

CITY OF VILLA PARK



OPERATING BUDGET AND CAPITAL IMPROVEMENT PLAN

Fiscal Year 2016-2017



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Villa Park
California**

For the Fiscal Year Beginning

July 1, 2015

Jeffrey R. Emswiler

Executive Director

City of Villa Park
Fiscal Year 2016-2017
Annual Operating Budget
And
Capital Improvement Program

Greg Mills, Mayor
Richard Barnett, Mayor Pro Tem
Robert Collacott, Councilman
Diana Fascenelli, Councilwoman
Bill Nelson, Councilman

Submitted by:
Jarad Hildenbrand, City Manager
Michelle Danaher, Finance Director
June 28, 2016



- THIS PAGE INTENTIONALLY BLANK -

2016-17 City Council Goals & Work Plan

- 1) Maintain the City's high-quality of life and physical property standards.
 - Continue to improve City entry monument signs per the master plan and construct as many as fiscally possible.
 - Continue to identify median landscaping restoration projects, with the goal of completing several each year.
 - Support and respond to neighborhood needs.
 - Complete Zoning Code Update to improve processing, readability, and eliminate conflicting code sections.
 - Continue to pursue the implementation of a Community Preservation Program (code enforcement).
 - Complete the scheduled street maintenance projects as outlined in the City's Capital Improvement Program.

- 2) Maintain the City's low crime rate.
 - Ensure a safe community and protect rights of citizens.
 - Continue to strengthen sheriff-community relations including fraud training opportunities for residents.
 - Preserve the School Resource Officer (SRO) program contingent upon continued Citizens' Option Public Safety (COPS) funding.
 - Implement directed patrols, when necessary, as an intervention method to reduce crime in specific areas of the City.
 - Find compliant ways to spend the City's California Law Enforcement Equipment Program (CLEEP) allocation for purposes that will enhance community safety.
 - Continue the revitalized implementation of the CERT program and strengthen resident involvement through communication and enhanced neighborhood watch programs.
 - Continue to publicly recognize the accomplishments of individual Deputies.
 - Invite Sheriff Hutchens to at least one major City event per year and see that she is publicly recognized.
 - Continue to promote the "Do Not Solicit" Registry.
 - Continue to manage patrol accountability.

- 3) Enhance and maintain the City's fiscal and organizational stability.
 - Maintain and adopt a timely, healthy, and structurally balanced City budget.
 - Whenever possible add to the City's reserves either generally or for specific purposes such as infrastructure replacement.
 - Pursue grants when appropriate and manage them effectively.

- Improve public access to information.
 - Continue to analyze contracts for potential cost savings.
 - Continue to provide the City Council with monthly revenue and expenditure variance reports.
 - Analyze processes to deliver City services efficiently thereby reducing the cost of providing such services.
 - Provide appropriate training and development opportunities for all staff.
 - Hold regular “Villa Park Team” meetings so all team members are aware of the “Big Picture” regarding City initiatives.
 - Schedule an annual strategic planning session with the City Council in order to identify priorities and key issues for the following fiscal year.
 - Continue to complete in a timely manner all federal, state, and local reporting requirements.
 - Continue to maintain financial records in accordance with Government Accounting Standards.
 - Pursue Government Finance Officers Association (GFOA) Annual Distinguished Budget Award.
- 4) Encourage the improvement of Villa Park Town Center.
- Continue to explore ways of implementing strategies that will improve the quality and quantity of Town Center tenants.
 - Consider hosting an annual meeting with the Town Center property owners and semi-annual meetings with the tenants for purposes of discussing mutual concerns and cooperative solutions.
- 5) Develop community awareness and involvement.
- Maintain the City’s strong policy of public transparency by providing regular public information via the web, local news media, direct communication with residents, etc.
 - Provide support to the Villa Park Community Services Foundation, the Friends of the Villa Park Library and other community organizations.
 - Periodically hold Town Hall meetings on subjects of community wide interest that are not related to the internal management matters (e.g. personnel performance, salaries, interagency negotiations, etc.) of the City organization.

Table of Contents

1. Budget Overview	
• Budget Overview	9
• Guide to Budget	10
• Philosophy & Mission	11
• City Manager’s and Finance Director’s Letter	12
2. Budget Policies & Procedures	
• Budget Basis	20
• Budget Preparation	21
• Revenue Policies	21
• Debt Policy	22
• Capital Improvement Budget	23
• Budget Review	23
• Budget Adoption	24
• Budget Amendments	24
• Fund Balance Reserves	25
3. City Profile	
• Community Profile	28
• Form of Government	33
• City-wide Organizational Chart	34
• Board Appointments and Committees	35
4. Summary of Financial Information	
• Budget Summary	39
• General Fund	39
• Special Revenue Funds	39
• Capital Project Funds	40
• Internal Service Fund	42
• Financial Expenditure Summary by Division	43
• Gann Limit	44
• Fund Balance	45
• Fund Balance Reserves	47
• Budget Overview	48
• Full City Budget Summary	49
• Budget Charts	50
• Summary of Revenues	51
• Summary of Expenditures	56
• Salary and Employee Benefits Summary	57

• Expenditure Analysis by Fund	58
• Summary of Expenditures by Account and Fund	60
5. General Fund	
• General Fund Review	64
• Analysis of General Fund Revenues	65
• General Fund Reserves	72
6. Departmental Information	75
• Administration	
• City Council	77
• City Manager/City Clerk	80
• Finance	84
• City Attorney	89
• Support Services	93
• Public Safety	96
• Law Enforcement	98
• Emergency Preparedness	100
• Public Works	103
• General	104
• Street Maintenance	106
• Storm Drain Maintenance	108
• Sewer Pump Maintenance District	110
• Civic Center	112
• City Sewer Improvement	114
• Community Development	
• Community Preservation	117
• Planning	120
• Engineering	125
• Building	129
7. Transfers Out	133
8. Capital Improvement Programs	134
• Capital Projects	135
• Seven Year Capital Improvement Plan	136
• Software Conversion	139
• Storm Drain Improvement	140
• Council Chamber Remodel	141
• City Entrance Monuments	142
• Taft Rehabilitation	143
• Wanda Greenbelt	144
• Sewer Improvement	145

9. Fund Balance Summary	146
10. Expenditure Summary By Funds	
• Gas Tax Fund -02	148
• Aid to Cities Fund -03	149
• Traffic Safety Fund -04	150
• Measure M – Local Sales Tax Fund -05	151
• Assessment District Fund -06	152
• Capital Improvements Fund -07	153
• AQMD Fund -08	154
• COPS Fund -09	155
• Sewer Improvement Fund -11	156
• CLEEP Fund -12	157
11. Internal Services Fund	159
• Employee Benefits Fund	160
12. Miscellaneous	
• Glossary of Terms	162
• Budget Resolution	177
• Salary and Benefits Resolution	181
• Notes	188

- THIS PAGE INTENTIONALLY BLANK -

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 Finance Director'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 Finance Director's letter summarizes the budget by outlining major programs in progress, critical issues and challenges for the fiscal year, as well as 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 a procedure adopted by the City Council, as well as highlights the budgeting process, guidelines, and a framework used to assemble the City's annual operating budget. In this section, each designated reserve is defined and their funding goal is stated. The General Fund Reserve is discussed and highlighted as an introduction to the City reserves.

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 the defined budgeted funds, the GANN limit, fund balance summaries, revenue and expenditure summaries and a personnel allocation table.

Guide to the Budget

General Fund

The accounts of the City are organized through the basis of funds. These funds are organized to segregate and account for restricted resources. Each fund is a separate accounting entity. The General Fund is the primary revenue source for most city services; these include Public Safety, Public Works, Community Development, and Administration including City Council, City Manager/City Clerk, Finance, City Attorney, and Support Services.

Other Funds

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

Departmental Information

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 Programs

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 that were recommended by the City Council and City Management at the annual Strategic Planning Meeting.

Philosophy & Mission

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

Values

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 for the residents who have placed their trust in us.

- Accountability - We regularly accept responsibility for results and outcomes.
- Commitment - Engaging ourselves to the people we serve; dedicating our time and energy to that which we believe.
- Communication - Exchanging thoughts, opinions, and information well; relaying messages to the best of our ability with clarity.
- Excellence - Always striving to do better and excelling beyond expectations for the community.
- Integrity - Always exhibiting sound moral and ethical principles, virtues, and good character; demonstrating honesty and trustworthiness in the community.
- Respect - Treating others justly, fairly, and with dignity; showing high regard for others and treating them as we would like to be treated.
- Teamwork - Working well together; combining individual talents and strengths, supporting each other, and then working cooperatively to achieve mutual objectives.
- Transparency - We are accessible to the community and conduct all affairs of the City openly, honestly and clearly.



TO: Honorable Mayor and City Members

FROM: Jarad Hildenbrand, City Manager
Michelle Danaher, Finance Director

SUBJECT: Fiscal Year 2016-17 City Budget and Capital Improvement Plan Budget Message

DATE: June 13, 2016

It is our privilege to present for your review and consideration the draft FY 2016-17 City Budget and Capital Improvement Plan. This document proposes a scope of work and financial plan for the City of Villa Park to undertake during the Fiscal Year beginning July 1, 2016.

The programs, projects, and services provided for herein, are intended to continue to fulfill the City's legal responsibilities as set forth in State law and advance efforts with respect to the City Council's vision (*see below*). The vision articulates the goals and intended outcomes of this budget and work plan, while also reinforcing the City's commitment to the delivery of exemplary municipal services rich in public value.

City Council's Vision:

1. Maintain the City's high quality of life and physical property standards.
2. Maintain the City's low crime rate.
3. Enhance and maintain the City's fiscal and organizational stability.
4. Encourage the improvement of Villa Park Town Center.
5. Develop community awareness and involvement.

BUDGET HIGHLIGHTS, ASSUMPTION AND PRIORITIES

The 2016-2017 Budget has several changes and additions from prior year budgets as management is undergoing a financial software conversion. This conversion will not be complete until October 2016; however, staff worked diligently to implement all revisions to this budget so it would accurately correlate with the new financial software once it is live. The departments, divisions, and accounts were consolidated and revamped to represent a clearer picture for the reader of this document.

The Major Funds of the City include the General Fund, Gas Tax Fund, Sewer Improvement Fund and the Capital Improvements Fund. The General Fund is the fund that critically supports the majority of operational costs within the City.

REVENUES

General Fund

Overall, management is assuming approximately \$80,700 more in General Fund revenues for FY 2016-17. The major increase in budgeted General Fund revenues is the anticipated 4% growth in property taxes. Management recognizes that the County Assessor anticipates a 5% increase County-wide in property taxes in FY 2016-17; however, based on the growth trends for Villa Park, management has chosen to recognize only a 4% increase in the FY 2016-17 property taxes.

Per the State of California, Sales Tax for FY 2016-17 is anticipated to continue its growth to approximately 5.3% over last year. The City of Villa Park currently contracts with MuniServices, LLC to monitor and audit our sales tax. MuniServices has forecasted that the City of Villa Park will see an increase in sales tax of approximately 5.1% over last year (or \$11,900), which is assumed in this budget.

Other Funds

The Gas Tax Fund accounts for the Highway User Tax Allocations received from the State of California. The California City Finance has been analyzing the Highway User Tax Allocations to all cities throughout the state. The City recently received a letter noting that as a direct result of the reduction in actual transportation fuels sold, Highway Users Tax Allocations will be reduced in FY 2016-17 by \$10,000 or 7%. These monies are restricted for street improvements within the City, and have been budgeted for our annual street rehabilitation project and median replacements/upgrades.

In FY 2015-16, the City of Villa Park entered into an agreement with Orange County Transportation Authority (OCTA) to participate in a Senior Mobility Program (SMP). This program is accounted for in the Aid to Cities Fund. This program offers a senior taxi cab service to residents in Villa Park, free of charge. This program was so successful in FY 2015-16, that the funds were exhausted by December 31, 2015. Management suspended the program until July, 1 2016, with new parameters in order to offer a service to the seniors within the community for a nominal charge. Management is optimistic that revised parameters will allow the City to sustain the SMP for the full fiscal year.

The Capital Improvement Fund is where the majority of grant revenues are recorded. City management is continuously researching various grant opportunities and to date has been awarded one grant that is anticipated to be reimbursed in FY 2016-17 in the amount of \$378,479 for the Taft Avenue Street Rehabilitation Project from OCTA Regional Surface

Transportation Program. This project has a General Fund matching requirement of \$378,479, which is also budgeted for in FY 2016-17.

Lastly, the City maintains a COPS Fund that tracks the AB 3229 COPS funding. The State of California routinely awards a COPS grant of \$100,000 to cities similar in size to Villa Park. In FY 2015-16 the City received an additional \$14,000 as a “growth factor” on these monies from the apportionment relating to FY 2014-15; therefore, in FY 2016-17, this revenue will decrease by this one-time receipt of \$14,000.

EXPENDITURES

The City of Villa Park has four full-time employees and three part-time employees. The small size of this staff affords each employee to do a variety of tasks over several funds and departments; therefore, salaries and benefits are allocated based on work performed. Concerning salary and benefits, there are no salary cost-of-living adjustments (COLA's) assumed. A 3% merit increase has been budgeted for all employees (except for the City Manager, whose salary is determined by contract) to be distributed by the City Manager. PERS employer contribution rates are 16.487% (8.88% is the retirement portion and approximately 7.607% represents the Unfunded Accrued Liability “UAL” portion) of payroll. Also, all employees will continue to pay the full 7% of their pay as a contribution toward their employee PERS contribution. Council also authorized two new benefits to the benefit package beginning in FY 2016-17 totaling \$6,000. State Disability Insurance is offered to all employees for short term disability and will be paid by the City. The second added benefit is vision insurance for full-time employees.

General Fund

One significant expenditure increase in FY 2016-17 is related to law enforcement. The law enforcement contract with the Orange County Sheriff Department (OCSD) increased by 5.2%, or \$68,000. The majority of the increase is due to salaries benefits. Although this is one of the most significant increases in the budgeted expenditures this year, safety of our residents is paramount in the City of Villa Park.

Another expenditure variation from FY 2015-16 is a decrease of approximately \$278,000 in General Fund pavement management expenditures for FY 2016-17, as the City's street project in FY 2016-17 will be funded through other funds and not the General Fund monies that were used in FY 2015-16.

Annually, the City contracts out for cleaning of storm drain systems. In FY 2015-16, the City's contractor was determined nonresponsive, so a new contractor was selected to perform a two- year storm drain cleaning project. The increase in expenditures from last year is approximately \$20,000.

Every 10 years or so the City contracts out for a Storm Drain Master Plan Update. This Plan is used to highlight the priority of which storm drains need repair/construction. In FY 2015-16, the City contracted out for its Storm Drain Master Plan Update; therefore, in FY 2016-17, the City will recognize an expenditure savings of approximately \$60,000.

Another significant expenditure increase of approximately \$15,000 is related to the California Joint Powers Insurance Authority's (CJPIA) actuary recalculated the City's retrospective deposit balance owed in FY 2016-17. Each year the actuary increases or decreases the annual estimated liability owed of \$32,000. In FY 2015-16 the liability was refunded, and in FY 2016-17 only a portion was refunded resulting in the increase in expenditures.

The City Council has authorized a budget contingency threshold of 5% of General Fund operating expenditures. In order to increase efficiency and allow for effective management, the City Manager's budget contingency of 5%, or \$144,000, can be authorized within the City's policies and procedures for future projects.

Council has determined that continuing education is a valuable asset to all staff and all Councilmembers; therefore, Council has maintained the significant budget for Professional Development in an effort to properly prepare all representatives of Villa Park. The majority increase (\$11,000) in Professional Development is for all Councilmember's to receive professional development in order to best serve the residents of Villa Park. This is important to note in FY 2016-17, as it is a Council election year where two seats are available.

In a direct response to several occurrences of technological issues, in FY 2015-16 management brought the City office into the proper technical age, with a technological computer overhaul spending approximately \$20,000. In order to provide the most accurate and timely information to our residents, the technology update was a necessity for the City to run smoothly. In FY 2016-17, the equipment budgeted for the City is reduced by last year's significant purchase.

Another significant decrease from expenditures from last year is the purchase of the Maintenance Supervisors truck in FY 2015-16, this will be a recognized decrease of \$40,000 in FY 2016-17.

The last major expenditure variation from FY 2015-16 is the General Fund's portion of capital projects. The City is embarking on the following capital projects (all utilizing some General Fund monies): Software Conversion - \$19,700; Storm Drain Improvement - \$150,000; Council Chamber Remodel - \$50,000; City Entrance Monuments - \$10,000; Taft Avenue Rehabilitation Improvement - \$340,700, and Wanda Greenbelt Landscape Renovation - \$50,000.

In total, General Fund expenditures are up 12% or \$379,400 from the FY 2015-16 levels specifically as a net effect of the capital projects.

Other Funds

In FY 2015-16, the City performed a two-year pavement rehabilitation project. In FY 2016-17, the City is performing a one-year project funded by the Gas Tax and Measure M fund thus there is a decrease of approximately \$133,000.

In the FY 2014-15 the City began a major overhaul of the City's medians. In light of the environmental issues within our State, management believes it is prudent to research updating the landscaping in our city medians to be water efficient. Management is hoping that residents will observe the City's effort to conserve water and follow suit on their own property to conserve water as well. This project in FY 2016-17 is projected to cost another \$50,000.

In FY 2016-17, the City of Villa Park will host summer school at Villa Park High School, this entails the use of the City's SRO for additional hours in FY 2016-17 that were not utilized in FY 2015-16. The revision of hours results in a reduction of costs in FY 2015-16 by \$15,000 and a corresponding increase of costs by \$15,000 in FY 2016-17. The net effect of costs over two years is zero in the COPS Fund.

Also, advised from the Law Enforcement Advisory Committee, Council authorized management to budget for an additional \$40,000 of directed law enforcement as management deems necessary. These services will be funded through the Supplemental Law Enforcement Services Fund.

In FY 2016-17 the City will be performing a two-year sewer improvement project for \$570,400, to receive an economies of scale reduction for a single year project in the Sewer Improvement Fund.

CAPITAL PROJECTS

The following capital projects are included in the budget:

- Software Conversion
- Storm Drain Improvement
- Council Chamber Remodel
- City Entrance Monuments
- Taft Avenue Rehabilitation
- Wanda Greenbelt Landscape Renovation

These represent one-time expenses totaling \$1,569,300 of which \$620,400 or 40% is made up of General Fund matching requirements. These projects are in addition to the annual pavement management work.

As mentioned above, the software conversion has an estimated completion date of October 2016 and costs of \$19,700.

The Storm Drain Improvement Project was derived from the necessity to update the Storm Drain Master Plan in 2016. The last comprehensive Storm Drain Master Plan Update was performed in 1997, and management believes the updated 2016 plan will assess the significant drainage deficiencies throughout the City of Villa Park, that will need to be addressed in the next seven years. The anticipated cost in FY 2016-17 is \$150,000.

The Council Chamber Remodel project will upgrade the visual appeal as well as the technological capabilities of the current Council Chambers. Some of the recommendations for this project include construction of new storage in the Chambers, carpet replacement, and transforming the Chamber into a technological smart room that would also assist residents in viewing all items presented at the Council meetings. The budgeted cost is \$50,000.

The City Council has requested that staff finalize the last remaining entrance monument signs at the corner of the Town Center. The property owner has agreed to fund a portion of the sign; therefore, the City has budgeted \$10,000 to complete this project. This is a key step in enhancing the beauty within the City of Villa Park.

The City received grant approval from OCTA of the Arterial Pavement Management Program funded with Regional Surface Transportation Program (federal funds) in the amount of \$378,497. The City's match is \$378,497 or 50% of the project. The funds will support the Taft Rehabilitation project which will improve the medians, curb and gutter, and the recreational trail to enhance safety for the City residents.

In light of the State water shortage, management believes it is prudent to update the Wanda Greenbelt to be water efficient. This project in FY 2016-17 is anticipated to cost \$50,000.

RESERVE FUNDS

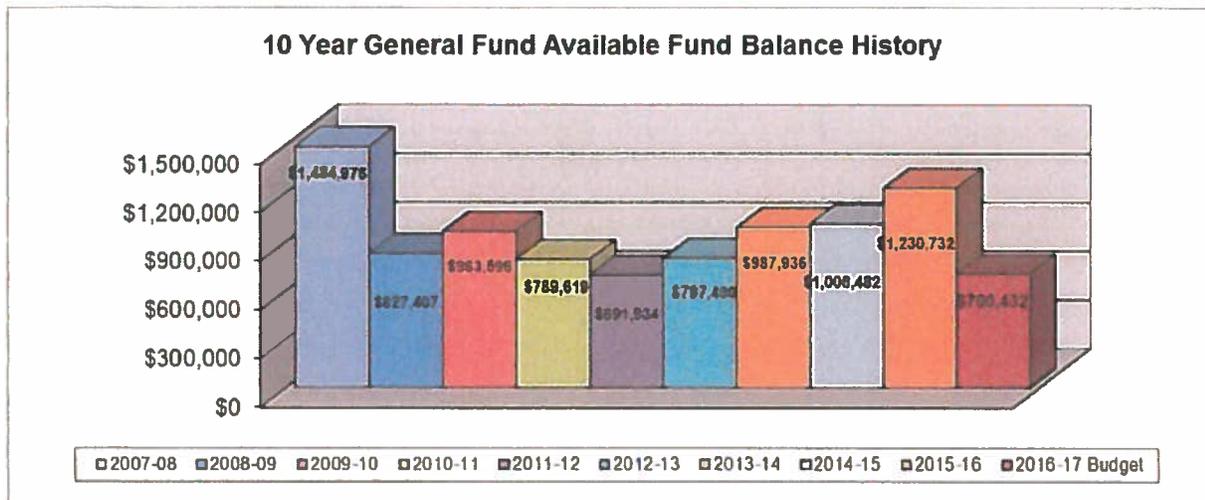
In FY 2016-17 Council amended its General Fund Reserve Policy to revise the policy goal of having Undesignated General Fund Reserves at 50% of General Fund Operating Expenditures (from its previous total general fund expenditures). At a minimum, the General Fund Undesignated Reserve shall be increased by a percentage equal to the percentage of total investment gain realized by the City's investment portfolio in the prior fiscal year. Local government finance best practices recommend General Fund reserves of at least 15-20%. The Villa Park Team continues to achieve a significant benchmark in FY 2016-17 of \$1,511,700 in their Undesignated General Reserve, an increase of \$111,700 or 8% from FY 2015-16. This is the first year, the City has reached its General Fund Reserve Policy benchmark of 50% of General Fund operating expenditures. Along with this benchmark, the combined Undesignated General Reserve plus the additional General Fund Designated Reserves has allowed the City to achieve a total General Fund Balance Reserve amount of \$1,969,900, or 65% of General Fund operating expenditures.

Additionally, the City has set aside the following designated reserves for other funds and various areas that management deems prudent and responsible for maintaining the exemplary levels of the City of Villa Park: in the Assessment District Fund a reserve of \$15,000 for sewer pump replacement; in the Sewer Improvement Fund reserves of \$176,500 for sanitary sewer CCTV inspection (\$150,000) and Sewer Master Plan Update (\$26,500). With all City funds included, total City reserves are \$2,161,400.

RESERVES	FUNDS			Totals
	General	Assessment District	Sewer Improvement	
<i>Undesignated:</i>				
General Fund Reserve	\$1,511,700	-	-	1,511,700
<i>Designations:</i>				
Vehicle replacement	5,000	-	-	5,000
Infrastructure replacement	140,000	-	-	140,000
VPTV capital	13,200	-	-	13,200
Accrued leave	75,000	-	-	75,000
CJPIA retro. deposit repayment	45,000	-	-	45,000
Capital improvement	180,000	-	-	180,000
Sewer pump	-	15,000	-	15,000
Sanitary sewer CCTV inspection	-	-	150,000	150,000
Sewer master plan update	-	-	26,500	26,500
<i>Total City Reserves</i>	<i>\$1,969,900</i>	<i>15,000</i>	<i>176,500</i>	<i>2,161,400</i>

FUND BALANCE

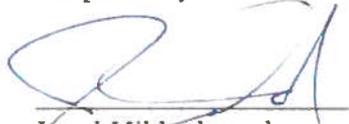
Staff anticipates \$700,432 in unappropriated General Fund balance on June 30, 2017, which is available to be spent for any purpose deemed appropriate by the City Council. This is lower than the unappropriated fund balance that is estimated for FY 2015-16, approximately \$530,000 less, or a 43% decrease. The decrease in this fund balance is a net result of several items, inclusive of the additional \$111,700 put into the General Fund Undesignated Reserve and the two major capital projects, Taft Ave. Street Rehabilitation and the Storm Drain Improvement projects of which the General Fund is responsible for approximately \$490,000. Major capital projects are often funded as one-time uses when the City has developed a large available fund balance (i.e. FY 2015-16 \$1,230,732). City staff continues to research maintaining revenue sources and decreasing expenditures through re-bidding services to receive economy of scales on large projects, absorbing work in-house, and eliminating unnecessary costs. Management will continue to place the City finances as the priority in stabilizing the City for future development and growth.

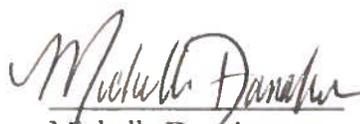


CONCLUSIONS

As stated previously, this budget focuses on bolstering healthy reserves, while undertaking some much needed capital infrastructure projects that will continue to refurbish the appearance of the City and reducing the City's environmental footprint. The revenue estimates are conservative and the expenditure projections are realistic. If there is a significant downturn in the current economy, new projects being considered would need to be deferred until economic recovery, revenue growth or the identification of other funding sources. The Villa Park Team is committed to energetically and carefully carrying out the City Council's policy directives and lives within their budgetary parameters.

Respectfully submitted,


 Jarad Hildenbrand
 City Manager


 Michelle Danaher
 Finance Director

Budget Policies and Procedures

Policy

The City of Villa Park is fiscally conservative in terms of elected leadership, budgeting practices, and expenditure history. We anticipate the General Fund revenues and expenditures will not be robust in comparison to the previous Fiscal Year. These expectations have served as policy guidance for the development of our City's budget.

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. A structurally balanced budget is defined as recurring operating revenues exceeding recurring operating expenditures. 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. Both the budgeting and accounting/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 in conjunction with the annual Strategic Planning Meeting, as well as the understanding of the day-to-day operational needs of the City in order to prepare a structurally 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 management. The City does not automatically increase the budget by a percentage. For 2016-17, the City made several key adjustments noted in the department budgets, resulting in a structurally balanced budget for 2016-17.

Operating Budget

Ongoing operating expenses 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 special studies/services and/or 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 specific 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. This revenue philosophy is reviewed on a monthly basis. The Finance

Director and City Manager review revenues in detail in accordance with the budget and cycling of receipts. If there is an area of concern, it is addressed within the month of the issue and expenditures are reduced if a revenue source is eliminated or declining. Unpredictable revenue sources, such as miscellaneous revenue 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, along with the annual Audited Financial Report.

User fees will be evaluated each year to ensure that, in general, they 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 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 restricted, assigned, or unassigned fund balances.

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. Capital projects are only pursued in light of the grant funding that is awarded, and the available General Fund Balance.

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 public 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.

Expenditures are prioritized based upon the immediate needs of the community versus individual wants or desires.

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. Council has a Strategic Planning Meeting with management on an annual basis and discusses the Seven-Year Capital Improvement Plan in light of the financial situation and projections presented by the Finance Director. At this Strategic Planning meeting, staff discusses and prioritizes the operational goals of the City first, then short-term goals and projects are addressed, and then long-term goals of the City are discussed. This strategy is utilized so that the big picture of the City's welfare and mission are addressed and met along with maintaining the conservatism and beauty of the City.

When planning capital projects, the City must estimate the project's impact on the City's operating budget in the project construction year, along with the future impact on operating maintenance costs. Amendments to capital appropriations fall under the same guidelines as changes to the operating budget, with one exception that is written within every City contract stating: "Said compensation shall not exceed \$X,XXX provided that the City Manager or his designee may approve additional payment not-to-exceed the City Council authorized amount for change orders and for contingencies." In addition, 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 adjustments 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. Beginning in FY 2014-15, staff presented every draft budget (minimum

of two) to the full City Council in a Budget Study Session to review the projects and appropriation requests in the draft budget. The City Manager and Finance Director also meets with the Human Resources Committee to determine the salary adjustments that should be recommended for the budget, and to update the salary resolution every year. The last step in early June is when the final draft budget is taken to the City Council for review during the last Budget Study Session. All the study sessions are open to the public and provides a forum for Council to receive information and make recommendations regarding the budget year, as well as to promote complete transparency. These appropriations shall become a part of the City budget after approval by the City Council at the City Council meeting in June.

The budget calendar for 2016-17 was as follows:

- January 18th, 1st meeting with staff discussing issues and priorities,
- February 8th, Strategic Planning Meeting with full Council discussing capital projects and priorities,
- February 17th, Human Resource Committee Meeting discussing salary resolution,
- March 30th, Human Resource Committee Meeting discussing salary resolution,
- April 12th, 1st Council Budget Study Session meeting discussing budget draft,
- May 10th, Human Resource Committee Meeting discussing salary resolution,
- May 10th, 2nd Council Budget Study Session meeting discussing budget draft,
- June 13th, Final 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 structurally balanced. Any changes in appropriated levels require City Council authorization. Upon adoption of the budget, the Finance Director prepares the final budget document, and submits it to the Government Finance Officers Association (GFOA) for review and potential Distinguished Budget Presentation Award. The City of Villa Park has received this award for the last six consecutive years.

Budget Amendments

The budget is adopted at the fund and department level. The City Manager is authorized to make transfers between account codes and

Fund
Balance
Reserves

departments within each funds operating expenditures or within each funds capital expenditures. For example, an increase in a capital expenditure within a fund can only be transferred between another capital expenditure within that fund.

On a periodic basis (minimum of 3 times a year), the Finance Director reviews the appropriations and if necessary, prepares the 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 historically established and maintained a General Fund Reserve separate from General Fund balances for financial contingencies and catastrophic events. In June 2016, the City Council adopted Resolution 2016-3362, amending the previous formal policy for undesignated reserves. The amendment revised the General Fund Reserve target up to 50% of General Fund operating expenditures from the previous General Fund total expenditures. This policy requires a four-fifths vote of the City Council for use of undesignated reserves.

The General Fund Reserve for Fiscal Year 2016-17 is \$1,511,700, representing 50% of the FY 2016-17 General Fund operating expenditures.

Designated Reserves

Designated Reserves are established to provide resources for an intended future use. Saving incrementally for expected future events can help mitigate the financial impact of major, nonrecurring or unforeseen expenditures on the City's annual operating budget. A simple majority vote of the City Council is required for the use and "release of designated reserves".

The City has established and maintains the following General Fund Designated Reserves:

Vehicle Replacement Reserve – To pay for the replacement of City owned vehicles. The City owns three vehicles, which are replaced approximately on a 10-year cycle. The funding is provided through the General Fund. The City aims to contribute \$5,000 annually up to \$40,000.

Infrastructure Replacement Reserve – To pay for unforeseen repairs to infrastructure or equipment. The type of repairs must not recur annually or at shorter intervals (i.e. annual street maintenance or sewer rehabilitation projects). The City aims to contribute \$20,000 annually up to \$140,000.

VPTV Capital Reserve – To pay for equipment used to operate the City's Public, Educational, and Governmental (PEG) Access Channel. The City receives PEG money that can only be utilized for PEG purposes; therefore, the City contributes annually the amount of PEG monies remaining as its annual designation.

Accrued Leave Reserve – To pay for any accrued “employee benefit” due an employee on termination, resignation or retirement of the employee's service. The funding is provided through the General Fund and the City desires to maintain a balance equal to its current (FY 2016-17) liability, approximately \$75,000.

CJPIA Retrospective Deposits Reserve – To pay for claims against the City. Some claims take many years to resolve and over time their estimated values change as new information becomes available. Retrospective adjustments are based on the on-going claim development of past coverage periods, and can result in either an additional deposit or a refund. The City aims to contribute up to \$45,000.

Capital Improvement Reserve – To pay for additional Council approved capital improvements that were not allocated for during the budget process. The City aims to contribute \$20,000 up to \$180,000.

The City has established and maintains the following Assessment District Fund Designated Reserves:

Sewer Pump Reserve – To pay for replacement of the Sycamore Circle Pump Station. The pump station was installed as a condition of development and the respective property owners are assessed annually for the operation and maintenance of this station. The City desires to maintain a balance of \$15,000 for upgrades, replacements and major maintenance to the sewer pump.

The City has established and maintains the following Sewer Improvement Fund Designated Reserves:

Sanitary Sewer CCTV Inspection Reserve – Approximately every seven (7) years the City awards a contract for sewer condition assessment services. The City's entire sanitary sewer system is videoed by Closed Circuit Television (CCTV) to determine structural deficiencies and/or sedimentation levels on all pipelines. The relative condition of each pipeline segment will be utilized during the Sewer Master Plan Update to determine the priority of planning studies, rehabilitation and/or replacement projects. The City aims to contribute \$30,000 annually up to \$210,000.

Sewer Master Plan Update Reserve – To pay for the Sewer Master Plan Update completed every seven (7) years, which outlines recommendations and improvements to the City's sanitary sewer system in order of the most critical needs first. The City aims to contribute \$5,500 annually up to \$38,500.

A more detailed review of the General Fund Reserve is discussed on Page 72.

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; one of the lowest crime rates in the County; and four high performing schools within walking distance.

The City of Villa Park is in the center of Orange County. The City is 2.1 square miles in its entirety, with a population of approximately 5,968 with a median resident age of 50 years. The City contains approximately 2,050 residential homes with 96% home ownership. The median home value is \$979,453 with a median age of homes in Villa Park of 32 years. With the exception of the Villa Park Town Center, the only commercial center, the City is zoned for single-family residences and is almost 99.9% built out on lots that average approximately half an acre.

The Villa Park Town Center includes a grocery store, banks, a pharmacy with a postal substation, and a variety of specialty shops, offices, eateries, a newly renovated restaurant and bar and most recently, a new large chain donut shop. The Town Center also includes the Villa Park Library (a branch of the Orange County Public Library system), City Hall, and the Council Chamber's that also acts as a Community Room for the public to utilize for various functions.

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

Although the City does not have a dedicated newspaper, staff sends out the weekly City e-newsletter entitled "The Feeder" with news and community events and maintains a City website that is updated weekly with information, updates and agenda postings for Council Meetings and Committee Meetings. There is an independent magazine entitled "The Villa Park Jewel" which features city residents and special events. The City is also served by the "Foothills 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 VPTV available on Channel 3 on Time Warner Cable, and AT&T's U-Verse service on Channel 99, as well as streaming live on the City's website.

Broadcasts of recent City Council meetings are also available on demand on the City's website.

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 validity to our motto, "The Hidden Jewel."

The official City tree in the City of Villa Park is the "Weeping fig" or Ficus Benjamina. Not only does this tree make a beautiful house plant when confined in a pot, but it can grow to gigantic sizes. In fact, there is a Ficus Benjamina in Asia that is supposed to be the largest tree in the world!

The official City flower is the Orange Blossom. Orange Blossoms were the most fragrant flowers to the hummingbirds found on their flights through various gardens in Villa Park. So, City Council decided that this flower would be the official flower of Villa Park.

The Hummingbird is Villa Park's official City bird. At one time, there were many, many hummingbirds in Villa Park, happily flying from blossom to blossom and from feeder to feeder as they gathered nectar.

Governance

The City is governed by five council members, each elected for four-year terms, which serve without compensation and meet on the fourth Tuesday of each month at 6:30 p.m. Residents are encouraged to attend and participate in these meetings and in 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 has four full time employees and three part time employees. The City Manager is appointed by the Council and serves as the City Clerk, Director of Planning, Public Works, and other positions. A small and friendly office staff comprising of a Finance Director, contracted Planning Manager, contracted City Engineer, contracted City Attorney, Building Official, Administrative Analyst, Executive Assistant and two maintenance crew employees serve residents in a small town way without compromising quality and efficiency. Police, fire, legal, planning, 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 (VP) take pride in their City and in their strong commitment towards community service and volunteerism.

The Villa Park Community Services Foundation (Foundation) was established in 2002 as a non-profit organization 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, 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 with community events. Events like summer outdoor movie nights, Concerts in the (Villa) Park, 4th of July Parade and the Walk with a Friend (WWAF) Dog Adoption/Pet Fair are attributed to the Foundation. Villa Park's most well-known events are the Annual Family Picnic, Halloween Fest, most recently the Marine Thanksgiving event, Santa Tour by Fire Engine, and VP Dry Land Boat Parade which are organized by the Foundation. In addition to these events, the Foundation has awarded financial grants to the City of Villa Park for entrance signs and to Villa Park schools for necessary campus and academic improvements.

The Villa Park Women's League (League), founded in 1969, has long been a center of activity and enthusiasm for City events and it is open to any Villa Park woman resident of voting age. The League aims to provide support, friendship, and a community for the citizens of Villa Park. They work 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 including: bridge, gourmet, stitchery, gardening and much more. The League's major fundraiser in 2015 was "Wine and Run for the Roses," a Kentucky Derby themed event that included a tour of a fabulous Villa Park estate and a Motocross Museum. Funds raised were utilized for college scholarships for local high school seniors and supported the school and Leagues' needs. 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 in the Council Chambers. The Rotary Club is dedicated to achieving peace and goodwill in communities around the globe. Their motto is "Service above Self" and they have proved it through their unbounded dedication to service both locally and internationally. In the Villa Park community, Rotary is involved with the Ronald McDonald House, providing grants to local teachers, making technological improvements in libraries across Villa Park schools, and sponsoring Cub Pack and Boy Scout Troops 850. The Rotary Club also sponsors the Villa Park High School Interact Rotary Club which provides service opportunities to high school students and is the largest high school volunteer Rotary Club in the area. On an international scale, the Rotary Club funds and travels for service trips to Caborca, Mexico to administrate polio vaccines and implement clean water tank projects. The Rotary's commitment to altruism has made it a staple organization for the City of Villa Park.

History

Villa Park was incorporated in 1962, but the history of the area goes back to around 1860. It was known in its early days as Mountain View. Villa Park became the city's new name when it was discovered that the name Mountain View was already used in a Northern California City.

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 Town Center, and was torn down in 1983. There is also the VP Orchards Packing House in Orange that has been recently remodeled and is currently being used for recreational, educational and gathering space. In addition, the revitalized building houses a new museum with a gallery specializing in California Scene Paintings.

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

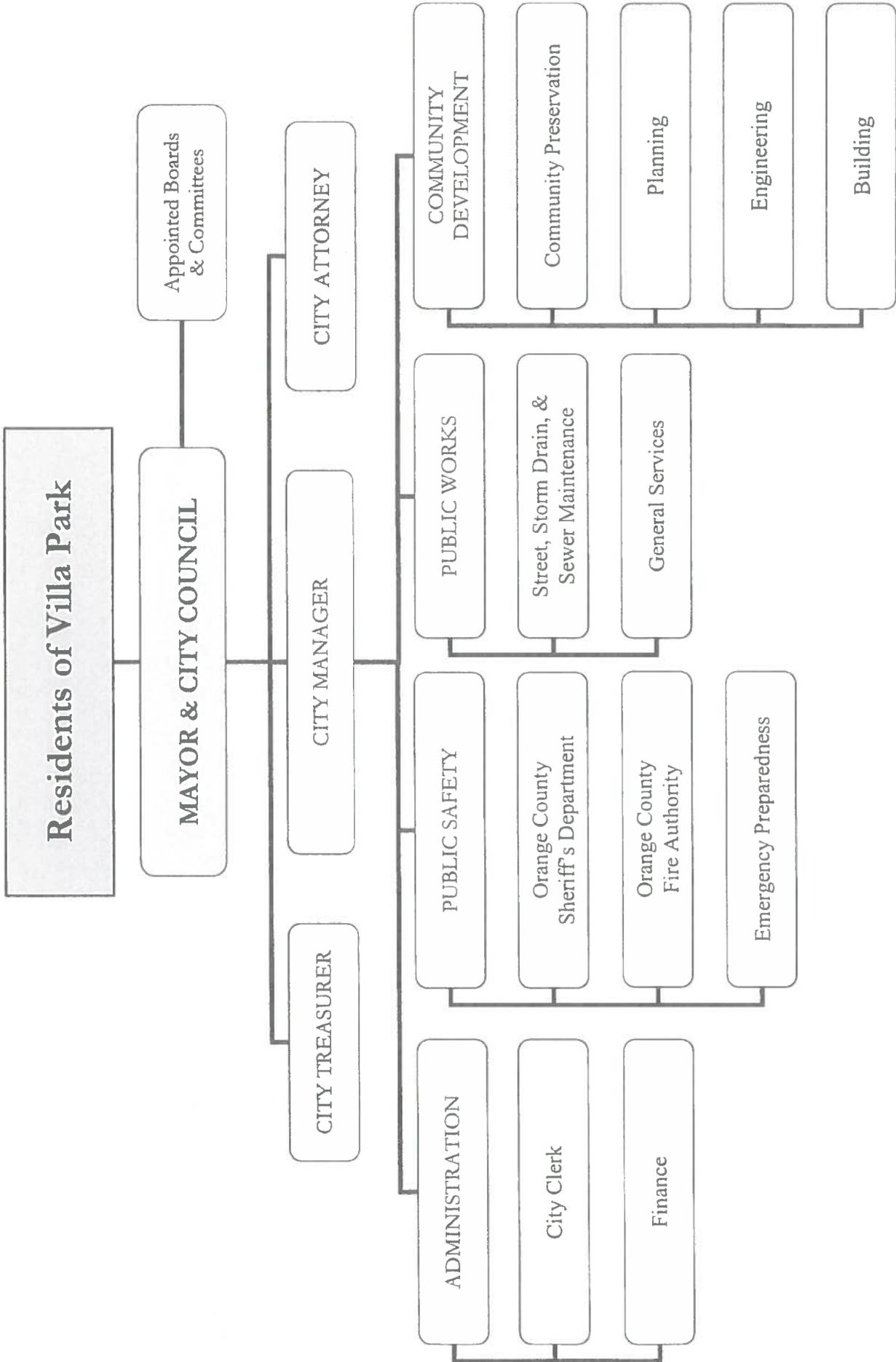
The City of Villa Park is a general-law City operating under a Council-Manager form of government, with the City Council acting as the part-time legislative body of the City. Five members are elected to the City Council at large on a nonpartisan basis, with members serving four-year terms. In 2006, the City's voters approved a term limits measure, restricting Councilmembers to serving no more than two (2) full terms in a lifetime. Until recently, Villa Park Council members were 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 and serves as the City Clerk.

The City, through the leadership of the Council, encourages a philosophy of outsourcing a few departments in order to provide our residents the most effective and efficient form of government for the least cost. Accordingly, the City maintains the fewest number of employees of 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; City Planner who is responsible for overseeing residential and commercial development within the City, 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 Advisory Committee, Investment Advisory Committee, Villa Park Community Services Foundation, Law Enforcement Committee, and Human Resources Committee.



Boards,
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.

Joint
Governmental
Committees

Orange County Mosquito and Vector Control District

The appointee serves on the Orange County Mosquito and 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. Trustees serve without compensation; however, each receives \$100 per month as a flat sum fee in-lieu of travel expenses/itemized reimbursement.

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 Board members receive \$100 per meeting, with a maximum of \$300 a month.

Orange County Sanitation District

The Orange County Sanitation District (OCSD) is a special district established by the California State legislature. The County Sanitation District Act specifies that the OCSD's Board of Directors consists of: One member of the City Council of each city located wholly or partially within the District's boundaries; One member of the County

City Council Committees

Board of Supervisors; One member of the governing body of a public agency empowered to and engaged in the collection, transportation, treatment, or disposal of sewage and which was a member agency of a sanitation district consolidated into a consolidated sanitation district. The District's Board of Directors meets monthly. Various committees within the board meet in addition to the full board. Board members receive \$212.50 per meeting, with a maximum of six (6) paid meetings a month, plus mileage.

Budget and Finance

The Budget and Finance Committee Chair or Vice-Chair of the Budget and Finance Committee reviews and signs every City check register together with any supporting documentation. The Committee reviews the monthly Treasurer's reports for accuracy and adherence to City policy. The Committee assists in the preparation and detailed review of the City's Annual Adopted Budget. The Committee identifies possible new sources of revenue. The Committee serves as City Council representatives on the Citizen's Investment Advisory Committee, where they review the City's investment policy and explore alternative short-term investments to maximize the rate of return on available City funds within the Prudent Mans rule. 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.

The Committee also serves as an advisory resource to the City Council and staff on Capital Improvement Projects. The Committee obtains the City Council's consensus on prioritization of projects and reviews staff's annual update of the 7-year Capital Improvement Plan. The Committee assists in the preparation of the Capital Improvement Plan for the upcoming Fiscal Year.

City Council
Advisory
Committees

Community Development and Public Safety

The Community Development Committee meets with City Staff to review the City's General Plan, Zoning Code, and Subdivision of Land Ordinance. After review and staff's analysis, the Committee advises the City Council and makes recommendations on proposed revisions and amendments. The Committee reviews staff's analysis and review of complicated and controversial entitlement applications as necessary. The Committee advises the City Council on streetscape plan implementation, reviews the City policy on approved trees for public improvements, 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. The Committee advises the City Council on matters relating to traffic, public safety, and public health.

Human Resources

The Human Resources Committee serves as an advisory resource to the City Manager in 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; conducts periodic review of existing personnel forms - (position descriptions and City Manager performance evaluation); and coordinates the completion of the annual performance appraisal of the City Manager.

City/Schools Advisory

The City/Schools Advisory Committee proactively addresses 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. The Committee shall be comprised of two (2) current Members of the City Council - a Chair and Vice-Chair, and when possible, representatives from the Orange Unified School District, the principals and parent group leadership of each public school, and representatives from the Orange County Sheriff's Department.

Investment Advisory Committee

Per the City's Investment Policy, the City is required to have an Investment Advisory Committee (IAC) charged with the responsibility to offer advice with respect to the City's investments and the investment portfolio strategy. The IAC consists of two City Council Members (the members that hold the positions on the Budget & Finance Committee), and up to seven (7) voting members. Committee members themselves elect the Chair and Vice-Chair of the IAC. Non-council Committee members shall serve at the pleasure of the City Council, and may be removed at anytime by action of the City Council. The voting and nonvoting members shall be appointed by the City Council for a term of two years on a staggered basis. The City Manager, City Treasurer, and Finance Director also attend these meetings.

Law Enforcement Advisory Committee

The Law Enforcement Advisory Committee coordinates with the Orange County Sheriff Department to assess crime prevention and traffic violation control issues and to provide recommendations to enhance programs to Council. The Committee consists of two City Council Members (the members that hold the position on the Community Development and Public Safety Committee), Neighborhood Watch representative(s), supervising Sheriff Department Lieutenant, and up to six (6) resident law enforcement professionals. Committee Members themselves will elect the Chair and Vice-Chair.

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 planning, and presentation of leisure, historical, music, and/or arts programs within the city of Villa Park; and, coordinating the use and development of community resources to lessen the burdens of government and to promote and support activities which advance the overall well-being and improve the quality of life of persons in the City of Villa Park.

Budget Summary

The accounts of the City are organized on the basis of funds. 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 purpose 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 four basic types:

- General
- Special Revenue
- Capital Projects
- Internal Service

The first three fund types listed above comprise the majority of the day-to-day operating activities of the City. The remaining fund type is a more specialized fund, and typically accounts 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, and community development. In addition, City Council, City Manager/City Clerk, Finance, City Attorney, and Support Services budgets are predominantly funded by the General Fund.

The activities are financed through general tax dollars from property, sales and business licenses; and by revenues generated from permits, fees, and investment earnings.

Special Revenue Funds

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 five special revenue funds:

- ***Aid to Cities*** - The Aid to Cities Fund accounts for monies received from federal, state, county and local agencies to fund specific local projects for the betterment of the City. The typical revenue is in the form of grants and are used to fund projects include recycling, Senior Mobility Program, etc.
- ***Traffic Safety*** - The Traffic Safety Fund accounts for fines and fees received from the County mainly related to motor vehicle code violations. These revenues are used specifically to offset the cost of public safety within the City.
- ***Air Quality Management District (AQMD)*** - The AQMD Fund accounts for monies received from the South Coast Air Quality Management District. These funds are used specifically to implement air quality improvement policies and programs or for projects that will reduce the air pollution in Villa Park.
- ***Citizens Option for Public Safety (COPS)*** – The COPS Fund accounts for monies received from the State of California through the COPS grant for supplemental law enforcement services. These funds are used specifically for front-line supplemental law enforcement services that are over the cities' base line contracted amount. The City currently uses these funds for the School Resource Officer (SRO).
- ***California Law Enforcement Equipment Program (CLEEP)*** - The CLEEP Fund accounts for the one-time grant received from the State of California issued in the aftermath of the 9/11 tragedy to stimulate homeland security among law enforcement. These funds are used specifically for public safety/law enforcement equipment used to maintain safety within Villa Park.

Capital Project Funds

Capital project funds account for financial resources used for the acquisition or construction of major capital facilities. Many of these funds have grant-based or state statutory revenues, which may only be spent under specific guidelines.

The City maintains six capital project funds:

- ***Gas Tax*** – The Gas Tax Fund accounts for the Highway Users Tax Account revenues received from the State of California based on the vehicle registration assess valuation & population; as the population and assessed value of regular vehicles changers, and as population changes, the apportionment received is adjusted accordingly. These funds are to be used for

construction and maintenance of City streets. Villa Park typically uses these funds to supplement the annual street rehabilitation project, along with other right of way, street repair and construction projects.

- ***Street Improvement*** - The Street Improvement Fund accounts for deposits held on behalf of residents for future curb and gutter and right of way improvements on their street. These funds are used to offset the costs of curb and gutter improvements directly related to the deposits made by residents (prior to 2007) to improve their streets.
- ***Measure M-Local Sales Tax*** - The Measure M-Local Sales Tax Fund accounts for the County's ½ cent local sales tax called Measure M. Measure M is a voter approved tax used to improve transportation within the City limits.
- ***Assessment District*** - The Assessment District was created when the development of tract number 10523 and tract number 13204 required the construction of a sewer pump station (Sycamore Circle) that serves only the properties within the two tracts. It was considered appropriate that the owners of the properties served by the pump station pay for the operation and maintenance of this station. The Assessment District Fund accounts for the assessments received, via the tax roll, from residents on Sycamore Circle. These revenues are used specifically to cover costs associated with maintaining the Sycamore Circle sewage pump station.
- ***Capital Improvements*** - The Capital Improvements Fund accounts for specific monies set aside for capital projects and grants received related to the specific capital projects. These funds are used specifically for the acquisition or construction of major capital improvements approved by City Council within the City. The City is required to maintain a seven-year Capital Improvement Plan (CIP). The total cost of a capital project accrues in a single expenditure account. This accumulates until the project is completed, at which time the account is closed and the expenditures are capitalized as infrastructure in the Audited Financial Report. Capital projects are determined during the budget process in conjunction with the City Engineer and the Budget and Finance Committee. The CIP projects slated for FY 2016-17 include: Software Conversion, Storm Drain Improvement, Council Chamber Remodel, City Entrance Monuments, Taft Ave. Street Rehabilitation, Wanda Greenbelt, and Sewer Improvement Project. Our seven-year financial projections show that the City continues to be financially stable.

- *Sewer Improvement* - The Sewer Improvement Fund accounts for the Sewer Service User Charge assessed on all residents, schools, businesses and local agencies that utilize the Villa Park City sewers. 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. These funds are used specifically to maintain and improve the city-wide sewer system and to meet current and future requirements as set forth by the State Water Quality Control Boards.

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. Due to the fact that there are only four full-time employees and three part-time employees, each employee is required to perform many functions across many departments. Benefits attributed 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. 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.

Financial Expenditure Summary by Division

The Divisions represented in each of the specific Funds within the City are summarized below:

DIVISIONS	FUND										
	General	Gas Tax	Aid to Cities	Traffic Safety	Mens. M Local Sales Tax	Sewer Pump Maint. District	Capital Improvement	AQMD	COPS	Sewer Improvement	CLIEP
City Council	X										
City Manager/City Clerk	X										
Finance	X										
City Attorney	X										
Support Services	X		X								
Law Enforcement	X			X					X		X
Emergency Preparedness	X										
General Public Works	X		X					X			
Street Maintenance	X	X			X						
Storm Drain Maintenance	X										
Sewer Pump Maintenance District						X					
Civic Center	X										
City Sewer Improvement										X	
Community Preservation	X										
Planning	X										
Engineering	X										
Building	X										
Capital Improvements	X	X				X	X			X	

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 2016-17 limit by using the guidelines set forth in Proposition 111, the calculation would be as follows:

Appropriations Subject to Limitation for Fiscal Year 2016-2017	
Proceeds from Taxes	\$ 2,717,800
Less: Current Year Limit (FY 16/17)	\$ 4,144,759
Excess of Appropriations limit over proceeds of taxes	\$ (1,426,959)
<i>* City is well below appropriations limit for FY 16/17</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 2016-3363 was adopted by the City Council on June 28, 2016. 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
2012-13	\$3,323,210	3.77%	0.89%	\$3,479,187
2013-14	\$3,479,187	5.12%	0.78%	\$3,685,848
2014-15	\$3,685,848	-.023%	0.93%	\$3,711,570
2015-16	\$3,711,570	3.82%	1.08%	\$3,894,968
2016-17	\$3,894,968	5.37%	0.99%	\$4,144,759

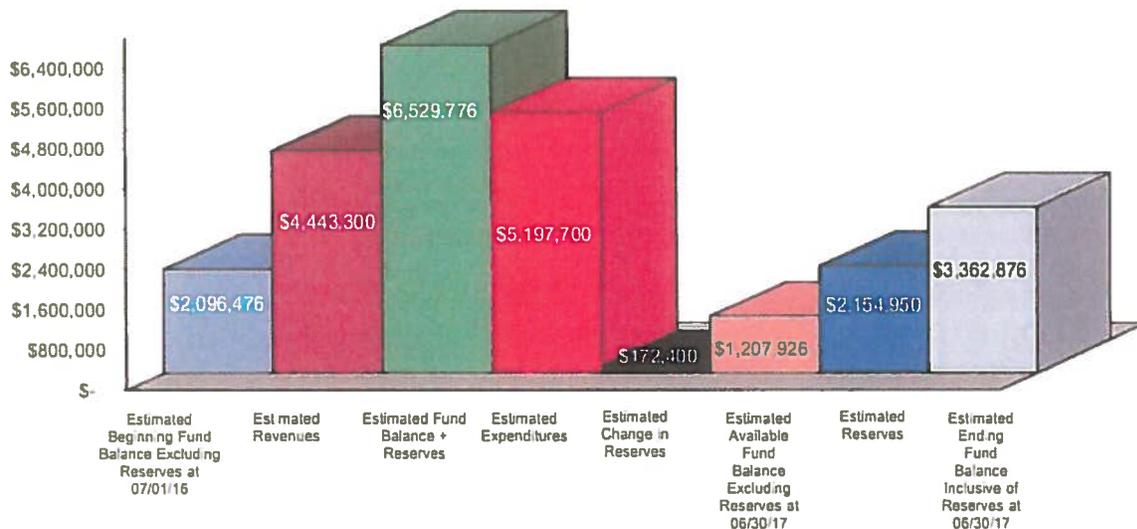
What is a Fund Balance?

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 purpose 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 has utilized both the expected annual revenues and the known available fund balance in order to present a structurally balanced budget. Based on City Council priorities, there are years in which expenditures exceed annual revenues; however, the approved 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 or repairs as the need arises.

The philosophy of Estimated Reserves is based upon two key factors. The first factor that creates the Estimated Reserves is the General Reserve Fund policy which establishes a formula that will recognize earnings to grow the reserve until it reaches 50% of General Fund operating expenditures. The second factor is based upon the goals of the City Council. City Council has the authority to designate various monies to "set-aside" funds for future projects or anticipated occurrences in the near future. This allows the City management to earmark excess funds in plentiful years to be utilized for services for the community in lean years.

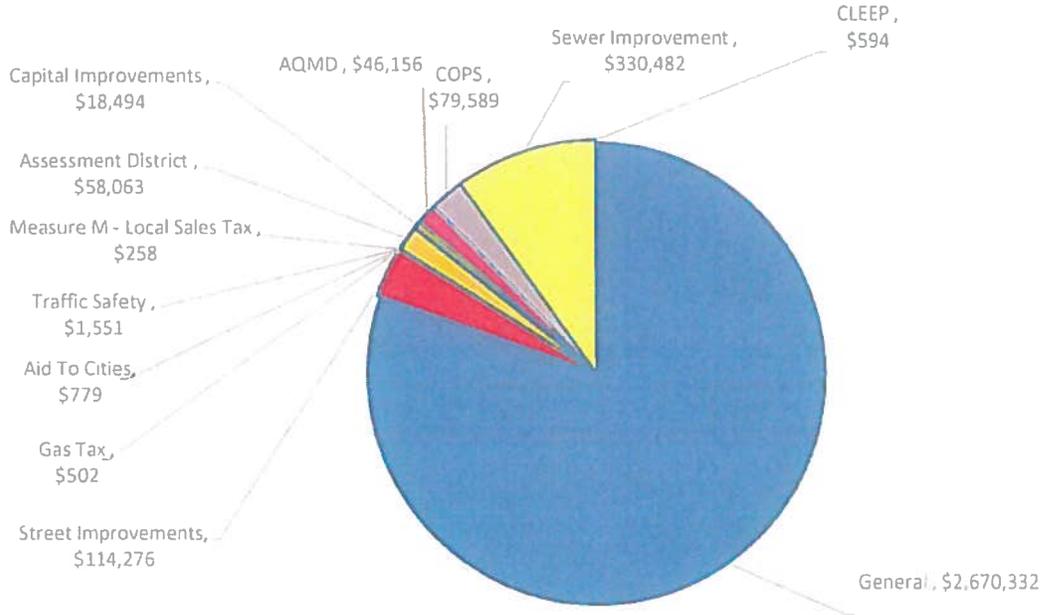
Fiscal Year Fund Balance 2016-17 Overview



SUMMARY OF FUND BALANCES

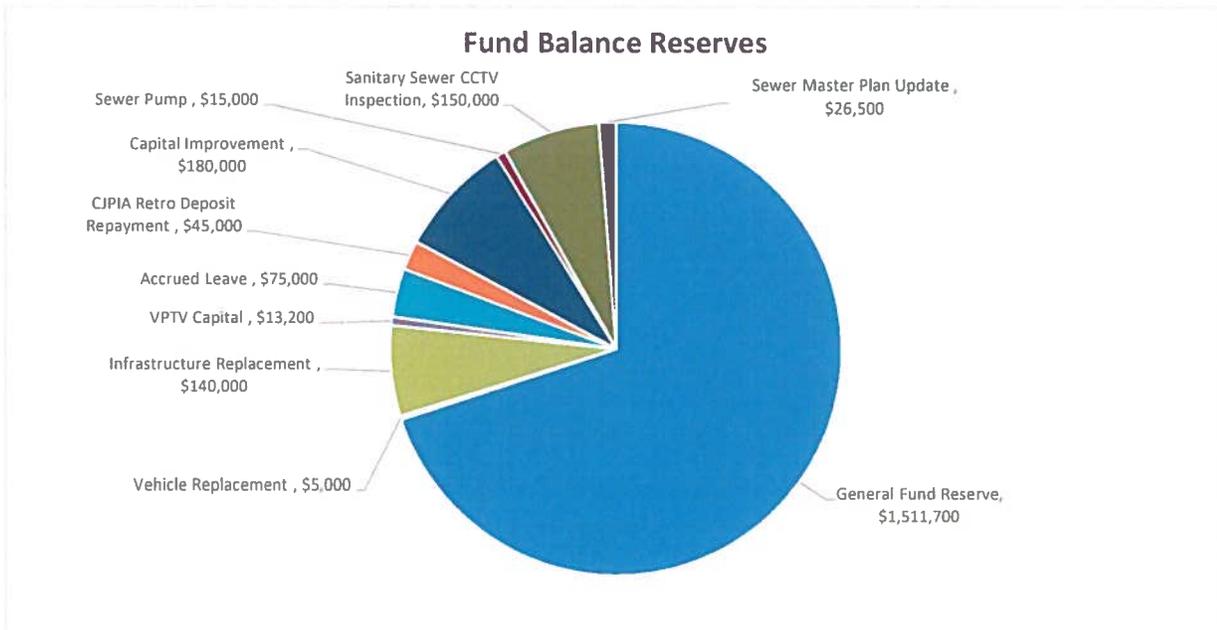
Fund	Estimated Balances 7/1/16	16/17 Budget Revenues	16/17 Budget Expenditures	16/17 Capital Expenditures	Estimated Balances 6/30/17
General	\$ 3,033,732	3,280,400	3,023,400	620,400	2,670,332
Street Improvements	114,276	-	-	-	114,276
Gas Tax	37,902	128,400	165,800	-	502
Aid To Cities	779	16,300	16,300	-	779
Traffic Safety	3,451	11,100	13,000	-	1,551
Measure M - Local Sales Tax	7,558	94,000	101,300	-	258
Assessment District	53,463	14,100	9,500	-	58,063
Capital Improvements	18,394	378,600	-	378,500	18,494
AQMD	39,056	7,100	-	-	46,156
COPS	139,389	100,200	160,000	-	79,589
Sewer Improvement	603,882	413,100	116,100	570,400	330,482
CLEEP	23,594	-	23,000	-	594
Total	\$ 4,075,476	4,443,300	3,628,400	1,569,300	3,321,076

Fund Balances



SUMMARY OF FUND BALANCE RESERVES

<u>Reserve</u>	<u>General Fund</u>	<u>Assessment District Fund</u>	<u>Sewer Improvement Fund</u>	<u>Total Reserves</u>
<u>Undesignated</u>				
General Fund Reserve	\$ 1,511,700	-	-	1,511,700
<u>Designations</u>				
Vehicle Replacement	5,000	-	-	5,000
Infrastructure Replacement	140,000	-	-	140,000
VPTV Capital	13,200	-	-	13,200
Accrued Leave	75,000	-	-	75,000
CJPIA Retro Deposit Repayment	45,000	-	-	45,000
Capital Improvement	180,000	-	-	180,000
Sewer Pump	-	15,000	-	15,000
Sanitary Sewer CCTV Inspection	-	-	150,000	150,000
Sewer Master Plan Update	-	-	26,500	26,500
	\$ 1,969,900	15,000	176,500	2,161,400



Fiscal Year 2016-2017 Budget Overview

Fund Balance Projections by Fund	Estimated Beginning Fund Balance Excluding Reserves at 07/01/16	Fiscal Year 2016-2017 Estimated Revenues	Fiscal Year 2016-2017 Fund Balance + Revenues	Fiscal Year 2016-2017 Estimated Expenditures and Change in Reserves	Estimated Available Fund Balance Excluding Reserves at 06/30/17	Fiscal Year 2016-2017 Estimated Reserves	Estimated Ending Fund Balance Inclusive of Reserves at 06/30/17	Change of Beginning of Year Balance to End of Year Balance	% Change
General Fund	\$ 3,033,732	3,280,400	6,314,132	3,643,800	2,670,332	(1,969,900)	700,432		
General Fund Undesignated Reserve	(1,400,000)	-	(1,400,000)	111,700	(1,511,700)	1,511,700	1,511,700		
Designated Reserves:									
Vehicle Replacement	-	-	-	5,000	(5,000)	5,000	5,000		
Infrastructure Replacement	(140,000)	-	(140,000)	-	(140,000)	140,000	140,000		
VPTV Capital Improvements	(12,000)	-	(12,000)	1,200	(13,200)	13,200	13,200		
Accrued Leave	(40,000)	-	(40,000)	35,000	(75,000)	75,000	75,000		
CJPIA Retro. Deposit Repayment	(45,000)	-	(45,000)	-	(45,000)	45,000	45,000		
Capital Improvements	(166,000)	-	(166,000)	14,000	(180,000)	180,000	180,000		
Subtotal Fund Balance - General Fund	1,230,732	3,280,400	4,511,132	3,810,700	700,432	1,969,900	2,670,332	(530,300)	-43% a
Street Improvements	114,276	-	114,276	-	114,276	-	114,276	-	0%
Gas Tax Fund	37,902	128,400	166,302	165,800	502	-	502		
Designated Reserves:									
Median Replacement	-	-	(10,000)	(10,000)	-	-	-		
Subtotal Fund Balance - Gas Tax Fund	37,902	128,400	156,302	155,800	502	-	502	(37,400)	-99% b
Aid to Cities Fund	779	16,300	17,079	16,300	779	-	779	-	0%
Traffic Safety Fund	3,451	11,100	14,551	13,000	1,551	-	1,551	(1,900)	-55% c
Measure M - Local Sales Tax Fund	7,558	94,000	101,558	101,300	258	-	258	(7,300)	-97% b
Assessment District Fund	53,463	14,100	67,563	9,500	58,063	(15,000)	43,063		
Designated Reserves:									
Sewer Pump	(15,000)	-	(15,000)	-	(15,000)	15,000	15,000		
Subtotal Fund Balance - Assessment District Fund	38,463	14,100	52,563	9,500	43,063	15,000	58,063	4,600	12% d
AQMD Fund	39,056	7,100	46,156	-	46,156	-	46,156	7,100	18% e
COPS Fund	139,389	100,200	239,589	160,000	79,589	-	79,589	(59,800)	-43% f
Sewer Improvement Fund	603,882	413,100	1,016,982	686,500	330,482	(176,500)	153,982		
Designated Reserves:									
Sanitary Sewer CCTV Inspection	(120,000)	-	(120,000)	30,000	(150,000)	150,000	150,000		
Sewer Master Plan Update	(21,000)	-	(21,000)	5,500	(26,500)	26,500	26,500		
Subtotal Fund Balance - Sewer Improvement Fund	462,882	413,100	875,982	722,000	153,982	176,500	330,482	(308,900)	-67% g
CLEEP Fund	23,594	-	23,594	23,000	594	-	594		
Designated Reserves:									
800 MHz CCCS Migration	(20,000)	-	(20,000)	(20,000)	-	-	-		
Subtotal Fund Balance - CLEEP	3,594	-	3,594	3,000	594	-	594	(3,000)	-83% h
Capital Facilities (Improvement) Fund	18,394	378,600	396,994	378,500	18,494	-	18,494	100	1%
TOTAL ALL FUNDS	\$ 2,096,476	4,443,300	6,529,776	5,370,100	1,159,676	2,161,400	3,321,076	(938,400)	
				Total Change in Reserves 172,400					
				Total Expenditures \$ 5,197,700					

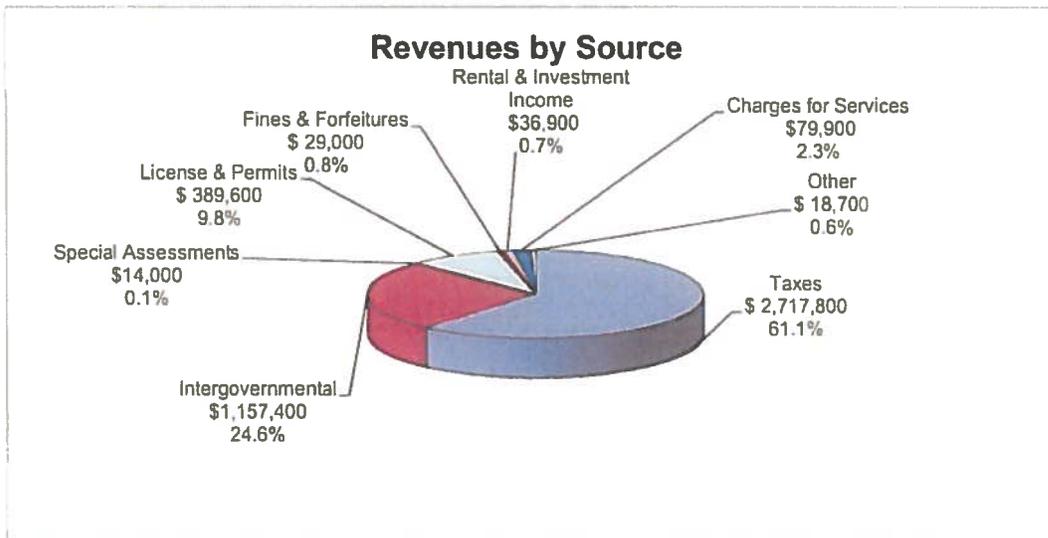
Explanations of greater than 10% change in beginning and ending Fund Balance:

- a In FY 2016-17 the General Fund set aside \$160,000 more in the reserves of the General Fund. Specifically, \$105,000 more is contributed to the General Fund Undesignated Reserve, and another \$35,000 was put into the Accrued Leave Designated Reserve to bring the reserve balance up to the outstanding Paid Time Off for City employees. Also, in FY 2016-17 the City will tackle two major capital projects, Taft Rehabilitation Project and the Storm Drain Improvement Project of which the General Fund is one of the funding sources for both projects. These two projects total \$490,000 of General Fund monies.
- b In FY 2016-17 the City is performing its' annual street maintenance project and will be utilizing special project funding, i.e. Gas Tax funds, along with Measure M - Local Sales Tax funds. Also, in light of the States' water crisis, staff is continuing to pursue drought tolerant landscape median projects utilizing Gas Tax funds.
- c In FY 2016-17 the City is utilizing more Traffic Safety funds to offset the cost of the Orange County Sheriff Departments' (OCSD) law enforcement contract.
- d In FY 2016-17 the Sycamore Circle sewer assessments are set aside in off years in order to safe up for the next infrastructure or emergency repair. The last sewer pump repair occurred in FY 2014-15.
- e The City is accumulating it's AQMD Funds in order to fund a future emission reduction project.
- f In FY 2016-17, the City will contract with OCSD for additional directed law enforcement services to alleviate some of the traffic and safety concerns within the City.
- g In FY 2016-17 the City will be performing a two-year sewer project and continue to increase the reserves set aside for the future Sanitary Sewer Conditioning TV Inspection and Sewer Master Plan Update projects.
- h 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. In FY 2016-17 the City will substantially deplete these funds through purchasing six radios that will be compatible with the new 800MHz Countywide Coordinated Communication System (CCCS) Migration (emergency radio project).

FULL CITY BUDGET SUMMARY

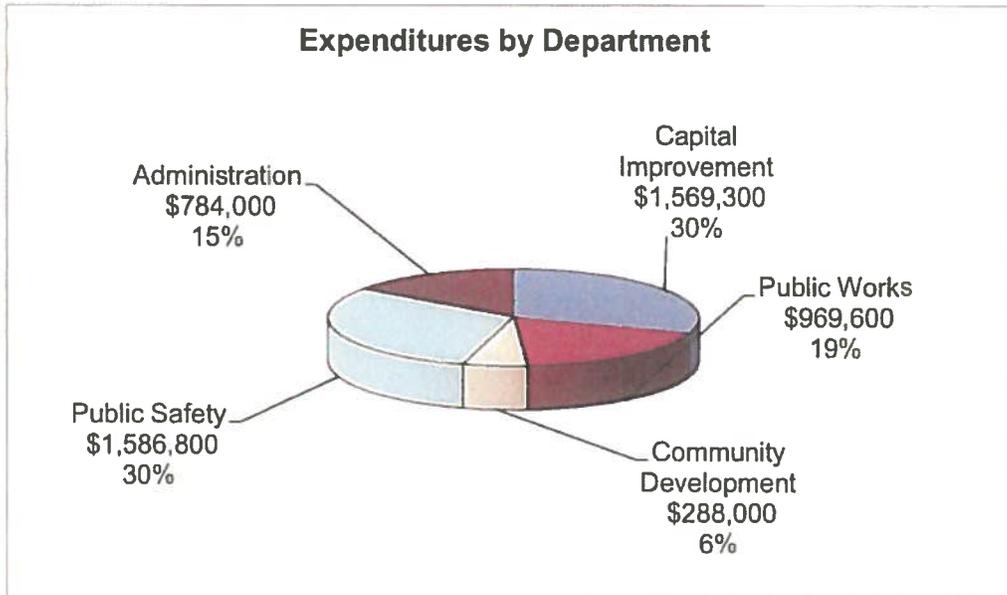
Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
Taxes	\$ 2,267,359	2,456,914	2,545,827	2,484,600	2,612,000	2,717,800
Intergovernmental	1,073,085	837,703	908,325	985,000	1,188,800	1,157,400
Special Assessments	14,006	14,006	14,006	14,006	14,000	14,000
Licenses and Permits	366,399	404,787	413,802	392,500	395,500	389,600
Fines and Forfeitures	33,804	28,604	30,411	29,000	28,600	29,000
Rental and Investment Income	18,794	31,275	25,568	27,400	43,800	36,900
Charges for Services	84,314	96,343	95,014	90,500	79,800	79,900
Other	40,071	36,881	29,081	20,500	16,500	18,700
Revenues	3,897,832	3,906,513	4,062,034	4,043,506	4,379,000	4,443,300
Transfers In	3,829	-	-	-	-	-
Total Financial Sources	3,901,661	3,906,513	4,062,034	4,043,506	4,379,000	4,443,300
Personnel Services	625,827	623,847	895,751	692,100	649,900	671,200
Maintenance and Operations	1,883,017	2,641,085	2,136,609	3,102,300	2,939,700	2,908,700
Capital Outlay	21,866	51,913	39,038	101,000	100,000	48,500
Capital Projects	216,914	874,911	563,515	1,220,200	487,200	1,569,300
Expenditures	2,747,624	4,191,756	3,634,913	5,115,600	4,176,800	5,197,700
Transfers Out	3,829	-	-	-	-	-
Total Financial Uses	2,751,453	4,191,756	3,634,913	5,115,600	4,176,800	5,197,700
Net Change in Fund Balances	\$ 1,150,208	(285,243) *	427,121	(1,072,094)	202,200	(754,400) *

* - In FY 2013-14, the City utilized its growing fund balance to pay for two years of street rehabilitation projects along with two years of sewer projects, resulting in a negative change in fund balance of revenues over expenditures. In FY 2016-17, the City is also utilizing its' accumulated fund balances for Taft Street Rehabilitation project, approximately \$720,000, resulting in a negative change in fund balance of revenues over expenditures. These are merely timing differences in the cash flow of the City's resources.

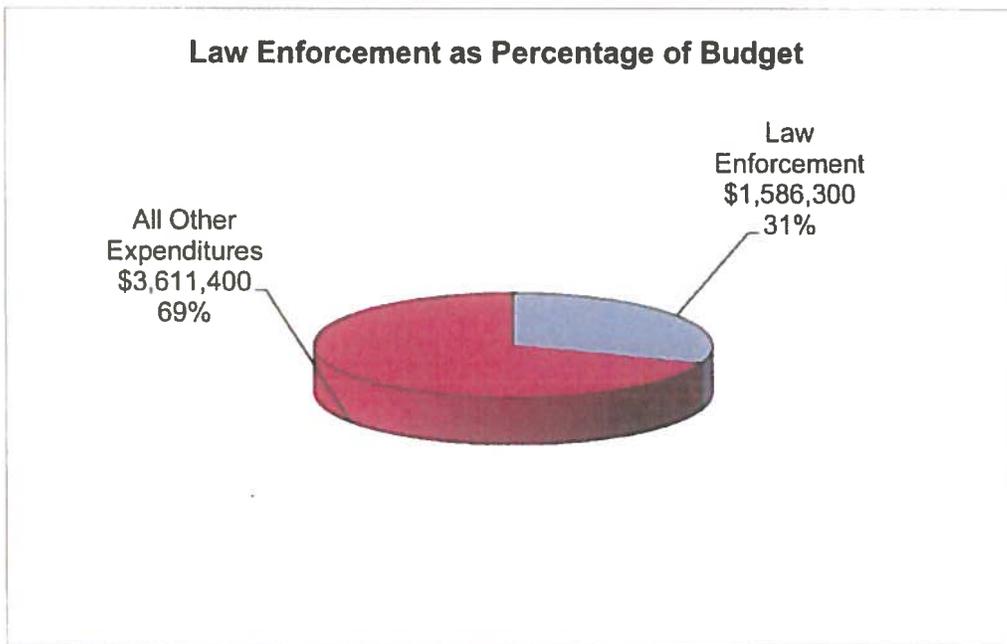


When reviewing the City's revenues in their entirety, \$4,443,300 has been budgeted and divided among the following eight categories: Taxes, Intergovernmental, Special Assessments, Licenses & Permits, Fines & Forfeitures, Rental & Investment Income, Charges for Services, and Other revenues.

Fiscal Year 2016-2017 Budget Charts



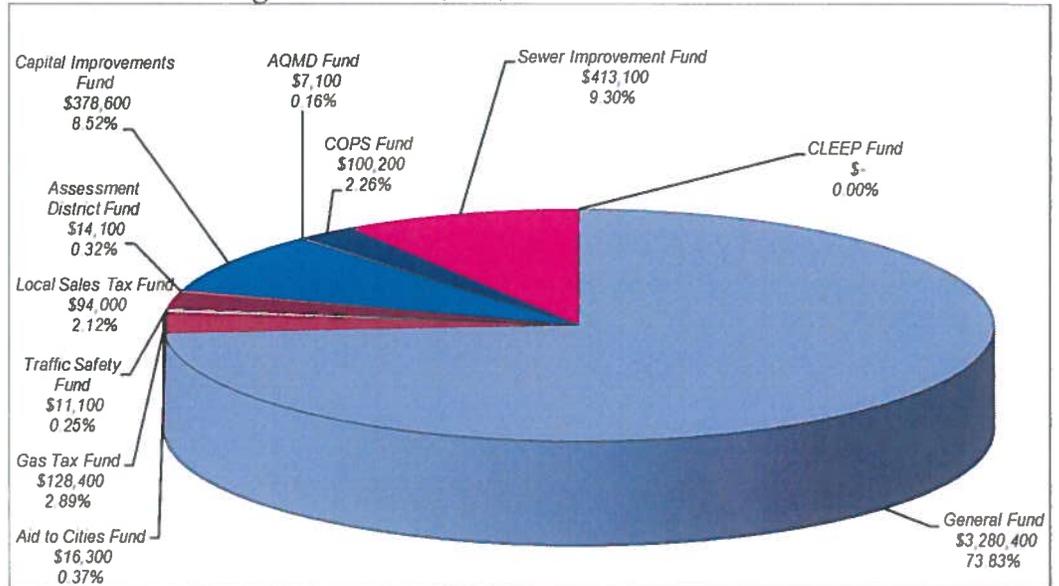
When reviewing the City's expenditures in their entirety, \$5,197,700 has been budgeted and divided among the departments operating within the City.



With an overall City expenditure of \$5,197,700, 31% of these expenditures are contributed to the payment of law enforcement services.

Summary of Revenues

Total Available Funds for Fiscal Year 2016-2017 are \$6,529,776 which includes \$2,096,476 in beginning Fund Balance and revenues of \$4,443,300. This does not include the beginning Fund Balance Reserves and Designations of \$1,803,000.



The Revenue sources reflect all expected revenues to be received as well as existing fund balances needed to fund proposed expenditures for Fiscal Year 2016-17.

The balance forward is 47% of the total revenue budget and represents prior year fund balances available for expenditure in 2016-17 in the General, Special Revenue, Internal Service, and Capital Improvement funds. It does not include the Fund Balance Reserves and Designations. This balance forward represents a 2% increase or \$36,359 increase from the prior years' budget.

The General Fund revenue is approximately 74% of the total budget and is the largest resource of the budget. This is an increase of 3% or \$80,700 over the prior years' actual General Fund receipts. 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 3% of the total budget and include the Aid to Cities, Traffic Safety, Air Quality Management District, COPS, and CLEEP funds.

Capital Project funds are 23% of the total budget and include the Gas Tax, Measure M-Local Sales Tax, Assessment District, Capital Improvements, and Sewer Improvement funds.

The Assessment funds make up 42% of the capital projects funds they include the Sycamore Circle Sewer Pump Assessment District and the City Sewer Service User Charge. The Assessment funds represent 10% of the total revenue budget.

SUMMARY OF REVENUES

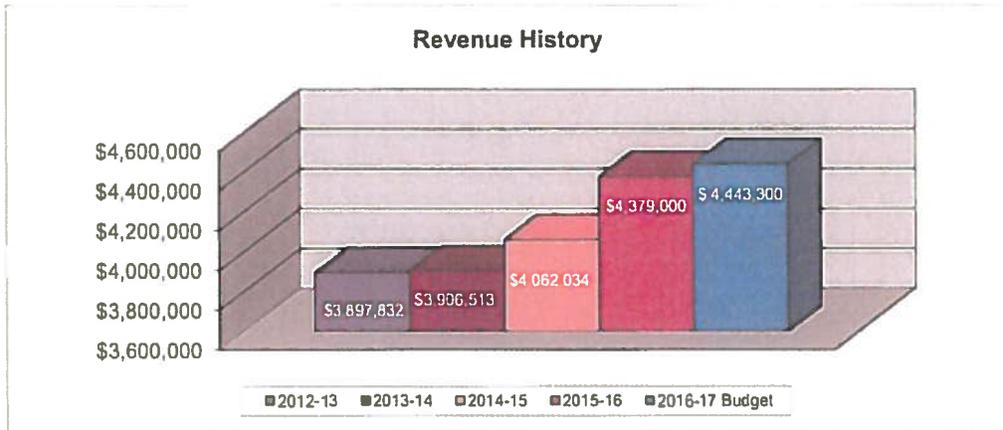
Account	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Est. Actual	2016-17 Budget	
GENERAL FUND - 01							
<u>Taxes</u>							
3010 Secured - Property Tax(Suppl/Pub Util)	\$ 1,411,731	1,502,916	1,572,762	1,591,600	1,651,400	1,717,500	1
3020 Unsecured - Property Tax	51,202	53,671	57,799	50,000	52,500	54,600	
3030 Prior Years Property Tax (Sec/Unsec)	20,665	16,039	13,689	12,700	12,100	13,100	
3035 Prop Tax in lieu of VLF	468,604	496,391	504,471	515,100	527,200	548,300	1
3040 Interest/Penalties(Sec PY Pen)	5,727	4,682	4,140	4,000	3,900	4,100	
3120 Sales & Use Tax	163,309	249,065	250,359	180,000	222,600	234,500	2
3121 Sales & Use Tax - Public S.(1/2 Cent)	58,620	61,066	64,501	59,000	58,500	60,800	
3151 Business License Tax	30,009	32,983	31,104	31,700	32,600	32,600	
3160 Property Transfer Tax	57,492	40,101	47,002	40,500	51,200	52,300	
SUBTOTAL	2,267,359	2,456,914	2,545,827	2,484,600	2,612,000	2,717,800	
<u>Intergovernmental</u>							
3520 Other Local Agency	73,069	17,573	11,899	9,900	18,600	10,000	3
3531 State Motor Vehicle Fees (VLF)	3,233	2,676	2,585	-	2,400	-	
3543 State Homeowners Property Relief	11,695	11,499	11,186	11,000	11,100	11,400	
3539 Other State Revenues	644	-	7,977	-	4,300	-	4
SUBTOTAL	88,641	31,748	33,647	20,900	36,400	21,400	
<u>Licenses & Permits</u>							
3140 Franchise Fees	239,342	243,188	254,191	249,000	249,000	243,600	5
3210 Building Permits	116,574	141,734	146,464	131,500	128,000	128,000	
3220 Miscellaneous Permits (sign, film, etc.)	2,042	2,817	1,406	2,000	1,000	1,500	
3280 Encroachment Permits	8,441	12,048	7,741	7,000	14,500	13,500	
3325 Fireworks Permits	-	5,000	4,000	3,000	3,000	3,000	
SUBTOTAL	366,399	404,787	413,802	392,500	395,500	389,600	
<u>Fines & Forfeitures</u>							
3302 Parking Citation Fees	13,176	16,798	15,615	15,000	18,500	18,000	
SUBTOTAL	13,176	16,798	15,615	15,000	18,500	18,000	
<u>Rental & Investment Income</u>							
3410 Investment Earnings	16,158	30,272	24,655	26,000	41,000	35,000	6
SUBTOTAL	16,158	30,272	24,655	26,000	41,000	35,000	
<u>Charges for Services</u>							
3152 Business License Administration Fee	16,130	27,981	26,518	24,000	26,000	26,000	
3610 Zoning Fees	12,775	20,419	25,431	23,000	11,000	11,000	
3615 NPDES Fee	8,150	6,186	7,437	6,500	6,200	6,200	
3620 Grading Inspection/Issue Fees	820	2,508	1,609	1,800	-	-	
3625 Plan/Map Check Fees	700	-	-	500	300	300	
3626 Building Plan Check Fees	38,344	33,148	31,800	29,000	28,100	28,100	
3630 Sewer Acreage Fees	990	-	-	500	-	-	
3640 Administrative Service Fees	5,982	5,751	1,689	4,500	8,000	8,000	
3642 Plans/Specs	423	350	530	700	200	300	
SUBTOTAL	84,314	96,343	95,014	90,500	79,800	79,900	
<u>Miscellaneous</u>							
3111 Nuisance Abatement	-	-	-	-	2,800	-	
3900 Miscellaneous	31,996	28,231	19,856	10,000	5,000	10,000	
3902 City Council Chambers Support	7,068	8,350	9,225	10,000	8,200	8,200	
3908 Administrative Citations	1,007	300	-	500	500	500	
SUBTOTAL	40,071	36,881	29,081	20,500	16,500	18,700	
TOTAL GENERAL FUND REVENUES	\$ 2,876,118	3,073,743	3,157,641	3,050,000	3,199,700	3,280,400	

SUMMARY OF REVENUES

Account	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Est. Actual	2016-17 Budget
<u>GAS TAX FUND - 02</u>						
3410 Interest	\$ 373	230	128	100	500	300
3529 Section 2103	48,083	83,491	68,735	28,500	27,800	14,100
3534 Section 2105	34,995	41,458	37,386	36,000	36,100	37,300
3542 Section 2106	25,458	25,336	28,661	23,300	22,400	23,000
3536 Section 2107	43,452	44,112	48,144	49,200	50,100	51,700
3537 Section 2107.5	2,000	2,000	2,000	2,000	2,000	2,000
TOTAL GAS TAX FUND REVENUES	\$ 154,361	196,627	185,054	139,100	138,900	128,400
<u>AID TO CITIES FUND - 03</u>						
3410 Interest	\$ 14	7	5	100	100	100
3520 Other Local Agencies	-	-	-	10,000	10,200	11,200
3535 Other State Grants	5,000	5,000	5,060	5,000	5,000	5,000
TOTAL AID TO CITIES FUND REVENUES	\$ 5,014	\$ 5,007	\$ 5,065	\$ 15,100	\$ 15,300	\$ 16,300
<u>TRAFFIC SAFETY FUND - 04</u>						
3310 Motor Vehicle Code Fines	\$ 20,628	11,806	14,796	14,000	10,100	11,000
3410 Interest	29	9	11	100	100	100
TOTAL TRAFFIC SAFETY FUND REVENUES	\$ 20,657	11,815	14,807	14,100	10,200	11,100
<u>MEASURE M - LOCAL SALES TAX FUND - 05</u>						
3132 Measure M Transportation	\$ 73,566	76,340	81,538	88,400	88,400	93,800
3410 Interest	114	85	35	100	300	200
TOTAL MEASURE M - LOCAL SALES TAX FUND REVENUES	\$ 73,680	76,425	81,573	88,500	88,700	94,000
<u>ASSESSMENT DISTRICT FUND - 06</u>						
3110 Sewer Maintenance Assessments	\$ 14,006	14,006	14,006	14,006	14,000	14,000
3410 Interest	109	61	49	100	100	100
TOTAL ASSESSMENT DISTRICT FUND REVENUES	\$ 14,115	14,067	14,055	14,106	14,100	14,100
<u>CAPITAL IMPROVEMENT FUND - 07</u>						
3410 Interest	\$ 157	-	-	100	100	100
3520 Other Agencies	17,830	-	97,000	200,000	377,500	378,500
3535 Other State Grants	209,617	-	-	-	-	-
TOTAL CAPITAL IMPROVEMENT FUND REVENUES	\$ 227,604	-	97,000	200,100	377,600	378,600
<u>AQMD FUND - 08</u>						
3410 Interest	\$ 30	30	29	100	100	100
3532 AB 2766 AQMD	7,027	6,564	7,332	7,000	6,500	7,000
3950 Operating Transfers In	3,829	-	-	-	-	-
TOTAL AQMD FUND REVENUES	\$ 10,886	6,594	7,361	7,100	6,600	7,100
<u>COPS FUND - 09</u>						
3410 Interest	\$ 293	174	138	100	400	200
3540 AB 3229 COPS/SLESF	100,000	103,157	103,045	100,000	114,000	100,000
TOTAL COPS FUND REVENUES	\$ 100,293	103,331	103,183	100,100	114,400	100,200
<u>SEWER IMPROVEMENT FUND - 11</u>						
3410 Interest	\$ 1,381	346	475	500	1,000	700
3530 Sewer Improvement Fee	417,416	418,497	395,777	414,700	412,400	412,400
TOTAL SEWER IMPROVEMENT FUND REVENUES	\$ 418,797	418,843	396,252	415,200	413,400	413,100

SUMMARY OF REVENUES

<i>Account</i>	<i>2012-13 Actual</i>	<i>2013-14 Actual</i>	<i>2014-15 Actual</i>	<i>2015-16 Budget</i>	<i>2015-16 Est. Actual</i>	<i>2016-17 Budget</i>
CLEEP FUND - 12						
3410 Interest	\$ 136	61	43	100	100	-
TOTAL CLEEP FUND REVENUES	\$ 136	61	43	100	100	-
TOTAL ALL FUNDS (WITH TRANSFERS)	\$ 3,901,661	3,906,513	4,062,034	4,043,506	4,379,000	4,443,300
Less Operating Transfers	(3,829)	-	-	-	-	-
TOTAL FISCAL YEAR REVENUES	\$ 3,897,832	3,906,513	4,062,034	4,043,506	4,379,000	4,443,300



- In FY 2016-17 the City will assume a 4% (or \$87,200) increase in property taxes.
- Per the State of California, Sales Tax is anticipated to increase 5.3%. However, MuniServices, LLC has forecasted that the City of Villa Park will see closer to a 5.1% (or \$11,900) increase of which the City has assumed in this budget.
- In FY 2015-16, the City received a one-time donation from a generous resident, via the Villa Park Community Services Foundation (VPCSF), of \$8,500 to purchase two used police vehicles to assist in public safety.
- In FY 2015-16, the City received unbudgeted miscellaneous state mandated reimbursements (i.e. reporting on: animal adoption, investments, misdemeanor booking, open meetings, domestic violence etc.) for years 1997-2002. There is no foreseen revenues for the FY 2016-17, assuming a decrease in revenue of \$4,300.
- In FY 2016-17, the California Public Utilities Code rulemaking proceeding (R.14-03-016) has restructured the calculation of its municipal surcharge, resulting in a reduction of approximately \$7,400 in the Southern California Gas Surcharge Remittance.
- In FY 2015-16, the City investments had a significant mark to market, approximately \$9,200. With the fluctuation in the current market, staff is assuming a slight decrease (approximately \$6,000) in investment return for FY 2016-17.
- Per the California Local Government Finance Almanac, the City's HUTA 2103 apportionment is projected to decrease by 7% (or \$10,000) as a direct result of the reduction of estimated gasoline sales.
- Per OCTA, the Measure M2 Local Fair Share Program revenues for the City of Villa Park will be approximately \$5,000 more than FY 2015-16's apportionment.
- In FY 2015-16, the City received an additional \$14,000 from the Supplemental Law Enforcement Services Fund (SLESF) as a "growth factor" relating to the FY 2014-15 apportionment. This revenue is not anticipated for FY 2016-17.

Summary of Expenditures - All Funds

Department	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Proposed	Change from Prior Year Est. Actual	
CITY COUNCIL	\$ 9,763	6,501	19,362	42,000	30,300	45,700	15,400	51%
CITY MANAGER/CITY CLERK	127,457	117,415	182,538	147,100	139,300	189,000	49,700	36%
FINANCE	116,824	101,493	146,486	134,900	128,600	138,900	10,300	8%
CITY ATTORNEY	42,439	48,113	54,408	49,000	47,500	51,000	3,500	7%
SUPPORT SERVICES	119,623	169,972	160,846	226,400	220,900	359,400	138,500	63%
LAW ENFORCEMENT	1,243,388	1,276,394	1,342,939	1,469,500	1,414,100	1,586,300	172,200	12%
EMERGENCY PREPAREDNESS	-	576	4,800	14,700	14,700	500	(14,200)	-97%
PUBLIC WORKS GENERAL	233,583	275,590	302,743	320,190	292,200	287,200	(5,000)	-2%
STREET MAINTENANCE	77,180	759,094	153,564	804,600	754,300	380,300	(374,000)	-50%
STORM DRAIN MAINTENANCE	54,568	55,670	69,744	142,510	136,300	89,700	(46,600)	-34%
SEWER PUMP MAINT. DISTRICT	8,917	10,984	10,250	10,600	8,400	9,500	1,100	13%
CIVIC CENTER	58,060	58,516	87,234	92,400	83,500	86,800	3,300	4%
CITY SEWER IMPROVEMENT	163,125	119,037	137,019	119,400	116,600	116,100	(500)	0%
COMMUNITY PRESERVATION	53,365	51,765	54,888	24,700	24,000	37,200	13,200	55%
PLANNING	73,070	83,267	86,498	85,300	81,500	60,300	(21,200)	-26%
ENGINEERING	73,156	78,516	97,686	96,100	91,100	87,100	(4,000)	-4%
BUILDING	76,192	103,942	160,393	122,200	112,500	103,400	(9,100)	-8%
SUBTOTAL	2,530,710	3,316,845	3,071,398	3,901,600	3,695,800	3,628,400	(67,400)	-2%
CAPITAL PROJECTS	216,914	874,911	563,515	1,220,200	487,200	1,569,300	1,082,100	222%
	3,829	-	-	-	-	-	-	
TOTAL EXPENDITURES (WITH TRANSFERS)	2,751,453	4,191,756	3,634,913	5,121,800	4,183,000	5,197,700	1,014,700	
Less Operating Transfers	(3,829)	-	-	-	-	-	-	
TOTAL ALL EXPENDITURES	\$ 2,747,624	4,191,756	3,634,913	5,121,800	4,183,000	5,197,700	1,014,700	

Major Fiscal Changes in Expenditures for FY 2016-2017

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

City Council - 51% increase as Council members are encouraged to attend government training every year on Council. Also revised staff salary allocations and work load analysis in FY 2015-16.

City Manager/City Clerk - 36% increase due to the revised staff salary allocations and work load analysis in FY 2015-16, along with the general election in FY 2016-17.

Finance - 8% increase due to the revised staff salary allocations and work load analysis in FY 2015-16.

City Attorney - 7% increase due to pending legal issues requiring additional expertise outside of retainer fees.

Support Services - 63% increase as a result of the City Manager's budget contingency at 5% of general fund operating expenditures.

Law Enforcement - 12% increase from actuals in FY 2016-17 as a result of the increase in the law enforcement contract of 5.2%, summer school, and purchase of the six new 800MHz CCCS Next Generation radios.

Emergency Preparedness - 97% decrease due to the completion of the Local Hazardous Mitigation Plan in FY 2015-16.

Public Works General - 2% decrease due to purchase of a vehicle for Maintenance Supervisor in FY 2015-16.

Street Maintenance - 50% decrease due to the two year pavement rehabilitation project performed in FY 2015-16.

Storm Drain Maintenance - 34% decrease due to the completion of the Storm Drain Master Plan in FY 2015-16.

Sewer Pump Maintenance District - 13% increase due to the contract monitoring services of the sewer pump.

Civic Center - 4% increase due to the revised staff salary allocations and work load analysis in FY 2015-16.

City Sewer Improvement - a nominal decrease due to the revised staff salary allocations and work load analysis in FY 2015-16.

Community Preservation - 55% increase due to staff salary allocations and work load analysis in FY 2015-16.

Planning - 26% decrease due to the revised staff salary allocations and work load analysis in FY 2015-16.

Engineering - 4% increase due to the revised staff salary allocations and work load analysis in FY 2015-16.

Building - 8% decrease due to the staff salary allocations and work load analysis in FY 2015-16.

SALARY AND EMPLOYEE BENEFITS SUMMARY

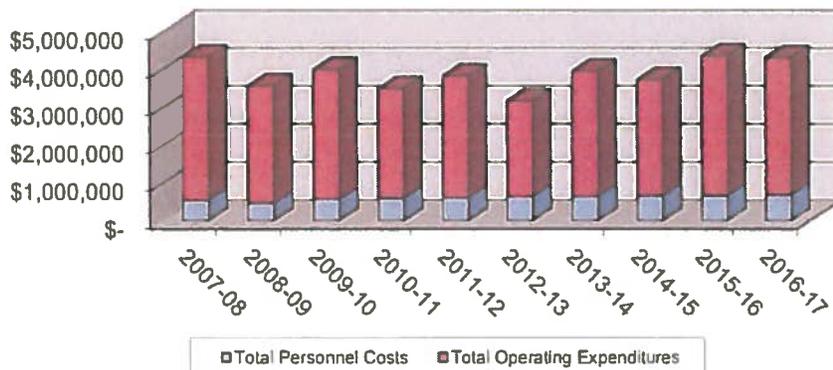
Position	2015-2016		2016-2017		Personnel Percentages*	
	Total S&EB	Budgeted Salary	Employee Benefits	Total S&EB		
1 City Manager/City Clerk	\$ 160,606	123,600	46,200	169,800	2007-08	14.2%
Finance Director	111,687	100,000	23,300	123,300	2008-09	14.2%
2 Administrative Analyst	71,532	54,075	20,400	74,475	2009-10	16.2%
Maintenance Supervisor	91,790	65,604	36,300	101,904	2010-11	19.4%
4 Maintenance Worker	62,572	45,984	21,600	67,584	2011-12	18.6%+
5 Executive Assistant	26,712	24,570	7,800	32,370	2012-13	24.7%+
Building Inspector	88,128	59,660	26,600	86,260	2013-14	18.8%+
Administrative Intern	1,422	-	-	-	2014-15	29.2%^
Total	\$ 614,449	473,493	182,200	655,693	2015-16	17.6%
					2016-17	18.5%

- * Personnel percentages are calculated by dividing operating expenditures, excluding capital expenditures, by total salaries and benefits.
- + In FY 11/12 through 13/14 major street projects were pushed into two year projects; therefore, skewing the personnel percentages. However, the average percentage of these years is 20.7%, which is inline with the 10 years accounted for.
- ^ In FY 14/15 the City paid off the PERS sidfund in the amount of approximately \$253,000. Excluding this one-time significant payment, the personnel percentage would have been 20.9%, which is also in line with the 10 years accounted for.

Employee Position Count	FY 14/15	FY 15/16	Budgeted FY 16/17
1 City Manager/City Clerk	1	1	1
Finance Director	0.5	0.5	0.75
2 Administrative Analyst	0	1	1
3 Management Analyst	1	0	0
Maintenance Supervisor	1	1	1
4 Maintenance Worker	1	1	1
5 Executive Assistant	0.5	0.5	0.5
Building Inspector	0.5	0.5	0.5
Administrative Interns	0.5	0.5	0
Total Full Time Equivalent (FTE) Count	6	6	5.75 ^x

- 1 Previous titled City Manager.
- 2 New position in FY 2014-15.
- 3 Reactivated the Management Analyst position for FY 2014-15, to replace Code Enforcement/Asst Planner position.
- 4 Previously titled Maintenance Worker I.
- 5 Previous titled Office Assistant
- x Staffing full time equivalent levels decreased by .25 FTE in FY 2016-17 with the elimination of paid interns.

10 Year Personnel vs. Expenditure History



Expenditure Analysis by Fund
Fiscal Year 2015-2016 (Prior Year)

Department	2015-16 Estimated Expenditure	General (01)	Gas Tax (02)	Aid to Cities (03)	Traffic Safety (04)	Measure M				Capital Improv. (07)	AQMD (08)	COPS (09)	Sewer Improv. (11)	CLEEP (12)
						- Local Sales Tax (05)	Assess. District (06)							
CITY COUNCIL	\$ 30,300	30,300	-	-	-	-	-	-	-	-	-	-	-	-
CITY MANAGER/CITY CLERK	139,300	139,300	-	-	-	-	-	-	-	-	-	-	-	-
FINANCE	128,600	128,600	-	-	-	-	-	-	-	-	-	-	-	-
CITY ATTORNEY	47,500	47,500	-	-	-	-	-	-	-	-	-	-	-	-
SUPPORT SERVICES	220,900	210,900	-	10,000	-	-	-	-	-	-	-	-	-	-
LAW ENFORCEMENT	1,414,100	1,301,200	-	-	14,000	-	-	-	-	-	90,000	-	-	8,900
EMERGENCY PREPAREDNESS	14,700	14,700	-	-	-	-	-	-	-	-	-	-	-	-
PUBLIC WORKS GENERAL	292,200	287,200	-	5,000	-	-	-	-	-	-	-	-	-	-
STREET MAINTENANCE	754,300	388,600	191,700	-	-	174,000	-	-	-	-	-	-	-	-
STORM DRAIN MAINTENANCE	136,300	136,300	-	-	-	-	-	-	-	-	-	-	-	-
SEWER PUMP MAINT. DISTRICT	8,400	-	-	-	-	-	-	8,400	-	-	-	-	-	-
CIVIC CENTER	83,500	83,500	-	-	-	-	-	-	-	-	-	-	-	-
CITY SEWER IMPROVEMENT	116,600	-	-	-	-	-	-	-	-	-	-	116,600	-	-
COMMUNITY PRESERVATION	24,000	24,000	-	-	-	-	-	-	-	-	-	-	-	-
PLANNING	81,500	81,500	-	-	-	-	-	-	-	-	-	-	-	-
ENGINEERING	91,100	91,100	-	-	-	-	-	-	-	-	-	-	-	-
BUILDING	112,500	112,500	-	-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	3,695,800	3,077,200	191,700	15,000	14,000	174,000	8,400	-	-	90,000	116,600	8,900	-	-
CAPITAL IMPROVEMENTS	487,200	187,200	100,000	-	-	-	-	200,000	-	-	-	-	-	-
SUBTOTAL	\$ 4,183,000	3,264,400	291,700	15,000	14,000	174,000	8,400	200,000	-	90,000	116,600	8,900	-	-

Expenditure Analysis by Fund
Fiscal Year 2016-2017

Department	2016-17 Proposed	Measure										CLEEP (12)				
		General (01)	Gas Tax (02)	Aid to Cities (03)	Traffic Safety (04)	M - Local Sales Tax (05)	Assess. District (06)	Capital Improv. (07)	AQMD (08)	COPS (09)	Sewer Improv. (11)					
CITY COUNCIL	\$ 45,700	45,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CITY MANAGER/CITY CLERK	189,000	189,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FINANCE	138,900	138,900	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CITY ATTORNEY	51,000	51,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUPPORT SERVICES	359,400	348,100	11,300	-	-	-	-	-	-	-	-	-	-	-	-	-
LAW ENFORCEMENT	1,586,300	1,390,300	-	13,000	-	-	-	-	-	-	-	-	-	160,000	-	23,000
EMERGENCY PREPAREDNESS	500	500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PUBLIC WORKS GENERAL	287,200	282,200	5,000	-	-	-	-	-	-	-	-	-	-	-	-	-
STREET MAINTENANCE	380,300	113,200	165,800	-	101,300	-	-	-	-	-	-	-	-	-	-	-
STORM DRAIN MAINTENANCE	89,700	89,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SEWER PUMP MAINT. DISTRICT	9,500	-	-	-	-	-	9,500	-	-	-	-	-	-	-	-	-
CIVIC CENTER	86,800	86,800	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CITY SEWER IMPROVEMENT	116,100	-	-	-	-	-	-	-	-	-	-	-	-	-	116,100	-
COMMUNITY PRESERVATION	37,200	37,200	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PLANNING	60,300	60,300	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ENGINEERING	87,100	87,100	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BUILDING	103,400	103,400	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	3,628,400	3,023,400	165,800	16,300	13,000	101,300	9,500	-	160,000	116,100	570,400	23,000	-	-	-	-
CAPITAL IMPROVEMENTS	1,569,300	620,400	-	-	-	-	-	378,500	-	-	-	-	-	-	-	-
TOTAL ALL EXPENDITURES	\$ 5,197,700	\$ 3,643,800	165,800	16,300	13,000	101,300	9,500	378,500	-	160,000	686,500	23,000	-	-	-	-
Administration	\$ 784,000															
Public Safety	1,586,800															
Public Works	969,600															
Community Development	288,000															
Capital Improvements	1,569,300															
	<u>\$ 5,197,700</u>															

The City Budget can be thought of as five distinct parts: Administration (to include the departments of City Council, City Manager/City Clerk, Finance, City Attorney and Support Services); Public Safety (Law Enforcement and Emergency Preparedness); Public Works (to include Public Works General, Street Maintenance, Storm Drain Maintenance, Civic Center, Sewer Pump Maintenance, and City Sewer Improvement); Community Development (to include Community Preservation, Planning, Engineering, and Building); and, Capital Improvements (Capital Improvement projects and infrastructure).

SUMMARY OF EXPENDITURES BY ACCOUNT AND FUND

<i>Account</i>	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Est. Actual	2016-17 Budget
GENERAL FUND - 01						
<u>Personnel Services</u>						
4101 Salaries - Full Time	\$ 263,377	248,498	237,995	297,100	277,900	288,200
4112 Salaries - Part Time	160,802	151,053	169,684	213,800	191,400	175,600
4131 Fringe Benefits - Full Time	107,988	123,856	280,683	94,700	94,600	111,600
4132 Fringe Benefits - Part Time	50,863	57,354	147,199	47,400	47,400	56,700
4133 Fringe Benefits - OPEB	-	-	-	6,200	6,200	7,500
Personnel Services SUBTOTAL	583,030	580,761	835,561	659,200	617,500	639,600
<u>Maintenance and Operations</u>						
5105 Operating Supplies	20,976	36,709	43,512	29,900	25,700	29,600
5107 Postage	1,627	1,574	1,966	2,000	1,900	2,000
5108 Legal Notices/Recordings	789	1,684	401	1,400	1,400	1,100
5110 Misc. Finance Charges	742	894	824	900	900	1,000
5201 Building Maintenance	2,597	3,358	5,110	7,500	6,100	4,500
5205 Vehicle Operation/Maint.	12,653	13,348	13,622	14,000	12,500	13,100
5210 Maintenance/Rental of Equip.	6,469	5,859	6,608	8,700	8,700	9,500
5215 Traffic Signal Maint	9,177	7,986	8,377	10,800	10,800	11,000
5225 Recreational Trail Maint.	591	2,762	2,871	3,000	3,000	8,000
5301 Professional Services - Audit	14,120	17,539	16,589	13,000	11,800	13,000
5303 Professional Services - Legal	41,791	44,623	44,983	45,000	45,000	45,000
5305 Professional Services - Engineering	35,747	46,322	46,322	47,500	47,500	48,000
5320 Chamber Maintenance	1,266	334	466	2,600	1,800	2,700
5322 Animal Control Services	544	12,803	16,849	25,000	25,000	30,000
5323 City Newsletter/Banners	439	-	756	3,300	2,800	3,500
5335 Law Enforcement	1,120,879	1,141,164	1,208,910	1,283,700	1,283,700	1,352,700
5340 Miscellaneous Equip. Costs	3,683	4,019	3,344	4,200	4,200	11,700
5341 Other Legal Services	648	3,490	9,425	4,000	2,500	6,000
5347 Info/Tech Support	7,649	10,662	11,707	19,600	18,000	14,000
5350 Website Maintenance/Dev.	1,890	897	2,844	2,000	1,800	2,000
5351 Encroachment Permits	6,505	-	-	200	-	-
5352 Traffic Engineering	300	700	270	200	-	7,000
5353 Plan/Map Check	1,650	6,853	14,216	10,500	10,500	10,500
5354 Grading Inspection	-	-	-	300	-	-
5368 Geographic Info Systems	4,200	3,000	-	-	-	-
5369 Community Programs	-	-	920	8,700	8,500	16,000
5370 Weed Abatement	-	300	2,400	500	-	500
5371 Tree Trimming/Spraying	23,930	27,255	35,700	47,000	45,000	40,000
5372 Traffic Striping	566	2,750	22,920	15,000	4,000	35,000
5374 Sidewalk Repair	20,000	20,000	20,000	20,000	20,000	20,000
5376 Pavement Rehabilitation	18,637	182,496	26,308	350,000	340,000	62,900
5379 NPDES Activities	9,808	8,622	10,283	14,800	14,100	14,000
5383 Storm Drain Maintenance	10,500	10,662	10,600	7,000	4,500	25,000
5386 Landscape Maintenance	23,000	20,983	27,610	30,500	29,000	31,600
5390 Contract Services	40,601	35,441	40,831	74,400	68,000	62,500
5391 Professional Services - NPDES	19,578	20,717	25,129	101,810	101,000	38,600
5393 Professional Services - Planning	24,000	24,000	32,800	33,600	33,600	34,800
5403 Property Tax Admin. Fee	18,619	19,498	17,939	18,700	17,500	18,000
5405 Insurance - P.L./P.D.	54,425	79,937	55,219	66,800	66,500	81,000
5410 Budgeted Contingency	-	-	-	-	-	144,000
5501 Telephone Utilities	1,642	1,458	1,797	2,200	1,900	2,100
5505 Electric Utilities	21,759	23,086	24,867	24,400	22,200	25,300
5520 Gas Utilities	423	530	464	500	500	500
5530 Water Utilities	31,559	46,229	24,694	20,390	19,600	20,500
5625 Dues & Publications	4,975	6,963	10,428	13,900	13,500	14,300
5630 Professional Development	6,655	4,694	11,940	27,500	14,300	28,200
5801 Miscellaneous	557	10,015	99	10,200	10,200	7,500
5810 Election Expenses	1,233	157	7,708	100	100	10,000
5820 Interest Expense	48	30	11	100	100	100
Maintenance and Operations SUBTOTAL	1,629,447	1,912,403	1,870,639	2,427,400	2,359,700	2,358,300

(Continued)

SUMMARY OF EXPENDITURES BY ACCOUNT AND FUND

Account	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Est. Actual	2016-17 Budget
<u>Capital Outlay</u>						
6100 Equipment	5,000	2,538	19,958	49,900	49,700	20,000
6103 Cable TV-Equipment	8,813	10,350	10,720	4,600	4,000	5,000
6300 Vehicle replacement	-	22,565	-	46,000	46,000	-
6301 Roadway, Fence, & Wall	2,949	12,236	1,530	500	300	500
Capital Outlay SUBTOTAL	16,762	47,689	32,208	101,000	100,000	25,500
<u>Capital</u>						
7001 Software Conversion	-	-	-	29,400	9,700	19,700
7002 Storm Drain Improvement	-	-	-	-	-	150,000
7003 Council Chamber Remodel	-	-	-	-	-	50,000
7026 Emergency Storm Repairs 2	-	12,778	-	-	-	-
7033 Lemon St.-Rec trail Santiago-Valley	-	37,322	2,200	-	-	-
7038 City Hall Façade Improvements	50,270	4,736	-	-	-	-
7044 City Entrance Monuments	52,355	28,740	53,699	42,500	10,000	10,000
7045 Fitschen Ranch Fence Closures	-	4,780	-	-	-	-
7047 City Hall Bathroom Remodel	-	19,111	1,786	-	-	-
7050 Taft Rehabilitation	-	-	17,779	21,900	20,000	340,700
7052 Wanda Greenbelt	-	-	-	27,200	12,000	50,000
7053 Mesa, Valley, Loma Widening	-	-	-	72,900	72,900	-
7054 Taft Trail Improvement	-	-	-	12,600	12,600	-
7055 Cannon Street	-	-	-	50,000	50,000	-
Capital SUBTOTAL	102,625	107,467	75,464	256,500	187,200	620,400
TOTAL GENERAL FUND EXPENDITURES	\$ 2,331,864	2,648,320	2,813,872	3,444,100	3,264,400	3,643,800
<u>GAS TAX FUND - 02</u>						
<u>Maintenance and Operations</u>						
5376 Pavement Rehabilitation	\$ 6,600	360,700	-	176,700	176,700	115,800
5381 Median Repairs	-	-	50,820	50,000	15,000	50,000
Maintenance and Operations SUBTOTAL	6,600	360,700	50,820	226,700	191,700	165,800
<u>Capital</u>						
7051 Katella/Wanda Improvement	-	-	-	100,000	100,000	-
Capital SUBTOTAL	-	-	-	100,000	100,000	-
TOTAL GAS TAX FUND EXPENDITURES	\$ 6,600	360,700	50,820	326,700	291,700	165,800
<u>AID TO CITIES FUND - 03</u>						
<u>Personnel Services</u>						
4101 Salaries - Full Time	\$ 5,000	5,000	5,000	5,000	5,000	5,000
Personnel Services SUBTOTAL	5,000	5,000	5,000	5,000	5,000	5,000
<u>Maintenance and Operations</u>						
5369 Community Programs	-	-	5,300	10,000	10,000	11,300
Maintenance and Operations SUBTOTAL	-	-	5,300	10,000	10,000	11,300
TOTAL AID TO CITIES FUND EXPENDITURES	\$ 5,000	5,000	10,300	15,000	15,000	16,300
<u>TRAFFIC SAFETY FUND - 04</u>						
<u>Maintenance and Operations</u>						
5335 Law Enforcement	\$ 18,000	11,816	12,000	14,000	14,000	13,000
Maintenance and Operations SUBTOTAL	18,000	11,816	12,000	14,000	14,000	13,000
TOTAL TRAFFIC SAFETY FUND EXPENDITURES	\$ 18,000	11,816	12,000	14,000	14,000	13,000
<u>MEASURE M - LOCAL SALES TAX FUND - 05</u>						
<u>Maintenance and Operations</u>						
5302 Administrative Costs	\$ 19	-	-	400	-	-
5376 Pavement Rehabilitation	-	155,000	-	174,000	174,000	101,300
Maintenance and Operations SUBTOTAL	19	155,000	-	174,400	174,000	101,300
TOTAL MEASURE M - LOCAL SALES TAX FUND EXPENDITURES	\$ 19	155,000	-	174,400	174,000	101,300

(Continued)

SUMMARY OF EXPENDITURES BY ACCOUNT AND FUND

<i>Account</i>	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2015-16 Est. Actual	2016-17 Budget
<u>ASSESSMENT DISTRICT FUND - 06</u>						
<u>Personnel Services</u>						
4112 Salaries - Part Time	\$ 1,603	1,625	1,863	2,200	2,100	2,000
4132 Fringe Benefits - Part Time	439	598	1,195	400	400	500
Personnel Services SUBTOTAL	2,042	2,223	3,058	2,600	2,500	2,500
<u>Maintenance and Operations</u>						
5305 Professional Services - Engineering	1,049	874	874	1,500	1,500	1,000
5390 Contract Services	4,984	7,008	5,450	5,600	3,700	5,200
5505 Electric Utilities	842	879	868	900	700	800
Maintenance and Operations SUBTOTAL	6,875	8,761	7,192	8,000	5,900	7,000
<u>Capital Outlay</u>						
7005 Sewer Pump	-	-	7,324	-	-	-
Capital Outlay SUBTOTAL	-	-	7,324	-	-	-
TOTAL ASSESSMENT DISTRICT FUND EXPENDITURES	\$ 8,917	10,984	17,574	10,600	8,400	9,500
<u>CAPITAL IMPROVEMENT FUND - 07</u>						
<u>Capital</u>						
7042 Catch Basin Improvements	\$ 97,000	-	60,000	200,000	200,000	-
7043 SLPP Transportation	-	125,007	-	-	-	-
7046 RAC Grant	-	100,000	-	-	-	-
7050 Taft Rehabilitation	-	-	-	378,500	-	378,500
8051 Civic Center Smoke Alarm	798	-	-	-	-	-
Capital SUBTOTAL	97,798	225,007	60,000	578,500	200,000	378,500
TOTAL CAPITAL IMPROVEMENT FUND EXPENDITURES	\$ 97,798	225,007	60,000	578,500	200,000	378,500
<u>AQMD FUND - 08</u>						
<u>Capital Outlay</u>						
6203 School Site Traffic Improvements	\$ 4,375	-	-	-	-	-
Capital Outlay SUBTOTAL	4,375	-	-	-	-	-
TOTAL AQMD FUND EXPENDITURES	\$ 4,375	-	-	-	-	-
<u>COPS FUND - 09</u>						
<u>Maintenance and Operations</u>						
5337 Supplemental - SRO	\$ 89,503	105,013	100,769	100,000	85,000	115,000
5338 Directed/Special Assignment	-	-	-	45,000	5,000	45,000
Maintenance and Operations SUBTOTAL	89,503	105,013	100,769	145,000	90,000	160,000
TOTAL COPS FUND EXPENDITURES	\$ 89,503	105,013	100,769	145,000	90,000	160,000
<u>SEWER IMPROVEMENT FUND - 11</u>						
<u>Personnel Services</u>						
4101 Salaries - Full Time	\$ 18,843	17,676	16,970	16,600	16,600	11,000
4112 Salaries - Part Time	8,014	8,123	9,316	7,700	7,300	7,000
4131 Fringe Benefits - Full Time	6,921	7,670	19,317	5,800	5,800	4,400
4132 Fringe Benefits - Part Time	1,977	2,394	6,529	1,400	1,400	1,700
Personnel Services SUBTOTAL	35,755	35,863	52,132	31,500	31,100	24,100
<u>Maintenance and Operations</u>						
5302 Administrative Costs	9,155	12,205	10,096	10,900	10,500	13,900
5305 Professional Services - Engineering	14,683	19,228	19,228	19,500	19,500	19,700
5377 Sewer Repair	-	500	-	2,300	2,300	3,000
5378 Sewer Cleaning	2,184	25,267	30,929	30,800	30,800	33,000
5380 Sewer Cond TV Monitoring	83,423	2,669	1,785	900	900	-
5387 Waste Discharge Reqm'ts	17,925	23,305	22,849	23,500	21,500	22,400
Maintenance and Operations SUBTOTAL	127,370	83,174	84,887	87,900	85,500	92,000
<u>Capital</u>						
7004 Sewer Improvement Projects	16,491	542,437	420,727	285,200	-	570,400
Capital Outlay SUBTOTAL	16,491	542,437	420,727	285,200	-	570,400
TOTAL SEWER IMPROVEMENT FUND EXPENDITURES	\$ 179,616	661,474	557,746	404,600	116,600	686,500

(Continued)

SUMMARY OF EXPENDITURES BY ACCOUNT AND FUND

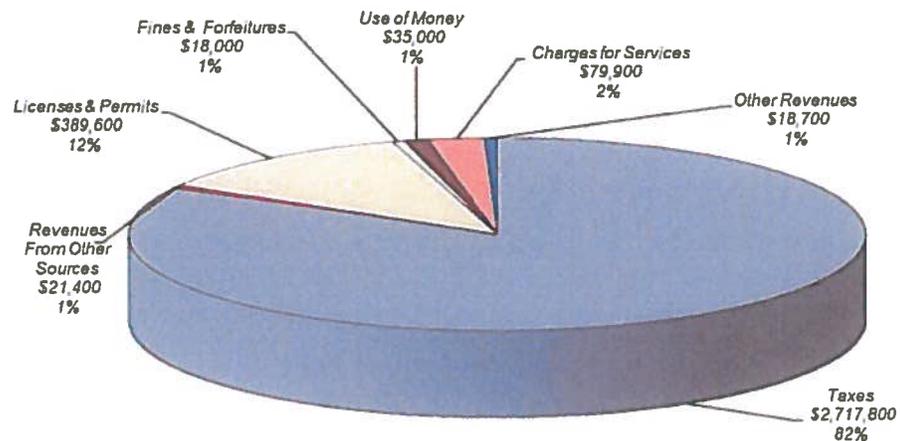
<i>Account</i>	<i>2012-13 Actual</i>	<i>2013-14 Actual</i>	<i>2014-15 Actual</i>	<i>2015-16 Budget</i>	<i>2015-16 Est. Actual</i>	<i>2016-17 Budget</i>
<u>CLEEP FUND - 12</u>						
<u>Maintenance and Operations</u>						
5340 Misc. Equipment Costs	\$ 5,203	4,218	5,002	8,900	8,900	-
Maintenance and Operations SUBTOTAL	5,203	4,218	5,002	8,900	8,900	-
<u>Capital Outlay</u>						
6100 Equipment	729	4,224	6,830	-	-	23,000
Capital Outlay SUBTOTAL	729	4,224	6,830	-	-	23,000
TOTAL CLEEP FUND EXPENDITURES	\$ 5,932	8,442	11,832	8,900	8,900	23,000
TOTAL FISCAL YEAR EXPENDITURES	\$ 2,747,624	4,191,756	3,634,913	5,121,800	4,183,000	5,197,700

General Fund Review

	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Est. Actual	2016-2017 Budgeted	Change From Prior Year	
						In \$	In %
Financial Sources:							
Property Taxes	\$ 1,957,929	2,073,699	2,152,861	2,247,100	2,337,600	\$ 90,500	4%
Sales & Use Tax	163,309	249,065	250,359	222,600	234,500	11,900	5%
Sales & Use Tax - Public S.	58,620	61,066	64,501	58,500	60,800	2,300	4%
Business License Tax	30,009	32,983	31,104	32,600	32,600	-	0%
Property Transfer Tax	57,492	40,101	47,002	51,200	52,300	1,100	2%
State Motor Vehicle Fees (VLF)	3,233	2,676	2,585	2,400	-	(2,400)	-100%
State Homeowners Prop. Relief	11,695	11,499	11,186	11,100	11,400	300	3%
Other Local & State Revenue	73,713	17,573	19,876	22,900	10,000	(12,900)	-56%
Licenses & Permits	366,399	404,787	413,802	395,500	389,600	(5,900)	-1%
Fines, Forfeitures & Penalties	13,176	16,798	15,615	18,500	18,000	(500)	-3%
Charges for Current Services	84,314	96,343	95,014	79,800	79,900	100	0%
Revenue from Use of Monies	16,158	30,272	24,655	41,000	35,000	(6,000)	-15%
All Other Revenues	40,071	36,881	29,081	16,500	18,700	2,200	13%
Total Financial Sources	2,876,118	3,073,743	3,157,641	3,199,700	3,280,400	80,700	3%
Expenditures:							
City Council	9,763	6,501	19,362	30,300	45,700	15,400	51%
City Manager/City Clerk	127,457	117,415	182,538	139,300	189,000	49,700	36%
Finance	116,824	101,493	146,486	128,600	138,900	10,300	8%
City Attorney	42,439	48,113	54,408	47,500	51,000	3,500	7%
Support Services	119,623	169,972	155,546	210,900	348,100	137,200	65%
Law Enforcement	1,129,953	1,151,123	1,218,338	1,301,200	1,390,300	89,100	7%
Emergency Preparedness	-	576	4,800	14,700	500	(14,200)	100%
Public Works General	224,208	270,590	297,743	287,200	282,200	(5,000)	-2%
Street Maintenance	70,561	243,394	102,744	388,600	113,200	(275,400)	-71%
Storm Drain Maintenance	54,568	55,670	69,744	136,300	89,700	(46,600)	-34%
Civic Center	58,060	58,516	87,234	83,500	86,800	3,300	4%
Community Preservation	53,365	51,765	54,888	24,000	37,200	13,200	55%
Planning	73,070	83,267	86,498	81,500	60,300	(21,200)	-26%
Engineering	73,156	78,516	97,686	91,100	87,100	(4,000)	-4%
Building	76,192	103,942	160,393	112,500	103,400	(9,100)	-8%
Total Budget Expenditures	2,229,239	2,540,853	2,738,408	3,077,200	3,023,400	(53,800)	-2%
Net Increase (Decrease) In Fund Before Capital Improvement Expenditures	\$ 646,879	532,890	419,233	122,500	257,000	134,500	110%
Reserves:							
Undesignated Reserve	\$ 871,800	1,000,000	1,300,000	1,400,000	1,511,700	111,700	8%
Designated for:							
Vehicle replacement	10,000	-	25,000	-	5,000	5,000	100%
Infrastructure replacement	62,100	70,000	100,000	140,000	140,000	-	100%
Villa Park TV capital	9,000	14,000	11,000	12,000	13,200	1,200	10%
Accrued leave	15,000	16,000	25,000	40,000	75,000	35,000	88%
CJPIA retro deposit repayment	32,000	40,000	45,000	45,000	45,000	-	100%
Towne Centre plaza	100,000	150,000	-	-	-	-	0%
Capital improvements	-	-	100,000	166,000	180,000	14,000	8%
Contingency	5,000	-	50,000	-	-	-	0%
Subtotal of designations	233,100	290,000	356,000	403,000	458,200	55,200	14%
Total Reserves	\$ 1,104,900	1,290,000	1,656,000	1,803,000	1,969,900	166,900	9%
Total Reserves as a % of General Operating Expenditures	49.56%	50.77%	60.47%	58.59%	65.16%		

Analysis of General Fund Revenues

The following chart illustrates the anticipated sources of General Fund revenues for Fiscal Year 2016-17:



The seven revenue sources that comprise the City's discretionary General Fund revenues are taxes; revenues from other sources; licenses & permits; fines & forfeitures; 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 73% of the total General Fund Revenue while all taxes are 82%. 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.

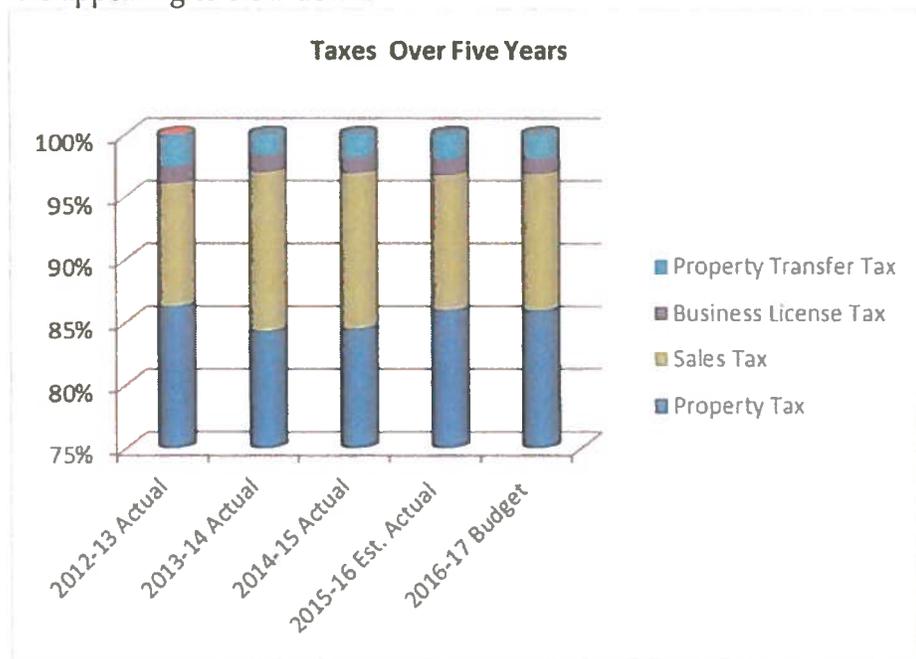
Based on analysis provided by the County Assessors office and management's conservatism, property tax revenue for Fiscal Year 2016-17 is projected to increase from last years' actual as a trend analysis depicts an increase in secured taxes and property tax in-lieu of

vehicle license fees; however, management remains conservative projecting the remaining tax revenues to increase by a 4% factor over FY 2015-16 actuals. 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 Town Center; however, there is sales tax derived from home occupations as well. The State of California is anticipating a 5.3% increase, however the City's contracted sales tax auditor, MuniServices, LLC, forecasts that Villa Park will see an increase closer to 5.1%.

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. The business license trend analysis assumes no change in this revenue stream from the FY 2015-16 budgeted amount.

Property Transfer taxes have been difficult to trend as the real estate market has been very volatile. In the last two fiscal years, property transfer taxes went from a 17% increase then to an 8% increase (with prior years having a 30% decrease). Recognizing this trend is economically dependent, management opted to project a nominal 2% increase in property transfer tax revenue for the FY 2016-17 budget, as it is appearing to slow down.



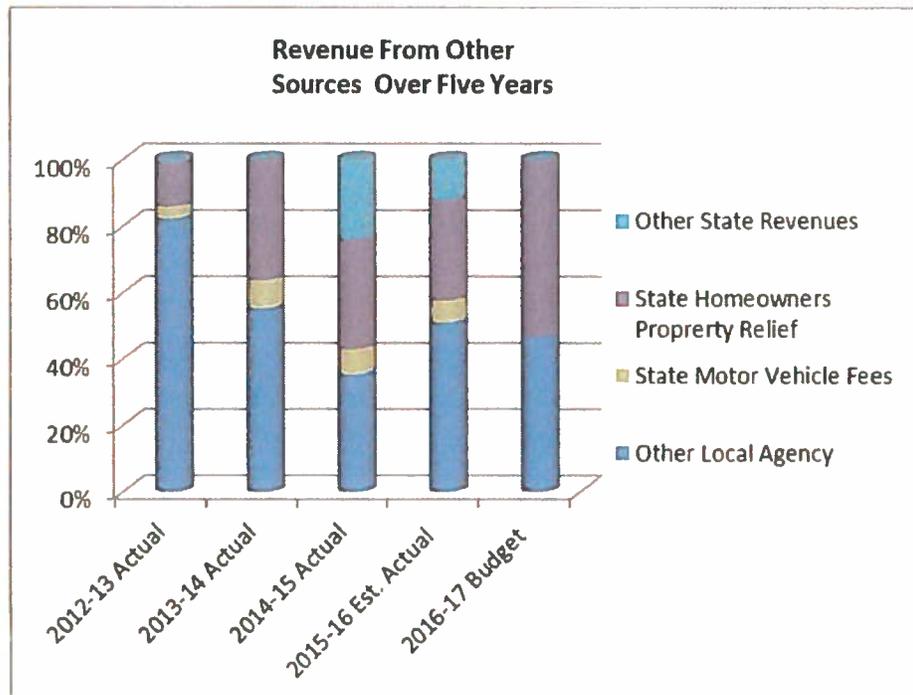
Revenue from Other Sources

There are two primary funding sources for this classification: Other Local Agency and State Homeowners Property Relief.

Other Local Agency monies represent various funding received from local agencies that support various general fund expenditures within the City. In FY 2016-17, the only anticipated funding is the Public Educational, Government access (PEG) money from the local cable franchises totaling \$10,000; however, in FY 2015-16, a donation from a generous resident was passed through the Foundation to the City to purchase two used police vehicles to assist in public safety.

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

In prior years, the City received 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% from 65% of the value of the automobile. These fees were from the registration of vehicles throughout the state and were 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. However, effective July 1, 2011, SB89 eliminated the Vehicle License Fee (VLF) revenue portion (small as it was to the City) as part of the Legislature's efforts to solve the state's chronic budget problems, the bill shifted all city VLF revenues to fund law enforcement grants (COPS) that previously had been paid by a temporary state tax. VLF revenue is not projected in the FY 2016-17 budget.



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 has legal contracts with the City to provide services to its residents. Franchise fees are conservatively projected to decrease from FY 2015-16 based on the actual trending of decrease observed in FY 2015-16 (i.e. increase in the cost of gas, increases the City's franchise revenue), along with California Public Utilities Code rulemaking proceeding (R.14-03-016) that has restructured the calculation of its municipal surcharge which should decrease Villa Parks' franchise fee from Southern California Gas Company by approximately \$7,400.

Per the City Building Inspector, building activity is slow but stable. Consistent with the estimates prepared by the City's Building Inspector, building revenues (and building plan check fees) are budgeted to remain the same for FY 2016-17.

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

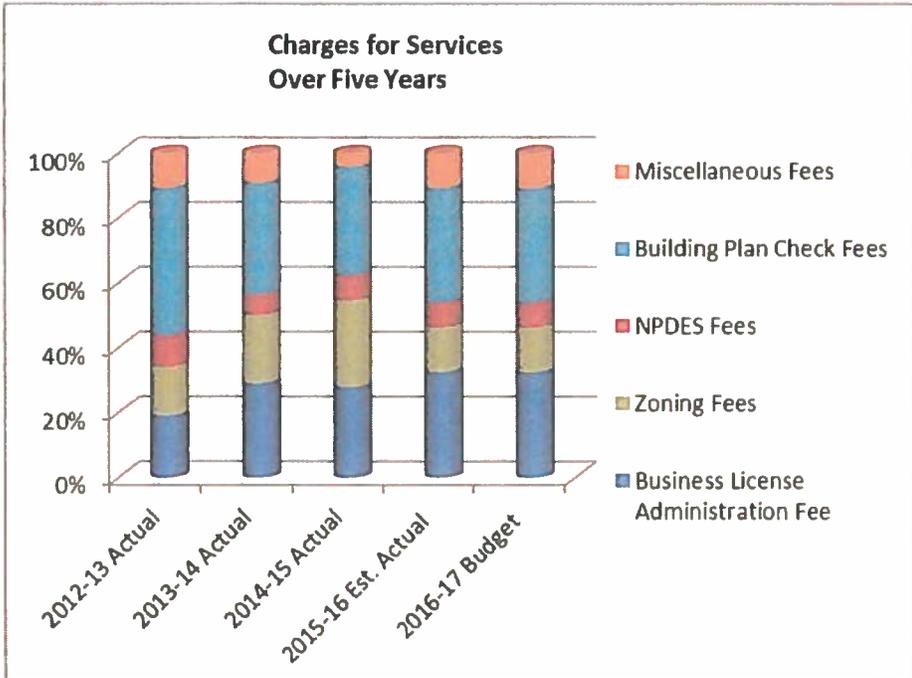


Charges for Services

Charges for services consist of a variety of City provided services: miscellaneous fees, building plan check fees (discussed above in conjunction with building permit revenues), NPDES fees, and business license administration fees.

Business license administration fees are the processing fees associated with business license tax that is assessed for each business that does business in Villa Park. This fee is budgeted to be flat along with the correlating administration fee is constant for every license issued.

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. On June 24, 2013, the City adopted a new fee Resolution No. 2013-3243 revising the fee structures to reflect actual time spent on servicing the public. The fee structure came into effect July 1, 2013, so FY 2015-16 was the first full year of implementation recognizing the increase in revenues. However, zoning fees are directly correlated with building activity, and as previously mentioned, building revenues are budgeted as flat in FY 2016-17 in comparison with FY 2015-16 actuals, as are zoning fees.



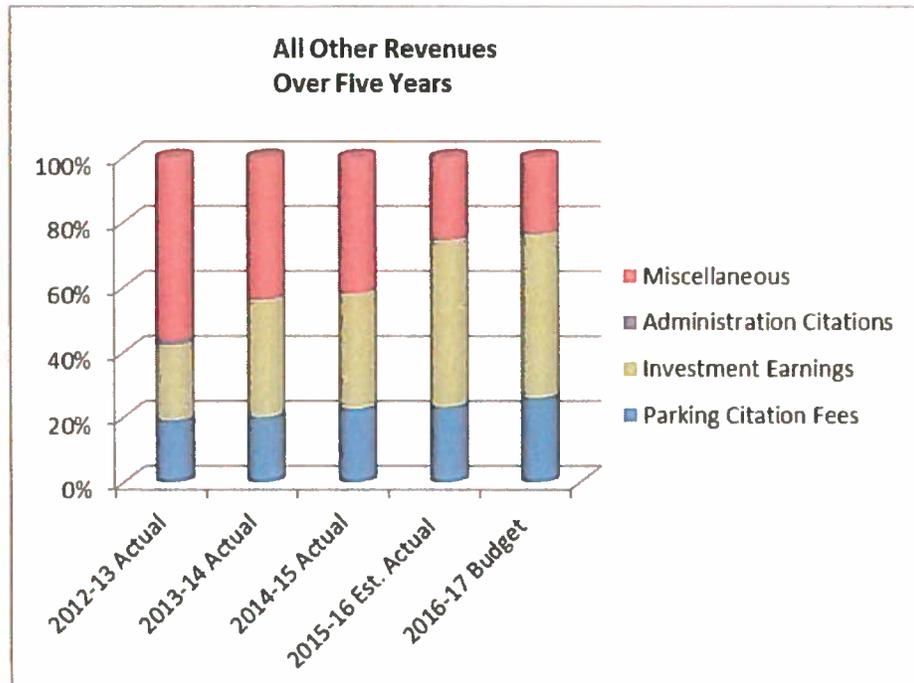
All Other Revenues

All other revenues consist mainly of administrative citations, investment earnings, and miscellaneous revenues. Administrative citations are a revenue stream that is a direct result of the City placing liens on residential properties for non-compliance with City codes. However, the current trends indicate no change in this revenue, 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 2010-11, the City began investing its long-term reserve money in a five-year Certificates of Deposit (CD) laddering strategy. 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. As a result of this increase in earnings, the City is additionally diversified its investments into a five-year Government Security and Medium Term Notes ladder. In FY 2014-15 the City further diversified its investment portfolio into investing in CalTRUST’s medium term pool. FY 2016-17 management is assuming a slight decrease from FY 2015-16 actuals, as in FY 2015-

16, the mark to market of investments was significant, and management assumes a more modest market value for FY 2016-17.

Miscellaneous revenues represent a variety of small non-routine revenues. It also serves as the account that records pass through monies for purchases made in advance for the Foundation and the Parker/Larson gate expenditures.



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.

In FY 2015-16, the City Council adopted Resolution 2015-3329 which established a formal policy regarding financial reserves. The policy establishes undesignated General Fund reserves, along with a formula that will recognize interest earnings to grow the reserve until it reaches 50% of General Fund budgeted total expenditures.

Fiscal Year	Undesignated General Fund Reserves	General Fund Budgeted Expenditures	Undesignated GF Reserves as a % of Expenditures
2012-13	\$871,800	2,569,800	33.92%
2013-14	1,000,000	2,610,400	38.31%
2014-15	1,300,000	2,794,800	46.51%
2015-16	1,400,000	3,322,600	42.14%

In FY 2016-17, the City Council adopted Resolution 2016-3362 (that supersedes Resolution 2015-3329) which amended the financial reserves policy. The policy now establishes undesignated General Fund reserves, along with a formula that will, at a minimum, recognize interest earnings to grow the reserve until it reaches 50% of General Fund budgeted operating expenditures.

Fiscal Year	Undesignated General Fund Reserves	General Fund Budgeted Operating Expenditures	Undesignated GF Reserves as a % of Operating Expenditures
2016-17	\$1,511,700	3,023,400	50%

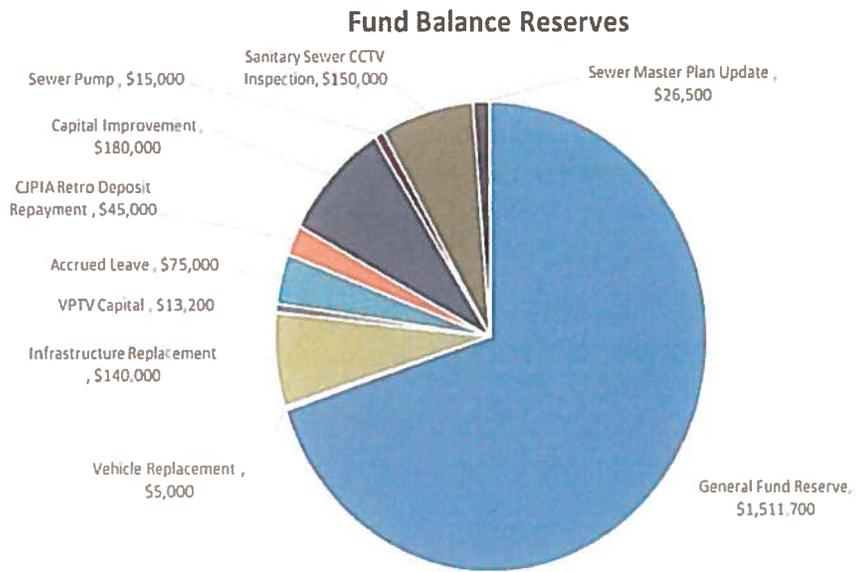
The allowable uses of General Fund Reserves include insulating General Fund programs and current service levels from large and unanticipated one-time expenditure requirements. The use of reserves may also offset revenue reductions due to a change in state or federal legislation, impacts from adverse 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, VPTV capital, accrued leave, CJPIA retroactive deposits, capital improvements, sewer pump, sanitary sewer CCTV inspection, and sewer master plan update reserves.

For Fiscal Year 2016-17, the proposed undesignated General Fund Reserve level is \$1,511,700. This level is 50% of the General Fund projected operating expenditures. This is the first year that management successfully met its target reserve goal of 50% of General Fund budgeted operating expenditures. In addition, \$458,200 is proposed to be set aside in designated General Fund Reserves for future use for vehicle replacement, infrastructure replacement, VPTV capital, accrued leave, CJPIA retroactive deposits, and capital improvement reserves.

In Fiscal Year 2016-17 budget, the City has anticipated the continued loss of the motor vehicle license revenue as it is a direct General Fund impact due to the State Legislature diverting funds from the City General Fund in order to save a Special Revenue source of revenue, the COPS funding. Also in 2014, Governor Brown declared a Drought State of Emergency in California, and issued the first ever mandatory water reductions. This has affected the City of Villa Park, as it is required to cut the City water usage by 36%. Fines and increased water costs will be a reality if the City does not reduce its water usage. While the FY 2016-17 budget does not necessitate the use of reserves because 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.



Total General Fund Reserves equal \$1,969,900.

Departmental/Division Information

The City Manager presents an annual Work Plan to Council (see City Council Goals and Work Plan on page 3). The Work Plan consists of Councils' goals and the City Manager's goals for the various departments/divisions within the City. These performance measures are followed up on each year with staff and the City Manager reports back to the Council throughout the year on the status of the goals. The accomplishments from the prior year and the goals for FY 2016-17 are documented in their respective budget section.

- THIS PAGE INTENTIONALLY BLANK -

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, Investment Advisory Committee, and Law Enforcement 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 non-compensated. The Mayor and Mayor Pro Tem are selected by their fellow Council Members annually. The Mayor is the presiding officer at City Council meetings.

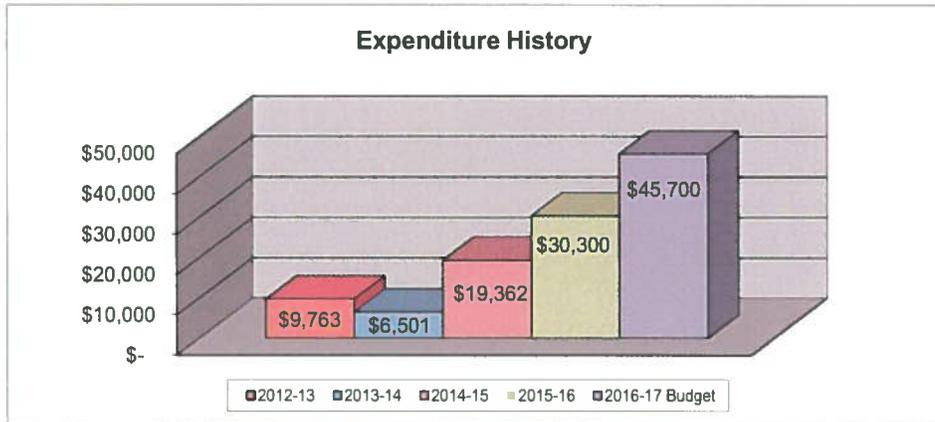
2016-17 Goals

- Maintain the City's high quality of life and physical property standards.
- Maintain the City's low crime rate.
- Enhance and maintain the City's fiscal and organizational stability.
- Encourage the improvement of Villa Park Town Center.
- Develop community awareness and involvement.

Department
Administration
Division
4110 - City Council

Funding Sources
General Fund - 01

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
<u>Personnel Services (Council Support Staff)</u>							
4112	Salaries - Part Time	\$ 2,013	2,067	2,597	7,700	6,500	8,200 ¹⁰
4132	Fringe Benefits - Part Time	659	1,197	734	1,500	1,500	2,500 ¹⁰
4133	Fringe Benefits - OPEB	-	-	-	6,200	6,200	7,500 ¹¹
	Total Personnel Services	2,672	3,264	3,331	15,400	14,200	18,200
<u>Maintenance and Operations</u>							
5105	Operating Supplies	2,140	774	3,372	2,100	2,100	3,200
5630	Professional Development	4,951	2,463	9,687	21,500	11,000	22,300 ¹²
	Total Maintenance and Operations	7,091	3,237	13,059	23,600	13,100	25,500
<u>Capital Outlay</u>							
6100	Equipment	-	-	2,972	3,000	3,000	2,000
	Total Capital Outlay	-	-	2,972	3,000	3,000	2,000
	Total Division Budget	\$ 9,763	6,501	19,362	42,000	30,300	45,700



- ¹⁰ Job duties were shifted in FY 2016-17 based on the work load.
- ¹¹ Per Other Post Employment Benefits (OPEB) actuarial calculation an increase of \$1,000 is anticipated for retiree pay as you go Public Employees' Medical and Hospital Care Act (PEMCHA) minimum.
- ¹² Professional Development is allocated in a combined amount of \$4,500 for the Mayor, \$3,500 for each of the other four Councilmembers, and a remaining balance of \$3,800 for the monthly city council meetings.

Department
Administration
Division
4110 - City Council

Funding Sources
General Fund - 01

Account Description

5105 - Operating Supplies

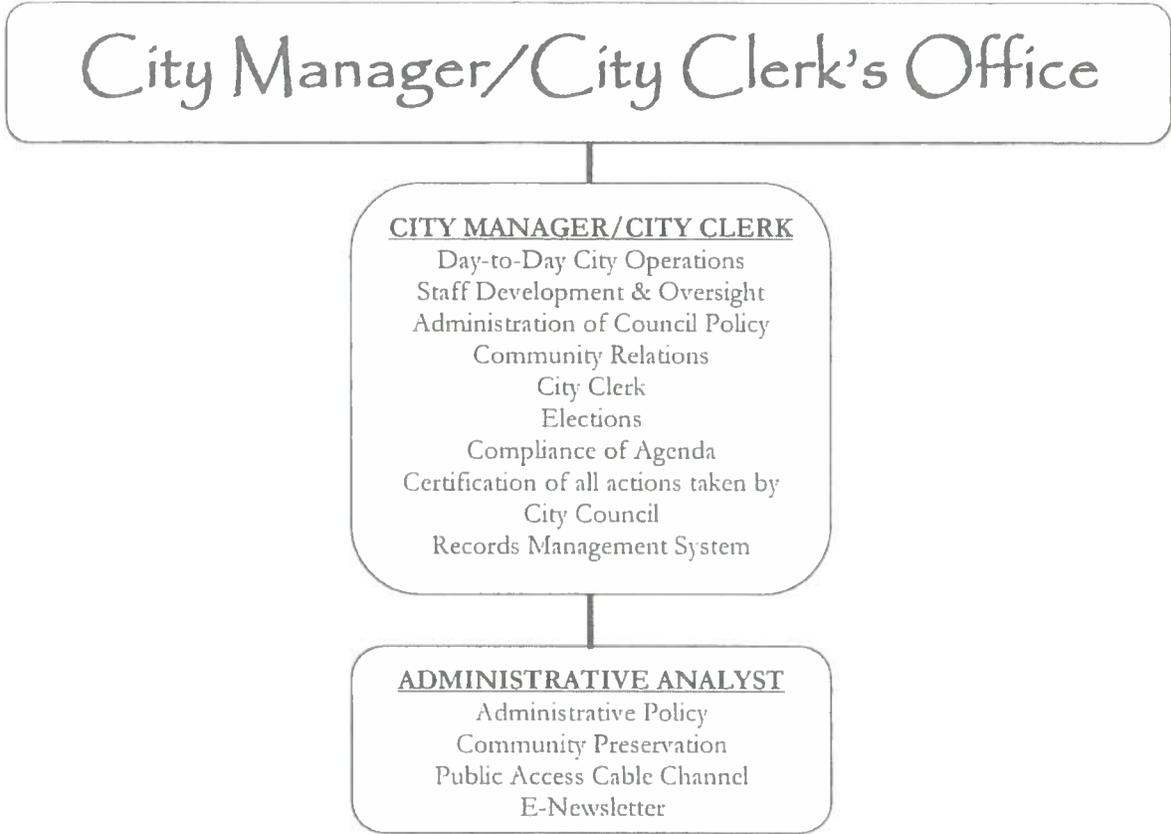
Cost of plaques, special items of recognition, City Council photos (\$1,000 every election year), name plates/tags - \$200 and business cards - \$800 (additional \$300 every election year).

5630 - Professional Development

Technical Workshops and conventions for Councilmember training. Each City Councilmember is allocated \$3,500 and the Mayor is allocated \$4,500 for seminars/travel for the year. These costs include attendance to the Annual League of California City conference and other Council oriented seminars, along with an additional \$3,800 is budgeted for the council meeting refreshments, Sheriff Medal of Valor meeting, and various Sheriff appreciation items.

6100 - Equipment

Equipment and office space remodel for the Council Members' office, computers and electronic devices.



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 Administrative Analyst supports the City Manager in the supervision of operations and performs a variety of highly responsible and complex technical and administrative activities in support of the City Manager.

The City Manager is also the City Clerk for the City of Villa Park. 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 State and local laws such as the Brown Act (open meeting law) and Public Records Act. The City Manager serves as the Planning, Building, Public Works, Public Safety and Engineering Directors as well.

The City Manager is a full-time position that also carries other responsibilities within the City. The Administrative Analyst position provides support as needed for all administrative duties assigned by the City Clerk including meeting minutes, records management, compliance, and coordinate with recipients for scheduling on Council agenda and distributing agendas.

2015-16 Accomplishments

- Managed City Council directed priorities effectively and efficiently.
- Provided timely updates and recommendations to the City Council and community regarding City operations.
- Implemented a legislative platform, which provides the foundation for advocacy efforts at the federal, state, and local levels.
- Managed the capital improvement program.
- Implemented the City's records retention program, and with Council approval destroyed obsolete and unnecessary documents to free up storage space.
- Implemented electronic agenda management and provided assistance to City Council with the use of tablet/iPad and annotation software.
- Provided and maintained records in accordance with the laws of the State of California.
- Codified and maintained Villa Park Municipal Code.

2016-17 Goals

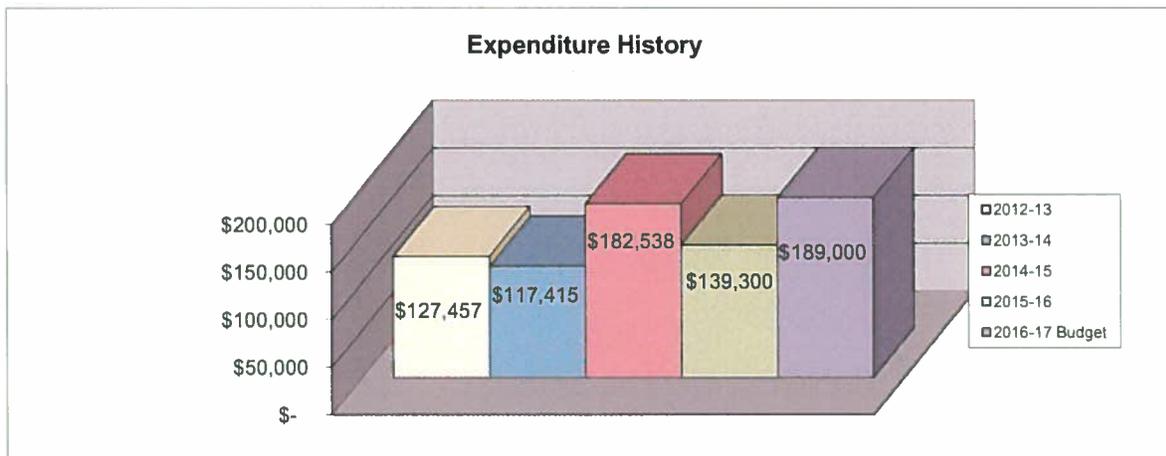
- Successfully manage City Council directed priorities.
- Explore social media options for outreach to the community.
- Drive the City regularly to evaluate City infrastructure and support neighborhood vitality.
- Successfully administer the 2016 General Municipal Election.
- Completed a comprehensive review of the Villa Park Municipal and Zoning Code.
- Codify 100% of municipal and zoning ordinances within 30 days of the date they become effective.
- Continue imaging of historical records for online accessibility to the public.
- Continue public outreach efforts to promote open government and transparency.
- Update the City's website to improve the overall look and functionality.
- Provide administrative support to operating departments to ensure an attractive physical environment is maintained throughout the community.

Department
Administration
Division
4120 - City Manager/City Clerk

Funding Sources
General Fund - 01

Combined City Manager 4120 and City Clerk 4130 Divisions

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 71,215	66,682	70,969	79,200	77,500	106,700 ¹⁰
4112	Salaries - Part Time	13,792	7,144	7,711	15,500	12,100	10,700 ¹⁰
4131	Fringe Benefits - Full Time	24,388	33,889	81,165	27,900	27,900	40,000 ¹⁰
4132	Fringe Benefits - Part Time	3,515	2,694	5,406	3,300	3,300	2,800 ¹⁰
Total Personnel Services		112,910	110,409	165,251	125,900	120,800	160,200
<u>Maintenance and Operations</u>							
5105	Operating Supplies	544	412	604	1,800	1,800	1,000
5108	Legal Notices/Recordings	789	1,684	401	1,400	1,400	1,100
5390	Contract Services	10,519	2,677	6,484	13,000	12,500	11,500
5625	Dues & Publications	-	-	-	200	-	200
5630	Professional Development	1,462	2,076	2,090	4,700	2,700	5,000 ¹³
5810	Election Expenses	1,233	157	7,708	100	100	10,000 ¹⁴
Total Maintenance and Operations		14,547	7,006	17,287	21,200	18,500	28,800
Total Division Budget		\$ 127,457	117,415	182,538	147,100	139,300	189,000



¹⁰ Job duties were shifted in FY 2016-17 based on the work load.

¹³ Training for the City Manager/City Clerk has been increased to promote education.

¹⁴ An election is held every two years, and FY 2016-17 is an election year, assuming a \$10,000 cost.

Department
Administration
Division
4120 - City Manager/City Clerk

Funding Sources
General Fund - 01

Account Description

5105 - Operating Supplies

Provides for various office supplies specific to the City Manager/City Clerk function, to include business cards, calendars, minute books (budgeted every other year \$300), and election materials (budgeted every other year \$200).

5108 - Legal Notices/Recordings

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

5390 - Contract Services

Provides for contractual services used to perform miscellaneous services authorized by the City Manager (i.e. GASB 68 valuation - \$900, Sales tax audits - \$3,000, OPEB valuations - (every two years \$3,000), Municipal California Sate Code Supplements - \$1,500, Updates/online postings - \$500, minutes transcribing - \$5,400, document shredding - \$200, etc.).

5625 - Dues & Publications

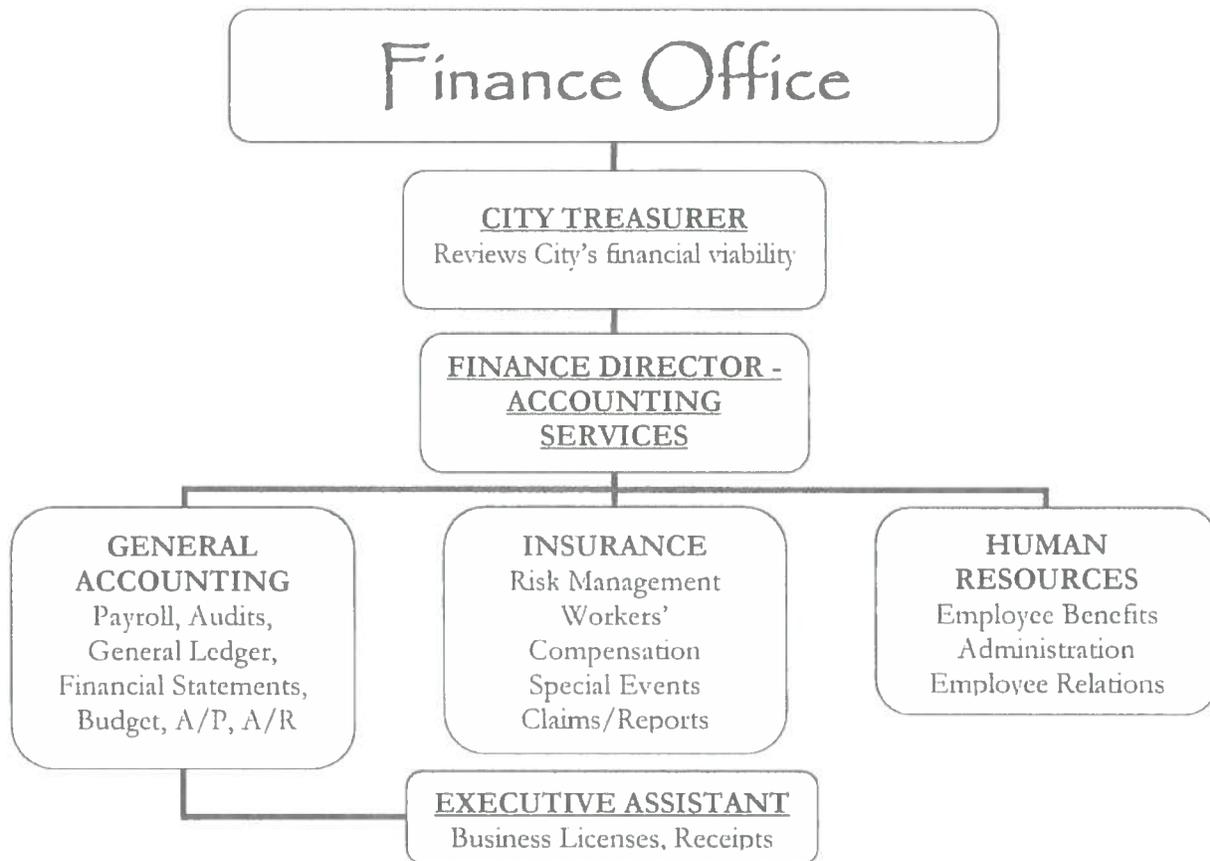
Membership in professional organizations and purchase of professional journals and books.

5630 - Professional Development

Technical Workshops for staff training to be specifically approved by the City Manager. Trainings to include OC League of Cities conferences, Orange County City Managers Meetings - \$ 600, CJPIA Risk Management Training; Personnel, Election Laws and Procedures, and other meeting & miscellaneous City related travel.

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), and ballot measures.



The Finance Office plans, directs, and coordinates the fiscal affairs of the City in accordance with specific objectives established by legal and professional standards (GAAP). 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, preparation of the budget, budget control, payroll, human resources, accounting, accounts receivable, accounts payable, financial reporting, and business licensing. The Finance Director is also responsible for investing and safeguarding the City's cash in accordance with City Council Investment Policy.

2015-16 Accomplishments

Prepared the Annual Financial Report and completed the annual financial audit, with no significant deficiencies reported for the fiscal year.

Received the GFOA Distinguished Budget Award for FY 2015-16.

Aggressively managed all vendor contracts to minimize costs wherever possible.

Researched and began implementation of new accounting software.

Implemented GASB Statements No. 45 and 68 which required the City to record the Unfunded Actuarial Accrued Liability (UAAL) on Other Post-Employment Benefits (OPEB) and the Net Pension Liability owed based on an actuarial valuation performed.

Invested City monies in compliance with the Prudent Man Rule and the City Investment Policy.

Filed all federal, state and local reporting requirements on-time without penalties.

Successfully initiated State Disability Insurance for staff.

2016-17 Goals

Finalize the software conversion by late 2016.

Pursue the GFOA Distinguished Budget Award for FYE 6/30/17.

Pursue a clean annual audit from the independent audit firm.

File all federal, state and local reporting requirements on-time without penalties.

Continue to revise financial policies.

Continue to maintain General Fund Reserve at 50% of General Fund budgeted operating expenditures.

Continue to pursue avenues to decrease costs while maintaining services to the community.

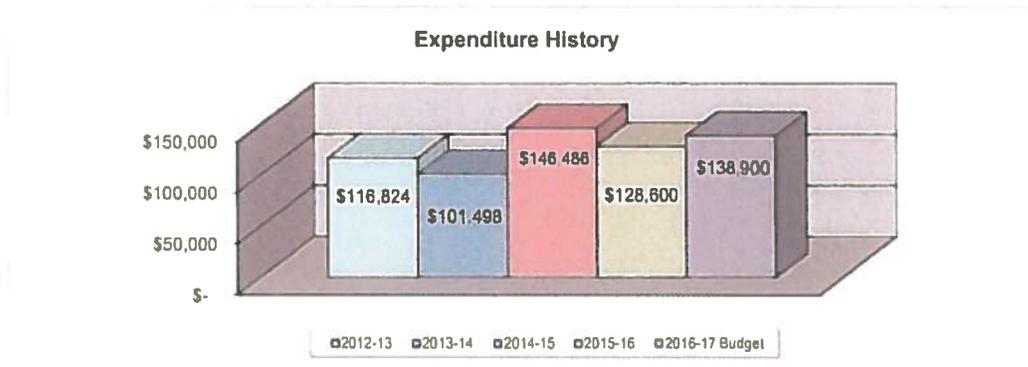
Continue to investment City monies in compliance with the Prudent Man Rule and the City Investment Policy.

Assist grant management with City Engineer over capital projects.

Department
Administration
Division
4140 - Finance

Funding Sources
General Fund - 01

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 5,685	4,821	8,298	15,900	15,700	23,200 ¹⁰
4112	Salaries - Part Time	71,823	55,499	63,881	78,400	76,000	70,000 ¹⁰
4131	Fringe Benefits - Full Time	1,977	2,425	12,447	5,000	5,000	8,700 ¹⁰
4132	Fringe Benefits - Part Time	17,797	15,560	40,105	13,000	13,000	16,700 ¹⁰
Total Personnel Services		97,282	78,305	124,731	112,300	109,700	118,600
<u>Maintenance and Operations</u>							
5105	Operating Supplies	125	188	-	200	100	100
5110	Misc. Finance Charges	742	894	824	900	900	1,000
5301	Professional Services - Audit	14,120	17,539	16,589	13,000	11,800	13,000
5390	Contract Services	3,654	3,613	3,788	6,800	4,800	5,000
5625	Dues & Publications	835	835	465	600	600	600
5630	Professional Development	18	89	78	1,000	600	500
5820	Interest Expense	48	30	11	100	100	100
Total Maintenance and Operations		19,542	23,188	21,755	22,600	18,900	20,300
Total Division Budget		\$ 116,824	101,493	146,486	134,900	128,600	138,900



¹⁰ Job duties were shifted in FY 2016-17 based on the work load.

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 for Orange County Investment Pool (OCIP)-\$700 and Public Employee Retirement System (PERS)-\$300.

5301 - Professional Services - Audit

Contractual service required by the State and Federal government.

5390 - Contract Services

This account provides for employee payroll services that are contracted out to a private vendor, Paychex; contract software (Blackbaud-Financial Edge) support for the City's Finance Software systems - \$2,500, plus \$1,000 additional software support in conversion year.

5625 - Dues & Publications

Provides for membership in professional organizations such as CSMFO - \$200; GFOA - \$200; Budget Award - \$200; and purchase of professional journals and publications.

5630 - Professional Development

Provides for attendance at CSMFO conference when local (every other year, local in FY 17/18) - \$500; and other conferences or specified meetings for the Finance Director that are authorized by the City Manager for special policy and regulations meetings.

5820 - Interest Expense

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

- THIS PAGE INTENTIONALLY BLANK -

City Attorney's Office

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

ASSISTANT CITY ATTORNEY
Legal Research and Assistance
Serves in absence of City Attorney

2015-16 Accomplishments

Kept the City out of litigation.

2016-17 Goals

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

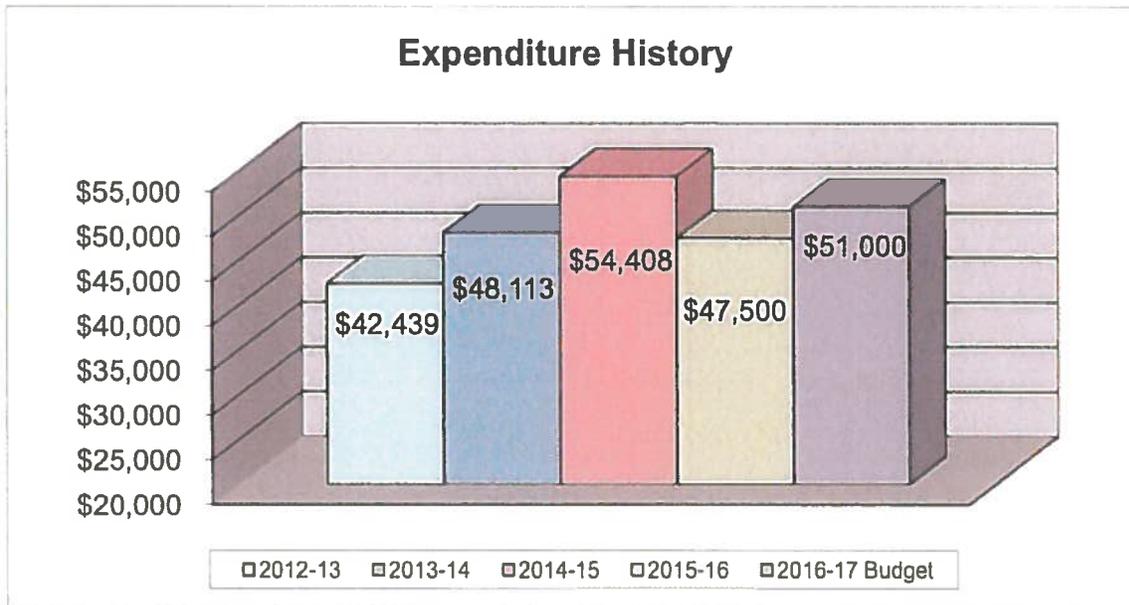
Department
 Administration
Division
 4150 - City Attorney

Funding Sources
 General Fund - 01

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
-----	---------------	---------------------	---------------------	---------------------	---------------------	--------------------------	---------------------

Maintenance and Operations

5303	Professional Services - Legal	\$ 41,791	44,623	44,983	45,000	45,000	45,000
5341	Other Legal Services	648	3,490	9,425	4,000	2,500	6,000
Total Maintenance and Operations		42,439	48,113	54,408	49,000	47,500	51,000
Total Division Budget		\$ 42,439	48,113	54,408	49,000	47,500	51,000



Department
Administration
Division
4150 - City Attorney

Funding Sources
General Fund - 01

Account Description

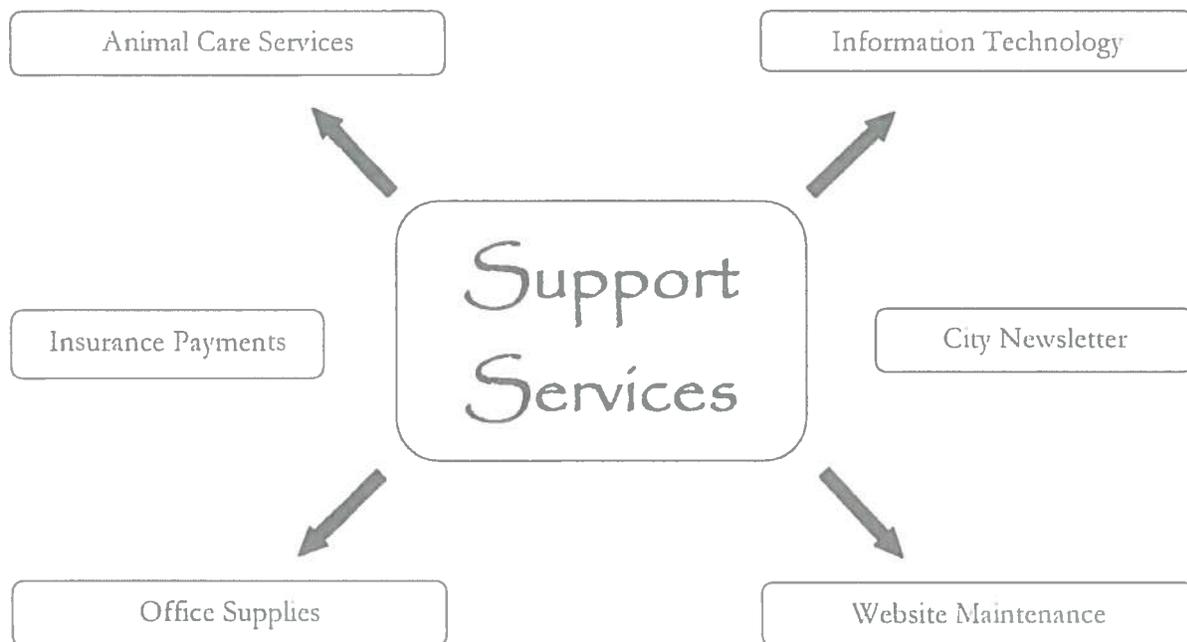
5303 - Professional Services - Legal

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

5341 - Other Legal Services

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

- THIS PAGE INTENTIONALLY BLANK -



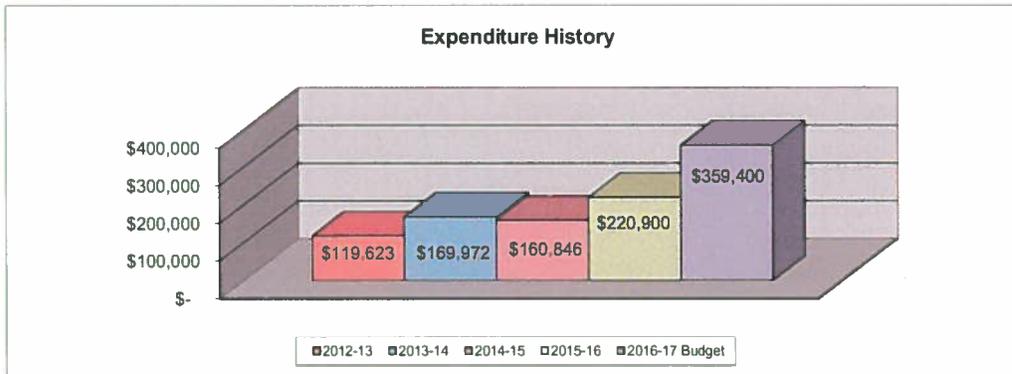
Support Services provides for expenditures not related to any one department in particular and general expenditures that pertain to the City as a whole.

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 department for information technology related items such as computer support or internet services. In FY 2012-13, the CJPIA rolled out their new calculation of the rolling retroactive deposit payments as to prefund insurance instead of using it as a loan to the City. The City's first retroactive deposit payment was paid in FY 2013-14, and both FY 2014-15 and the FY 2015-16 payments were waived due to an actuarial recalculation by CJPIA. In FY 2016-17, only a portion of the refund was waived. All of these costs are reported within Support Services.

Department
Administration
Division
4170 - Support Services

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

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
Maintenance and Operations							
General Fund - 01							
5105	Operating Supplies	\$ 4,576	5,047	5,582	5,300	5,100	5,100
5107	Postage	1,627	1,574	1,966	2,000	1,900	2,000
5210	Maintenance/Rental of Equip.	4,274	4,253	4,582	4,100	4,100	4,500
5322	Animal Control Services	544	12,803	16,849	25,000	25,000	30,000
5323	City Newsletter/Banners	439	-	756	3,300	2,800	3,500
5347	Info/Tech Support	7,649	10,662	11,707	19,600	18,000	14,000
5350	Website Maintenance/Dev.	1,890	897	2,844	2,000	1,800	2,000
5369	Community Programs	-	-	920	8,700	8,500	5,000
5390	Contract Services	7,640	6,884	5,360	8,600	8,000	8,500
5403	Property Tax Admin. Fee	18,619	19,498	17,939	18,700	17,500	18,000
5405	Insurance - P.L./P.D.	54,425	79,937	55,219	66,800	66,500	81,000
5410	Budgeted Contingency	-	-	-	-	-	144,000
5625	Dues & Publications	3,925	5,913	9,963	12,500	12,500	13,000
5801	Miscellaneous	557	10,015	99	10,200	10,200	7,500
		106,165	157,483	133,786	186,800	181,900	338,100
Aid to Cities - 03							
5369	Community Programs	-	-	5,300	10,000	10,000	11,300
	Total Maintenance and Operations	106,165	157,483	139,086	196,800	191,900	349,400
Capital Outlay							
General Fund - 01							
6100	Equipment	4,645	2,139	11,040	25,000	25,000	5,000
6103	Cable TV Equipment	8,813	10,350	10,720	4,600	4,000	5,000
	Total Capital Outlay	13,458	12,489	21,760	29,600	29,000	10,000
	Total Division Budget	\$ 119,623	169,972	160,846	226,400	220,900	359,400



- 15 The Orange County Animal Control has budgeted for additional costs to construct the new animal control facility. The City of Villa Park's share will be approximately \$50,000 which will be billed over the next five years. The FY 2016-17 increased it's budget for \$5,000 for this cost.
- 16 In FY 2015-16 the City entered into a new contract with Vistem for IT services, which became the cleanup year with a computer analysis and overhaul. In FY 2016-17, the annual costs are only maintenance, a savings of \$4,000.
- 17 The California Joint Powers Insurance Authority's (CJPIA) actuary recalculated the City's retrospective deposit balance owed in FY 2015-16, and the City received a refund of \$32,000, eliminating the City payment due on 7/1/15. However, the retrospective payment of \$24,000 is anticipated for FY 2016-17. This will increase sewer overhead by approximately \$3,000.
- 18 Per City Council direction, a significant budget contingency is needed in order for the City Manager to have flexibility to complete the tasks given by Council. A 5% (of FY 2016-17 estimated general fund expenditures) budget contingency has been set up for FY 2016-17.
- 19 In FY 2015-16, the City upgraded its computers throughout City Hall, a savings of \$20,000 is realized in FY 2016-17.

Department
Administration
Division
4170 - Support Services

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

Account Summary

5105 - Operating Supplies

The account provides for general office supplies, printing of the budget (\$500), printing of receipt books (every 3 years - \$700), and miscellaneous small equipment and other services related to cable TV services.

5107 - Postage

The account provides for citywide general postage requirements.

5210 - Maintenance/Rental of Equipment

This account provides for the routine maintenance and rental of office equipment - copier, printers, fax machine, telephones, etc.

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. In FY 2016-17 the City entered a five year obligation to assist in funding the construction of a new animal control center, approximately \$5,000/year.

5323 - City Newsletter/Banners

This account provides for expenses related to preparing the weekly e-net City newsletter and for banners to inform residents of community events.

5347 - Information Technology Support

This account provides for hardware, software (office 365), and technology support with VSI - \$9,000 to maintain the City's computer system.

5350 - Website Maintenance/Development

This account provides for the hosting and email management of the City's website (Uverse), including web address - \$300 (every 5 years, expires 9/3/17).

5369 - Community Programs

This account provides funding for special projects authorized by Council to support Community Programs, such as the Senior Mobility Program, Santa Tour, Boat Parade, and Halloween Fest.

5390 - Contract Services

This account provides for the cable TV contractual services for filming Council meetings approximately 16/year- \$7,000 and streaming costs \$1,500.

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 General Liability, Property Damage, and Pollution insurance (every 3 years, expires 6/30/16) through the CJPIA, and crime insurance.

5410 - Budgeted Contingency

This account provides for various contingencies throughout the year on a support level, that are specifically authorized by the City Manager. This account can also be used for special projects. It is roughly 5% of the current years budgeted operating General Fund expenditures.

5625 - Dues & Publications

This account provides for various dues and publications to which the City prescribes: LOCCOC - \$4,500, ACC-OC - \$3,000, Local Agency Formation Commission (LAFCO) - \$900, SCAG - \$700, OCCOG demographics - \$900, OCCOG - \$2,300 and Trauma Intervention Program (TIP) - \$700.

5801 - Miscellaneous

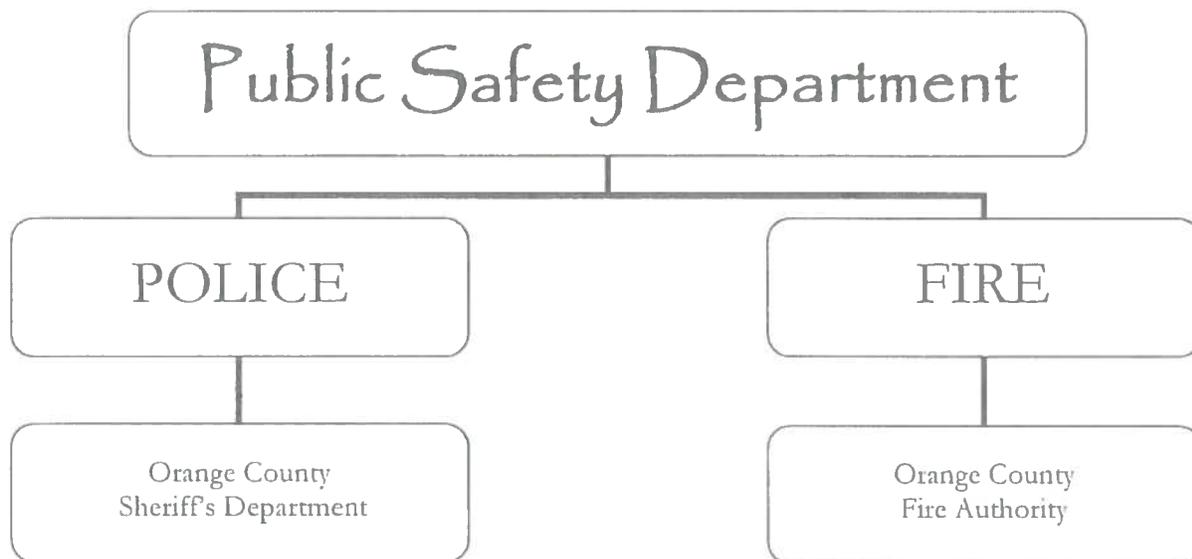
This account provides for miscellaneous administrative costs associated with support services, including partial tuition reimbursement for full-time employees.

6100 - Equipment

This account provides for capital replacement of computer equipment.

6103 - Cable TV Equipment

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



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

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 SLESF monies made possible through the COPS grant 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 SRO that is tasked with working proactively to address calls for police services at the City's four school campuses. The City has used these funds conservatively over the years, building up a fund balance that can be utilized in a fiscal year if the State eliminates this funding source. In FY 2016-17, Council has directed staff to use an additional \$45,000 for directed law enforcement, in an effort to increase safety and alleviate traffic around the schools in Villa Park. In FY 2016-17, the State funding for the SLESF money is available. For Fiscal Year 2016-17, the County law enforcement contract is \$1,370,623.

The City is a founding member of the OCFA, a joint powers authority providing fire and emergency medical services for twenty-three cities in Orange County and the unincorporated County of Orange. For 47 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 city residents' property taxes paid to the County of Orange are allocated to the OCFA for fire and emergency medical services.

2015-16 Accomplishments

Continued the SRO position.

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

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

Implemented online vacation checks and increased social network capabilities.

Provided monthly reports to the City Council regarding operations within the City.

Meet regularly with the Law Enforcement Advisory Committee to discuss and implement safety programs for the City.

Purchased two used police vehicles for the PSR Program.

2016-17 Goals

Continue the SRO program.

Continue to provide support community events.

Continue to meet regularly with the Law Enforcement Advisory Committee to discuss and implement safety programs for the City.

Implement enhanced enforcement efforts where City Manager and LEAC directs.

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

Continue to provide monthly reports to the City Council regarding operations within the City.

Respond to calls for service in a timely manner.

Enhance police services by providing funding for high priority needs as determined by the City Council, Chief of Police Services, City Manager and LEAC.

Increase utilization of the Sheriff's Crime Prevention Specialist:

- Add Home Safety Tips to the cities on-line services requests.

Continue to innovatively reorganize, reconfigure and reprioritize to balance resources, while providing the highest possible level of public safety.

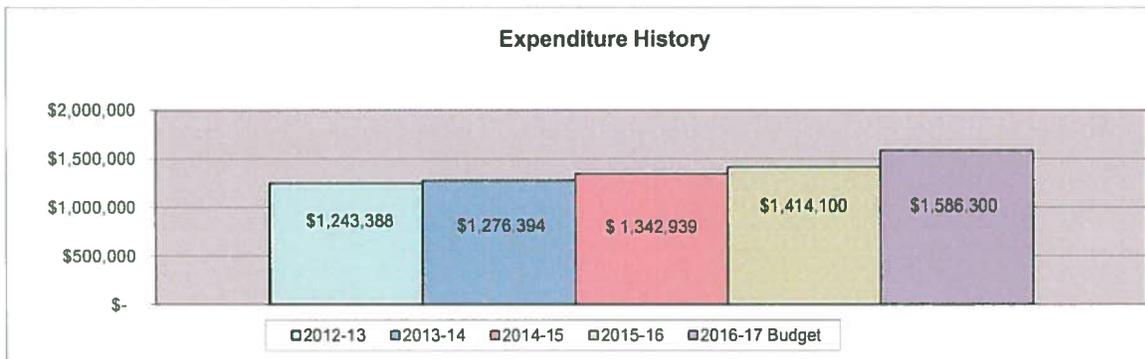
Begin the Professional Services Responder Program utilizing the new vehicles.

Department
Public Safety
Division
4201 - Law Enforcement

Previously Law Enforcement was Division 4210

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

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
<u>Maintenance and Operations</u>							
General Fund - 01							
5105	Office Supplies	\$ 158	385	144	400	300	400
5335	Law Enforcement	1,120,879	1,141,164	1,208,910	1,283,700	1,283,700	1,352,700 ²⁰
5340	Miscellaneous Equip. Costs	3,683	4,019	3,344	4,200	4,200	11,700 ²¹
5369	Community Programs	-	-	-	-	-	11,000 ²²
5390	Contract Services	5,233	5,555	5,940	7,300	7,000	7,500
		<u>1,129,953</u>	<u>1,151,123</u>	<u>1,218,338</u>	<u>1,295,600</u>	<u>1,295,200</u>	<u>1,383,300</u>
Traffic Safety Fund - 04							
5335	Law Enforcement	18,000	11,816	12,000	14,000	14,000	13,000
COPS (Supplemental Law Enforcement Services) Fund - 09							
5337	Supplemental - SRO	89,503	105,013	100,769	100,000	85,000	115,000 ²³
5338	Directed/Special Assignment	-	-	-	45,000	5,000	45,000
		<u>89,503</u>	<u>105,013</u>	<u>100,769</u>	<u>145,000</u>	<u>90,000</u>	<u>160,000</u>
CLEEP (California Law Enforcement Equipment Program) Fund - 12							
5340	Misc. Equipment Costs	5,203	4,218	5,002	8,900	8,900	- ²¹
	Total Maintenance and Operations	<u>1,242,659</u>	<u>1,272,170</u>	<u>1,336,109</u>	<u>1,463,500</u>	<u>1,408,100</u>	<u>1,556,300</u>
<u>Capital Outlay</u>							
General Fund - 01							
6100	Equipment	-	-	-	-	-	7,000 ²¹
6300	Vehicle Replacement	-	-	-	6,000	6,000	- ²⁴
		<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>7,000</u>
CLEEP Fund - 12							
6100	Equipment	729	4,224	6,830	-	-	23,000 ²¹
	Total Capital Outlay	<u>729</u>	<u>4,224</u>	<u>6,830</u>	<u>6,000</u>	<u>6,000</u>	<u>30,000</u>
	Total Division Budget	<u>\$ 1,243,388</u>	<u>1,276,394</u>	<u>1,342,939</u>	<u>1,469,500</u>	<u>1,414,100</u>	<u>1,586,300</u>



- 20 In FY 2016-17 the OCSD costs increased by 5.2% (or \$68,000) from FY 2015-16.
- 21 In FY 2016-17, the City will purchase 6 new 800MHz CCCS Next Generation radios, along with funding the transition costs for the new communication program (approximately \$35,000 in FY 2016-17). The City will exhaust all of its CLEEP monies to fund the 800MHz costs and upgrade; therefore, the General Fund will begin funding the remaining law enforcement costs from this point forward. The General Fund will absorb \$15,000 of these costs in FY 2016-17 and approximately \$7,500 each subsequent year.
- 22 In FY 2016-17, the City set-aside \$10,000 for the Professional Services Responder (PSR) Program and \$1,000 to assist the neighborhood watch program in increased safety throughout Villa Park.
- 23 In FY 2016-17, the City of Villa Park will be hosting summer school; therefore, the SRO will work more shifts than FY 2015-16.
- 24 In FY 2015-16, the City received a donation from a generous resident, via the Villa Park Community Services Foundation (VPCSF), to purchase two used police vehicles for the PSR Program, a savings of \$8,500 is realized in FY 2016-17.

Department
Public Safety
Division
4201 - 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 - Law Enforcement

This account provides for the annual contract with the Orange County Sheriff Department (OCSD) and includes the deployment of 4 deputies, 1/2 of an investigator, auto theft task force participation, shared regional traffic participation, AFIS (\$2,000), crossing guard (\$11,200) and shared training bureau.

5337 - Supplemental - SRO

This account provides funding for one contract deputy position above a base line contract, the School Resource Officer (SRO). The funding is Supplemental Law Enforcement Services Fund (SLESF) funds.

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.

5340 - Misc. Equipment Costs

This account provides various communication charges to include standard quarterly communications charges, new 800 MHz County-wide Coordinated Communication Systems (CCCS) costs - \$4,000. These costs are funded through the California Law Enforcement Equipment Program (CLEEP) grant. Additional equipment or uniform costs may be applied here.

5369 - Community Programs

This account provides funding for special projects authorized by Council to support Community Programs, such as the PSR program and the Neighborhood Watch Program.

5390 - Contract Services

This account provides for various law enforcement contracts inclusive of the fees associated with processing the parking citations fines issued.

6100 - Equipment

This account provides various equipment purchases for law enforcement inclusive of the Emergency Office Command Center "EOC" expenditures and the new 800 MHz CCCS costs using CLEEP funds.

6300 - Vehicle Replacement

This account provides for replacement of vehicles, including the purchase of a PSR vehicle..

Department
 Public Safety
Division
 4202 - Emergency Preparedness

Funding Sources
 General Fund - 01

Previously Emergency Preparedness was Division 4215

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
<u>Maintenance and Operations</u>							
5105	Operating Supplies	\$ -	576	-	1,500	1,500	500
5390	Contract Services	-	-	4,800	13,200	13,200	-
Total Maintenance and Operations		-	576	4,800	14,700	14,700	500
Total Division Budget		\$ -	576	4,800	14,700	14,700	500

25

25 In FY 2014-15 the City contracted with Engineering Solution Systems to create a Local Hazardous Mitigation Plan and update our Emergency Operations Plan. The project will be completed in FY 2015-16.

Department
Public Safety
Division
4202 - Emergency Preparedness

Funding Sources
General Fund - 01

Account Description

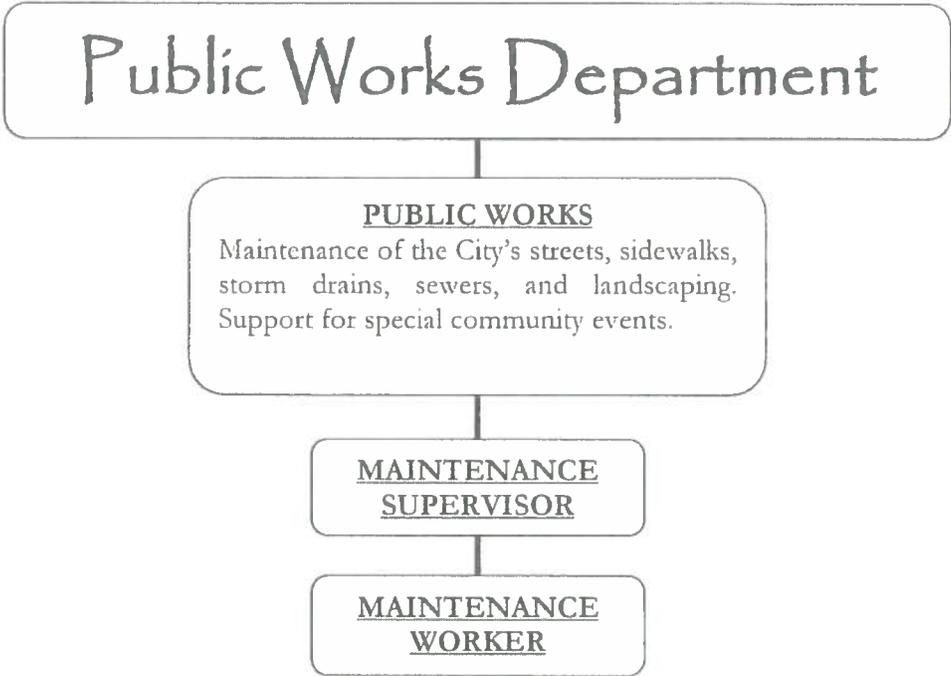
5105 - Operating Supplies

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

5390 - Contract 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.

- THIS PAGE INTENTIONALLY BLANK -



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; City sewers, and the maintenance of the City's Civic Center. Also, in response to the declared Drought State of Emergency by Governor Brown, maintenance staff is researching and implementing ways to conserve water while maintaining the beauty of the City through drought tolerant landscaping.

2015-16 Accomplishments

- Provided support services for community events, such as the Boat Parade, Santa Tour, Halloween Fest, Women's League Home Tour, and Family Picnic.
- Provided monthly maintenance reports to the City Manager.
- Completed several median drought tolerant updates to reduce the City's water usage.
- Maintained resident satisfaction and strong commitment to community aesthetics.

2016-17 Goals

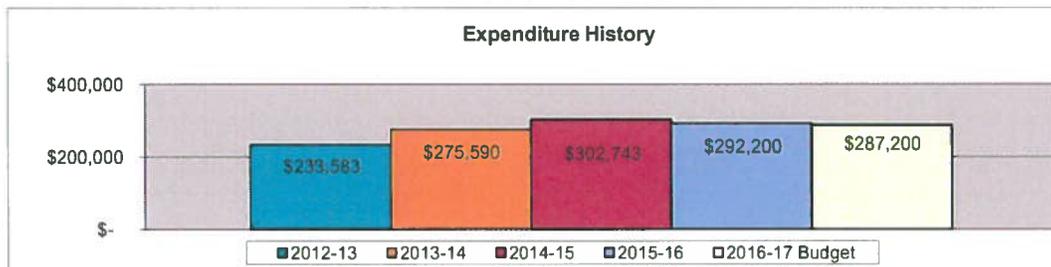
- Install, maintain, and upgrade traffic control systems, street signs and painted roadway markings in the best possible condition with available funding.
- Continue to review maintenance procedures/practices for efficiencies and cost savings.
- Continue to identify drought tolerant median landscaping restoration projects, with the goal of completing several each fiscal year.
- Maintain resident satisfaction and strong commitment to community aesthetics.

Department
Public Works
Division
4303-Public Works General

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

Previously Public Works General was Division 4320

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
Personnel Services							
General Fund - 01							
4101	Salaries - Full Time	\$ 68,873	62,006	63,751	78,600	69,500	68,900 ¹⁰
4112	Salaries - Part Time	2,379	1,413	1,299	1,300	1,100	1,300 ¹⁰
4131	Fringe Benefits - Full Time	32,737	33,455	73,966	23,900	23,900	27,800 ¹⁰
4132	Fringe Benefits - Part Time	659	598	1,187	300	300	400 ¹⁰
		<u>104,648</u>	<u>97,472</u>	<u>140,203</u>	<u>104,100</u>	<u>94,800</u>	<u>98,400</u>
Aid to Cities Fund - 03							
4101	Salaries - Full Time	5,000	5,000	5,000	5,000	5,000	5,000
		<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
	Total Personnel Services	109,648	102,472	145,203	109,100	99,800	103,400
Maintenance and Operations							
General Fund - 01							
5105	Operating Supplies	6,791	8,772	9,460	9,300	8,500	9,100
5205	Vehicle Operation/Maint.	12,653	13,348	13,622	14,000	12,500	13,100
5210	Maintenance/Rental of Equip.	2,195	1,606	2,026	4,600	4,600	5,000
5215	Traffic Signal Maint	9,177	7,986	8,377	10,800	10,800	11,000
5225	Recreational Trail Maint.	591	2,762	2,871	3,000	3,000	8,000 ²⁶
5370	Weed Abatement	-	300	2,400	500	-	500
5371	Tree Trimming/Spraying	23,930	27,255	35,700	47,000	45,000	40,000
5372	Traffic Striping	566	2,750	22,920	15,000	4,000	35,000 ²⁷
5386	Landscape Maintenance	23,000	20,983	27,610	30,500	29,000	31,600
5505	Electric Utilities	6,421	6,470	6,702	6,300	6,000	7,000
5530	Water Utilities	30,932	45,686	24,322	19,790	19,000	20,000
		<u>116,256</u>	<u>137,918</u>	<u>156,010</u>	<u>160,790</u>	<u>142,400</u>	<u>180,300</u>
	Total Maintenance and Operations	116,256	137,918	156,010	160,790	142,400	180,300
Capital Outlay							
General Fund - 01							
6100	Equipment	355	399	-	9,800	9,700	3,000 ²⁸
6300	Vehicle Replacement	-	22,565	-	40,000	40,000	- ²⁹
6301	Roadway, Fence, & Wall	2,949	12,236	1,530	500	300	500
		<u>3,304</u>	<u>35,200</u>	<u>1,530</u>	<u>50,300</u>	<u>50,000</u>	<u>3,500</u>
AQMD Fund - 08							
6203	School Site Traffic Improvements	4,375	-	-	-	-	-
		<u>4,375</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total Capital Outlay	7,679	35,200	1,530	50,300	50,000	3,500
	Total Division Budget	\$ 233,583	275,590	302,743	320,190	292,200	287,200



- ¹⁰ Job duties were shifted in FY 2016-17 based on the work load.
- ²⁶ In FY 2015-16 the City experienced a washing out of the trails' decomposed granite, due to the winter rains. Repair is anticipated to cost \$5,000 in FY 2016-17.
- ²⁷ The Maintenance Supervisor recommended more striping throughout the City to increase safety for residents on City streets, an increase of \$30,000 in FY 2016-17 is assumed.
- ²⁸ In FY 2015-16, there were two significant purchases, trash cans and a traffic signal battery totalling \$6,900. These expenses are not anticipated for FY 2016-17.
- ²⁹ In FY 2015-16, the City replaced the Maintenance Supervisor's vehicle, a savings of \$40,000 is recognized in FY 2016-17.

Department
Public Works
Division
4303-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 chemicals, tools, uniforms for maintenance staff and the maintenance of small equipment, etc.

5205 - Vehicle Operation & Maintenance

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

5210 - Maintenance/Rental of Equipment

This account provides purchasing of small tools or rental equipment and other small equipment repairs, namely backflow 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.

5225 - Recreational Trail Maintenance

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

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.

5386 - Landscape Maintenance

This account provides for contract for City landscape maintenance services.

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.

6100 - Equipment

This account is for the replacement of large equipment.

6300 - Vehicle Replacement

This account provides for replacement of vehicles.

6301 - Roadway Fence & Wall

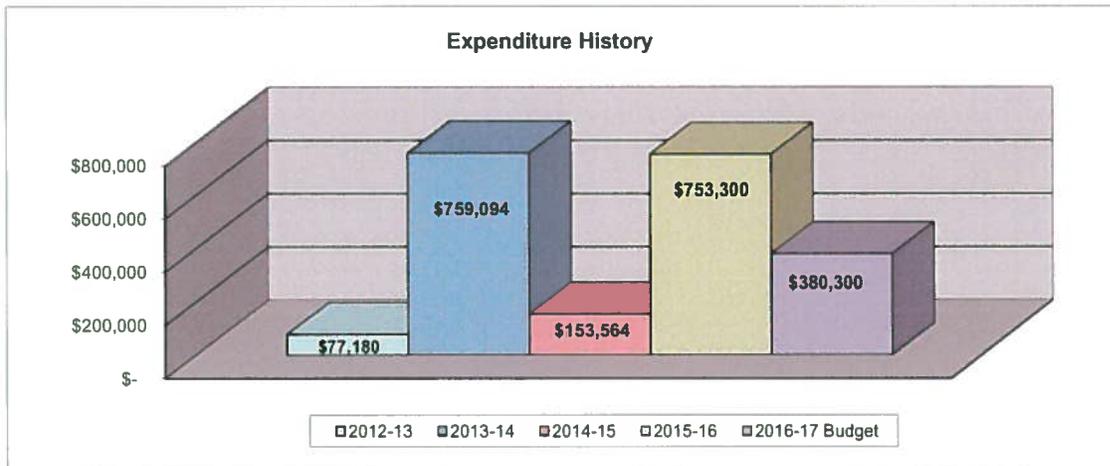
Various large purchases to enhance the roadway, fence, or median planters repair throughout the City. Replace certain irrigation systems throughout the City.

Department
Public Works
Division
4304 - Street Maintenance

Previously Street Maintenance was Division 4340

Funding Sources
General Fund - 01
Gas Tax Fund - 02
Measure M - Local Sales Tax Fund - 05

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
Personnel Services							
General Fund - 01							
4101	Salaries - Full Time	\$ 17,696	16,003	17,381	22,600	20,000	19,400 ¹⁰
4131	Fringe Benefits - Full Time	9,008	9,034	20,417	6,900	6,900	7,900 ¹⁰
	Total Personnel Services	26,704	25,037	37,798	29,500	26,900	27,300
Maintenance and Operations							
General Fund - 01							
5105	Operating Supplies	5,220	15,861	18,638	4,000	1,700	3,000
5374	Sidewalk Repair	20,000	20,000	20,000	20,000	20,000	20,000
5376	Pavement Rehabilitation	18,637	182,496	26,308	350,000	340,000	62,900 ³⁰
		43,857	218,357	64,946	374,000	361,700	85,900
Gas Tax Fund - 02							
5376	Pavement Rehabilitation	6,600	360,700	-	176,700	176,700	115,800 ³⁰
5381	Median Repairs	-	-	50,820	50,000	15,000	50,000
		6,600	360,700	50,820	226,700	191,700	165,800
Measure M - Local Sales Tax Fund - 05							
5302	Administrative Costs	19	-	-	400	-	-
5376	Pavement Rehabilitation	-	155,000	-	174,000	174,000	101,300 ³⁰
		19	155,000	-	174,400	174,000	101,300
	Total Maintenance and Operations	50,476	734,057	115,766	775,100	727,400	353,000
	Total Division Budget	\$ 77,180	759,094	153,564	804,600	754,300	380,300



¹⁰ Job duties were shifted in FY 2016-17 based on the work load.

³⁰ Pavement rehabilitation varies from year to year depending on funding from the State and County. The City's MOE for Measure M is \$279,227, so that is the minimum General Fund goal for each year. In FY 2016-17 the City is utilizing more of the special project funding for the City's annual pavement rehabilitation project as its MOE is met through other General Fund sources this year.

Department
Public Works
Division
4304 - Street Maintenance

Funding Sources
General Fund - 01
Gas Tax Fund - 02
Local Sales Tax Fund - 05

Account Summary

5105 - Operating Supplies

This account provides for various operational supplies for the Public Works street maintenance functions, to include signs, pavement markers, etc.

5302 - Administrative Costs

This account is for administration costs related to filing annual Measure M reporting.

5374 - Sidewalk Repair

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

5376 - Pavement Rehabilitation

This account is for the annual major pavement rehabilitation project based on the City's Pavement Management Program.

5381 - Median Repairs

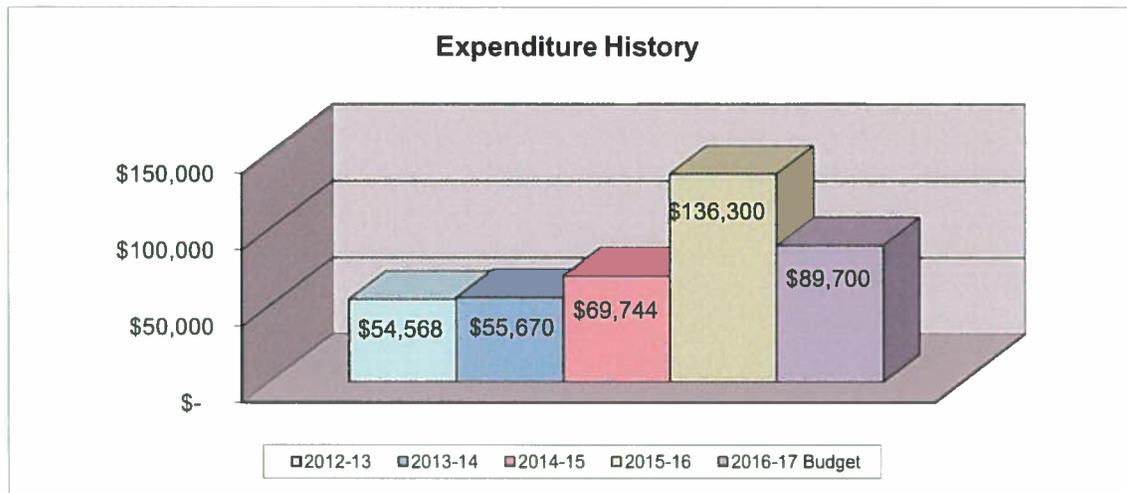
This account is used for updating and repairing the medians that are damaged in vehicular accidents. The City will continue installing drought tolerant median landscaping.

Department
Public Works
Division
4305 - Storm Drain Maintenance

Funding Sources
General Fund - 01

Previously Storm Drain Maintenance was Division 4350

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
Personnel Services							
4101	Salaries - Full Time	\$ 9,629	10,326	11,142	14,700	12,500	8,600 ¹⁰
4131	Fringe Benefits - Full Time	5,053	5,343	12,590	4,200	4,200	3,500 ¹⁰
Total Personnel Services		14,682	15,669	23,732	18,900	16,700	12,100
Maintenance and Operations							
5379	NPDES Activities	9,808	8,622	10,283	14,800	14,100	14,000
5383	Storm Drain Maintenance	10,500	10,662	10,600	7,000	4,500	25,000 ³¹
5391	Professional Services - NPDES	19,578	20,717	25,129	101,810	101,000	38,600 ³²
Total Maintenance and Operations		39,886	40,001	46,012	123,610	119,600	77,600
Total Division Budget		\$ 54,568	55,670	69,744	142,510	136,300	89,700



¹⁰ Job duties were shifted in FY 2016-17 based on the work load.

³¹ The Cities' historical contractor is unable to complete cleaning contract of storm drains. A new contractor will be hired to do a 2-year cleaning project (FY 2015-16 & FY 2016-17) with an assumed 25% increase for a total cost of \$25,000.

³² In FY 2015-16 the City contracted for a Storm Drain Master Plan (usually every 10-15 years). This resulted in an approximate savings of \$60,000 in FY 2016-17.

Department
Public Works
Division
4305 - Storm Drain Maintenance

Funding Sources
General Fund - 01

Account Summary

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 - \$13,000.

5383 - Storm Drain Maintenance

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

5391 - Professional Services - NPDES

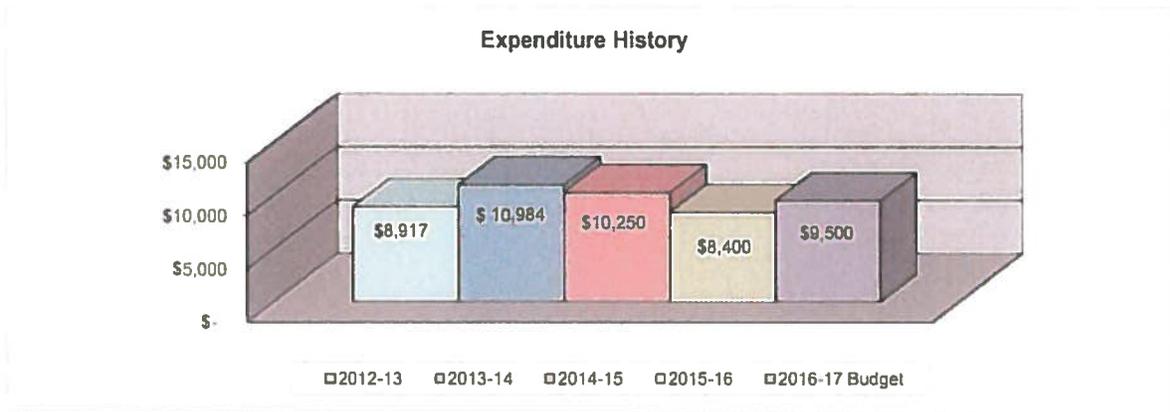
This account provides for NPDES outsourcing of contract services - \$19,500, plus additional mitigation services of \$3,100; outsourcing the cleaning of the catch basins, approximately \$16,000; and Storm Drain Master Plan Update (every 10-20 years - \$60,000 in FY 2015-16).

Department
Public Works
Division
4306 - Sewer Pump Maintenance District

Funding Sources
Assessment District - 06

Previously Sewer Pump Maintenance was Division 4500

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
Personnel Services							
4112	Salaries - Part Time	\$ 1,603	1,625	1,863	2,200	2,100	2,000 ¹⁰
4132	Fringe Benefits - Part Time	439	598	1,195	400	400	500 ¹⁰
	Total Personnel Services	2,042	2,223	3,058	2,600	2,500	2,500
Maintenance and Operations							
5305	Professional Services - Engineering	1,049	874	874	1,500	1,500	1,000
5390	Contract Services	4,984	7,008	5,450	5,600	3,700	5,200
5505	Electric Utilities	842	879	868	900	700	800
	Total Maintenance and Operations	6,875	8,761	7,192	8,000	5,900	7,000
	Total Division Budget	\$ 8,917	10,984	10,250	10,600	8,400	9,500



¹⁰ Job duties were shifted in FY 2016-17 based on the work load.

Department

Public Works

Division

4306 - Sewer Pump Maintenance District

Funding Sources

Assessment District - 06

Account Description

5305 - Professional Services - Engineering

Assessment District engineering evaluation performed by the City Engineer.

5390 - Contract Services

This account provides for monthly maintenance/repair performed by City Contractor and other sewer pump related services.

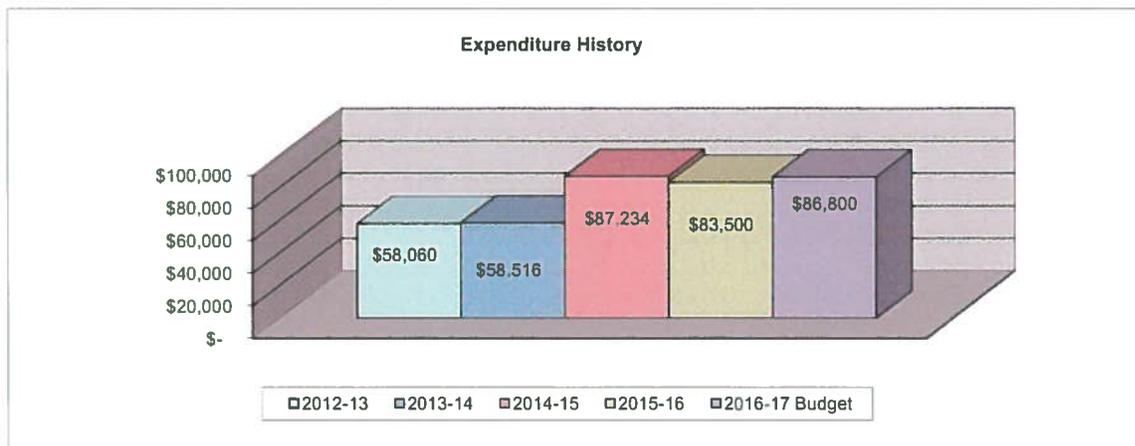
5505 - Electric Utilities

Electrical utilities for the pumping station.

Department
Public Works
Division
4315 - Civic Center

Funding Sources
General Fund - 01

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
Personnel Services							
4101	Salaries - Full Time	\$ 17,827	17,177	19,982	28,300	25,600	26,100 ¹⁰
4112	Salaries - Part Time	2,379	1,412	1,298	1,600	1,200	5,200 ¹⁰
4131	Fringe Benefits - Full Time	9,228	9,423	22,405	7,900	7,900	10,300 ¹⁰
4132	Fringe Benefits - Part Time	659	599	1,108	400	400	1,700 ¹⁰
Total Personnel Services		30,093	28,611	44,793	38,200	35,100	43,300
Maintenance and Operations							
5105	Operating Supplies	1,298	2,755	3,973	3,600	3,300	3,200
5201	Building Maintenance	2,597	3,358	5,110	7,500	6,100	4,500
5320	Chamber Maintenance	1,266	334	466	2,600	1,800	2,700
5390	Contract Services	4,776	4,311	6,148	7,000	6,000	8,700
5501	Telephone Utilities	1,642	1,458	1,797	2,200	1,900	2,100
5505	Electric Utilities	15,338	16,616	18,165	18,100	16,200	18,300
5520	Gas Utilities	423	530	464	500	500	500
5530	Water Utilities	627	543	372	600	600	500
Total Maintenance and Operations		27,967	29,905	36,495	42,100	36,400	40,500
Capital Outlay							
6100	Equipment	-	-	5,946	12,100	12,000	3,000 ³³
Total Capital Outlay		-	-	5,946	12,100	12,000	3,000
Total Division Budget		\$ 58,060	58,516	87,234	92,400	83,500	86,800



¹⁰ Job duties were shifted in FY 2016-17 based on the work load.

³³ In FY 2015-16 the City upgraded the reception counter in City Hall, the roof, and the water heaters in City Hall, a savings of \$9,000 is anticipated in FY 2016-17.

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, including yard gate repairs.

5320 - Chamber Maintenance

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

5390 - Contract Services

This account provides for custodial services for City Hall, Library, and the Chambers four times a week, \$9,700.

5501 - Telephone Utilities

Utility costs for telephone services at City Hall.

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.

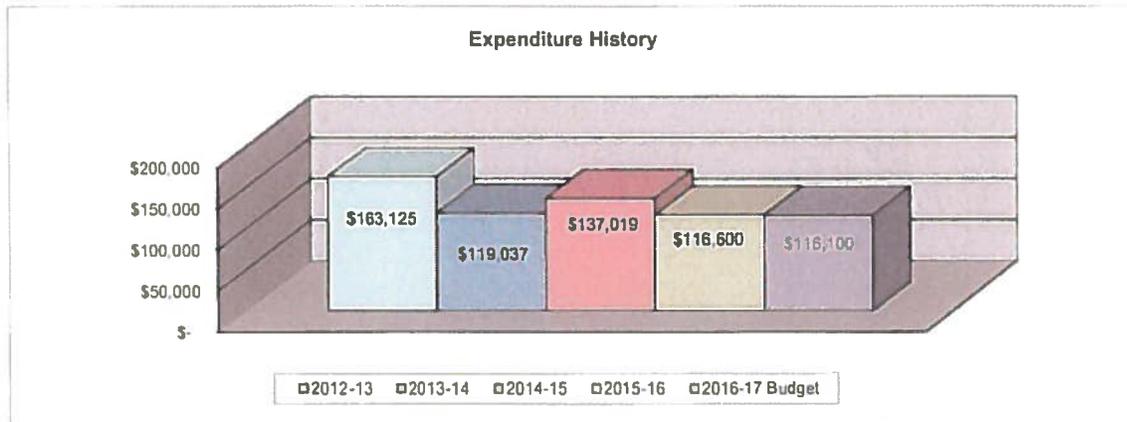
6100 - Equipment

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

Department
Public Works
Division
4360 - City Sewer Improvement

Funding Sources
Sewer Improvement Fund - 11

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
Personnel Services							
4101	Salaries - Full Time	\$ 18,843	17,676	16,970	16,600	16,600	11,000 ¹⁰
4112	Salaries - Part Time	8,014	8,123	9,316	7,700	7,300	7,000 ¹⁰
4131	Fringe Benefits - Full Time	6,921	7,670	19,317	5,800	5,800	4,400 ¹⁰
4132	Fringe Benefits - Part Time	1,977	2,394	6,529	1,400	1,400	1,700 ¹⁰
	Total Personnel Services	35,755	35,863	52,132	31,500	31,100	24,100
Maintenance and Operations							
5302	Administrative Costs	9,155	12,205	10,096	10,900	10,500	13,900 ¹⁷
5305	Professional Services - Engineering	14,683	19,228	19,228	19,500	19,500	19,700
5377	Sewer Repair	-	500	-	2,300	2,300	3,000
5378	Sewer Cleaning	2,184	25,267	30,929	30,800	30,800	33,000
5380	Sewer Cond TV Monitoring	83,423	2,669	1,785	900	900	-
5387	Waste Discharge Reqm'ts	17,925	23,305	22,849	23,500	21,500	22,400
	Total Maintenance and Operations	127,370	83,174	84,887	87,900	85,500	92,000
	Total Division Budget	\$ 163,125	119,037	137,019	119,400	116,600	116,100



¹⁰ Job duties were shifted in FY 2016-17 based on the work load.

¹⁷ The California Joint Powers Insurance Authority's (CJPIA) actuary recalculated the City's retrospective deposit balance owed in FY 2015-16, and the City received a refund of \$32,000, eliminating the City payment due on 7/1/15. However, this retrospective payment of \$24,000 is anticipated for FY 2016-17. This will increase sewer overhead by approximately \$3,000.

Department
Public Works
Division
4360 - City Sewer 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 - Professional Services - Engineering

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 - \$25,000 and emergency clean ups - \$8,000.

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 through 2012-13). Beginning in FY 2010-11, this is reflected as a reserve rather than an expense line item until the year the expenditure is incurred.

5387 - Waste Discharge Requirements

This account provides for the activities mandated by Waste Discharge Orders from the Regional Water Quality Control Board - \$5,000 and State Water Quality Control Board - \$2,100. This includes annual reports and other mandatory elements conducted during the year - \$15,300.

- THIS PAGE INTENTIONALLY BLANK -

Community Preservation Division

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 investigate 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 and the City Building Inspector currently serve as the Community Preservation Officers.

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 to provide City Staff with more tools with which to maintain the quality housing and property appearance.

2015-16 Accomplishments

Continued to investigate and enforcement Municipal Code rules and regulations both on an active basis and in response to community complaints.

2016-17 Goals

Continue public education efforts to reduce instances of code infractions.

Investigate complaints and begin initial case setup within 72 hours for minor infractions or sooner for infractions that are more serious.

Maintain standardized policies and procedures for Code Enforcement duties.

Create new and innovative means of improving the Code enforcement direction to insure personal livability and property sustainability of our City.

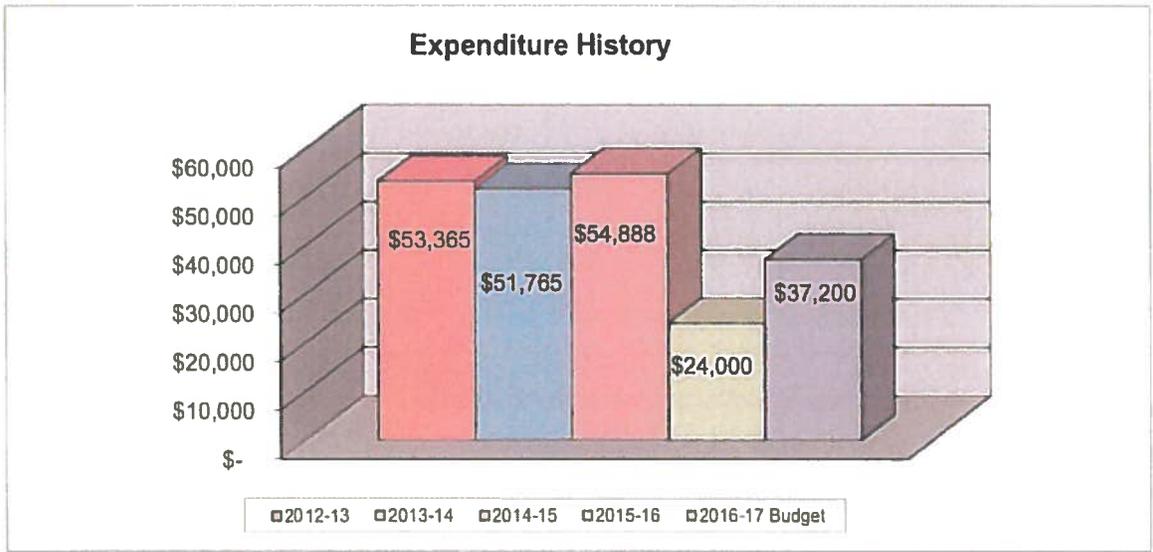
Focus on properties that are deteriorated and blighted in order to generate public nuisance and/or possible criminal complaint direction upon those properties that require technical inspection and oversight in order to bring into compliance.

Department
 Community Development
 Division
 4407 - Community Preservation

Funding Sources
 General Fund - 01

Previously Community Preservation was Division 4610

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 25,474	31,716	22,100	15,000	14,800	19,700 ¹⁰
4112	Salaries - Part Time	13,001	2,217	2,661	2,700	2,500	6,000 ¹⁰
4131	Fringe Benefits - Full Time	9,558	13,541	28,028	4,900	4,900	7,400 ¹⁰
4132	Fringe Benefits - Part Time	5,273	997	2,023	800	800	2,800 ¹⁰
	Total Personnel Services	53,306	48,471	54,812	23,400	23,000	35,900
<u>Maintenance and Operations</u>							
5105	Operating Supplies	-	-	-	1,000	1,000	1,000
5390	Contract Services	55	3,283	38	-	-	-
5625	Dues & Publications	-	-	-	100	-	100
5630	Professional Development	4	11	38	200	-	200
	Total Maintenance and Operations	59	3,294	76	1,300	1,000	1,300
	Total Division Budget	\$ 53,365	51,765	54,888	24,700	24,000	37,200



¹⁰ Job duties were shifted in FY 2016-17 based on the work load.

Department
Community Development
Division
4407 - Community Preservation

Funding Sources
General Fund - 01

Account Summary

5105 - Operating Supplies

This account provides for miscellaneous office supplies directly related to the Community Preservation function to include parking stickers, red tag documents, etc.

5390 - Contract Services

This account provides for community preservation related contracts, inclusive of abatement of nuisance properties within the City.

5625 - Dues & Publications

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

5630 - Professional Development

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

Planning Division

PLANNING MANAGER

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

The Planning Division oversees residential and commercial development within the City. The Planning Manager administers the City's general plan through the zoning and subdivision ordinances under direction of the City Manager as Planning Director. The Planning Manager provides professional analysis of land use and environmental issues, prepares staff reports for discretionary permit applications, including Conditional Use Permits and Variance requests, and responds to inquiries of the business, development community, and the residents.

The Planning Director serves as the zoning administrator, reviewing and making decisions on minor land use applications and minor code deviations. The Planning Manager provides technical support and makes recommendations to the Planning Director for policy decisions, minor code deviations, review of land use applications and determination. The Planning Division, reviews and makes recommendations to the City Council for all comprehensive plan amendments and zone changes, and in coordination with the Engineering Division reviews and makes recommendations for land division.

The City Council serves as the City's Planning Commission, and reviews and approves Conditional Use Permits, Variances, and major land use decisions.

2015-16 Accomplishments

- Completed update to the residential portions of the zoning code to revise development standards simplifying the Code and eliminating unnecessary or burdensome policies where practical.
- Updated the City's electronic file to ensure that all Planning entitlement cases have been entered for reference for staff and the public.
- Reduced the cost and time needed to make common and minor improvements on residential properties in the City.
- Created a uniform application for all entitlements eliminating duplication and streamlining the submittal process.
- Adopted a new Zoning Map properly identifying all residential properties by their appropriate size and zone to eliminate any nonconforming conditions due to administrative error.

2016-17 Goals

Complete the 2013-2021 Housing Element Update.

Update specific portions of the Zoning Code to create simplify the process and eliminate ambiguity and inconsistencies to the greatest extent possible.

Continue to improve the understanding and information about planning in Villa Park via City's website, handouts, etc.

Continue processing zoning entitlements in a timely manner.

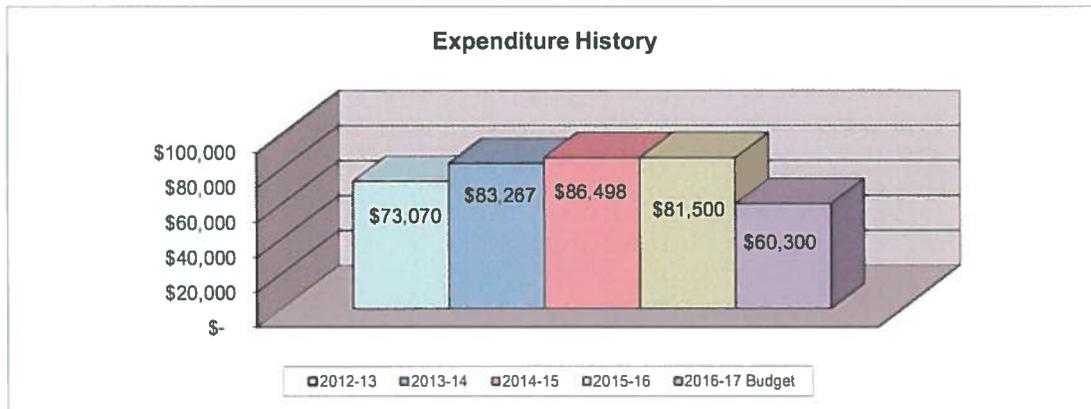
Complete an Implementation Plan for the update of the Orange County Model Water Efficient Landscape Ordinance.

Department
Community Development
Division
4408 - Planning

Funding Sources
General Fund - 01

Previously Planning was Division 4620

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 31,138	29,502	13,324	17,700	17,500	3,600 ¹⁰
4112	Salaries - Part Time	2,380	10,720	10,182	13,300	11,100	3,500 ¹⁰
4131	Fringe Benefits - Full Time	10,546	7,460	14,444	5,800	5,800	1,400 ¹⁰
4132	Fringe Benefits - Part Time	659	5,486	14,040	3,300	3,300	1,600 ¹⁰
	Total Personnel Services	44,723	53,168	51,990	40,100	37,700	10,100
<u>Maintenance and Operations</u>							
5105	Operating Supplies	62	44	1,661	400	-	200
5368	Geographic Info Systems	4,200	3,000	-	-	-	-
5390	Contract Services	-	3,000	-	11,000	10,000	15,000 ³⁴
5393	Professional Services - Planning	24,000	24,000	32,800	33,600	33,600	34,800
5625	Dues & publications	-	-	-	200	200	200
5630	Professional Development	85	55	47	-	-	-
	Total Maintenance and Operations	28,347	30,099	34,508	45,200	43,800	50,200
	Total Division Budget	\$ 73,070	83,267	86,498	85,300	81,500	60,300



¹⁰ Job duties were shifted in FY 2016-17 based on the work load.

³⁴ In FY 2015-16 began the housing element update to be completed in FY 2016-17.

Department
Community Development
Division
4408 - 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, GIS wall maps and City aerial photo (as needed), etc.

5390 - Contract Services

This account provides for various planning related services and studies (i.e. housing element update, approximately \$20,000).

5393 - Professional Services - Planning

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

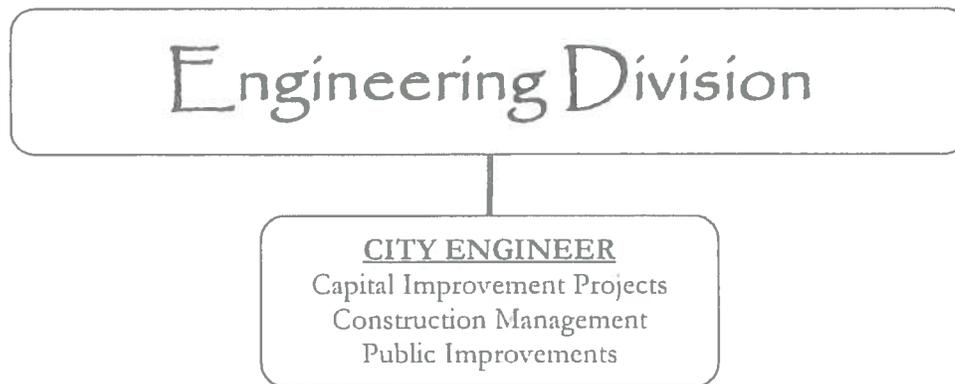
5625 - Dues & Publications

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

5630 - Professional Development

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

- THIS PAGE INTENTIONALLY BLANK -



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

2015-16 Accomplishments

- Completed the annual sewer improvements including reconstructing sewer lines.
- Analyzed the school traffic conditions and provided recommendations to mitigate the congestion.
- Completed Katella/Wanda Improvement project in conjunction with the City of Orange.
- Completed Cannon Street project in conjunction with the City of Orange.
- Completed Taft Avenue Rehabilitation project design.
- Completed the Storm Drain Master Plan.

2016-17 Goals

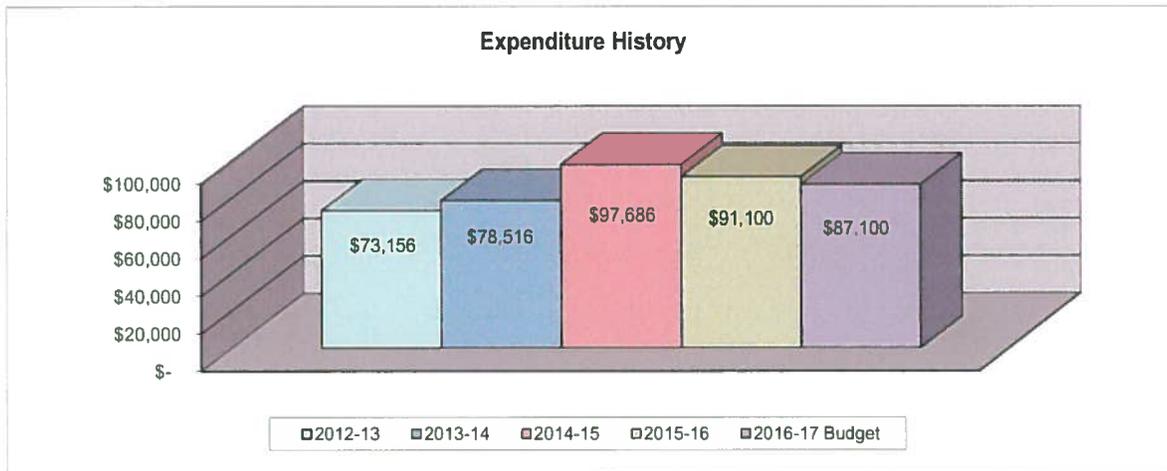
- Design and construct the annual street rehabilitation project.
- Design and construct the annual sewer improvements.
- Complete Taft Avenue Rehabilitation project.
- Update the Pavement Management Plan.
- Complete first phase of Storm Drain Improvement project.
- Continue to pursue grant applications such as Measure M Programs and Safe Routes to School.
- Continue to review grading plans and other development plans as needed.

Department
Community Development
Division
4409 - Engineering

Funding Sources
General Fund - 01

Previously Engineering was Division 4700

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
Personnel Services							
4101	Salaries - Full Time	\$ 8,462	2,854	3,724	8,000	7,900	3,600
4112	Salaries - Part Time	6,934	9,811	10,864	16,100	12,900	8,100
4131	Fringe Benefits - Full Time	2,966	2,467	5,400	2,500	2,500	1,400
4132	Fringe Benefits - Part Time	1,868	3,391	8,742	3,200	3,200	2,100
Total Personnel Services		20,230	18,523	28,730	29,800	26,500	15,200
Maintenance and Operations							
5105	Operating Supplies	-	-	-	100	100	100
5305	Professional Services - Engineering	35,747	46,322	46,322	47,500	47,500	48,000
5351	Encroachment Permits	6,505	-	-	200	-	-
5352	Traffic Engineering	300	700	270	200	-	7,000
5353	Plan/Map Check	1,650	6,853	14,216	10,500	10,500	10,500
5354	Grading Inspection	-	-	-	300	-	-
5390	Contract Services	8,724	6,118	8,148	7,500	6,500	6,300
Total Maintenance and Operations		52,926	59,993	68,956	66,300	64,600	71,900
Total Division Budget		\$ 73,156	78,516	97,686	96,100	91,100	87,100



¹⁰ Job duties were shifted in FY 2016-17 based on the work load.

³⁵ The City will contract for an Engineering and Traffic Survey in FY 2016-17, approximately \$7,000.

Department
Community Development
Division
4409 - 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 - Professional Services - Engineering

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

5351 - Encroachment Permits

This account provides for costs relating to over-the-counter right of way permits and subsequent inspections by the City Engineer.

5352 - Traffic Engineering

This account provides funding for select traffic engineering studies and investigations. Includes an Engineering & Traffic Survey for speed limits study (every 5 years, FY 2016-17).

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.

5390 - Contract Services

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.

- THIS PAGE INTENTIONALLY BLANK -



The Building Division 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 Division provides 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 assist with the processing of each project and guides residents through this complex process. Once Division reviews are completed and the project is approved, the building permit issuance process begins.

2015-16 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.
- Adopted an ordinance pursuant to CA law that created an expedited, streamlined permitting process for solar PV and solar thermal systems.

2016-17 Goals

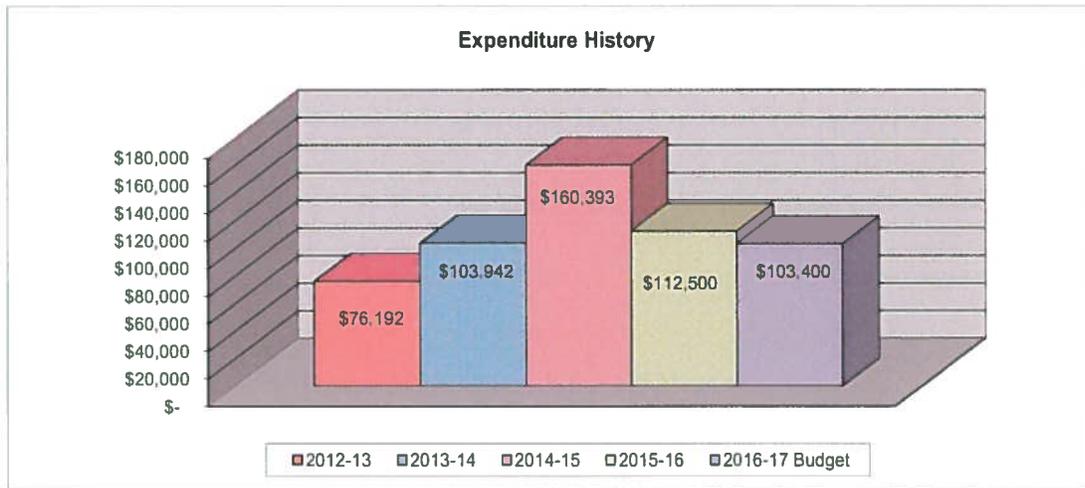
- Provide enforcement in response to community complaints.
- Review building permit fee structure to ensure full cost recovery is achieved.
- Administer the update of 2016 California Building Standards Code.
- Update building standard handouts and website.
- Investigate online permitting systems, in conjunction with electronic plan checking and inspection requests.

Department
Community Development
Division
4412 - Building

Funding Sources
General Fund - 01

Previously Building was Division 4400

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
<u>Personnel Services</u>							
4101	Salaries - Full Time	\$ 7,378	7,411	7,324	17,100	16,900	8,400 ¹⁰
4112	Salaries - Part Time	46,101	60,770	69,191	77,200	68,000	62,600 ¹⁰
4131	Fringe Benefits - Full Time	2,527	6,819	9,821	5,700	5,600	3,200 ¹⁰
4132	Fringe Benefits - Part Time	19,774	26,832	73,854	21,600	21,600	26,100 ¹⁰
Total Personnel Services		75,780	101,832	160,190	121,600	112,100	100,300
<u>Maintenance and Operations</u>							
5105	Operating Supplies	62	1,895	78	200	200	2,700 ³⁶
5390	Contract Services	-	-	125	-	-	-
5625	Dues & Publications	215	215	-	300	200	200
5630	Professional Development	135	-	-	100	-	200
Total Maintenance and Operations		412	2,110	203	600	400	3,100
Total Division Budget		\$ 76,192	103,942	160,393	122,200	112,500	103,400



¹⁰ Job duties were shifted in FY 2016-17 based on the work load.

³⁶ In FY 2016-17 a new building code will be issued, effective January 1, 2017, and new building permits purchased; an approximate increase of \$2,000.

Department
Community Development
Division
4412 - 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 3 years - \$1,500), and building permit forms (every 3 years - \$1,000).

5390 - Contract Services

This account provides for services related to the building department.

5625 - Dues & Publications

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

5630 - Professional Development

Specified meetings for the Building Inspector that are authorized by the City Manager for special policy and regulations meetings.

- THIS PAGE INTENTIONALLY BLANK -

Department
 Transfers Out
 Division
 4811 - Transfers Out

Funding Sources
 General Fund - 01

Previously Building was Division 4800

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
Transfers Out							
General Fund - 01							
9100	Operating Transfers Out	\$ 3,829	-	-	-	-	-
	Total Transfers Out	3,829	-	-	-	-	-
	Total Division Budget	\$ 3,829	-	-	-	-	-

Account Description

9100 - Operating Transfers Out

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



A Capital Improvement is a major expenditure of City funds for the improvement of City infrastructure. A major expenditure is any expenditure greater than \$10,000 and with a useful life greater than five years. 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.

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.

In the Fiscal Year 2016-17, the City anticipates approximately \$1,569,300 in capital expenditures. Approximately 60% of these expenditures are funded through “non” General Fund monies, while the General Fund is responsible for the remaining 40% of these improvements. The projects slated for this year will require minimal maintenance in future years (see project details for more information) and will be easily absorbed by City staff.

Department
 Capital Improvement
 Division
 7000 - Capital Projects

Funding Sources
 General Fund - 01
 Gas Tax Fund - 02
 Assessment District Fund - 06
 Capital Improvement Fund - 07
 Sewer Improvement Fund - 11

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
Capital Projects							
General Fund - 01							
7001	Software Conversion	\$ -	-	-	29,400	9,700	19,700
7002	Storm Drain Improvement	-	-	-	-	-	150,000
7003	Council Chamber Remodel	-	-	-	-	-	50,000
7026	Emergency Storm Repairs 2	-	12,778	-	-	-	-
7033	Lemon St.-Rec trail Santiago-Valley	-	37,322	2,200	-	-	-
7038	City Hall Façade Improvements	50,270	4,736	-	-	-	-
7044	City Entrance Monuments	52,355	28,740	53,699	42,500	10,000	10,000
7045	Fitschen Ranch Fence Closures	-	4,780	-	-	-	-
7047	City Hall Bathroom Remodel	-	19,111	1,786	-	-	-
7050	Taft Rehabilitation	-	-	17,779	21,900	20,000	340,700
7052	Wanda Greenbelt	-	-	-	27,200	12,000	50,000
7053	Mesa, Valley, Loma Widening	-	-	-	72,900	72,900	-
7054	Taft Trail Improvement	-	-	-	12,600	12,600	-
7055	Cannon Street	-	-	-	50,000	50,000	-
	General Fund Total	102,625	107,467	75,464	256,500	187,200	620,400
Gas Tax Fund - 02							
7051	Katella/Wanda Improvement	-	-	-	100,000	100,000	-
	Gas Tax Fund Total	-	-	-	100,000	100,000	-
Assessment District Fund - 06							
7005	Sewer Pump	-	-	7,324	-	-	-
	Assessment District Fund Total	-	-	7,324	-	-	-
Capital Improvement Fund - 07							
7042	Catch Basin Improvements	97,000	-	60,000	200,000	200,000	-
7043	SLPP Transportation	-	125,007	-	-	-	-
7046	RAC Grant	-	100,000	-	-	-	-
7050	Taft Rehabilitation	-	-	-	378,500	-	378,500
8051	Civic Center Smoke Alarm	798	-	-	-	-	-
	Capital Improvement Fund Total	97,798	225,007	60,000	578,500	200,000	378,500
City Sewer Improvement Fund - 11							
7004	Sewer Improvement Projects	16,491	542,437	420,727	285,200	-	570,400
	City Sewer Improvement Fund Total	16,491	542,437	420,727	285,200	-	570,400
	Total Division Budget	\$ 216,914	874,911	563,515	1,220,200	487,200	1,569,300

**City of Villa Park
Seven-Year Capital Improvement Program
Fiscal Year 2016-2017 through Fiscal Year 2022-2023**

	<i>Project Description</i>	<i>Estimated Cost</i>	<i>Previously Spent</i>
1	Annual Street Pavement Management - Improve local streets and road conditions within the City of Villa Park, according to priority of the PMP. General Fund 4304-5376 Gas Tax Fund 4304-5376 Measure M - Local Sales Tax Fund 4304-5376	\$ 2,560,000	
2	Software Conversion - Improve the financial capabilities of the City's software. General Fund 7000-7001	\$ 29,400	9,700
3	Annual Storm Drain Improvement - Improve local storm drain conditions within the City of Villa Park, according to priority of the Storm Drain Master Plan. General Fund 7000-7002	\$ 750,000	
4	Council Chamber Remodel - Improve the efficiency of Council Chambers and convert it into a smart conference room. General Fund 7000-7003	\$ 50,000	
5	City Entrance Monuments - Install monument signs to the five entrance signs to the City of Villa Park. General Fund 7000-7044 Contribution from Property Owner	\$ 179,794	144,794 25,000
6	Taft Ave. Street Rehabilittiation - reconstruct the street pavement and modify the median. General Fund 7000-7050 OCTA Regional Surface Transportaion Program	\$ 756,979	37,779 -
7	Wanda Greenbelt - modify the Wanda Greenbelt to be drought tolerant and reduce the City's water usage. General Fund 7000-7052 (Potential to obtain grant funding)	\$ 62,000	12,000 -
8	Annual Sewer Improvement - Improve local sewer conditions within the City of Villa Park, according to priority of the Sewer Master Plan. Sewer Improvement Fund 7000-7004	\$ 2,002,000	
9	Taft Trail Improvements - grade and improve trails along Taft Ave. in conjunction with the Taft Rehabilitation Project. General Fund 7000-7054 (Potential to obtain grant funding)	\$ 212,600	12,600 -
10	Catch Basin Improvements - Install catch basin inlets. General fund-maintenance for 5 yrs (for each project) OCTA Environmental Cleanup 12-13 Phase I OCTA Environmental Cleanup 13-14 Phase II	\$ 403,636	40,074 97,000 200,000
		\$ 7,006,409	\$ 578,947
	General fund matching and funding requirements	\$ 2,772,809	256,947
	Various granting sources	\$ 4,233,600	322,000
	Totals	\$ 7,006,409	578,947

<i>FY 16/17</i>	<i>FY 17/18</i>	<i>FY 18/19</i>	<i>FY 19/20</i>	<i>FY 20/21</i>	<i>FY 21/22</i>	<i>FY 22/23</i>
62,900	161,000	161,000	161,000	161,000	161,000	161,000
115,800	125,000	125,000	125,000	125,000	125,000	125,000
101,300	94,000	94,000	94,000	94,000	94,000	94,000
<hr/>						
19,700						
<hr/>						
150,000	100,000	100,000	100,000	100,000	100,000	100,000
<hr/>						
50,000						
<hr/>						
10,000	-	-	-	-	-	-
-	-	-	-	-	-	-
<hr/>						
340,700	-	-	-	-	-	-
378,500	-	-	-	-	-	-
<hr/>						
50,000	-	-	-	-	-	-
-	-	-	-	-	-	-
<hr/>						
286,000	286,000	286,000	286,000	286,000	286,000	286,000
<hr/>						
-	200,000	-	-	-	-	-
-	-	-	-	-	-	-
<hr/>						
19,972	19,972	13,309	13,309	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<hr/>						
\$ 1,584,872	\$ 985,972	\$ 779,309	\$ 779,309	\$ 766,000	\$ 766,000	\$ 766,000
703,272	480,972	274,309	274,309	261,000	261,000	261,000
881,600	505,000	505,000	505,000	505,000	505,000	505,000
1,584,872	985,972	779,309	779,309	766,000	766,000	766,000

- THIS PAGE INTENTIONALLY BLANK -

Department
 Capital Improvements
Acct No. **Project Name**
 7001 Software Conversion

Funding Sources
 General Fund - 01

Budget Backup

PROJECT PURPOSE

The purpose of this project is to replace the old financial software, with a new software package upgraded to meet the financial reporting needs of the City.

PROJECT DETAILED DESCRIPTION

The project was encouraged by Councilmember Nelson, as the City's current financial software system, Blackbaud's Fundware, was originally purchased and implement in 1992 with various upgrades throughout the years. The City currently has four Fundware modules – General Ledger, Accounts Payable, Budget, and Reporting- which have served the City well over the past 24 years as an affordable solution to the City's financial management needs. However, over the past few years, as City's have been required to perform more reporting for the various federal and state entities, and staff has had to augment the financial software to perform the required functions.

At the January City Council meeting, Council reviewed the software quotes presented, and authorized staff to purchase Blackbaud's Financial Edge software package. The conversion process is lengthy and deeply involved, and with the limited staffing and timing of budget adoption and the annual financial audit, the full implementation target date is October 2016.

Operating Impacts: The contract signed with Blackbaud is all inclusive, and the breakdown of maintenance fees for this package is approximately \$2,400 a year, which is including in our operating budget under Contract Services. These maintenance fees will be negotiated at the end of the three year contract, and it is estimated that the cost will increase by CPI. No additional costs are assumed, as all software upgrades are included in the maintenance fees.

General Fund	\$ 29,400
Total community contributions	-
	\$ 29,400



PROJECT FUNDING & EXPENDITURES SCHEDULE

Funding Source	Fiscal Year				
	Prior Years	16/17	17/18	18/19	19/20
General Fund	\$ 9,700	19,700	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Totals	\$ 9,700	19,700	-	-	-

Department
Capital Improvements

Funding Sources
General Fund - 01

Acct No. Project Name
7002 Storm Drain Improvement

Budget Backup

PROJECT PURPOSE

The purpose of this project is to repair/replace the drainage deficiencies throughout the City of Villa Park based on the data from the Storm Drain Master Plan.

PROJECT DETAILED DESCRIPTION

The project was derived from the necessity to update the Storm Drain Master Plan in 2016. The last Storm Drain Master Plan Update was performed in 1997, and management believes the updated 2016 plan will assess the significant drainage deficiencies throughout the City of Villa Park that will need to be addressed in the next seven years.

Operating Impacts: The major repairs/replacements of these drainage deficiencies will be addressed through this project. The ongoing operating impacts of the storm drain infrastructure is maintained and budgeted for in the operating budget under Public Works - Storm Drain Maintenance.

General Fund	\$ 750,000
Total community contributions	-
	\$ 750,000



PROJECT FUNDING & EXPENDITURES SCHEDULE

Funding Source	Fiscal Year				
	Prior Years	16/17	17/18	18/19	19/20
General Fund	\$ -	150,000	100,000	100,000	100,000
	-	-	-	-	-
	-	-	-	-	-
Totals	\$ -	150,000	100,000	100,000	100,000

Department
 Capital Improvements
Acct No. **Project Name**
 7003 Council Chamber Remodel

Funding Sources
 General Fund - 01

Budget Backup

PROJECT PURPOSE

The purpose of this project is to remodel the Council Chamber esthetically as well as upgrade the Chamber into a technologically smart room.

PROJECT DETAILED DESCRIPTION

The project was presented by Councilwoman Fascenelli to upgrade the visual appeal as well as the technological capabilities of the current Council Chambers.

Some of the recommendations for this project include construction of new storage in the Chambers, carpet, and transforming the Chamber into a technological smart room that would also assist residents in viewing all items presented at the Council meetings.

Operating Impacts: The ongoing operating costs of maintaining the Council Chamber are considered routine maintenance and is already budgeted in our operating expenditures under Public Works-Civic Center-Chamber Maintenance. The smart room technological advances will be serviced through our IT contract which is already also budgeted in our operating budget under Contract Services.

General Fund	\$ 50,000
Total community contributions	-
	\$ 50,000



PROJECT FUNDING & EXPENDITURES SCHEDULE

Funding Source	Fiscal Year				
	Prior Years	16/17	17/18	18/19	19/20
General Fund	\$ -	50,000	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Totals	\$ -	50,000	-	-	-

Department
Capital Improvements

Funding Sources
General Fund - 01

Acct No. Project Name
7044 City Entrance Monuments

Budget Backup

PROJECT PURPOSE

The purpose of this project is to replace the City Entrance Monuments as a beautification project.

PROJECT DETAILED DESCRIPTION

Council directed staff to bring back designs of monument sign replacements at the City's entrance points. Staff has worked with its contractor to design concept drawings and coordinate the appearance of these signs with City Hall.

This is a community beautification project, in which the Villa Park Women's League and the Villa Park Community Services Foundation are all willing to assist the City with funding this project which began in FY 2011/12 and will be complete in 2016. The final City Entrance Monument is at the corner of Santiago/Santiago, where the private commercial property owner is partnering with the City to install.

Operating Impacts: The new signs will have little to no maintenance, as the placement of the signs are in the greenbelts and medians in which City staff already maintains the landscaping and graffiti removal. No additional costs are assumed.

General Fund	\$	122,994
VPWL		2,000
VPCSF		29,800
Total community contributions		31,800
Property Owner		25,000
	\$	179,794



PROJECT FUNDING & EXPENDITURES SCHEDULE

Funding Source	Fiscal Year				
	Prior Years	16/17	17/18	18/19	19/20
General Fund	\$ 112,994	10,000	-	-	-
VPWL	2,000	-	-	-	-
VPCSF	29,800	-	-	-	-
Property Owner	25,000	-	-	-	-
Totals	\$ 169,794	10,000	-	-	-

Department
Capital Improvements
 Acct No. Project Name
 7050 Taft Rehabilitation

Funding Sources
 General Fund - 01
 Capital Improvement Fund - 07

Budget Backup

PROJECT PURPOSE

The purpose of this project is to improve the roadway surface pavement conditions on Taft Avenue.

PROJECT DETAILED DESCRIPTION

This project on Taft Avenue spans from Santiago Blvd. to Lemon Street. The project is to rehabilitate the street pavement condition. The project will include the removal and replacement of deteriorated pavement sections. Then the full street width will be paved with 2 inches of rubberized asphalt. ADA ramps will be constructed at the intersections. In addition, the existing median curb height varies between 1 to 3 inches; therefore, the curb will be replaced at the full height of an 8-inch curb.

The project is essential, in order to save the street pavement structure: otherwise if the overlay is delayed a few more years, the street pavement may require full reconstruction.

The Arterial Pavement Management Program (APM) through the Orange County Transportation Authority (OCTA), awarded the City a \$378,497 with a match of \$378,497 grant to the City to rehabilitate Taft Avenue.

Operating Impacts: The improvements made on this project will not increase the City's maintenance costs on this street. There are no other foreseen additional costs as a result of this project.

PROJECT FUNDING	
General Fund	\$ 378,479
Capital Improvement Fund	
OCTA Regional Surface Transportation	378,500
	-
	\$ 756,979



PROJECT FUNDING & EXPENDITURES SCHEDULE

Funding Source	Fiscal Year				
	Prior Years	16/17	17/18	18/19	19/20
General Fund	\$ 37,779	340,700	-	-	-
OCTA Environmental	-	378,500	-	-	-
Totals	\$ 37,779	719,200	-	-	-

Department
Capital Improvements

Funding Sources
City Sewer Improvement Fund - 11

Acct No. Project Name
7004 Sewer Improvement

Budget Backup

PROJECT PURPOSE

The purpose of this project is to repair/replace the sanitary sewer system deficiencies throughout the City of Villa Park based on the data from the Sewer Master Plan.

PROJECT DETAILED DESCRIPTION

The project was derived from the Sewer Master Plan performed every seven years. The last Sewer Master Plan Update was performed in 2012 and set the annual sewer improvement capital project amount at \$286,000.

Operating Impacts: The major repairs/replacements of these sewer system deficiencies will be addressed through this project. The ongoing operating impacts of the sewer infrastructure is maintained and budgeted for in the operating budget under Public Works - City Sewer Improvements.

General Fund	
City Sewer Improvement Fund	2,002,000
Total community contributions	-
	\$ 2,002,000



PROJECT FUNDING & EXPENDITURES SCHEDULE

Funding Source	Fiscal Year				
	Prior Years	16/17	17/18	18/19	19/20
City Sewer Improvement Fund		286,000	286,000	286,000	286,000
	-	-	-	-	-
	-	-	-	-	-
Totals	\$ -	286,000	286,000	286,000	286,000

**FUND BALANCE SUMMARY
FY 2016-2017**

	<u>General Fund - 01</u>	<u>Street Improvements Fund - 01a</u>	<u>Gas Tax Fund - 02</u>	<u>Aid to Cities Fund - 03</u>	<u>Traffic Safety Fund - 04</u>
Ending Fund Balance from audited financial statements for the FYE 6/30/15	\$ 3,098,432	114,276	190,702	479	7,251
Estimated revenues for FY 15/16	3,199,700	-	138,900	15,300	10,200
Estimated expenditures for FY 15/16	(3,264,400)	-	(291,700)	(15,000)	(14,000)
Est. FB at 6/30/16 available inclusive of reserves	3,033,732	114,276	37,902	779	3,451
Budget 16-17 revenues	3,280,400	-	128,400	16,300	11,100
Budget 16-17 operating expenditures	(3,023,400)	-	(165,800)	(16,300)	(13,000)
Budget 16-17 capital expenditures	(620,400)	-	-	-	-
Est. Fund Balance at 6/30/17 inclusive of reserves	\$ 2,670,332	114,276	502	779	1,551

FUND BALANCE BREAKDOWN

Undesignated Reserves:

Reserve fund established by Council for FY 2016-2017	\$ 1,511,700	-	-	-	-
--	--------------	---	---	---	---

Designated Reserves:

Vehicle replacement reserve	5,000	-	-	-	-
Infrastructure replacement reserve	140,000	-	-	-	-
VPTV capital reserve	13,200	-	-	-	-
Accrued leave reserve	75,000	-	-	-	-
CJPIA retro. deposit repayment reserve	45,000	-	-	-	-
Capital improvement reserve	180,000	-	-	-	-
Sewer pump reserve	-	-	-	-	-
Sanitary Sewer CCTV Inspection reserve	-	-	-	-	-
Sewer master plan update reserve	-	-	-	-	-

Estimated designated reserves at 6/30/17	458,200	-	-	-	-
---	----------------	----------	----------	----------	----------

Total reserves at 6/30/17	1,969,900	-	-	-	-
----------------------------------	------------------	----------	----------	----------	----------

Available Fund Balance:

Est. available Fund Balance at 6/30/17	700,432	114,276	502	779	1,551
---	----------------	----------------	------------	------------	--------------

Total Fund Balance:

Est. Fund Balance at 6/30/17 inclusive of reserves	\$ 2,670,332	114,276	502	779	1,551
---	---------------------	----------------	------------	------------	--------------

Measure M - Local Sales Tax Fund - 05	Assessment District Fund - 06	Capital Improvements Fund - 07	AQMD Fund - 08	COPS Fund - 09	Sewer Improvements Fund - 11	CLEEP Fund - 12	SUMMARY
92,858	47,763	(159,206)	32,456	114,989	307,082	32,394	3,879,476
88,700	14,100	377,600	6,600	114,400	413,400	100	4,379,000
(174,000)	(8,400)	(200,000)	-	(90,000)	(116,600)	(8,900)	(4,183,000)
7,558	53,463	18,394	39,056	139,389	603,882	23,594	4,075,476
94,000	14,100	378,600	7,100	100,200	413,100	-	4,443,300
(101,300)	(9,500)	-	-	(160,000)	(116,100)	(23,000)	(3,628,400)
-	-	(378,500)	-	-	(570,400)	-	(1,569,300)
258	58,063	18,494	46,156	79,589	330,482	594	3,321,076
-	-	-	-	-	-	-	1,511,700
-	-	-	-	-	-	-	5,000
-	-	-	-	-	-	-	140,000
-	-	-	-	-	-	-	13,200
-	-	-	-	-	-	-	75,000
-	-	-	-	-	-	-	45,000
-	-	-	-	-	-	-	180,000
-	15,000	-	-	-	-	-	15,000
-	-	-	-	-	150,000	-	150,000
-	-	-	-	-	26,500	-	26,500
-	15,000	-	-	-	176,500	-	649,700
-	15,000	-	-	-	176,500	-	2,161,400
258	43,063	18,494	46,156	79,589	153,982	594	1,159,676
258	58,063	18,494	46,156	79,589	330,482	594	3,321,076

Summary of Gas Tax Fund - 02

<i>Department</i>	<i>Division</i>	<i>2012-2013 Actual</i>	<i>2013-2014 Actual</i>	<i>2014-2015 Actual</i>	<i>2015-2016 Est. Actual</i>	<i>2016-2017 Budget</i>
Beginning Fund Balance		\$ 72,780	220,541	56,468	190,702	37,902
Revenues		154,361	196,627	185,054	138,900	128,400
Expenditures						
Public Works						
4304 - Street Maintenance		6,600	360,700	50,820	191,700	165,800
Subtotal of Public Works		6,600	360,700	50,820	191,700	165,800
Capital Improvement						
7000 - Capital Projects		-	-	-	100,000	-
Subtotal of Capital Improvement		-	-	-	100,000	-
Subtotal of Expenditures		6,600	360,700	50,820	291,700	165,800
Ending Fund Balance		\$ 220,541	56,468	190,702	37,902	502

Summary of Aid to Cities Fund - 03

Department	Division	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Est. Actual	2016-2017 Budget
Beginning Fund Balance		\$ 5,693	5,707	5,714	479	779
Revenues		5,014	5,007	5,065	15,300	16,300
Expenditures						
Administration						
	4170 - Support Services	-	-	5,300	10,000	11,300
	Subtotal of Administration	-	-	5,300	10,000	11,300
Public Works						
	4303 - Public Works General	5,000	5,000	5,000	5,000	5,000
	Subtotal of Public Works	5,000	5,000	5,000	5,000	5,000
	Subtotal of Expenditures	5,000	5,000	10,300	15,000	16,300
Ending Fund Balance		\$ 5,707	5,714	479	779	779

Summary of Traffic Safety Fund - 04

<i>Department</i>	<i>Division</i>	<i>2012-2013 Actual</i>	<i>2013-2014 Actual</i>	<i>2014-2015 Actual</i>	<i>2015-2016 Est. Actual</i>	<i>2016-2017 Budget</i>
Beginning Fund Balance		\$ 1,788	4,445	4,444	7,251	3,451
Revenues		20,657	11,815	14,807	10,200	11,100
Expenditures						
Public Safety						
4210 - Law Enforcement		18,000	11,816	12,000	14,000	13,000
Subtotal of Public Safety		18,000	11,816	12,000	14,000	13,000
Subtotal of Expenditures		18,000	11,816	12,000	14,000	13,000
Ending Fund Balance		\$ 4,445	4,444	7,251	3,451	1,551

Summary of Measure M - Local Sales Tax Fund - 05

Department	Division	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Est. Actual	2016-2017 Budget
Beginning Fund Balance		\$ 16,199	89,860	11,285	92,858	7,558
Revenues		73,680	76,425	81,573	88,700	94,000
Expenditures						
Public Works						
4304 - Street Maintenance		19	155,000	-	174,000	101,300
Subtotal of Public Works		19	155,000	-	174,000	101,300
Subtotal of Expenditures		19	155,000	-	174,000	101,300
Ending Fund Balance		\$ 89,860	11,285	92,858	7,558	258

Summary of Assessment District Fund - 06

Department	Division	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Est. Actual	2016-2017 Budget
Beginning Fund Balance		\$ 43,001	48,199	51,282	47,763	53,463
Revenues		14,115	14,067	14,055	14,100	14,100
Expenditures						
Public Works						
4306 - Sewer Pump Maintenance District		8,917	10,984	10,250	8,400	9,500
Subtotal of Public Works		8,917	10,984	10,250	8,400	9,500
Capital Improvement						
7000 - Capital Projects		-	-	7,324	-	-
Subtotal of Capital Improvement		-	-	7,324	-	-
Subtotal of Expenditures		8,917	10,984	17,574	8,400	9,500
Ending Fund Balance		\$ 48,199	51,282	47,763	53,463	58,063

Summary of Capital Projects Improvement Fund - 07

Department	Division	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Est. Actual	2016-2017 Budget
Beginning Fund Balance		\$ (101,005) *	28,801	(196,206) *	(159,206) *	18,394
Revenues		227,604	-	97,000	377,600	378,600
Expenditures						
Capital Improvement						
7000 - Capital Projects		97,798	225,007	60,000	200,000	378,500
Subtotal of Capital Improvement		<u>97,798</u>	<u>225,007</u>	<u>60,000</u>	<u>200,000</u>	<u>378,500</u>
Subtotal of Expenditures		<u>97,798</u>	<u>225,007</u>	<u>60,000</u>	<u>200,000</u>	<u>378,500</u>
Ending Fund Balance		<u>\$ 28,801</u>	<u>(196,206) *</u>	<u>(159,206) *</u>	<u>18,394</u>	<u>18,494</u>

*- The Capital Improvement Projects Fund is used for acquisition or construction of major capital improvements. These projects typically straddled a minimum of one to two years in duration. Most of these projects are funded by grants that are on a cost reimbursement basis; therefore, the City will expend money in one year and receive the funding in the following year which results in a negative fund balance. This is not an adverse situation, just a timing issue of receipt of the corresponding revenue.

Summary of AQMD Fund - 08

<i>Department</i>	<i>Division</i>	<i>2012-2013 Actual</i>	<i>2013-2014 Actual</i>	<i>2014-2015 Actual</i>	<i>2015-2016 Est. Actual</i>	<i>2016-2017 Budget</i>
Beginning Fund Balance		\$ 11,990	18,501	25,095	32,456	39,056
Revenues		10,886	6,594	7,361	6,600	7,100
Expenditures						
Public Works						
4303 - Public Works General		4,375	-	-	-	-
Subtotal of Public Works		4,375	-	-	-	-
Subtotal of Expenditures		4,375	-	-	-	-
Ending Fund Balance		\$ 18,501	25,095	32,456	39,056	46,156

Summary of COPS Fund - 09

<i>Department</i>	<i>Division</i>	<i>2012-2013 Actual</i>	<i>2013-2014 Actual</i>	<i>2014-2015 Actual</i>	<i>2015-2016 Est. Actual</i>	<i>2016-2017 Budget</i>
Beginning Fund Balance		\$ 103,467	114,257	112,575	114,989	139,389
Revenues		100,293	103,331	103,183	114,400	100,200
Expenditures						
Public Safety						
4201 - Law Enforcement		89,503	105,013	100,769	90,000	160,000
Subtotal of Public Safety		89,503	105,013	100,769	90,000	160,000
Subtotal of Expenditures		89,503	105,013	100,769	90,000	160,000
Ending Fund Balance		\$ 114,257	112,575	114,989	139,389	79,589

Summary of Sewer Improvement Fund - 11

<i>Department</i>	<i>Division</i>	<i>2012-2013 Actual</i>	<i>2013-2014 Actual</i>	<i>2014-2015 Actual</i>	<i>2015-2016 Est. Actual</i>	<i>2016-2017 Budget</i>
Beginning Fund Balance		\$ 472,026	711,207	468,576	307,082	603,882
Revenues		418,797	418,843	396,252	413,400	413,100
Expenditures						
Public Works						
4360 - City Sewer Improvement		163,125	119,037	137,019	116,600	116,100
Subtotal of Public Works		163,125	119,037	137,019	116,600	116,100
Capital Improvement						
7000 - Capital Projects		16,491	542,437	420,727	-	570,400
Subtotal of Capital Improvement		16,491	542,437	420,727	-	570,400
Subtotal of Expenditures		179,616	661,474	557,746	116,600	686,500
Ending Fund Balance		\$ 711,207	468,576	307,082	603,882	330,482

Summary of CLEEP Fund - 12

<i>Department</i>	<i>Division</i>	<i>2012-2013 Actual</i>	<i>2013-2014 Actual</i>	<i>2014-2015 Actual</i>	<i>2015-2016 Est. Actual</i>	<i>2016-2017 Budget</i>
Beginning Fund Balance		\$ 58,360	52,564	44,183	32,394	23,594
Revenues		136	61	43	100	-
Expenditures						
Public Safety						
4201 - Law Enforcement		<u>5,932</u>	<u>8,442</u>	<u>11,832</u>	<u>8,900</u>	<u>23,000</u>
Subtotal of Public Safety		<u>5,932</u>	<u>8,442</u>	<u>11,832</u>	<u>8,900</u>	<u>23,000</u>
Subtotal of Expenditures		<u>5,932</u>	<u>8,442</u>	<u>11,832</u>	<u>8,900</u>	<u>23,000</u>
Ending Fund Balance		<u><u>\$ 52,564</u></u>	<u><u>44,183</u></u>	<u><u>32,394</u></u>	<u><u>23,594</u></u>	<u><u>594</u></u>

- THIS PAGE INTENTIONALLY BLANK -

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. In FY 2014-15 the City paid off its side fund in the amount of \$253,000, and now the City only pays approximately 8.88% of each employee's salary plus the annual actuarial calculated UAL (approximately 7.607% in FY 2016-17). As a benefit to the employees, the City used to pay the employees' contribution to PERS, in FY 2016-17 the employees' are funding the entire 7% of their contribution.

- THIS PAGE INTENTIONALLY BLANK -

Department

Internal Service

Division

4580 - Employee Benefit

Previously Employee Benefit was Division 4180

No.	Account Title	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Budget	2015-2016 Est. Actual	2016-2017 Budget
<i>Maintenance and Operations</i>							
2065	Social Security	\$ 3,186	340	232	200	200	500
2075	FICA & Medicare	6,729	6,335	6,393	7,100	7,100	7,000
2355	Retirement Benefits	102,300	106,587	354,799	68,300	68,300	74,600
2360	State Disability Insurance	-	-	-	2,500	2,500	4,500
2365	Life Insurance	855	762	775	1,000	1,000	1,100
2375	Health Coverage	46,600	55,075	52,761	53,000	53,000	65,700
2385	Worker's Compensation	8,593	11,866	12,987	18,000	18,000	18,300
Total Maintenance and Operations		168,263	180,965	427,947	150,100	150,100	171,700
Total Division Budget		\$ 168,263	180,965	427,947	150,100	150,100	171,700

Account Description

2065 - Social Security

This City is required to participate in Social Security for all hourly non-Public Employee Retirement (PERS) eligible 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 and OPEB liabilities, however, it does not include the employee's portion of 7%.

2360 - State Disability Insurance

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

2365 - Life Insurance

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

2375 - Health Coverage

This account provides for the City's cost for enrolling employees in medical, vision, and dental coverage's under the City's benefits package, inclusive of retired councilmembers health PEMCHA portion under the other post employment benefits.

2385 - Worker's Compensation

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

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 medical and dental coverage followed by retirement benefits. The majority of both are payable to the California Public Employees Retirement Fund. In FY 2014-15 the City paid off it's side fund, and now the City only pays a combined rate of approximately 16.487% of each employee's salary (8.88% is the employers retirement contribution, and approximately 7.607% is for the Unfunded Accrued Liability (UAL)). Employees contribute the entire 7% portion of the employee PERS contribution.

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.

Accrued Leave Reserve – To pay for any accrued “employee benefit” due an employee on termination, resignation or retirement of the employee’s service. The funding is provided through the General Fund and the City desires to maintain a balance equal to its current (FY 2016-17) liability, approximately \$75,000.

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

Aid to Cities Fund – The Aid to Cities Fund accounts for monies received from federal, state, county and local agencies to fund specific local projects for the betterment of the City. The typical revenue is in the form of grants and are used to fund projects include recycling, Senior Mobility Program, etc.

Air Quality Management District (AQMD) – The air pollution control agency governing air quality.

Air Quality Management District (AQMD) Fund - The AQMD Fund accounts for monies received from the South Coast Air Quality Management District. These funds are used specifically to implement air quality improvement policies and programs or for projects that will reduce the air pollution in Villa Park.

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.

Appropriations Limit – see Spending Limitation

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

Assessment District Fund – The Assessment District was created when the development of tract number 10523 and tract number 13204 required the construction of a sewer pump station (Sycamore Circle) that serves only the properties within the two tracts. It was considered appropriate that the owners of the properties served by the pump station pay for the operation and maintenance of this station. The Assessment District Fund accounts for the assessments received, via the tax roll, from residents on Sycamore Circle. These revenues are used specifically to cover costs associated with maintaining the Sycamore Circle sewage pump station.

Association of California Cities – Orange County (ACC-OC) - A member agency whose mission is to protect and restore local governmental control to Cities.

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

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 numbers.

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 Study Session – The City Council meetings held open to the public to discuss the budget items slated for the next fiscal year.

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

California Joint Powers Insurance Authority (CJPIA) – The joint powers insurance authority that provides insurance to the City of Villa Park.

CJPIA Retrospective Deposits Reserve – To pay for claims against the City. Some claims take many years to resolve and over time their estimated values change as new information becomes available. Retrospective adjustments are based on the on-going claim development of past coverage periods, and can result in either an additional deposit or a refund. The City aims to contribute up to \$45,000.

California Law Enforcement Equipment Program (CLEEP) – In 2001, a one-time grant was awarded from the State of California to stimulate homeland security among law enforcement. These funds are allowable to be used for law enforcement equipment purchases.

California Society of Municipal Finance Officers (CSMFO) – A government agency that promotes excellence in financial management through innovation, continuing education, and the professional development of our members.

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 Improvement Program (CIP) – The program designed to detail all aspects of each capital project that will beautify the City of Villa Park.

Capital Improvement Reserve – To pay for additional Council approved capital improvements that were not allocated for during the budget process. The City aims to contribute \$20,000 up to \$180,000.

Capital Improvements Fund – The Capital Improvements Fund accounts for specific monies set aside for capital projects and grants received related to the specific capital projects. These funds are used specifically for the acquisition or construction of major capital improvements approved by City Council within the City. The City is required to maintain a seven-year Capital Improvement Plan (CIP). The total cost of a capital project accrues in a single expenditure account. This accumulates until the project is completed, at which time the account is closed and the expenditures are capitalized as infrastructure in the Audited Financial Report. Capital projects are determined during the budget process in conjunction with the City Engineer and the Budget and Finance Committee. The CIP projects slated for FY 2016-17 include: Software Conversion, Storm Drain Improvement, Council Chamber Remodel, City Entrance Monuments, Taft Ave. Street Rehabilitation, Wanda Greenbelt, and Sewer Improvement Project. Our seven-year financial projections show that the City continues to be financially stable.

Capital Outlays - Expenditures for the acquisition of capital assets.

Capital Projects Funds – Capital project funds account for financial resources used for the acquisition or construction of major capital facilities. Many of these funds have grant-based or state statutory revenues, which may only be spent under specific guidelines.

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

Certificate of Deposit (CD) – An investment instrument used by the City to gain interest yet remain a safe and liquid investment for the City.

Citizens' Option Public Safety (COPS) –The public safety fund that tracks the activity for the SLESFs used for front line law enforcement.

Community Emergency Response Team (CERT) – A committee of volunteers that are trained to assist public officials in the event of a citywide emergency.

Comprehensive Annual Financial Report (CAFR) – The annual financial report presentation that is accepted by the Government Finance Officers Association (GFOA).

Conditional Use Permit (CUP) – A zoning exception that allows a property owner to use their land in a manner not otherwise permitted by zoning law.

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

Countywide Coordinated Community System (CCCS) – A Countywide group tasked to research and implement the new 800MHz radio system to be used for emergency purposes in Orange County, California.

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.

Distinguished Budget Presentation Award – The GFOA established the Distinguished Budget Presentation Awards Program (Budget Awards Program) in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal.

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

Emergency Operations Center (EOC) - The physical building (17855 Santiago Blvd., Villa Park, CA 92861) where the City of Villa Park officials will congregate in the event of a citywide emergency.

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

Employee Benefits Fund - The *Employee Benefits* Fund is used to collect benefit costs from all departments based on a cost allocation plan implemented by the City.

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 (FY) - 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.

Foundation - The community organization, also known as, the Villa Park Community Services Foundation, that puts on the majority of community events in Villa Park.

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.

GANN Limit - see Spending Limitation.

Gas Tax Fund - This fund is required by State law to account for gas tax revenues received from the State of California based on the fuel tax structure 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.

Generally Accepted Accounting Principles (GAAP) - Rules to which accountants adhere when preparing financial statements in order for all reporting in the United States is uniform.

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.

Geographic Information System (GIS) - Is a software system designed to capture, store, manipulate, analyze, manage, and present all types of geographical data.

Government Accounting Standards Board (GASB) – An organization whose main purpose is to improve and create accounting reporting standards or generally accepted accounting principles (GAAP).

Government Finance Officers Association (GFOA) -

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

Highway Users Tax Account (HUTA) – The funding received from the State of California from motor vehicles that has a restricted use on transportation, streets and roads.

Infrastructure Replacement Reserve – To pay for unforeseen repairs to infrastructure or equipment. The type of repairs must not recur annually or at shorter intervals (i.e. annual street maintenance or sewer rehabilitation projects). The City aims to contribute \$20,000 annually up to \$140,000.

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.

Investment Advisory Committee (IAC) – The seven member committee that offers advice to City Management with respect to the City's investments and the investment portfolio strategy of the City.

League of California Cities (LOCC) – A member agency whose mission is to expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

Local Agency Formation Commission (LAFCO) - It is a regulatory agency with county-wide jurisdiction, established by state law to discourage urban sprawl and to encourage orderly and efficient provision of services, such as water, sewer, fire protection, etc.

Maintenance of Effort (MOE) – The benchmark that OCTA uses of general fund money required to be spent in order for the City of Villa Park to receive its Measure M funding.

Mark to Market – GASB 31 requires all investments to be recorded at the most recent market price at fiscal year end (June 30, for Villa Park).

Measure M – Local Sales Tax Fund – The Measure M-Local Sales Tax Fund accounts for the County’s ½ cent local sales tax called Measure M. Measure M is a voter approved tax used to improve transportation within the City limits.

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. Both the budgeting and accounting/reporting policies of the City conform to GAAP applicable to state and local governments.

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

National Pollutant Discharge Elimination System – (NPDES) – The Clean Water Act program that controls water pollution by regulating point sources that discharge pollutants into waters of the United States.

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.

Orange County (OC) – the County in California where the City of Villa Park is located.

Orange County Council of Governments (OCCOG) – A member agency in Orange County that is used by the City of Villa Park for its demographic statistics.

Orange County Fire Authority (OCFA) – The joint powers authority that provides fire and emergency medical services to the City of Villa Park.

Orange County Investment Pool (OCIP) – An investment instrument used by the City of Villa Park as a pooled investment regulated by the California Government Code and the Orange County Board of Supervisors under the oversight of the Orange County Treasurer-Tax Collector.

Orange County Sheriff's Department (OCSD) – The sheriff department that the City of Villa Park contracts with for law enforcement services.

Orange County Transportation Authority (OCTA) – The public sector transportation planning body and mass transit service provider to Orange County, California.

Orange Unified School District (OUSD) – The school district in which all Villa Park schools are located within.

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.

Other Post-Employment Benefits (OPEB) – Are the benefits that an employee will begin to receive at the start of retirement.

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 Tax Administration Fee (PTAF) – The fee charged by the County of Orange for processing the property taxes for the City of Villa Park.

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.

Prudent Man's Rule - The requirement that the investment manager of government funds, treasurer of a city or county, must only invest funds entrusted to him/her as would a person of prudence, (i.e. with discretion, care and intelligence.) Thus solid "blue chip" securities, secured loans, federally guaranteed mortgages, treasury certificates, and other conservative investments providing a reasonable return are within the prudent man rule.

PEG – Public, Educational, and Government access television model of local cable television production.

PEMHCA - Public Employees' Medical and Hospital Care Act.

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

Professional Services Responder (PSR) – A Villa Park resident who is trained through the OCSD to assist OCSD by being the eyes and ears around the City to alert OCSD when there is a public safety issue.

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.

Sanitary Sewer CCTV Inspection Reserve – Approximately every seven (7) years the City awards a contract for sewer condition assessment services. The City's entire sanitary sewer system is videoed by Closed Circuit Television (CCTV) to determine structural deficiencies and/or sedimentation levels on all pipelines. The relative condition of each pipeline segment will be utilized during the Sewer Master Plan Update to determine the priority of planning studies, rehabilitation and/or replacement projects. The City aims to contribute \$30,000 annually up to \$210,000.

School Resource Officer (SRO) – A deputy sheriff tasked with working proactively to address calls for police services on the City's school campuses.

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

Senior Mobility Program – The City program funded by OCTA, for senior transportation services.

Sewer Improvement Fund – The Sewer Improvement Fund accounts for the Sewer Service User Charge assessed on all residents,

schools, businesses and local agencies that utilize the Villa Park City sewers. 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. These funds are used specifically to maintain and improve the city-wide sewer system and to meet current and future requirements as set forth by the State Water Quality Control Boards.

Sewer Master Plan Update Reserve – To pay for the Sewer Master Plan Update completed every seven (7) years, which outlines recommendations and improvements to the City's sanitary sewer system in order of the most critical needs first. The City aims to contribute \$5,500 annually up to \$38,500.

Sewer Pump Reserve – To pay for replacement of the Sycamore Circle Pump Station. The pump station was installed as a condition of development and the respective property owners are assessed annually for the operation and maintenance of this station. The City desires to maintain a balance of \$15,000 for upgrades, replacements and major maintenance to the sewer pump.

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

Southern California Association of Governments (SCAG) - SCAG is the nation's largest metropolitan planning organization, representing six counties, 191 cities and more than 18 million residents. SCAG undertakes a variety of planning and policy initiatives to encourage a more sustainable Southern California now and in the future.

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.

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.

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.

State Apprehension of Abandoned Vehicles (SAAV) – A state funded program that allocates funding to cities that have a vehicle apprehension program.

State-Local Partnership Program (SLPP) – The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 awards grant funds (SLPP) to eligible transportation projects nominated by an applicant transportation agency (OCTA). The City of Villa Park is a recipient of these funds.

Strategic Planning Meeting – The annual City Council meeting that is held (open to the public) for the City Council to discuss the plans for the next year, namely related to the capital projects slated for the upcoming seven years.

Street Improvement Fund – The Street Improvement Fund accounts for deposits held on behalf of residents for future curb and gutter and right of way improvements on their street. These funds are used to offset the costs of curb and gutter improvements directly related to the deposits made by residents (prior to 2007) to improve their streets.

Structurally Balanced Budget – A structurally balanced budget is defined as recurring operating revenues exceeding recurring operating expenditures.

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.

Supplemental Law Enforcement Services Funds (SLESF) – Grant funds received from the State of California that can only be used for front line law enforcement above regular contract services.

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.

Traffic Safety Fund – The Traffic Safety Fund accounts for fines and fees received from the County mainly related to motor vehicle code violations. These revenues are used specifically to offset the cost of public safety within the City.

Trauma Intervention Program (TIP) – A program that offers education and services for handling various trauma situations within the City.

Unfunded Accrued Liability (UAL) – Excess of the present value of a pension fund's total of future benefits (payable to the pension plan participants) and fund administration expenses over the present value of the future normal cost of those benefits.

Unfunded Actuarial Accrued Liability (UAAL) – same as UAL.

Vehicle License Fee (VLF) – A state funded program that allocates a portion of the vehicle license fees to the corresponding City.

Vehicle Replacement Reserve – To pay for the replacement of City owned vehicles. The City owns three vehicles, which are replaced approximately on a 10-year cycle. The funding is provided through the General Fund. The City aims to contribute \$5,000 annually up to \$40,000.

Villa Park Community Access Television (VPTV) – The cable access TV programming that the City of Villa Park offers its' residents.

VPTV Capital Reserve – To pay for equipment used to operate the City's Public, Educational, and Governmental (PEG) Access Channel. The City receives PEG money that can only be utilized for PEG purposes; therefore, the City contributes annually the amount of PEG monies remaining as its annual designation.

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

RESOLUTION NO. 2016-3363

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 2016-17.

WHEREAS, the City Manager has prepared and submitted to the City Council a proposed budget for the 2016-17 Fiscal Year commencing July 1, 2016, and ending June 30, 2017, 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 study sessions regarding the proposed Budget on April 12, 2016, May 10, 2016, and June 13, 2016, and a Public Hearing on the proposed budget on June 28, 2016, 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 2016-17 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 2016-17.

- B) The Department of Finance has notified the City of the change in the California Per Capita income and such change is 5.37% 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 0.99%.
- 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, 2017, 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 2016-17 Fiscal Year is revised to \$4,144,759.

SECTION 3: The City Council hereby identifies and authorizes a total estimated operations/capital project budget of \$5,197,700 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 2016-17 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 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, 2016, and ending June 30, 2017.

SECTION 5: The Capital Improvement Program presented to the City Council on June 28, 2016, is retained as the 2016-2023 Seven-Year Capital Improvement Program for the City of Villa Park.

SECTION 6: The City Council finds and determines that the City's proposed budget for the 2016-17 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 2016-17 and authorizes the City Manager to carry out the City's expenditures in conformity therewith.

SECTION 7: That the City Clerk shall certify to the adoption of this Resolution and certify this record to be full and 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, 2016.



Greg Mills, 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, 2016, and was carried by the following roll call vote, to wit:

AYES: COUNCILMEMBERS: Barnett, Nelson, Collacott, Fascenelli, Mills

NOES: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: None

ABSTAIN: COUNCILMEMBERS: None



Jarad L. Hildenbrand, City Clerk
City of Villa Park

- THIS PAGE INTENTIONALLY BLANK -

RESOLUTION NO. 2016-3364

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. 2016-3355.

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.

<i>Position</i>	<i>Salary Range</i>	<i>Annual Rate</i>	<i>Pension</i>	<i>Other Benefits*</i>	<i>Total Compensation</i>
City Manager	\$123,600 effective July 1, 2016	\$123,600	\$19,400	\$26,800	\$169,800
Maintenance Supervisor	\$4,580 to \$5,467	\$65,604	\$10,300	\$26,000	\$101,904
Administrative Analyst	\$4,167 to \$5,172	\$54,075	\$8,500	\$11,900	\$74,475
Maintenance Worker	\$2,672 to \$3,832	\$45,984	\$7,300	\$14,300	\$67,584

*- Other Benefits include health insurance, life insurance, disability insurance, workers compensation insurance, overtime, and optional cash payout of Paid Time Off.

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

I. RETIREMENT:

1. The City shall provide all miscellaneous employees described as "classic members" by the Public Employees' Pension Reform Act of 2013 – PEPRRA with the retirement program known as two percent at fifty-five (2% at 55) which is based on the retirement formula as set forth in the California Public Employees Retirement System (PERS).
2. All classic members shall pay to PERS as part of the required member retirement contribution seven percent (7%) of pensionable income.
3. New employees hired after January 1, 2013, and are new to PERS, or have had a six (6) month or more break in PERS service, are subject to all laws, statues, rules and regulations of PEPRRA. The new member retirement formula is two percent at sixty-two (2% @ 62). All new members shall pay to PERS as part of the required member retirement contribution at least fifty percent (50%) of the normal cost of the retirement contribution rate, or the current contribute rate of similarly situated employees, whichever is higher.

II. MEDICAL INSURANCE:

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. BENEFITS:

1. In addition to the contribution noted in Section 2, Part I (1) above, the City will pay up to the full cost medical insurance for current full-time employees and 66 percent of their family members. For purposes of this section, the term "family members" are dependents of the employee who meet the eligibility requirements for coverage under the respective plan and are enrolled by the employee.
2. The City will provide a dental and vision 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 percent of their family members.
3. The City shall provide all employees with California State Disability Insurance, and pay the cost for this benefit.
4. 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.
5. 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 the lowest basic monthly rate of a health plan premium if the employee would be covered as "Employee Only" (i.e. a single in the program).
6. In accordance with the California Labor Code, 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.
7. 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. PAID TIME OFF:

- 1. Employees accrue Paid Time Off (PTO) according to the following schedule:

Paid Time Off (PTO) Leave						
Years of Service	Full Time Employees		Part Time Employees (>30 hours per week)		Part Time Employees (<29 hours per week)	
	Monthly Accrual	Maximum Accrual (Hours)	Monthly Accrual	Maximum Accrual (Hours)	Monthly Accrual	Maximum Accrual (Hours)
0-5	13.33	400	8.67	260	6.00	104
6-10	15.33	400	8.67	260	6.00	104
11	16.00	400	8.67	260	6.00	104
12	16.67	400	8.67	260	6.00	104
13	17.33	400	8.67	260	6.00	104
14	18.00	400	8.67	260	6.00	104
15+	18.67	400	8.67	260	6.00	104

- 2. Part time employee designation from 30 hours plus versus 29 hours is based on the average hours worked in a fiscal year.
- 3. PTO shall cease accruing subsequent to reaching said maximum with further accrual occurring only upon the vacation balance falling below the maximum accumulation.
- 4. Each employee shall have the option to convert into a cash payment or deferred compensation up to 40 hours of Paid Time Off once per fiscal year. The value of each hour of conversion is at the employee's current base hourly rate of pay. The employee shall give the City Manager or designee two weeks advance notice of their decision to exercise such option.

V. HOLIDAYS:

1. For pay purposes, the following holidays are recognized as municipal holidays for employees. Said employees shall receive these holidays off with pay:
 1. New Year's Day (January 1)
 2. Martin Luther King Jr. Day (third Monday in January)
 3. Presidents' Day (third Monday in February)
 4. Memorial Day (last Monday in May)
 5. Independence Day (July 4)
 6. Labor Day (first Monday in September)
 7. Veteran's Day (November 11)
 8. Thanksgiving Day (fourth Thursday in November)
 9. The Friday after Thanksgiving
 10. Christmas Eve (December 24)
 11. Christmas Day (December 25)
 12. New Year's Eve (December 31)
2. Holidays which fall on Sunday shall be observed on the following Monday, and those falling on Saturday shall be observed the preceding Friday.
3. Part-time/hourly employees shall have the holiday paid as time off with a prorated amount of hours, respectively for the holidays listed above if it is a regularly scheduled work day. Employees who are regularly scheduled to work more than 30 hours per week shall observe 6 hours of holiday pay and employees who are regularly scheduled to work less than 29 hours per week shall observe 4 hours of holiday pay.

VI. LEAVES OF ABSENCE:

1. 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.
2. 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.
3. 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.

4. 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 the City's Operations and Personnel Procedures Manual.
5. The City may, at the discretion of the City Manager, grant an employee a leave of absence for up to three months without pay and without benefits to the extent allowable by law. Leave without pay and without benefits is intended for unusual circumstances and approval will be evaluated based upon the impact to departmental functions and work force levels. Leave will only be granted upon complete use of Paid Time Off.

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 of specific benefit to the City, 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 \$1,000 per semester. 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 may provide City Manager, Maintenance Supervisor and Building Inspector 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 a range 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 six-month probationary period in that position.

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

<u>Position</u>	<u>Hourly Range</u>	<u>Current Hourly Rate</u>	<u>Annual Rate</u>	<u>Pension</u>	<u>Other Benefits*</u>	<u>Total Compensation</u>
Finance Director [^]	\$60.33 to \$71.00	\$64.10	\$100,000	\$15,700	\$7,600	\$123,300
Building Inspector	\$40.00 to \$50.00	\$44.12	\$59,660	\$9,500	\$17,100	\$86,260
Executive Assistant	\$12.00 to \$20.00	\$17.50	\$24,570	\$3,900	\$3,900	\$32,370

*- Other Benefits include health insurance, disability insurance, workers compensation insurance, and optional cash payout of Paid Time Off.

[^] Finance Director is a salaried, 30 hours per week (0.75 FTE), part-time employee.

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, 2016.

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

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, 2016.



 Greg Mills, 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 }

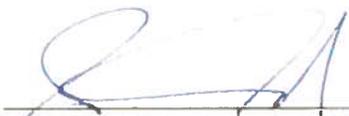
I, **Jarad L. Hildenbrand**, City Clerk of the City of Villa Park **DO HEREBY CERTIFY** that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Villa Park held on the 28th day of June, 2016 and was carried by the following roll call vote, to wit:

AYES: COUNCILMEMBERS: Barnett, Nelson, Collacott, Fascenelli, Mills

NOES: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: None

ABSTAIN: COUNCILMEMBERS: None



Jarad L. Hildenbrand, City Clerk
City of Villa Park

2016-2017 Operating Budget Notes:

