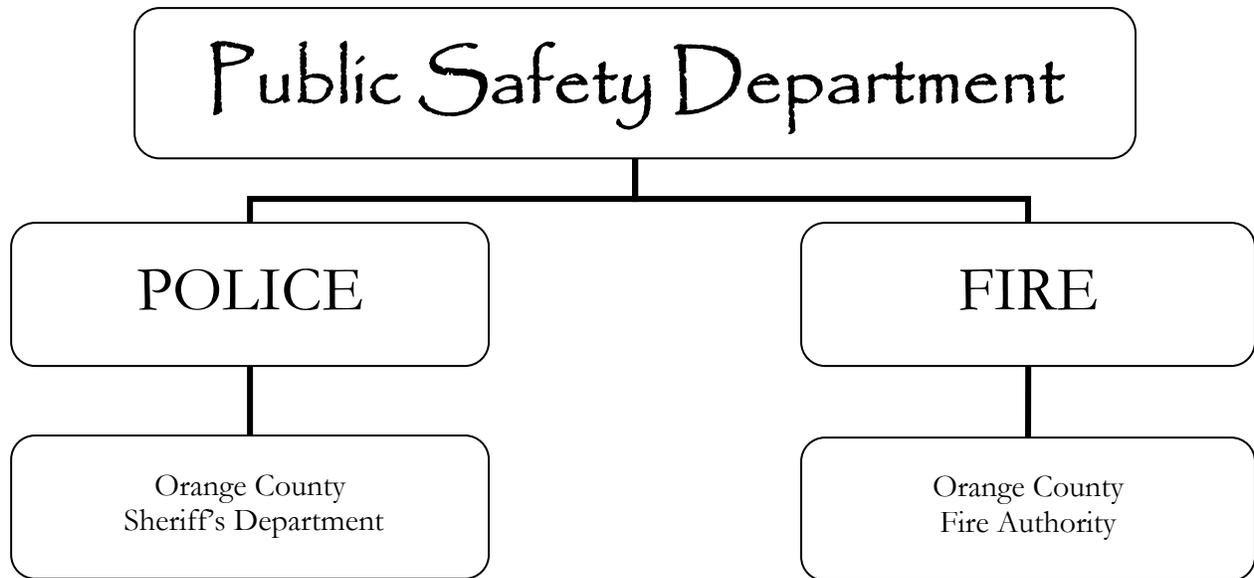
This account provides for various dues and publications to which the City prescribes: LOCC State - \$4,200, LAFCO - \$900, OCCOG - \$2,000, TIP - \$800, and SCAG \$600.

5801 - Miscellaneous

This account provides for miscellaneous administrative costs associated with support services, including tuition reimbursement.

6103 - Cable TV Equipment

This account provides for capital replacement of equipment that relate to the cable TV program.



The City of Villa Park is proudly served by the Orange County Sheriff's Department for law enforcement services and the Orange County Fire Authority for fire and emergency medical services.

Since its incorporation in 1962, the City has contracted with the Orange County Sheriff's Department for law enforcement services and pays for the services primarily through General Fund revenues. Additionally, the City utilizes Supplemental Law Enforcement Services Funds (SLESF) made possible through the Citizen's Option for Public Safety Program (COPS) funded by the State of California. SLESF funds are for services over a base line contracted amount. The City specifically uses its SLESF money to fund a School Resource Officer (SRO) that is tasked with working proactively to address calls for police services on the City's school campuses. The City has used these funds conservatively over the years, building up a fund balance that will be utilized in FY 2011-12 to maintain the SRO position on a half-time basis as a direct result of the anticipated loss of State funding for the SLESF money this year. For Fiscal Year 2011-12, the County contract amount is \$1,138,671.

The City is a founding member of the Orange County Fire Authority (OCFA), a joint powers authority providing fire and emergency medical services for twenty-two cities in Orange County and the unincorporated County of Orange. For 45 years, the volunteer Villa Park Engine Company 223 has served the City with dedicated volunteer reserve firefighters. Engine 223 is now considered a reserve engine, operating out of Station 23 as a back up to the career OCFA firefighters. The City does not contract with OCFA directly for services; instead, portions of property taxes paid to the County of Orange are allocated to the OCFA for fire and emergency medical services.

2010-11 Accomplishments

Continued the School Resource Officer (SRO) position.

Continued to hold crime rates to historically low levels, maintaining a safe community.

Revitalized the Community Emergency Response Team (CERT) program by recruiting new CERT volunteers, offering one new CERT training session, and holding quarterly CERT volunteer meetings.

Held quarterly Neighborhood Watch meetings, including one at the block level to celebrate National Night Out.

Worked with schools and parent groups to conduct a review of traffic safety issues at each of the City's four school sites.

2011-12 Goals

Hold quarterly Neighborhood Watch meetings, including one at the block level to celebrate National Night Out.

Work with schools and parent groups to conduct a review of traffic safety issues at each of the City's four school sites.

Implement the recommendations resulting from the School Site Traffic Reviews.

Continue the SRO program on a half-time basis; restore the program to full staffing if SLESF is restored.

Department
Public Safety
Division
4210 - Law Enforcement

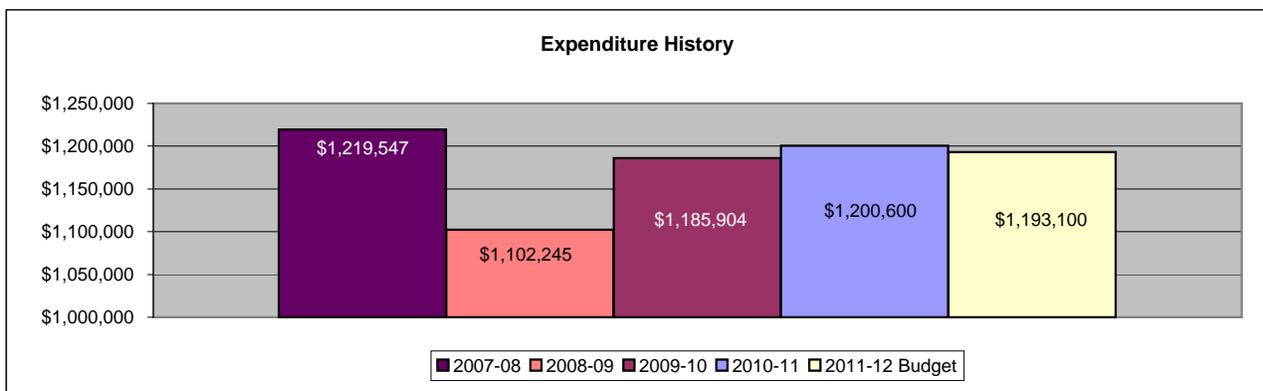
Funding Sources
General Fund - 01
Traffic Safety Fund - 04
COPS Fund - 09
CLEEP Fund - 12

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Maintenance and Operations</u>							
General Fund - 01							
5105	Office Supplies	\$ 142	175	361	300	200	300
5335	Cont. Services - General Law	971,834	987,338	1,062,290	1,072,500	1,072,500	1,102,300
5336	Cont. Services - Crossing Gd.	-	-	9,800	14,500	14,500	15,800
5338	Directed/Special Assignment	-	-	-	400	400	-
5339	Cont. Services - Parking	4,980	3,522	6,082	4,900	4,700	4,500
5340	Miscellaneous Equip. Costs	11,244	11,070	5,688	5,400	4,300	4,400
		<u>988,200</u>	<u>1,002,105</u>	<u>1,084,221</u>	<u>1,098,000</u>	<u>1,096,600</u>	<u>1,127,300</u>
Traffic Safety Fund - 04							
5335	Cont. Services - General Law	25,800	24,606	12,438	14,000	13,500	13,100
COPS (Supplemental Law Enforcement Services) Fund - 09							
5337	Cont. Services - Supplemental	205,547	63,157	67,671	85,000	70,000	45,000
5338	Directed/Special Assignment	-	-	-	13,500	13,500	-
5340	Misc. Equipment Costs	-	-	124	-	-	-
5395	Cont. Services-Nuisance Abatement	-	-	1,253	-	-	-
		<u>205,547</u>	<u>63,157</u>	<u>69,048</u>	<u>98,500</u>	<u>83,500</u>	<u>45,000</u>
CLEEP (California Law Enforcement Equipment Program) Fund - 12							
5340	Misc. Equipment Costs	-	6,527	10,495	9,400	7,000	7,700
		<u>-</u>	<u>6,527</u>	<u>10,495</u>	<u>9,400</u>	<u>7,000</u>	<u>7,700</u>
	Total Maintenance and Operations	<u>1,219,547</u>	<u>1,096,395</u>	<u>1,176,202</u>	<u>1,219,900</u>	<u>1,200,600</u>	<u>1,193,100</u>

15
16

Capital Outlay

CLEEP (California Law Enforcement Equipment Program) Fund - 12							
6100	Equipment	-	5,850	9,702	1,300	-	-
	Total Capital Outlay	<u>-</u>	<u>5,850</u>	<u>9,702</u>	<u>1,300</u>	<u>-</u>	<u>-</u>
	Total Division Budget	<u>\$ 1,219,547</u>	<u>1,102,245</u>	<u>1,185,904</u>	<u>1,221,200</u>	<u>1,200,600</u>	<u>1,193,100</u>



- 15 As a result of the California state budget crisis, it is anticipated that SLESF may be cut from the budget. SLESF monies are what fund the School Resource Officer (SRO) each year. The City has conservatively used this funding and is planning to maintain a SRO position in the FY 2011-12 budget utilizing the built up fund balance. However, the position is budgeted as a part-time position to extend the service and prolong the funds until the state finds another pocket of money to fund this vital city service.
- 16 In FY 2010-11 the City incurred a one-time cost of \$13,500 for additional law enforcement protection at a scheduled City Council meeting where an organized protest was held.

Department
Public Safety
Division
4210 - Law Enforcement

Funding Sources
General Fund - 01
Traffic Safety Fund - 04
COPS Fund - 09
CLEEP Fund - 12

Account Description

5105 - Office Supplies

This account provides for miscellaneous office supply needs specific to the Sheriff's office such as toner and paper.

5335 - Contract Services - General Law

This account provides for the annual contract with the Orange County Sheriff's Department (OCSD) and includes the deployment of 4 deputies, 1/2 of an investigator, and auto theft task force participation.

5336 - Contract Services - Crossing Guard

This account provides for the Orange County Crossing Guard contract. The City has two crossing guards paid through the OCSD contract fee.

5337 - Contract Services - Supplemental

This account provides funding for one contract deputy position above a base line contract. The funding is Supplemental Law Enforcement Services (SLESF) funds of which are anticipated for suspension for FY 2011/2012.

5338 - Directed - Special Assignment

This account provides for various special assignment/directed enforcement activities requested by the City. Examples include community events, Council Meeting coverage, protest control, and additional enforcement if required.

5339 - Contract Services - Parking

This account provides for the fees associated with processing the parking citations fines issued.

5340 - Misc. Equipment Costs

This account provides various communication charges to include standard quarterly communications charges, 800 MHz, & Mobile Data Computer costs. These costs are funded through the CLEEP grant. Additional equipment or uniform costs may be applied here.

5395 - Contract Services - Nuisance Abatement

This account provides funding for law enforcement support when staff is handling community preservation issues.

6100 - Equipment

Equipment and office space remodel for the Emergency Office Command Center "EOC" using CLEEP funds.

Department
 Public Safety
Division
 4215 - Emergency Preparedness

Funding Sources
 General Fund - 01

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Maintenance and Operations</u>							
5105	Operating Supplies	\$ 49	197	54	300	100	100
5390	Contractual Services	3,246	-	3,293	-	-	-
Total Maintenance and Operations		3,295	197	3,347	300	100	100
<u>Capital Outlay</u>							
6100	Equipment	728	-	-	-	-	-
Total Capital Outlay		728	-	-	-	-	-
Total Division Budget		\$ 4,023	197	3,347	300	100	100

17 The Connect CTY contract is now funded through the County.

Department

Public Safety

Division

4215 - Emergency Preparedness

Funding Sources

General Fund - 01

Account Description

5105 - Office Supplies

This account provides for miscellaneous office supply needs specific to emergency preparedness.

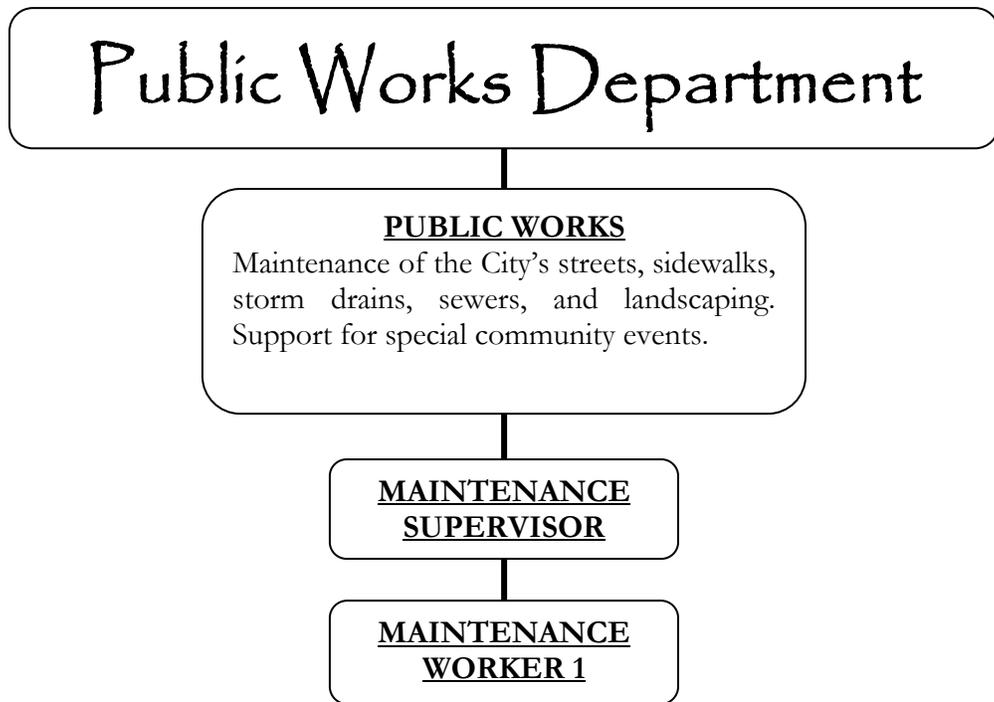
5390 - Contractual Services

This account covers contracts or services related to emergency preparedness to include, but not limited to, supplemental disaster training or contracts for services/maintenance of items.

6100 - Equipment

This account allows for purchases of equipment necessary for emergency preparedness to include supplies when warranted.

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The Public Works Department is responsible for the maintenance of the City street system, which includes signs, markings, sidewalks and traffic signals; the non-potable water system which includes the operation and maintenance of water distribution on City medians, streets, and right-of-ways; landscape maintenance which includes median, street, wall, and greenbelt maintenance; storm drain maintenance which includes the cleaning and flushing of storm drain systems; and the maintenance of the City's Civic Center.

2010-11 Accomplishments

- Identified and completed several water-efficient parkway median landscape restoration projects.
- Completed the RFP process for sewerline maintenance and emergency response services.
- Completed the Civic Center Energy Efficiency Improvements Project.
- Completed the Civic Center Smoke Alarm Project.
- Provided support services for community events, such as the Boat Parade, Santa Tour, Halloween Fest, and Family Picnic.
- Provided monthly maintenance reports to the City Manager.

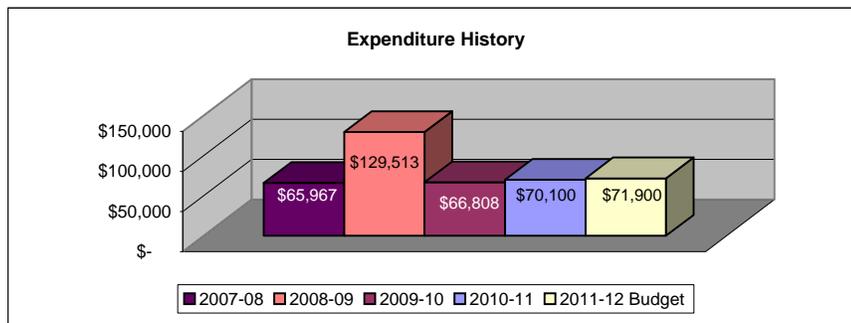
2011-12 Goals

- Continue to review maintenance procedures/practices for efficiencies and cost savings.
- Develop a curb/gutter/sidewalk deficiency reporting program and maintenance schedule to better track costs and maintenance needs.
- Continue to identify median landscaping restoration projects, with the goal of completing several each fiscal year.
- Maintain resident satisfaction and strong commitment to community aesthetics.

Department
Public Works
Division
4315 - Civic Center

Funding Sources
General Fund - 01

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 17,329	18,503	18,220	18,800	19,400	19,000
4112	Salaries - Part Time	473	698	367	800	700	800
4131	Fringe Benefits - Full Time	8,413	8,173	9,305	9,100	9,200	8,100
4132	Fringe Benefits - Part Time	149	72	-	200	200	300
	Total Personnel Services	26,364	27,446	27,892	28,900	29,500	28,200
<u>Maintenance and Operations</u>							
5105	Operating Supplies	2,276	4,076	3,466	3,500	3,500	3,600
5201	Building Maintenance	8,698	22,327	6,705	6,000	5,500	7,000
5308	Contract Services	-	96	395	-	-	-
5320	Chamber Maintenance	1,452	668	953	500	300	1,000
5390	Custodial Services	4,500	5,383	5,940	6,000	6,000	6,000
5501	Telephone Utilities	4,186	4,347	4,126	4,000	4,200	3,800
5505	Electric Utilities	16,145	16,275	16,596	17,000	18,400	18,400
5520	Gas Utilities	438	446	394	1,800	2,200	3,400
5530	Water Utilities	363	337	341	500	500	500
	Total Maintenance and Operations	38,058	53,955	38,916	39,300	40,600	43,700
<u>Capital Outlay</u>							
6100	Office Equipment & Furniture	1,545	13,902	-	-	-	-
6102	Council Chamber Remodel	-	34,210	-	-	-	-
	Total Capital Outlay	1,545	48,112	-	-	-	-
	Total Division Budget	\$ 65,967	129,513	66,808	68,200	70,100	71,900



¹⁸ In FY 2011-12 an additional \$3,000 is budgeted for painting the public works building.

¹⁹ In FY 2010-11 Southern California Gas audited their files and noted that the City had been undercharged for our gas. This increase in usage is included in the budget for FY 2011-12.

Department
Public Works
Division
4315-Civic Center

Funding Sources
General Fund - 01

Account Description

5105 - Operating Supplies

This account provides for various day-to-day operating supplies for City Hall, including restroom supplies.

5201 - Building Maintenance

This account provides for on-going maintenance activities & certain minor repair work at City Hall.

5308 - Contractual Services

Provides for temporary office help.

5320 - Chamber Maintenance

This account provides for maintenance and/or replacement of furniture & fixtures in the City Hall Council Chambers.

5390 - Custodial Services

Custodial services for City Hall, Library, and the Chambers three times a week, \$6,000.

5501 - Telephone Utilities

Utility costs for telephone services at City Hall and an employee cell phone.

5505 - Electric Utilities

Utility costs for electric services at City Hall.

5520 - Gas Utilities

Utility costs for gas services at City Hall.

5530 - Water Utilities

Utility costs for water services at City Hall.

6100 - Office Equipment & Furniture

This account provides for replacement of furniture & fixtures throughout the Civic Center.

6102 - Council Chamber Remodel

This account provides for purchases made on behalf of the Council Chamber remodel project, 2009.

Department
Public Works
Division
4320-Public Works General

Funding Sources
General Fund - 01
Aid to Cities Fund - 03
AQMD Fund - 08

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
General Fund - 01							
4101	Salaries - Full Time	\$ 59,604	58,969	66,035	72,400	70,100	74,600
4112	Salaries - Part Time	1,419	1,473	1,102	800	700	800
4131	Fringe Benefits - Full Time	30,295	27,999	37,946	33,800	34,100	30,100
4132	Fringe Benefits - Part Time	448	215	-	200	200	300
		<u>91,766</u>	<u>88,656</u>	<u>105,083</u>	<u>107,200</u>	<u>105,100</u>	<u>105,800</u>
Aid to Cities Fund - 03							
4101	Salaries - Full Time	2,501	5,710	7,994	-	-	-
4112	Salaries - Part Time	-	1,200	-	-	-	-
		<u>2,501</u>	<u>6,910</u>	<u>7,994</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total Personnel Services	94,267	95,566	113,077	107,200	105,100	105,800
<u>Maintenance and Operations</u>							
General Fund - 01							
5105	Operating Supplies	21,167	14,834	9,634	15,000	7,000	10,000
5115	Uniform Expense	324	696	511	500	500	500
5205	Vehicle Operation/Maint.	10,519	16,724	11,054	14,800	12,500	13,000
5210	Equipment Maintenance	-	-	570	100	-	100
5215	Traffic Signal Maint	9,413	10,538	7,321	12,000	12,000	12,000
5220	Equipment Rental	-	64	188	200	-	100
5225	Recreational Trail Maint.	-	1,677	3,144	1,900	2,000	2,400
5308	Contractual Services	-	289	1,184	-	-	-
5309	Street Sweeping	34,658	44,737	36,758	36,000	36,000	36,000
5370	Weed Abatement	-	-	1,800	1,000	200	1,000
5371	Tree Trimming/Spraying	26,650	21,100	24,350	24,000	24,000	24,000
5372	Traffic Striping	-	7,598	12,013	12,000	12,000	12,000
5380	Landscape Maintenance	39,849	27,601	24,900	23,200	23,000	23,000
5394	Contractual Services-ICM	-	1,127	-	-	-	-
5505	Electric Utilities	5,787	5,428	5,517	6,000	6,000	6,000
5530	Water Utilities	22,849	22,315	16,162	25,000	21,000	23,000
		<u>171,216</u>	<u>174,728</u>	<u>155,106</u>	<u>171,700</u>	<u>156,200</u>	<u>163,100</u>
Aid to Cities Fund - 03							
5105	Operating Supplies	-	1,488	4,025	-	-	-
5308	Contract Services	-	4,603	6,087	-	-	-
		<u>-</u>	<u>6,091</u>	<u>10,112</u>	<u>-</u>	<u>-</u>	<u>-</u>
AQMD Fund - 08							
5210	Equipment Maintenance	1,731	395	3,923	5,000	300	-
	Total Maintenance and Operations	172,947	181,214	169,141	176,700	156,500	163,100
<u>Capital Outlay</u>							
General Fund - 01							
6200	Equipment & Repairs	3,664	-	2,338	1,000	-	2,000
6202	Equipment Replacement	-	1,105	-	500	-	1,000
6300	Vehicle Replacement	-	-	-	24,203	24,203	-
6301	Roadway, Fence, & Wall	6,783	3,184	3,402	2,500	2,000	3,000
6305	Trail Improvement	241	-	-	-	-	-
		<u>10,688</u>	<u>4,289</u>	<u>5,740</u>	<u>28,203</u>	<u>26,203</u>	<u>6,000</u>
Aid to Cities Fund - 03							
6305	Trail Improvement	146,095	-	-	-	-	-
		<u>146,095</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
AQMD Fund - 08							
6202	Equipment Replacement	980	10,205	-	2,000	-	-
	Total Capital Outlay	157,763	14,494	5,740	30,203	26,203	6,000
	Total Division Budget	\$ 424,977	291,274	287,958	314,103	287,803	274,900

20 In FY 2010-11 the City purchased a new public works vehicle.

Department
Public Works
Division
4320-Public Works General

Funding Sources
General Fund - 01
Aid to Cities Fund - 03
AQMD Fund - 08

Account Description

5105 - Operating Supplies

This account provides for various operational supplies for the Public Works General functions, to include signs, chemicals, pavement markers, tools, and the maintenance of small equipment, etc.

5115 - Uniform Expense

This account provides for uniform cleaning and rental.

5205 - Vehicle Operation & Maintenance

This account provides for fuel, various repairs, and replacement of minor parts of vehicles.

5210 - Equipment Maintenance

This account provides purchasing of small tools and other small equipment repairs.

5215 - Traffic Signal Maintenance

This is a contract account for traffic signal maintenance of city operated signals and joint use with the City of Orange.

5220 - Equipment Rental

This account provides for highway sign rental and miscellaneous equipment.

5225 - Recreational Trail Maintenance

This account provides for expenditures related to trail and amenity maintenance (i.e. doggie bags).

5308 - Contractual Services

Provides for special studies through temporary office help.

5309 - Contract Services - Street Sweeping

This account provides for expenditures related to the City's street sweeping contract.

5370 - Weed Abatement

This account provides for expenditures related to weed abatement.

5371 - Tree Trimming/Spraying

Contract maintenance services for tree and tree stump removal, trimming, and spraying.

5372 - Traffic Striping

This account provides for contract or in-house street and traffic striping including stenciling streets.

5380 - Landscape Maintenance

This account provides for contract landscape maintenance services.

5394 - Contractual Services

Provides for temporary office help.

5505 - Electric Utilities

This account provides for electric utilities for various off-premise meters.

5530 - Water Utilities

This account provides for water services for various park and median landscaping.

6200 - Equipment & Repairs

This account provides for purchase of small equipment and repairs.

6202 - Equipment Replacement

This account is for the replacement of large equipment.

6300 - Vehicle Replacement

This account provides for replacement of vehicles.

6301 - Roadway Fence & Wall

Various large purchases to enhance the roadway, fence, or median planters repair throughout the City. Replace certain irrigation systems throughout the City.

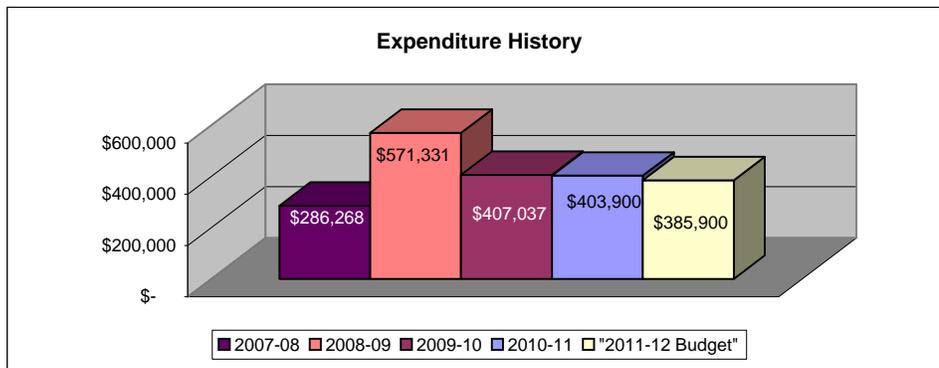
6305 - Trail Improvement

Construction of trails and trail amenities along various city streets per master plan and recreational opportunities.

Department
Public Works
Division
4340 - Street Maintenance

Funding Sources
General Fund - 01
Gas Tax Fund - 02
Aid to Cities Fund - 03
Measure M - Local Sales Tax Fund - 05

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
General Fund - 01							
4101	Salaries - Full Time	\$ 9,647	10,290	10,523	16,000	16,900	16,300
4131	Fringe Benefits - Full Time	4,738	4,580	5,480	8,100	8,100	7,100
Total Personnel Services		14,385	14,870	16,003	24,100	25,000	23,400
<u>Maintenance and Operations</u>							
General Fund - 01							
5373	Street Patching Program	1,900	-	-	-	-	-
5374	Sidewalk Repair	20,034	9,950	15,975	20,000	20,000	20,000
5376	Pavement Rehabilitation	2,392	2,325	96,200	400	400	141,500 ²¹
5382	Rule 20A Underground Utilities	-	-	-	20,000	20,000	- ²²
		24,326	12,275	112,175	40,400	40,400	161,500
Gas Tax Fund - 02							
5376	Pavement Rehabilitation	178,961	143,800	106,400	169,500	155,800	58,500
5381	Median Repairs	-	18,686	-	9,800	9,800	10,000
		178,961	162,486	106,400	179,300	165,600	68,500
Aid to Cities Fund - 03							
5376	Pavement Rehabilitation	50,000	163,700	82,815	129,000	123,300	84,000
Measure M - Local Sales Tax Fund - 05							
5302	Administrative Costs	-	-	8,144	300	500	500
5376	Pavement Rehabilitation	32,981	218,000	81,500	39,700	49,100	48,000
		32,981	218,000	89,644	40,000	49,600	48,500
Total Maintenance and Operations		286,268	556,461	391,034	388,700	378,900	362,500
Total Division Budget		\$ 286,268	571,331	407,037	412,800	403,900	385,900



²¹ Pavement rehabilitation varies from year to year depending on funding from the State and County. The City's MOE for Measure M is \$263,000, so that will be the minimum General Fund goal for each year. In FY 2010-11 the City had several pavement projects that had significant General Fund matching that covered the General Fund's requirement for MOE expenditures, however this is not the case in FY 2011-12 and the General Fund has to absorb a significant portion of the pavement rehabilitation project.

²² In FY 2010-11 the City purchased Rule 20A money from the City of Stanton at a discount in order to increase the amount of funding the City of Villa Park had for the Rule 20A undergrounding project.

Department
Administration
Division
4340 - Street Maintenance

Funding Sources
General Fund - 01
Gas Tax Fund - 02
Aid to Cities Fund - 03
Local Sales Tax Fund - 05

Account Summary

5373 - Street Patching Program

This account is for miscellaneous pot-hole repair & minor resurfacing projects.

5374 - Sidewalk Repair

This account is for grinding, replacement, and root repairs for sections of sidewalks.

5376 - Pavement Rehabilitation

This account is for the annual major pavement rehabilitation project based on the City's Pavement Management Program. The project is partially funded by grant revenue.

5381 - Median Repairs

This account is used for repairing the medians that are damaged in vehicular accidents.

5382 - Rule 20A Underground Utilities

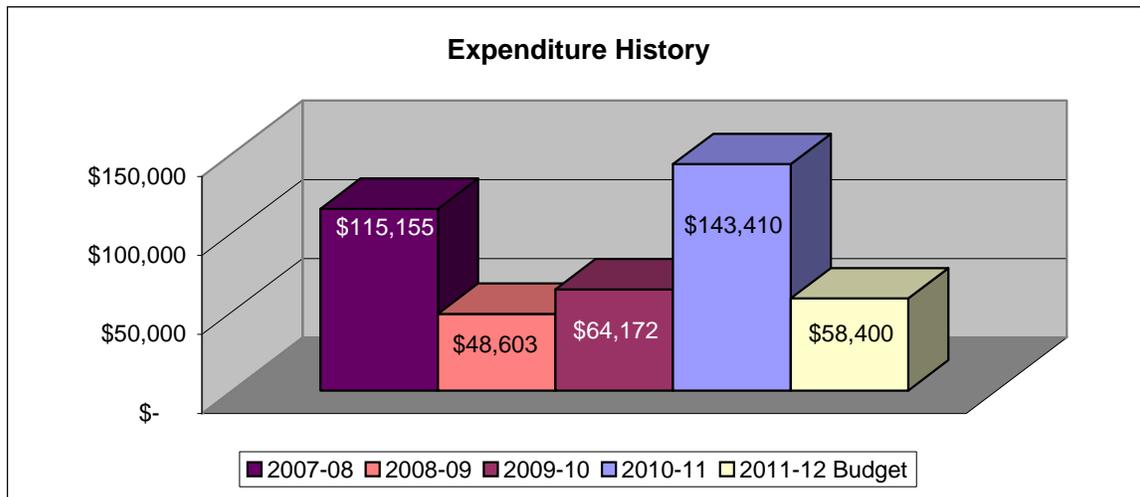
This account is used to purchase Rule 20A money from other municipalities at a discounted rate to increase the amount of funding the City has for Rule 20A undergrounding projects.

Department
Public Works
Division
4350 - Storm Drain Maintenance

Funding Sources
General Fund - 01

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 12,919	5,072	8,914	9,300	9,400	9,500
4131	Fringe Benefits - Full Time	5,654	2,335	4,343	4,300	4,300	3,900
	Total Personnel Services	18,573	7,407	13,257	13,600	13,700	13,400
<u>Maintenance and Operations</u>							
5378	Storm Drain Maintenance	10,000	10,500	11,033	11,500	11,500	11,000
5379	NPDES Activities	66,567	17,506	12,474	14,000	14,000	14,000
5391	Contractual Svcs-NPDES	-	13,190	18,610	18,000	20,000	20,000
5403	Storm Drain Asmnt	11,360	-	-	-	-	-
5630	Development Seminars	195	-	-	-	-	-
	Total Maintenance and Operations	88,122	41,196	42,117	43,500	45,500	45,000
<u>Capital Outlay</u>							
6201	Storm Drain Improvement/Repair	8,460	-	8,798	86,510	84,210	-
	Total Capital Outlay	8,460	-	8,798	86,510	84,210	-
	Total Division Budget	\$ 115,155	48,603	64,172	143,610	143,410	58,400

23



23 In FY 2010-11 the City repaired a storm drain failure on Valley.

Department
Administration
Division
4350 - Storm Drain Maintenance

Funding Sources
General Fund - 01

Account Summary

5378 - Storm Drain Maintenance

Miscellaneous cleaning and flushing of storm drain systems and cleaning of storm drain channels such as Canyon/Mesa Storm Drain Channel.

5379 - NPDES Activities

Activities mandated by the National Pollutant Discharge Elimination System. These costs are based on the program requirements including updating the City Local Implementation Plan, preparing City procedures, meetings, training sessions, site inspections, and County costs - \$10,000.

5391 - Contract Services - NPDES

This account provides for planning contract services through the City's engineering contract.

5403 - Storm Drain Assessment

Assessment of storm drains to determine where damage exists in the corrugated metal pipe storm drains.

5630 - Development Seminars

Technical Workshops for staff training to include CASQA conference - \$200. Training must be approved by the City Manager.

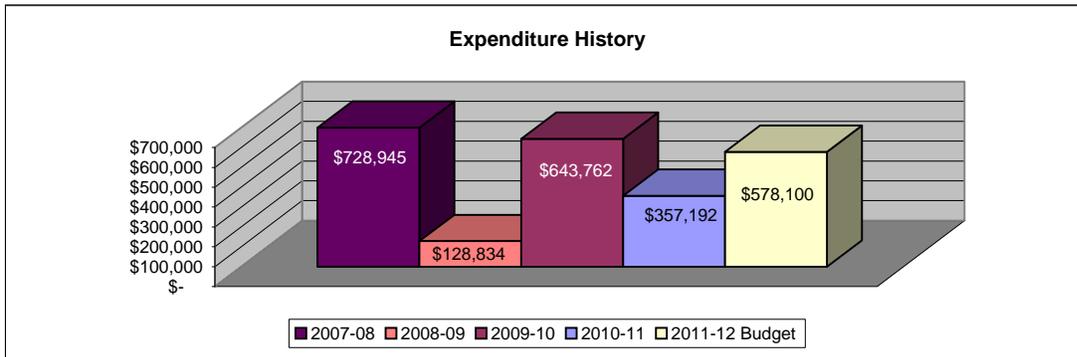
6201 - Storm Drain Improvement/Repair

Replacement or rehabilitation of damaged existing corrugated metal pipe storm drains.

Department
Public Works
Division
4360 - City Sewer

Funding Sources
Sewer Improvement Fund - 11

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 9,985	12,425	14,698	15,000	17,000	15,700
4112	Salaries - Part Time	1,864	4,595	4,696	4,900	5,000	5,100
4131	Fringe Benefits - Full Time	4,399	5,369	7,134	7,000	7,100	6,500
4132	Fringe Benefits - Part Time	-	1,224	1,448	1,400	1,400	1,300
Total Personnel Services		16,248	23,613	27,976	28,300	30,500	28,600
<u>Maintenance and Operations</u>							
5302	Administrative Costs	30	-	-	100	100	100
5305	Engineering Retainer	-	-	8,865	10,000	10,000	15,000
5377	Sewer Repair	1,400	-	4,076	5,000	1,500	5,000
5378	Sewer Cleaning	16,968	-	21,190	25,000	19,600	25,000
5380	Sewer Cond TV Monitoring	-	-	-	-	-	199,500
5385	Sewer Mapping	-	1,570	-	2,000	-	2,000
5387	Waste Discharge Req'm'ts	12,110	14,263	22,699	17,000	15,000	17,000
5394	Contractual Services - ICM	-	1,691	-	-	-	-
Total Maintenance and Operations		30,508	17,524	56,830	59,100	46,200	263,600
<u>Capital Outlay</u>							
6100	Sewer Improvement Projects	682,189	87,697	558,956	280,492	280,492	285,900
Total Capital Outlay		682,189	87,697	558,956	280,492	280,492	285,900
Total Division Budget		\$ 728,945	128,834	643,762	367,892	357,192	578,100



- 24 In FY 2011-12 the City is contracting with a new Engineering firm and assuming a slight increase.
25 Every seven years Sewer Condition TV Monitoring is performed, this will occur in FY 2011-12.

* Division 4360 was recorded in Funds 01 and 03 through FY 2005-06. Beginning in FY 2006-07, expenses for this division were recorded in Fund 11.

Department
Public Works
Division
4360 - City Sewer Maintenance/Improvement

Funding Sources
Sewer Improvement Fund - 11

Account Description

5302 - Administrative Costs

This account provides for billing costs associated with administering the Sewer User Fee - payable to the County of Orange.

5305 - Engineering Retainer

This account provides for sewer related City engineering services under a basic retainer.

5377 - Sewer Repair

This account provides for minor or emergency sewer repair items outside the larger improvement project.

5378 - Sewer Cleaning

This account provides for routine cleaning and maintenance of sewers conducted annually.

5380 - Sewer Condition TV Monitoring

This account provides for Closed Circuit TV condition evaluation of the City sewer system. Funds will be set aside each year until the seventh year of the program in order to conduct a full system evaluation (FY 2011-12). Beginning in FY 2010-11, this is reflected as a reserve rather than an expense line item until the year the expenditure is incurred.

5385 - Sewer Mapping

This account provides for the preparation and updating of a Geographic Information System (GIS) based sewer mapping system that includes storm drain facilities as required by the Waste Discharge Order.

5387 - Waste Discharge Requirements

This account provides for the activities mandated by Waste Discharge Orders from the Regional Water Quality Control Board - \$3,800 and State Water Quality Control Board - \$1,500. This includes annual reports and other mandatory elements conducted during the year - \$9,000.

5394 - Contractual Services/ICM

Interim City Manager services hired to manage the City for five months and assist the City Council with recruiting a permanent City Manager.

6100 - Sewer Improvement Projects

Improvement of various high priority sewer locations using noted deficient areas in the Master Plan. Exact project design to be determined as the project scope is defined and bid.

Department
 Public Works
Division
 4500 - Sewer Pump Maintenance

Funding Sources
 Assessment District - 06

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
4112	Salaries - Part Time	\$ -	-	671	700	700	800
4132	Fringe Benefits - Part Time	-	-	207	200	200	200
Total Personnel Services		-	-	878	900	900	1,000
<u>Maintenance and Operations</u>							
5304	Engineering Services	590	2,075	-	1,100	500	1,100
5390	Contractual Services	3,617	2,823	2,751	3,000	3,000	3,000
5391	Miscellaneous Contractual	-	973	165	1,800	2,000	2,000
5505	Electric Utilities	602	750	727	900	1,000	1,000
Total Maintenance and Operations		4,809	6,621	3,643	6,800	6,500	7,100
<u>Capital Outlay</u>							
6200	Machinery & Equipment	660	5,479	5,235	6,400	3,000	6,100
Total Capital Outlay		660	5,479	5,235	6,400	3,000	6,100
Total Division Budget		\$ 5,469	12,100	9,756	14,100	10,400	14,200

Department

Public Works

Division

4500 - Sewer Pump Maintenance District No. 1

Funding Sources

Assessment District - 06

Account Description

5304 - Engineering Services

Assessment District engineering evaluation performed by the City Engineer.

5390 - Contractual Services

Monthly maintenance/repair performed by City Contractor.

5391 - Miscellaneous Contractual

Minor repairs beyond the monthly maintenance and repairs.

5505 - Electric Utilities

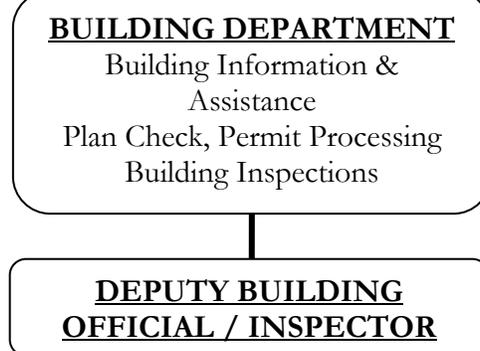
Electrical utilities for the pumping station.

6200 - Machinery & Equipment

Major equipment replacement or major repairs on the pumping station.

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Building & Safety Department



The Building and Safety Department is responsible for the building and safety standards for the design, construction, use, and occupancy of all buildings and structures within the City of Villa Park. The Department provide a full range of plan checking services, construction permitting, and field verification inspection services for all new construction, room additions, area renovations, interior and exterior alterations and/or remodeling construction activities to assure that all building structures meet the minimum life safety standards as referenced in the State and local building codes as adopted by the City of Villa Park.

The development experience starts at our development services counter located at City Hall. City personnel will assist you with the processing of your project and guide you through the somewhat complex process. Once all of the necessary city reviews are completed and your project is thereby approved, you will be ready to begin the building permit issuance process.

2010-11 Accomplishments

Continued to provide high level customer service for all development projects.

Reviewed the City's practices regarding construction bonds, and implement new policies and procedures for their administration.

Continued enforcement in response to community complaints.

Implemented the City Council's Towne Centre Incentive Program to encourage private development through building fee refunds for eligible improvement projects.

2011-12 Goals

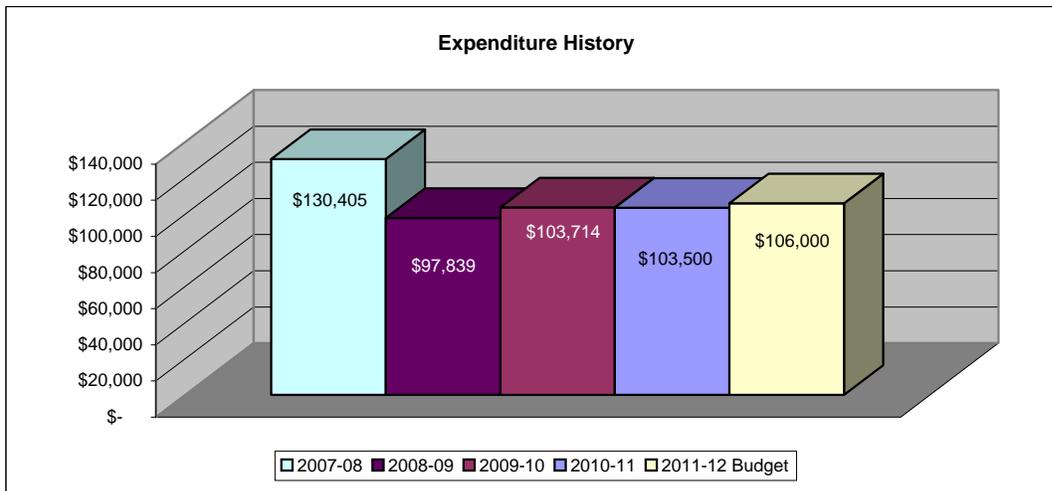
As part of the IT strategy for City operations, evaluate options for software specifically designed for building permits, inspections, and related reports and certificates.

Department
Building
Division
4400 - Building

Funding Sources
General Fund - 01

PREVIOUSLY combined with DEPARTMENT 01-4230

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ -	5,148	9,800	10,300	10,200	11,000
4112	Salaries - Part Time	-	698	367	800	700	800
4131	Fringe Benefits - Full Time	-	2,156	4,446	4,300	4,300	4,200
4132	Fringe Benefits - Part Time	-	72	-	200	200	300
Total Personnel Services		-	8,074	14,613	15,600	15,400	16,300
<u>Maintenance and Operations</u>							
5105	Operating Supplies	635	-	359	-	-	-
5308	Cont. Services - Building	129,770	86,351	88,347	90,000	88,000	89,600
5390	Contractual Services/Special	-	96	395	-	-	-
5394	Contractual Services - ICM	-	2,818	-	-	-	-
5625	Dues & Publications	-	-	-	100	100	100
Total Maintenance and Operations		130,405	89,265	89,101	90,100	88,100	89,700
<u>Capital Outlay</u>							
6101	Furniture	-	500	-	-	-	-
Total Capital Outlay		-	500	-	-	-	-
Total Division Budget		\$ 130,405	97,839	103,714	105,700	103,500	106,000



Department
Administration
Division
4400 - Building

Funding Sources
General Fund - 01

Account Summary

5105 - Operating Supplies

This account provides for operational supplies directly related to the Building Department to include business cards, building codes (every five years), and building permit forms (every other year).

5308 - Contract Services - Building

This account provides for the Building Department contract services at 80% of the estimated revenues. These costs are reimbursed through the permitting process.

5390 - Contractual Services/Special

Provides for temporary office help.

5394 - Contractual Services/ICM

Interim City Manager services hired to manage the City for six months and assist the City Council with recruiting a permanent City Manager.

5625 - Dues & Publications

Provides for membership in professional organizations such as Building Code membership.

6101 - Furniture

This account is to track furniture expenditures made for the building department.

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Community Preservation Department

COMMUNITY PRESERVATION OFFICER

Enforcement program established to correct violations of municipal codes and land use requirements and to ensure property maintenance.

The primary responsibility of Community Preservation is to correct violations of the City's municipal codes and land use requirements to ensure the health, safety and aesthetic appearance of the City is maintained. Systematic Community Preservation ensures that the City's high quality of life and aesthetic values are maintained to the benefit of all residents.

The City Manager, as the City's Building Official, contract staff, and Management Analyst serve as Community Preservation Officers. The Building Inspector, as the Deputy Building Official, enforces building code violations.

The City updated its property maintenance codes and consolidated the standards within one defined section of the Villa Park Municipal Code in order to better educate residents regarding property standards and provide City Staff more tools with which to maintain the quality housing and property appearance.

2010-11 Accomplishments

Continued enforcement in response to community complaints.

2011-12 Goals

Continue public education efforts to reduce instances of code infractions.

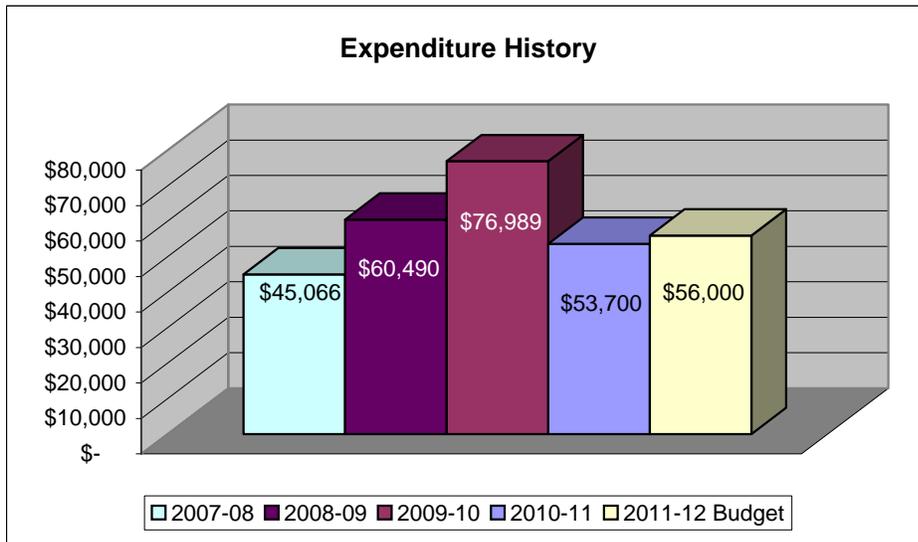
Respond to code complaints within 72 hours with a written notice of corrective action.

Department
 Planning
 Division
 4610 - Community Preservation

Funding Sources
 General Fund - 01

PREVIOUSLY combined with DEPARTMENT 01-4230

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 29,004	10,296	31,190	36,500	36,200	38,800
4112	Salaries - Part Time	1,419	698	367	800	700	800
4131	Fringe Benefits - Full Time	11,596	4,311	14,889	15,300	15,400	15,000
4132	Fringe Benefits - Part Time	447	72	-	200	200	300
	Total Personnel Services	42,466	15,377	46,446	52,800	52,500	54,900
<u>Maintenance and Operations</u>							
5309	Cont. Services - Comm. Preserv.	2,400	39,150	4,770	-	-	-
5390	Contractual Services/Special	-	96	395	-	-	-
5394	Contractual Services - ICM	-	5,635	-	-	-	-
5395	Contract Svcs/Nuisance Abatement	-	-	25,265	1,000	1,000	1,000
5625	Dues & Publications	100	-	113	200	200	100
5630	Development Seminars	65	40	-	-	-	-
5701	Travel & Meetings	35	192	-	-	-	-
	Total Maintenance and Operations	2,600	45,113	30,543	1,200	1,200	1,100
	Total Division Budget	\$ 45,066	60,490	76,989	54,000	53,700	56,000



Department
Administration
Division
4610 - Community Preservation

Funding Sources
General Fund - 01

Account Summary

5309 - Contract Services - Community Preservation

This account provides for the building Community Preservation contract services through the City's engineering contract.

5390 - Contractual Services/Special

Provides for temporary office help.

5395 - Contract Services - Nuisance Abatement

This account provides for costs required and related to abatement of nuisance properties within the City.

5625 - Dues & Publications

This account provides for dues & publication subscriptions for the Community Preservation function.

5630 - Development Seminars

This account allows for community preservation official training. Training must be approved by the City Manager.

5701 - Travel & Meetings

This account provides for the cost of attending regular community preservation official meetings. Meetings must be approved by the City Manager.

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Planning Department

PLANNING MANAGER

Zoning & Planning Information
General Plan Consistency
Site Plan/Architectural Review

The Planning Department oversees residential and commercial development within the City limits. The Planning Manager administers the City's comprehensive planning and zoning and subdivision ordinances under direction of the City Manager as Planning Director. The City Manager, as the Planning Director, performs higher level analysis and staff reports for discretionary permit applications to include Conditional Use and Variance Permits. The City Council serves as the City's planning commission and reviews and approves Conditional Use Permits, Variances, and minor partitions.

The Planning Department, in coordination with the Engineering Department, reviews and makes recommendations to the City Council for all comprehensive plan amendments, rezones, and subdivisions.

2010-11 Accomplishments

Added GIS Capabilities to the department's tracking system.

Finalized General Plan.

Worked with Towne Centre property owners and merchants to engage in the Towne Centre Opportunity Study.

2011-12 Goals

Complete a full review of the zoning code with proposed drafting of new residential code.

Continued public education efforts to increase awareness of residential development guidelines to include architectural standards.

Work with the State of California to complete certification of the City's Housing Element.

Complete the Climate Change Action Plan by December 31, 2011.

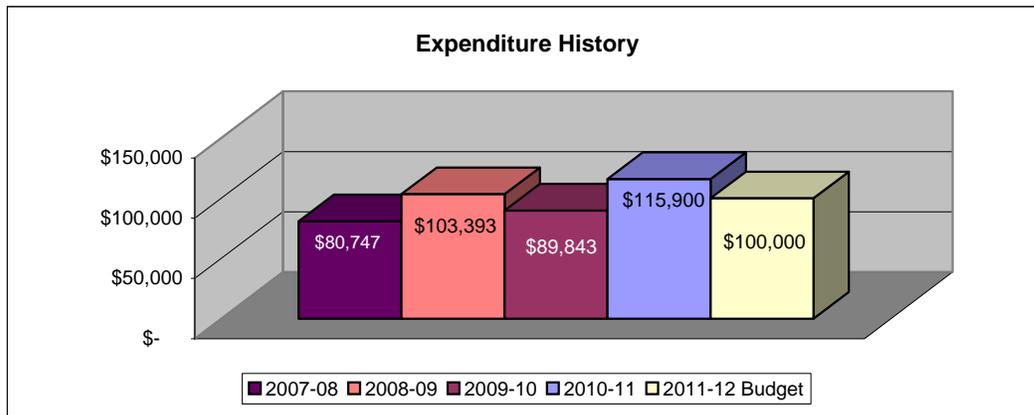
Department
 Planning
 Division
 4620 Planning

Funding Sources
 General Fund - 01

PREVIOUSLY combined with DEPARTMENT 01-4310

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 49,583	20,160	39,326	41,300	40,900	43,800
4112	Salaries - Part Time	1,419	2,850	367	800	700	800
4131	Fringe Benefits - Full Time	19,733	9,430	17,474	17,100	17,200	16,700
4132	Fringe Benefits - Part Time	447	72	-	200	200	300
Total Personnel Services		71,182	32,512	57,167	59,400	59,000	61,600
<u>Maintenance and Operations</u>							
5105	Operating Supplies	225	36	125	300	300	300
5308	Contractual Services	240	396	395	-	-	-
5368	Geographic Info Systems	9,100	4,012	2,229	4,000	3,000	4,000
5390	Contract Srvcs/Special Studies	-	30,104	5,640	31,600	32,000	10,000
5393	Contract Srvcs/Planning	-	27,180	24,287	22,000	21,600	24,000
5394	Contractual Services - ICM	-	8,453	-	-	-	-
5625	Dues & publications	600	200	-	100	-	100
5701	Travel & Meetings	300	-	-	-	-	-
Total Maintenance and Operations		9,565	70,381	32,676	58,000	56,900	38,400
<u>Capital Outlay</u>							
6101	Furniture	-	500	-	-	-	-
Total Capital Outlay		-	500	-	-	-	-
Total Division Budget		\$ 80,747	103,393	89,843	117,400	115,900	100,000

26
27



26 In FY 2010-11 the City required an EIR for its General Plan update.

27 In FY 2011-12 the City contracted with Lilley Planning Group for planning services.

Department
Planning
Division
4620 Planning

Funding Sources
General Fund - 01

Account Description

5105 - Operating Supplies

This account provides for miscellaneous office supplies directly related to the Planning function to include business cards, special paper or folders, etc.

5308 - Contractual Services/Special

Provides for temporary office help.

5368 - Geographic Information Systems

This account provides for maintenance and expansions costs related to the City GIS and the Cartograph annual fee \$2,000.

5390 - Contract Services/Special Studies

Planning may complete unique studies each year.

5393 - Contract Services/Planning

This account provides for the Planning Department contract services with Lilley Planning Group.

5625 - Dues & Publications

This account provides for dues & publication subscriptions for the Planning function.

5701 - Travel & Meetings

This account provides for the cost of attending regular planning meetings. Meetings must be approved by the City Manager.

6101 - Furniture

This account is to track furniture expenditures made for the building and planning departments.

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Engineering Department

CITY ENGINEER

Capital Improvement Projects
Construction Management
Public Improvements

The Engineering Department provides engineering services to ensure consistent community development and sound engineering/construction practices for public improvements and private development. The City of Villa Park contracts out its engineering services to include all design, plans and construction management needs.

The City Engineer provides direct management of public works projects such as storm water, sewer, and street infrastructure in an efficient manner as well as providing technical assistance to all operating departments. In addition, the City Engineer works with both private and public developments to ensure compliance to City specifications for land developments. In this role, the Department reviews and makes recommendations to the City Council for all comprehensive plan amendments, rezones, and subdivisions, in coordination with the Planning Department.

2010-11 Accomplishments

Completed the Lemon Street trail and landscaped median construction projects.
Completed the Valley Drive storm drain repair project.
Completed the Taft Avenue landscaped median construction projects.
Completed the annual pavement rehabilitation program on streets throughout the City.
Completed the annual sewer improvements.

2011-12 Goals

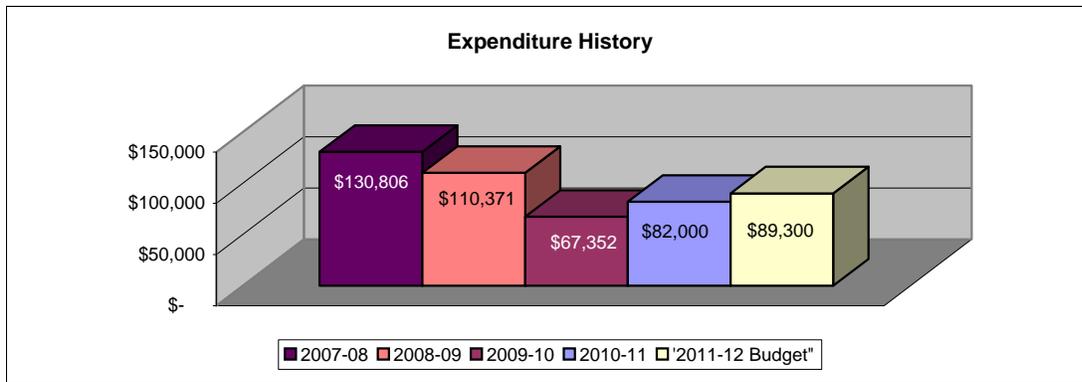
Complete the City Hall Façade Improvement Project.
Complete the redesign of the Mesa Street Guardrail Curb and Gutter Project.
Complete the School Site Traffic Improvements Projects.
Develop plans to revitalize the entrance monuments around the City, using a phased multi-year approach.

Department
Engineering
Division
4700 Engineering

Funding Sources
General Fund - 01

PREVIOUSLY combined with DEPARTMENT 01-4310

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ -	5,148	10,482	11,100	11,000	11,700
4112	Salaries - Part Time	-	2,094	1,102	2,400	2,100	2,400
4131	Fringe Benefits - Full Time	-	2,155	4,653	4,600	4,600	4,500
4132	Fringe Benefits - Part Time	-	216	-	400	400	700
Total Personnel Services		-	9,613	16,237	18,500	18,100	19,300
<u>Maintenance and Operations</u>							
5105	Operating Supplies	100	-	-	-	-	-
5305	Engineering Retainer	45,000	43,830	30,332	31,500	31,500	36,500 ²⁴
5308	Contractual Services	-	289	1,184	-	-	-
5351	Encroachment Permits	22,910	18,585	2,740	11,200	9,000	9,000
5352	Traffic Engineering	2,975	-	-	2,500	-	11,000 ²⁹
5353	Plan/Map Check	10,511	1,380	3,050	3,000	500	3,000
5354	Grading Inspection	11,200	4,080	3,610	3,000	500	3,000
5355	Special Studies & Reports	38,040	27,560	10,199	16,500	4,000	5,000 ³⁰
5356	Tentative Map Processing	70	-	-	500	-	500
5390	Contract Svcs/Spcl Stdies	27,045	2,216	-	18,400	18,400	3,000 ³¹
5394	Contractual Services - ICM	-	2,818	-	-	-	-
Total Maintenance and Operations		130,806	100,758	51,115	86,600	63,900	71,000
Total Division Budget		\$ 130,806	110,371	67,352	105,100	82,000	90,300



²⁴ In FY 2011-12 the City is contracting with a new Engineering firm and assuming a slight increase.

²⁹ In FY 2011-12 an E&T Survey for speed limits is budgeted.

³⁰ In FY 2011-12 there are no significant projects this year that require special studies.

³¹ In FY 2010-11 a PMP software upgrade was performed.

Department
Engineering
Division
4700 Engineering

Funding Sources
General Fund - 01

Account Description

5105 - Operating Supplies

This account provides for miscellaneous office supplies directly related to the Engineering function to include business cards, special paper or folders, etc.

5305 - Engineering Retainer

This account provides for general City engineering services under a basic retainer.

5308 - Contractual Services/Special

Provides for temporary office help.

5351 - Encroachment Permits

This account provides for costs relating to over-the-counter right of way permits and subsequent inspections by the City Engineer, contractual services at 80% of estimated revenues.

5352 - Traffic Engineering

This account provides funding for select traffic engineering studies and investigations. Includes E&T Survey for speed limits study (every 5 years).

5353 - Plan/Map Check

Funds for checking of grading plans, improvement plans, subdivision maps, and lot lines. Fees are collected to fully reimburse these expenses.

5354 - Grading Inspection

Fund for inspections made on grading permits issued. These expenses are fully reimbursed by the grading permit fees collected.

5355 - Special Studies & Reports - Routine

This provides funds for various engineering studies throughout the City related to engineering activities as well as sewer, storm drain, and street projects. Studies include Disadvantage Business Enterprise Study; Grant Applications; etc.

5356 - Tentative Map Processing

This account provides for the processing of tentative maps related to lot splits, etc.

5390 - Contract Services/Special Studies - Unique

The City Engineer may complete several unique studies each year.

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Department
Transfers Out
Division
 4800 - Transfers Out

Funding Sources
 Gas Tax Fund - 02
 CLEEP Fund - 12

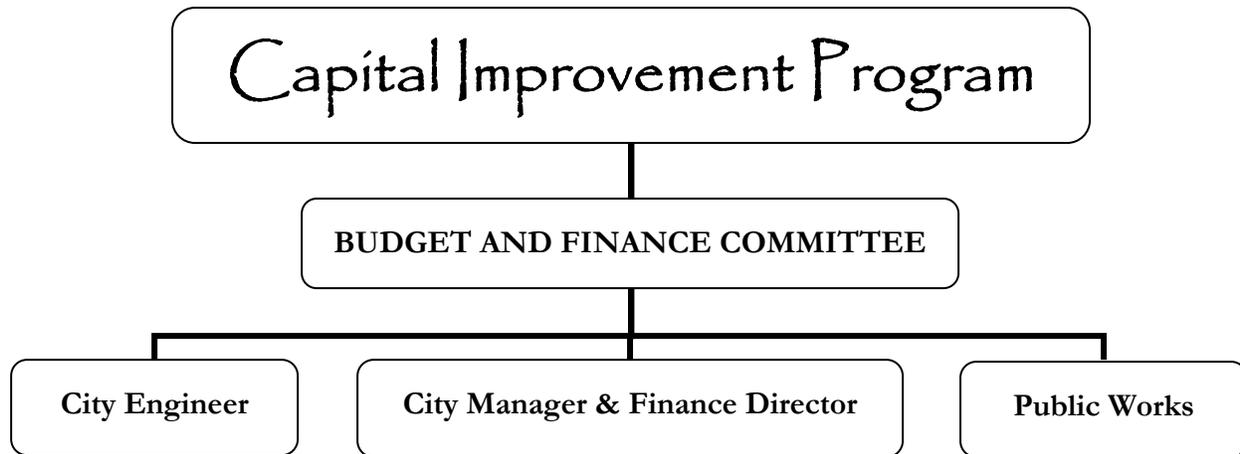
No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<i>Transfers Out</i>							
Gas Tax Fund - 02							
9100	Operating Transfers Out	\$ -	273,700	-	-	-	-
CLEEP (California Law Enforcement Equipment Program) Fund - 12							
9100	Operating Transfers Out	-	19,000	-	-	-	-
	Total Transfers Out	-	292,700	-	-	-	-
	Total Division Budget	\$ -	292,700	-	-	-	-

Account Description

9100 - Operating Transfers Out

This account is used to transfer monies from one fund into another based on Council approval.

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A Capital Improvement is a major expenditure of City funds for the improvement of City infrastructure. The City implements a 7-year Capital Improvement Program established by the City Council upon recommendation by the Budget and Finance Committee. The Capital Improvement Program (CIP) is designed to anticipate capital improvement projects and schedule them over a period of time so that they may be constructed in the most efficient and cost effective method possible.

A CIP allows the matching of costs to anticipated income. As potential projects are reviewed, the City considers the benefits, alternatives, and impact of ongoing operating costs. Projects enter the CIP process through the City Council, City Manager, Finance Director, City Engineer, Public Works, or public initiative. Given the dynamics of capital priorities, projects are reviewed annually for revision based on policy direction, fiscal changes, and organizational or environmental changes. Extenuating circumstances, such as natural emergencies, damage to City facilities, regulatory mandates, changes to state and federal laws, and increased operational demands, can cause an immediate change to the CIP that could reorganize priorities and cancel or delay other projects.

Department
Capital Improvement
Division
7000 - Capital Projects

Funding Sources
General Fund - 01
Gas Tax Fund - 02
Capital Improvement Fund - 07
AQMD Fund - 08

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
Capital Projects							
General Fund - 01							
7025	Taft Ave. Improvements	\$ 32,835	13,566	11,344	268,900	282,200	-
7027	Villa Park Rd Rehabilitation	115,325	-	-	-	-	-
7028	Towne Centre Entrance	-	-	9,950	-	-	-
7030	Cannon Wall Failure - 2008	61,091	68,422	41,141	-	-	-
7031	Lemon St.-Rec trail VP-Santiago	-	22,768	6,780	29,600	29,600	-
7032	Lemon St.-Landscape VP-Santiago	-	13,798	6,346	23,100	23,100	-
7033	Lemon St.-Rec trail Santiago-Valley	-	38,358	21,061	174,300	174,300	-
7034	Safe Route-Flashers & Timers	-	2,730	360	-	-	-
7035	Safe Route-Center Street	-	18,614	1,620	-	-	-
7036	Federal Stimulus - Santiago/Lemon	-	39,820	11,562	2,200	2,200	-
7038	Ciy Hall Façade Improvements	-	-	-	25,200	22,900	486,400
7039	Towne Centre Signage	-	-	-	20,000	20,000	-
8052	Mesa Drive Guardrail C/G	11,662	13,539	-	-	-	-
General Fund Total		220,913	231,615	110,164	543,300	554,300	486,400
Gas Tax Fund - 02							
7028	Towne Centre Entrance	-	-	65,025	-	-	-
7030	Cannon Wall Failure - 2008	-	7,271	-	-	-	-
8052	Mesa Drive Guardrail C/G	-	-	-	-	-	20,000
Gas Tax Fund Total		-	7,271	65,025	-	-	20,000
Capital Improvement Fund - 07							
7025	Taft Ave. Improvements	705	1,415	-	150,000	150,000	-
7026	Emergency Storm Repairs	10,800	-	-	-	-	-
7027	Villa Park Rd Improvements	290,000	-	-	-	-	-
7028	Towne Centre Entrance	11,395	22,500	186,857	-	-	-
7030	Cannon Wall Failure - 2008	-	-	213,247	-	-	-
7031	Lemon St.-Rec trail VP-Santiago	-	-	-	372,800	372,800	-
7032	Lemon St.-Landscape VP-Santiago	-	-	-	178,200	178,200	-
7033	Lemon St.-Rec trail Santiago-Valley	-	-	-	666,300	666,300	-
7034	Safe Route-Flashers & Timers	-	-	34,472	-	-	-
7035	Safe Route-Center Street	-	-	40,266	-	-	-
7036	Federal Stimulus - Santiago/Lemon	-	-	435,501	-	-	-
7037	Civic Center Energy Efficiency Impr.	-	-	-	32,600	32,600	-
8051	Civic Center Smoke Alarm	-	-	-	30,000	30,000	-
8052	Mesa Drive Guardrail C/G	10,106	2,295	-	-	-	-
Capital Improvement Fund Total		323,006	26,210	910,343	1,429,900	1,429,900	-
AQMD Fund - 08							
7040	School Site Traffic Improvements	-	-	-	-	-	22,000
AQMD Fund Total		-	-	-	-	-	22,000
Total Division Budget		\$ 543,919	265,096	1,085,532	1,973,200	1,984,200	528,400

**City of Villa Park
Seven-Year Capital Improvement Program
Fiscal Year 2011-2012 through Fiscal Year 2017-2018**

<i>Project Description</i>	<i>Estimated Cost</i>	<i>Previously Spent</i>	<i>FY 11/12</i>	<i>FY 12/13</i>	<i>FY 13/14</i>	<i>FY 14/15</i>	<i>FY 15/16</i>	<i>FY 16/17</i>	<i>FY 17/18</i>
City Hall Façade - Repair of the City Façade to remedy a safety issue and to upgrade City Hall appearance.	\$ 509,300								
General fund (Potential CDBG funding)		22,900	486,400						
Mesa Drive Curb, Gutter & Guardrail - Install curb & gutter and guardrail on Mesa east of Henderson.	\$ 328,100								
General fund		25,300							
Gas Tax fund			20,000	78,300					
CalTrans HSIP grant		12,400		192,100					
School Site Traffic Improvements - Various improvements to increase vehicular flow.	\$ 22,000								
AQMD Fund			22,000						
Public Works Building Expansion - Prepare concept plans for replacement of Public Works building/garage with a 2-story building.	\$ 20,000								
General fund				20,000					
Lemon Street Median - Landscape/median improvements from Santiago to Valley.	\$ 295,298								
General fund Transportation Enhancement grant					119,022				
					176,276				
Canyon/Mesa Recreational Trail - Improvement to the drainage channel, to include trail, along Canyon Drive from Canyon to Mesa.	\$ 550,000								
General fund (Potential to obtain grant funding)					550,000				
Loma Trail Improvements - Grading and improvements to easement to create a trail between Loma and Las Flores.	\$ 320,000								
General fund (Potential to obtain grant funding)						320,000			
Canyon Storm Drain Extension - Extend existing from terminus to north of Mesa Drive.	\$ 110,000								
General fund						110,000			
Center Street Storm Drain - 24" relief system from Serrano to Valley.	\$ 440,000								
General fund						40,000	400,000		
Santiago Blvd Storm Drain - Extension of existing system from Sherwood Circle to Phelan (24" & 30" pipe).	\$ 330,000								
General fund						30,000	300,000		
Aubrey Circle Storm Drain - Obtain right-of-way and replace existing private open channel with storm drain pipe.	\$ 275,000								
General fund							25,000	250,000	
Street improvements at various locations	\$ 500,000							250,000	250,000
Storm drain improvements at various locations	\$ 350,000							250,000	100,000
	\$ 4,049,698	60,600	528,400	290,400	845,298	500,000	725,000	750,000	350,000
General fund matching and funding requirements			486,400	20,000	669,022	500,000	725,000	750,000	350,000
Various granting sources			42,000	270,400	176,276	-	-	-	-
Totals	\$ 4,049,698	60,600	528,400	290,400	845,298	500,000	725,000	750,000	350,000

Department
Capital Projects
Acct No.
 7038

Project Name
City Hall Façade

Funding Sources
General Fund - 01

Budget Backup

PROJECT PURPOSE

The purpose of this project is to remedy the decaying façade of City Hall and revitalize the façade to improve the look of the Towne Centre for its 50th year anniversary celebration. The City will use General Fund monies to complete this project.

PROJECT DETAILED DESCRIPTION

This project consists of demolishing the existing, decayed façade and its supporting columns will be replaced with the new façade structure that provides architectural distinction between the City Hall, Library, and Council Chambers/Community Room. A new tower feature on the southwest corner will provide a visibility to the building that is currently lacking, and the overall façade will be higher and larger than the current facade. The new façade will extend about 15 feet south into the plaza, as compared to the current roof canopy that extends roughly 8 feet. Three existing decorative light poles will need to be temporarily removed from the plaza and stored pending the redesign of the plaza landscaping. Because the new façade extends significantly into the plaza, much of the existing landscaping will be removed immediately south of the building. Additionally, the signage for the building will be made of cut metal and illuminated from the front or the side with lighting. The City Seal in the tower structure will be of enameled metal and illuminated from above with the lighting fixture. Lastly, this project will improve the disabled access with the addition of powered doors that can be opened with a push button.

PROJECT FUNDING

General Fund	\$ 509,300
	\$ 509,300



PROJECT FUNDING & EXPENDITURES SCHEDULE

Funding Source	Fiscal Year				
	Prior Years	08/09	09/10	10/11	11/12
General Fund	\$ -	\$ -	\$ -	\$ 22,900	\$ 486,400
Totals	\$ -	\$ -	\$ -	\$ 22,900	\$ 486,400

Department
 Capital Projects
Acct No.
 8052

Project Name
 Mesa Drive Guardrail, Curb & Gutter

Funding Sources
 General Fund - 01
 Gas Tax Fund - 02
 Capital Improvement Fund - 07

Budget Backup

PROJECT PURPOSE

The purpose of the project is to make safety improvement to a curve on Mesa Drive as a vehicle travels westbound prior to the intersection of Henderson Way. Additionally, the current asphalt curb will be replaced with a standard concrete curb and gutter system.

PROJECT DETAILED DESCRIPTION

The project is to replace a current guardrail system that is not up to new California standards. The project will additionally remove portions of asphalt and rebuild small areas of Mesa Street approximately 900 feet east of the intersection of Lemon Street to include new concrete curb and gutter. The project will move the guardrail closer to the street area, within specifications. Pedestrian access is provided across the street on a small portion of City trail. The City submitted the project to the State Department of Transportation (Caltrans) for a Highway Safety Improvement Program Grant. This project was originally bid in September 2008, however it has been a stale project to date. The project now requires a redesign to remain within the budget available for the project.

PROJECT FUNDING	
General Fund	\$ 25,300
Gas Tax Fund	\$ 98,300
Capital Improvement Fund	
<i>Caltrans HSIP Grant</i>	\$ 204,500
Total Capital Imp Funds	\$ 204,500
	\$ 328,100



PROJECT FUNDING & EXPENDITURES SCHEDULE

Funding Source	Fiscal Year				
	<i>Prior Years</i>	<i>08/09</i>	<i>09/10</i>	<i>10/11</i>	<i>11/12</i>
General Fund	\$ 11,662	\$ 13,539	\$ -	\$ -	\$ -
Gas Tax Fund	\$ -	\$ -	\$ -	\$ -	\$ 20,000
Caltrans HSIP	\$ 10,106	\$ 2,295	\$ -	\$ -	\$ -
Totals	\$ 21,768	\$ 15,834	\$ -	\$ -	\$ 20,000

**Fund Balance Summary
FY 2010-2011**

General Fund - 01	Street Improvements Fund - 01a	Gas Tax Fund - 02	Aid to Cities Fund - 03	Traffic Safety Fund - 04	Measure M - Local Sales Tax Fund - 05	Assessment District Fund - 06	Capital Improvements Fund - 07	AQMD Fund - 08	COPS Fund - 09	City Sewer Improvements Fund - 11	CLEEP Fund - 12	SUMMARY	Ending Fund Balances from audited financial statements for the FY 6/30/10
2,666,900	-	105,200	62,500	13,100	48,100	14,100	861,400	7,300	100,300	415,300	100	4,294,300	4,294,300
(3,083,563)	-	(165,600)	(123,300)	(13,500)	(49,100)	(10,400)	(1,423,900)	(300)	(83,500)	(357,192)	(7,000)	(5,323,355)	Estimated revenues for FY 10/11
1,523,787	114,276	19,302	21,136	870	8,650	32,803	(1,169,320)	16,443	130,230	185,233	65,375	948,785	Estimated expenditures for FY 10/11
2,570,100	-	107,400	63,500	13,100	70,400	14,100	1,079,075	6,600	300	415,300	100	4,339,975	Est. FB at 6/30/11 available including all reserves
(2,546,500)	-	(68,500)	(84,000)	(13,100)	(48,500)	(14,200)	-	-	(45,000)	(578,100)	(7,700)	(3,405,600)	Budget 11-12 revenues
(486,400)	-	(20,000)	-	-	-	-	-	(22,000)	-	-	-	(528,400)	Budget 11-12 operating expenditures
1,060,987	114,276	38,202	636	870	30,550	32,703	(90,245)	1,043	85,530	22,433	57,775	1,354,760	Budget 11-12 capital expenditures
													Est. FB at 6/30/12 available including all reserves

FUND BALANCE BREAKDOWN

Reserve fund established by Council for FY 2011-2012

759,800

Designated Reserves:

5,000	Vehicle replacement reserve	5,000
57,100	Infrastructure replacement reserve	57,100
30,000	Towne Centre improvements reserve	30,000
3,700	VPTV capital reserve	3,700
5,000	Accrued leave reserve	5,000
10,000	Median replacement reserve	10,000
-	Sewer conditioning TV monitoring reserve	-
3,665	Sewer master plan update reserve	3,665
100,800	Estimated designated reserves at 6/30/12	114,465
860,600	Total reserves at 6/30/12	874,265

Available Fund Balance:

114,276	636	870	30,550	32,703	(90,245)	1,043	85,530	18,768	57,775	480,495
200,387	28,202	28,202	28,202	28,202	28,202	28,202	28,202	28,202	28,202	28,202

Total Fund Balance:

1,060,987	114,276	38,202	636	870	30,550	32,703	(90,245)	1,043	85,530	22,433	57,775	1,354,760

Est. Fund Balance at 6/30/12 available including reserves

Summary of Gas Tax Fund - 02

<i>Department</i>	<i>Division</i>	<i>2007-2008 Actual</i>	<i>2008-2009 Actual</i>	<i>2009-2010 Actual</i>	<i>2010-2011 Est. Actual</i>	<i>2011-2012 Budget</i>
Beginning Fund Balance		\$ 133,452	438,854	143,335	79,702	19,302
Revenues		484,363	147,938	107,792	105,200	107,400
Expenditures						
Public Works						
4340 - Street Maintenance		178,961	162,486	106,400	165,600	68,500
Transfers Out						
4800 - Operating Transfers Out		-	273,700	-	-	-
Capital Improvement						
7000 - Capital Projects		-	7,271	65,025	-	20,000
	Subtotal of Expenditures	178,961	443,457	171,425	165,600	88,500
Ending Fund Balance		\$ 438,854	143,335	79,702	19,302	38,202

Summary of Aid to Cities Fund - 03

<i>Department</i>	<i>Division</i>	<i>2007-2008 Actual</i>	<i>2008-2009 Actual</i>	<i>2009-2010 Actual</i>	<i>2010-2011 Est. Actual</i>	<i>2011-2012 Budget</i>
Beginning Fund Balance		\$ 35,335	29,291	116,274	81,936	21,136
Revenues		192,552	263,684	66,583	62,500	63,500
Expenditures						
Public Works						
4320 - Public Works General		148,596	13,001	18,106	-	-
4340 - Street Maintenance		50,000	163,700	82,815	123,300	84,000
Subtotal of Expenditures		198,596	176,701	100,921	123,300	84,000
Ending Fund Balance		\$ 29,291	116,274	81,936	21,136	636

Summary of Traffic Safety Fund - 04

<i>Department</i>	<i>Division</i>	<i>2007-2008 Actual</i>	<i>2008-2009 Actual</i>	<i>2009-2010 Actual</i>	<i>2010-2011 Est. Actual</i>	<i>2011-2012 Budget</i>
Beginning Fund Balance		\$ 5,293	4,388	1,183	1,270	870
Revenues		24,895	21,401	12,525	13,100	13,100
Expenditures						
Public Safety						
4210 - Law Enforcement		<u>25,800</u>	<u>24,606</u>	<u>12,438</u>	<u>13,500</u>	<u>13,100</u>
Ending Fund Balance		<u>\$ 4,388</u>	<u>1,183</u>	<u>1,270</u>	<u>870</u>	<u>870</u>

Summary of Measure M - Local Sales Tax Fund - 05

<i>Department</i>	<i>Division</i>	<i>2007-2008 Actual</i>	<i>2008-2009 Actual</i>	<i>2009-2010 Actual</i>	<i>2010-2011 Est. Actual</i>	<i>2011-2012 Budget</i>
<i>Beginning Fund Balance</i>		\$ 87,863	129,044	45,526	10,150	8,650
<i>Revenues</i>		74,162	134,482	54,268	48,100	70,400
<i>Expenditures</i>						
Public Works						
4340 - Street Maintenance		32,981	218,000	89,644	49,600	48,500
<i>Ending Fund Balance</i>		<u>\$ 129,044</u>	<u>45,526</u>	<u>10,150</u>	<u>8,650</u>	<u>30,550</u>

Summary of Assessment District Fund - 06

Department	Division	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Est. Actual	2011-2012 Budget
Beginning Fund Balance		\$ 13,693	21,216	24,682	29,103	32,803
Revenues		12,992	15,566	14,177	14,100	14,100
Expenditures						
Public Works						
4500 - Sewer Pump Maintenance District No. 1		<u>5,469</u>	<u>12,100</u>	<u>9,756</u>	<u>10,400</u>	<u>14,200</u>
Ending Fund Balance		<u>\$ 21,216</u>	<u>24,682</u>	<u>29,103</u>	<u>32,803</u>	<u>32,703</u>

Summary of Capital Projects Fund - 07

<i>Department</i>	<i>Division</i>	<i>2007-2008 Actual</i>	<i>2008-2009 Actual</i>	<i>2009-2010 Actual</i>	<i>2010-2011 Est. Actual</i>	<i>2011-2012 Budget</i>
Beginning Fund Balance		\$ 140,824	(212,968)	95,024	(600,820)	(1,169,320)
Revenues		3,822	334,202	214,499	861,400	1,079,075
Expenditures						
Administration						
4170 - Support Services		34,608	-	-	-	-
Capital Improvement						
7000 - Capital Projects		323,006	26,210	910,343	1,429,900	-
Subtotal of Expenditures		<u>357,614</u>	<u>26,210</u>	<u>910,343</u>	<u>1,429,900</u>	<u>-</u>
Ending Fund Balance		<u>\$ (212,968)</u>	<u>95,024</u>	<u>(600,820)</u>	<u>(1,169,320)</u>	<u>(90,245)</u>

Summary of AQMD Fund - 08

<i>Department</i>	<i>Division</i>	<i>2007-2008 Actual</i>	<i>2008-2009 Actual</i>	<i>2009-2010 Actual</i>	<i>2010-2011 Est. Actual</i>	<i>2011-2012 Budget</i>
Beginning Fund Balance		\$ 4,924	9,976	6,155	9,443	16,443
Revenues		7,763	6,779	7,211	7,300	6,600
Expenditures						
Public Works						
4320 - Public Works General		2,711	10,600	3,923	300	-
Capital Improvement						
7000 - Capital Projects		-	-	-	-	22,000
Subtotal of Expenditures		2,711	10,600	3,923	300	22,000
Ending Fund Balance		\$ 9,976	6,155	9,443	16,443	1,043

Summary of COPS Fund - 09

<i>Department</i>	<i>Division</i>	<i>2007-2008 Actual</i>	<i>2008-2009 Actual</i>	<i>2009-2010 Actual</i>	<i>2010-2011 Est. Actual</i>	<i>2011-2012 Budget</i>
Beginning Fund Balance		\$ 141,497	44,267	57,595	113,430	130,230
Revenues		108,317	76,485	124,883	100,300	300
Expenditures						
Public Safety						
4210 - Law Enforcement		<u>205,547</u>	<u>63,157</u>	<u>69,048</u>	<u>83,500</u>	<u>45,000</u>
Ending Fund Balance		<u>\$ 44,267</u>	<u>57,595</u>	<u>113,430</u>	<u>130,230</u>	<u>85,530</u>

Summary of Sewer Improvement Fund - 11

<i>Department</i>	<i>Division</i>	<i>2007-2008 Actual</i>	<i>2008-2009 Actual</i>	<i>2009-2010 Actual</i>	<i>2010-2011 Est. Actual</i>	<i>2011-2012 Budget</i>
Beginning Fund Balance		\$ 370,551	58,557	345,869	127,125	185,233
Revenues		416,951	416,146	425,018	415,300	415,300
Expenditures						
Public Works						
4360 - City Sewer Improvement/Maintenance		<u>728,945</u>	<u>128,834</u>	<u>643,762</u>	<u>357,192</u>	<u>578,100</u>
Ending Fund Balance		<u>\$ 58,557</u>	<u>345,869</u>	<u>127,125</u>	<u>185,233</u>	<u>22,433</u>

Summary of CLEEP Fund - 12

<i>Department</i>	<i>Division</i>	<i>2007-2008 Actual</i>	<i>2008-2009 Actual</i>	<i>2009-2010 Actual</i>	<i>2010-2011 Est. Actual</i>	<i>2011-2012 Budget</i>
Beginning Fund Balance		\$ 117,986	117,986	89,179	72,275	65,375
Revenues		-	2,570	3,293	100	100
Expenditures						
Public Safety						
4210 - Law Enforcement		-	12,377	20,197	7,000	7,700
Transfers Out						
4800 - Transfers Out		-	19,000	-	-	-
	Subtotal of Expenditures	-	31,377	20,197	7,000	7,700
Ending Fund Balance		\$ 117,986	89,179	72,275	65,375	57,775

Internal Services Fund

The City of Villa Park has one Internal Service Fund, the Employee Benefits Fund. The Employee Benefits Fund is used for expenditures relating to employee benefits. These benefits are allocated to each department based on the personnel allocation plan and collected in the employee benefit fund to provide for the related benefits expense. The use of this fund is to better track the costs of employee benefits. The fund is not reported on the Summary of Revenues because it is not incoming revenue to the City. It is an internal fund paid for by General Fund revenues already in the receipt of the City. The expenditures from the fund are recorded as expenditures in each department.

Major increases in expenditures within the Employee Benefits Fund result from the City's participation in the Public Employee's Retirement System (PERS). As recently as 2004, the City was considered "super funded" within PERS. That is, the funds invested by the City for pension obligations were funded entirely by returns on the investments. Declining market conditions, changes to the City's pension plan in 2004, and inclusion of the City by PERS into a small cities share-risk pool increased the City's liability and therefore the amount of funds required to pay into PERS to fund future pension liability. As a benefit to the employees, the City currently pays 4% of the employees' contribution to PERS and the employee contributes additional 3% of their salary toward PERS. The employees' contribution will increase 1% each year until employee are funding the entire 7% in fiscal year 2015-16.

Department
Internal Service
Division
 4180 - Employee Benefit Fund

No.	Account Title	2007-2008 Actual	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2010-2011 Est. Actual	2011-2012 Budget
<i>Maintenance and Operations</i>							
2065	Social Security	\$ 5,022	4,170	455	1,000	800	200
2075	FICA & Medicare	7,000	4,724	5,763	6,000	6,200	6,200
2355	Retirement Benefits	82,000	72,574	110,235	107,300	106,500	103,400
2365	Life Insurance	1,500	865	1,170	1,400	1,400	1,200
2375	Medical/Dental Coverage	58,000	35,944	46,104	48,800	48,000	46,600
2385	Worker's Compensation	6,500	4,854	6,417	7,900	7,900	7,900
2450	Miscellaneous	500	-	-	300	-	300
Total Maintenance and Operations		160,522	123,131	170,144	172,700	170,800	165,800
Total Division Budget		\$ 160,522	123,131	170,144	172,700	170,800	165,800

Account Description

2065 - Social Security

This City is required to participate in Social Security for all hourly non-PERS staff.

2075 - FICA & Medicare

The City is required to participate in FICA and Medicare programs for all staff.

2355 - Retirement Benefits

This account pays for the City and employee's share of CalPERS retirement, it does not include the employee's portion of 3%.

2365 - Life Insurance

This account provides for the City's cost to provide life insurance for employees under the City's benefits package.

2375 - Medical & Dental Coverage

This account provides for the City's cost for enrolling employees in medical and dental coverage's under the City's benefits package.

2385 - Worker's Compensation

Provides a total benefit amount for the City's Worker's Compensation benefits under California Law.

2450 - Miscellaneous

This account provides for any costs related to employee benefits not budgeted in any other accounts in this division.

The Employee Benefits Fund is an internal service fund set up to account for the costs associated with employee benefits. Simply put, the City places funds into the Employee Benefit Fund to pay for the benefits provided to employees. Funds entering the Employee Benefit Fund are not new revenues - they are internal transfers from the General Fund. The Employee Benefits Fund is therefore not found in the Revenue Summary because it is not revenue to the City. It is, however, an expense. The largest expense is retirement benefits followed by medical and dental coverage. Both are payable to the California Public Employees Retirement Fund. Due to stock market conditions and a change in retirement rates, the City now pays approximately 20.2% of each employee's salary in addition to the 4% of the employees' 7% portion. Beginning in FY 2011-12, employees will contribute 3% of their salary toward PERS.

Glossary of Budget Terms

Accounting System - The total set of records and procedures used to record, classify, and report information on the financial status and operations of an entity.

Activity - A unit of budgetary accountability and control that encompasses specific and distinguishable lines of work performance for the purpose of accomplishing a function for which the City is responsible.

Adopted Budget - The budget document formally approved by the City Council.

Allocated Costs - A method for allocating overhead time and other expenses to activities that provide direct services.

Allotments - Management allocation of appropriated funds subject to legal constraints.

Appropriation - An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance. An appropriation is usually for a fixed amount and time limited, and must be expended before the deadline.

Assessed Valuation - A valuation set upon real estate or other property by the County Assessor and the State as a basis for levying taxes.

Authorized Positions - Positions approved by the City Council which may or may not have funding (see Budgeted Positions).

Base Budget - Those resources necessary to meet an established and existing service level.

Basis of Budgeting - Basis of budgeting refers to the method used for recognizing revenues and expenditures in budget. The City uses the modified accrual basis of accounting for budgetary purposes, which is in compliance with Generally Accepted Accounting Principles (GAAP).

Beginning (or Available) Fund Balance - Fund balance available in a fund from the end of the prior year for use in the following year.

Budget - A planning and controlling document for financial operation with estimates of proposed expenditures and revenues for a given period of time, usually one year. A plan or action expressed in figures.

Budget Document - The official written statement prepared by the budget office and supporting staff.

Budget Modification - A change of expenditure levels and corresponding resources needed to accomplish an existing service level or unanticipated service as approved by the City Council.

Budgeted Positions - The number of full-time equivalent positions to be funded in the budget. Example: Funding of two half-time positions would equal one full-time equivalent position.

Budget Supplement - A request for an increase or decrease in an existing service level (over and above the base budget).

Capital Improvement Budget - A plan for capital expenditures and the means of financing them, to be incurred each year over a fixed period of years, to meet capital needs arising from long-term work program. Included are expenditures made for land, building, permanent public works projects, major reconstruction or renovation of structures, and major landscaping or park improvements.

Capital Outlays - Expenditures for the acquisition of capital assets.

Carry-over Balance - Balance of funds brought forward from prior years.

Contingency - Funds appropriated by the City Council for unforeseen needs.

Department - An organizational unit comprised of divisions or programs. It is possible for a department to be comprised of only one division.

Discretionary Revenue - Money that the City Council has the authority to allocate for any purpose. Often refers to the General Fund, as opposed to Special Funds.

Division - A functional grouping of related activities within a department. There are usually several activities within a division.

Employee (Fringe) Benefits - The cost to the City for contribution to employee retirement, social security, health and workers' compensation programs.

Encumbrance - Funds not yet expended and are delegated or set aside in anticipation of an expenditure in the form of a purchase order, contract, or other commitment, chargeable to an appropriation. These funds cease to be an encumbrance when paid.

Enterprise Fund - Established to finance and account for the operation and maintenance of facilities and services which are predominately self-supporting by user charges.

Expenditure - Designates the cost of goods delivered or services rendered, whether paid or unpaid. Where accounts are kept on the accrual or modified accrual basis of accounting, costs are recorded when goods are received or services rendered. Where accounts are kept on a cash basis, expenditures are recognized when the cash payments are made.

Fees - A charge to cover the cost of services (e.g., building inspection fee, zoning fee, etc.).

Fiscal Year - A twelve-month period of time to which the budget applies. For the City of Villa Park, this period is from July 1 through June 30.

Fixed Asset - A tangible item of a long-term character such as land, buildings, furniture, and other equipment with a unit cost in excess of \$1,000.

Full Time Equivalency (FTE) - One or more employee positions totaling one full year of service or approximately 2080 hours a year.

Fund - An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources, together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations.

Fund Balance - Within a specific operating fund, the net of expenditures and revenues.

Funding Source - Identifies fund(s) that will provide resources for City expenditures.

Gas Tax Fund - This fund is required by State law to account for gas tax revenues received from the State and expended for construction and maintenance of City streets.

General Fund - The primary fund of the City used to account for all revenues and expenditures of the City not legally restricted as to use.

General Plan - The General Plan is a long-range planning document that provides the City a framework for action and the direction in which to focus that action. General Plan Elements are areas in which the City has elected to administer and manage the delivery of services to its community.

General Revenue - General sources of income the City collects and receives into the Treasury for public use (e.g., property tax). There are no restrictions as to the use of these monies - often referred to as Discretionary Revenue.

Grant - A contribution from one government unit to another, usually made for a specific purpose and time period.

Interfund Transfers - Monies appropriated from one fund to another fund. This is done to reimburse the fund for expenses or to finance the operation of the other fund.

Internal Service Funds - These are funds used to account for the financing of goods or services provided by one department or program to other departments or programs of the City on a cost-reimbursement basis.

Municipal Code - A book that contains City Council approved ordinances presently in effect. The Code defines City policies in various categories.

Objectives - Identifies the desired results of the activities of a program.

Operating Budget - A programmatic, financial, and organizational plan for furthering the goals of the City Council through departments of the City, which does not include capital improvement projects.

Operating Expenses - Expenses incurred as a result of day-to-day operations.

Ordinance - A formal legislative enactment by the City Council. It has the full force and effect of law within the City boundaries unless it is in conflict with any higher form of law, such as a State statute or constitutional provision. An ordinance has higher legal standing than a resolution. A law set forth by a government authority, specifically, a municipal regulation.

PERS - Public Employees Retirement System. - A pension plan administered by the State of California for government agencies.

Personnel Expenditures - Salaries and wages paid to employees.

Program Revenues – Revenues received by a department as a result of the services or operations of that department (such as user fees), which are used to finance the related services or programs. Program Revenue is not discretionary (general-purpose) revenue.

Property Tax - California State Constitution Article XIII A provides that the combined maximum property tax rate on any given property equal 1% of its assessed value, unless an additional amount has been approved by voters for special taxes or general obligation bonds. The County assesses properties, bills and collects these property taxes. The County remits the City's share, including all penalties and interest.

Property Transfer Tax – This tax is levied at a rate of \$1.50 per \$100 of the value of consideration of equity value transferred. The County collects the tax and the City receives the revenues. The City can use up to one third of the revenue for seismic retrofits. Revenues are dependent on how frequently the property is transferred and on the accrued value at the time of transfer.

Proposed Budget - The working document for the fiscal year under discussion.

Repairs and Maintenance - Expenditures for repairs and maintenance of all equipment and supplies, buildings, structures and grounds.

Reserve - An account used to earmark a portion of the fund balance as legally segregated for a specific use.

Resolution - A special order of the City Council that requires less legal formality than an ordinance in terms of public notice and the number of public readings prior to approval.

Restricted Use Funds – Funds designated for use for a specific purpose.

Revenue Bonds - A type of bond usually issued to construct facilities. The bonds are repaid from revenue produced by the operation of those facilities.

Revenues - Amounts estimated to be available for appropriation during the fiscal year. Included are carry-over balances and new revenues.

Sales Tax - The City receives one percent of the 8.75% of taxes assessed on retail sales or leases of tangible personal property in the City.

Secured Taxes - Taxes levied on real properties in the City which are "secured" by liens on the properties.

Service Level - Indicates a project's effect on existing levels of service provision or identifies a new service to be provided to the public.

Special Assessment Fund - A fund used to account for the financing of public improvements or services deemed to benefit primarily the properties against which special assessments are levied.

Spending Limitation (Gann Limit) - Article XIII B of the California Constitution establishes a spending limitation on government agencies within California. The spending limit is a mandated calculation of how much the City is allowed to expend in one fiscal year. The amounts of appropriations subject to the limit are budgeted proceeds of taxes. The total of these budgeted revenues cannot exceed the total appropriations limit. Annually, local governments may increase the appropriate limit by a factor comprised of the change in population combined with the California inflation rate as determined by the State Finance Department.

Supplemental Assessment - An assessment of real property occurring after the real property lien date of January 1st of each year as a result of new construction or a change in ownership. The assessor determines the new value of the property based on current market

values, and then calculates the difference between the new value and the old value set on January 1st.

Tax Levy - Amount of tax dollars raised by the imposition of the tax rate on the assessed valuation of property.

Tax Rate - The amount of tax levied for each \$100 of assessed valuation.

Year-End - This terms means as of June 30th (end of the fiscal year).

RESOLUTION NO. 2011-3157

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VILLA PARK
ADOPTING THE BUDGET, APPROPRIATING REVENUE, AND
ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2011-12.**

WHEREAS, the City Manager has prepared and submitted to the City Council a proposed budget for the 2011-12 Fiscal Year commencing July 1, 2011, and ending June 30, 2012, and the proposed annual budget is on file in the City Clerk's Office; and

WHEREAS, the City Council has made certain revisions, corrections, and modifications to said proposed budget and the City Manager has caused the proposed budget document to be corrected to reflect the changes ordered by the City Council; and

WHEREAS, the City Council held a study session on the proposed Budget on June 14, 2011, and a Public Hearing on the proposed budget on June 28, 2011, where all interested persons were provided the opportunity to be heard; and

WHEREAS, final considerations were made at said hearing; and

WHEREAS, a proposed Seven-Year Capital Improvement Program for the City of Villa Park was submitted to the City Council and is on file in the City Clerk's Office; and

WHEREAS, the City Council has considered the budget and comments thereon, and has determined it is necessary for the efficient management of the City that certain sums of revenue be appropriated to the various departments, officers, agencies and activities of the City, and an appropriations limit be established for FY 2011-12 in meeting the legal requirements of Article XIII B of the California Constitution, including the designation of certain revenues as tax proceeds or non-proceeds, as set forth in said budget.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Villa Park as follows:

SECTION 1:

- A) In accordance with the provisions of Proposition 111 and Senate Bill 88, the City Council of the City of Villa Park selects the Growth in the California Per Capita Income and the Growth in the population of the County of Orange in determining the Appropriations Limit for Fiscal Year 2011-12.
- B) The Department of Finance has notified the City of the change in the California Per Capita income and such change is 2.51% for the prior calendar year.
- C) The Department of Finance has notified the City of the change in population of the County of Orange County and such change is 0.70%.
- D) Pursuant to California Constitution Article XIII B, Section 1 and Government Code sections 7900 et seq., and pursuant to the guidelines set forth by Proposition 111, the City appropriations limit must be adjusted for changes from the base year of 1986-87 to the fiscal year ending June 30, 2011, by the changes in the California Per Capita income and in population.
- E) The appropriations limit documentation applicable to this Resolution has been available for public inspection for fifteen days prior to approval by the City Council, pursuant to Government Code section 7910.

SECTION 2: The City Council finds and determines that the appropriations subject to limitations in the 1986-87 Fiscal Year were \$1,008,643 and that utilizing this figure in conjunction with the formula for computation of the appropriations limitation, as set forth in Chapter 1205 of the Revenue and Taxation Code, the appropriations limit for the City during the 2011-12 Fiscal Year is revised to \$3,323,210.

SECTION 3: The City Council hereby identifies and authorizes a total estimated operations/capital project budget of \$3,934,000 and appropriates said money from the various funds to each account set forth in said budget, incorporated herein by reference, the sums as shown for such account in the 2011-12 budget. The City Manager is authorized and empowered to expend such sum for the purpose of such account but no expenditure by any office or department for any items within an account will exceed the amount budgeted therefore without prior approval of the City Manager.

SECTION 4: The City Council hereby identifies and authorizes release of fund balance designations and budget amendments (Exhibit A) for a total of \$33,106.

SECTION 5: The budget, incorporated herein by reference, is adopted by Resolution as the Annual Budget for the City of Villa Park for Fiscal Year commencing July 1, 2011, and ending June 30, 2012.

SECTION 6: The Capital Improvement Program presented to the City Council on June 28, 2011, is retained as the 2011-2018 Seven-Year Capital Improvement Program for the City of Villa Park.

SECTION 7: The City Council finds and determines that the City's proposed budget for the 2011-12 Fiscal Year is as presented, and incorporated herewith is in compliance with the City's appropriations limitation, and hereby approves and adopts this budget in its entirety, text and amounts hereinafter, as a statement of City policy for the Fiscal Year 2011-12 and authorizes the City Manager to carry out the City's expenditures in conformity therewith.

SECTION 8: That the City Clerk shall certify to the adoption of this Resolution and certify this record to be a full true, correct copy of the action taken.

PASSED AND ADOPTED by the City Council of the City of Villa Park at a regular meeting held on the 28th day of June, 2011.



W. Richard Ulmer, Mayor
City of Villa Park

ATTEST:



Jarad L. Hildenbrand, City Clerk
City of Villa Park

STATE OF CALIFORNIA }
COUNTY OF ORANGE } SS
CITY OF VILLA PARK }

I, **Jarad L. Hildenbrand**, City Clerk of the City of Villa Park **DO HEREBY CERTIFY** that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Villa Park held on the 28th day of June, 2011, and was carried by the following roll call vote, to wit:

AYES: COUNCILMEMBERS: REESE, FAUTEUX, MACALONEY, ULMER
NOES: COUNCILMEMBERS: PAUL
ABSENT: COUNCILMEMBERS: NONE
ABSTAIN: COUNCILMEMBERS: NONE


Jarad L. Hildenbrand, City Clerk
City of Villa Park

City of Villa Park
Fund Balance Designation Release and Final Budget Amendment
FY 2010-2011

Release of Fund Balance Designations for Fiscal Year 2010-2011

<u>General Fund</u>	<u>Amount</u>
Release from the Accrued Leave Reserve the vacation and sick accruals paid according to use and seperation of employment.	<u>\$ 3,500</u>
<u>Sewer Improvement Fund</u>	
Release from the Sewer Master Plan Update Reserve the money spent on Sanitary Sewer Master Plan.	<u>16,106</u>
Total Fund Balance Designations Released	<u>\$ 19,606</u>

Final Budget Amendements for FY 2010-11

<u>COPS Fund</u>	<u>Amount</u>
<u>Law Enforcement</u>	
Increase account 09-4210-5338 for the Directed Special Assignment costs associated with the additional law enforcement protection at a scheduled City Council meeting where an organized protest was held.	<u>\$ 13,500</u>
Total Budget Amendements	<u>\$ 13,500</u>
Totals	<u>\$ 33,106</u>

RESOLUTION NO. 2011-3160

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VILLA PARK
ESTABLISHING SALARY AND BENEFIT RATES FOR ALL CLASSES OF
EMPLOYMENT AND SUPERSEDING RESOLUTION NO. 2010-3122.**

**THE CITY COUNCIL OF THE CITY OF VILLA PARK, CALIFORNIA, DOES HEREBY RESOLVE,
DECLARE, DETERMINE AND ORDER AS FOLLOWS:**

SECTION 1. Superseding the previous Salary Resolution, the following salary ranges are assigned to each full time position in the City.

<u>Position</u>	<u>Monthly Range</u>	<u>Current Rate</u>
Maintenance Worker I	\$2,672 to \$3,612	\$3,612
Maintenance Supervisor	\$4,580 to \$5,428	\$5,151
Management Analyst	\$3,466 to \$4,506	\$3,466
Assistant CM / City Clerk	\$4,333 to \$5,633	\$4,550
City Manager	Determined by contract	

SECTION 2. The City of Villa Park shall continue to provide the following benefits:

I. RETIREMENT:

1. The City shall pay four percent (4%) of the normal member contributions to the California Public Employees Retirement System as employer paid member contributions and report same percent to PERS as compensation. This benefit shall apply to all miscellaneous class employees. City employees shall pay three percent (3%) of the normal member contributions. Beginning in FY 2012-13, employees shall contribute an additional 1% of pay each fiscal year, until employees are paying the full 7% normal member contribution.

II. MEDICAL INSURANCE:

1. The City shall pay the minimum required monthly contribution for medical insurance for active employees as required by the Public Employees' Medical and Hospital Care Act. To the extent required by state law, the City shall also contribute this amount for retirees.

III. CAFETERIA BENEFITS:

1. In addition to the contribution noted in Section 2, Part II (1) above, the City will pay up to the full cost of health maintenance organization (HMO) medical insurance for current full time employees and 66 2/3 percent of their family members. For purposes of this section, the term "family members" are dependants of the employee who meet the eligibility requirements for coverage under the HMO plan and are enrolled by the employee. Effective July 1, 2008, the City will pay for the full cost of HMO medical insurance for full time employees hired after this date and 33 percent of their family members. For employees that select an insurance plan that exceeds the highest HMO plan, the City will contribute the amount equal to the highest HMO plan for the employee, and for their family members in the percentages outlined above; the employee shall pay the difference.
2. The City will provide a dental insurance plan. The City will contribute the full cost for a plan chosen by the City Manager that covers all current full time employees and 66 2/3 percent of their family members. Effective July 1, 2008, the City will pay for the full cost of dental

insurance for full time employees hired after this date and 33 percent of their family members.

3. The City shall provide life insurance to full time employees in the amount of \$50,000. The City Manager shall be provided life insurance on the basis of 100% of his/her annual salary up to a maximum of \$100,000, provided that any amount over \$50,000 is reported as compensation as required by accounting standards. The City may participate in an alternative insurance plan paid for entirely by employees for additional benefits to include life, vision, or additional supplemental coverage.
4. The City shall provide a medical insurance rebate program whereby full time employees who are currently enrolled under a medical insurance program through a spouse or other source, can exchange their City's insurance for a cash rebate. This rebate shall equal \$250 per month if one or more family members are or would be covered in the City's plan or \$150 per month if the employee is or would be covered as a single in the program.
5. In accordance with the California Labor Code, the City pays the premium for unemployment insurance for City employees. The City participates as a reimbursable employer with the California Employment Development Department. As such, the City reimburses its unemployment account only after funds are withdrawn to pay a qualified claim.
6. Under provisions of the Workers' Compensation Insurance Law of California, any employee injured on the job in the course of employment is entitled to disability compensation and medical care. Full time employees may utilize sick leave during the period of absence due to a work-related illness or injury. However, when payment of workers' compensation benefits is received by the employee:
 - a) He/she must endorse the check over to the City;
 - b) The City will convert the dollar amount of the check to sick leave hours (total amount of check divided by hourly wage); and
 - c) The City will credit the employee's sick leave account by that number of hours. Employees who do not wish to cover this period with sick leave, or who lack adequate sick leave hours, may keep the check from workers' compensation.

IV. VACATION:

1. Full time employees accrue vacation according to the following schedule:

Years of Service	Annual Rate (hours)
01-05	96
06-10	120
11	128
12	136
13	144
14	152
15+	160

2. Vacation will be credited monthly on a prorated basis proportionate to a full working month. Upon termination or retirement, full time employees shall be compensated at the current pay scale for their accrued vacation prior to such action to a maximum of 160 hours. No

employee shall carry forward to any succeeding calendar year more than 160 hours of accrued vacation. However, after ten (10) years of service, a full time employee shall be entitled to accrue up to two (2) times their annual leave. The purpose of providing vacation is to allow employees time away from the work environment so that when they return they will be fully rested and able to carry on their work assignments.

3. Hourly employees averaging fewer than 20 hours per week will accrue vacation time after the first six (6) months at the rate of four (4) hours per month up to a maximum of 80 hours. Hourly employees averaging greater than 20 hours per week shall accrue vacation at a rate of 6 hours per month up to a maximum of 80 hours.

V. HOLIDAYS:

1. The City will provide employees 64 paid hours a calendar year for holidays plus 32 hours of personal leave time off for full time employees for a total of 96 hours per year. All holiday hours must be taken during the calendar year in which they are earned and cannot be credited to the succeeding year. Hourly employees shall be eligible for holiday pay at a rate of 6 hours per holiday provided that the employee has worked at least 8 hours during the pay period encompassing the holiday and the employee averages a minimum of 20 hours per week. Hourly employees are not eligible for personal leave time.
2. The City will observe eight (8) paid holidays in FY 2011-12. These include:
 - Independence Day (July 4)
 - Labor Day (September 5)
 - Veteran's Day (Friday, November 11th)
 - Thanksgiving Holiday (fourth Thursday and Friday in November)
 - New Year's Day (observed Monday, January 2)
 - President's Day (third Monday in February)
 - Memorial Day (last Monday in May)
3. Full time staff will be given time off on the Monday through Friday between the Christmas and New Year's holidays in 2011/12 with pay. Part time employees will be given the opportunity to take this time off without pay or use their vacation time.

VI. LEAVES OF ABSENCE:

1. Full time employee sick leave with pay shall accrue at the rate of sixteen (16) hours per calendar quarter of service, succeeding the first such month of service, up to a maximum of sixty (60) days at an employee's regular daily pay rate.
2. Upon termination or retirement, full time employees will be compensated for all accrued sick leave prior to such action not to exceed twenty-eight (28) days at the employee's daily pay rate.
3. Hourly employees that work at least twenty (20) hours per week for at least six (6) months per year shall receive accrued sick leave credits at the rate of eight (8) hours per calendar quarter of service up to a maximum of thirty (30) days at an employee's regular daily pay rate. Sick leave shall not be allowed for hourly employees working less than twenty (20) hours per week.

4. Bereavement leave of up to three (3) days leave with pay will be granted to full time employees in the event of the death of an immediate family member. This includes any relative by blood or marriage that is an actual member of the employee's household, and/or any parent, parent-in-law, spouse, child, brother or sister of the employee regardless of residence. Sick leave, vacation, or floating holiday hours may be applied to a bereavement period for bereaving a family member not included under the City's bereavement policy.
5. Any employee holding a full time position who is ordered to active duty in the U.S. Armed Forces shall be entitled to reinstatement with no loss of seniority rights and full reimbursement for up to 80 hours per year. Prior to use of any military leave, an official copy of military orders must be on file with the office of the City Manager.
6. Employees called to serve jury duty will be granted a leave of absence for the period of service required. Employees shall be paid the difference between his/her full salary and any payment received for such service, except travel pay for a maximum of one (1) day or one (1) trial not to exceed five (5) days.
7. In compliance with the California Family Rights Act (CFRA) of 1991 and the Federal Family and Medical Leave Act (FMLA) of 1993, the City will provide up to 12 weeks in any 12 month period, unpaid, job-protected leave to eligible employees for certain family and medical reasons, in accordance with Policy Number C-25 of the City's Operations and Personnel Procedures Manual.
8. The City may, at the discretion of the City Manager, grant an employee a leave of absence for up to three months without pay. Leave without pay is intended for unusual circumstances and approval will be evaluated based upon the impact to departmental functions and work force levels. Leave without pay will only be granted upon complete use of accrued sick leave, vacation, and floating holiday hours.

VIII. OVERTIME:

1. Employees designated as exempt are exempt from receiving overtime compensation.
2. Employees classified as non-exempt will receive compensation for approved overtime work as follows: Hours worked by non-exempt staff in excess of 40 paid hours in a seven day work week are considered overtime. All eligible personnel shall be compensated for authorized overtime at the rate of one and one-half times his/her equivalent hourly rate of pay, or shall be allowed to accumulate one and one-half hours of compensatory time (of up to 30 hours) for each overtime hour worked. Such compensatory time, however, must be taken during the pay period in which accrued with City Manager approval.

IX. MISCELLANEOUS BENEFITS:

1. Full-time employees may be allowed reimbursement for tuition and books for classes and programs approved in advance by the City Manager. The amount of reimbursement shall be limited to the prevailing cost for tuition and books at an approved institution with a cap of \$750 per fiscal year. Those staff members using tuition reimbursement funds are required to maintain full-time status with the City for a period of one year following use of the funds. If full-time status is not maintained and the employee separates from employment voluntarily, the funds used within the last twelve months of employment shall be deducted from the employee's final payout upon separation.

2. Regular Public Works employees will be reimbursed for work clothing and/or work boots, in an amount not to exceed \$250 per employee per fiscal year, upon the presentation of receipts and approval of the City Manager.
3. For those employees not provided with an automobile allowance or City vehicle, the City will reimburse an employee at the current IRS rate per mile for authorized use of an employee's private vehicle on City business.
4. The City shall provide designated employees with a City paid cellular telephone. Personal calls and texts within the basic plan level are considered additional income per IRS rulings and added to calendar year W-2 forms.
5. When an employee is promoted to a higher classification, the employee shall be assigned to the step in the new classification that provides an increase over the salary received immediately prior to such promotion. Promoted full time employees will be subject to a one-year probationary period.

SECTION 3. Hourly, part-time employees are to be compensated at a rate fixed on the following schedule:

Position Title	Hourly Rate
Finance Director	\$50.25 to \$65.25
Office Assistant	\$9.00 to \$15.00

The City Manager may hire, on an hourly basis, positions identified as full time according to the current salary resolution. Such positions shall only be hired when filling in temporarily for an existing full time position. In addition, with Human Resources Committee concurrence, the City Manager may hire, on an hourly basis, positions identified as part-time to cover positions not listed in the salary resolution as a means to provide necessary City services.

SECTION 4. Rates of compensation as listed in this Resolution shall be effective on the pay period starting July 1, 2011.

SECTION 5. All benefits in this Resolution shall be reviewed annually in their entirety.

SECTION 6. Salaries for each position are based on the results of salary surveys, conducted as required when reviewing salaries. The pay range for each position is generally set based, in part, on a trended average of ten (10%) percent below the average salary for the comparative position based on the survey. For Fiscal Year 2011-2012, in recognition of the current economic climate salary ranges will not be adjusted as might be warranted by a salary survey. This section shall not apply to the salary of the City Manager which shall be set independently by the City Council.

PASSED AND ADOPTED by the City Council of the City of Villa Park at a regular meeting of the City Council held on the 28th day of June, 2011.



W. Richard Ulmer, Mayor
City of Villa Park

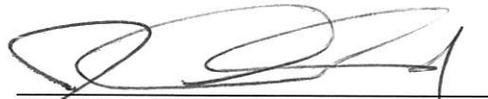
ATTEST:


Jarad L. Hildenbrand, City Clerk
City of Villa Park

STATE OF CALIFORNIA }
COUNTY OF ORANGE } SS
CITY OF VILLA PARK }

I, **Jarad L. Hildenbrand**, City Clerk of the City of Villa Park **DO HEREBY CERTIFY** that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Villa Park held on the 28th day of June, 2011 and was carried by the following roll call vote, to wit:

AYES: COUNCILMEMBERS: *MACALONEY, FAUTEUX, REESE, ULMER*
NOES: COUNCILMEMBERS: *PAULT*
ABSENT: COUNCILMEMBERS: *NONE*
ABSTAIN: COUNCILMEMBERS: *NONE*


Jarad L. Hildenbrand, City Clerk
City of Villa Park

2011-2012 Operating Budget Notes:

