



Report to City Council

TO: Mayor and City Council Acting in its Capacity as President and Members of the Board of Directors of the Moreno Valley Community Services District (CSD)

FROM: Marshall Eyerman, Chief Financial Officer
Thomas M. DeSantis, City Manager

AGENDA DATE: June 4, 2019

TITLE: FISCAL YEAR 2018/19 THIRD QUARTER BUDGET REVIEW AND APPROVAL OF THE FISCAL YEAR 2018/19 THIRD QUARTER BUDGET AMENDMENTS

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Receive and file the Fiscal Year 2018/19 Third Quarter Budget Review. (Attachment 1)
2. Adopt Resolution No. 2019-XX. A resolution of the City Council of the City of Moreno Valley, California, adopting the revised operating and capital budgets for Fiscal Year (FY) 2018/19.

Recommendation: That the CSD:

1. Adopt Resolution No. CSD 2019-XX. A resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, adopting the revised operating and capital budget for FY 2018/19.

SUMMARY

This report provides the Third Quarter Budget Report which updates the Mayor and City Council regarding current year financial trends and provides the Fiscal Year (FY) 2018/19 Third Quarter Budget Review through March 31, 2018. This report also requests the approval of recommended amendments to FY 2018/19 revenues and expenditures.

DISCUSSION

On May 2, 2017, the City Council adopted the two-year Budget for Fiscal Years 2017/18 and 2018/19. The budget included all component units of the City, including the General Fund, Community Services District, Housing Authority and Successor Agency. During the two-year budget period, the City Council will be updated of the City's financial condition through the process of Quarterly Budget Reviews. This ongoing process ensures a forum to review expenditure and revenue changes from the estimates made in the budget document. Additionally, any significant changes in projected revenue or unanticipated expenditures that may occur will be presented to the City Council.

This report provides the FY 2018/19 Third Quarter Review for the first 9 months, July thru March. The Third Quarter Budget Review will focus primarily on the City's General Fund. This review will also present nine months operational results from other key funds.

The City Council's direction of "Maintain a Balanced General Fund Budget" serves as a foundation for the fiscal status of City operations. Ongoing funding is directed to sustain ongoing operational expenses; one-time funding is directed toward one-time expenditures. This report identifies the budget adjustments as recommended by the City Manager.

FISCAL YEAR 2018/19 THIRD QUARTER REVIEW:

This Third Quarter Report updates the Mayor and City Council regarding current year financial trends and provides the opportunity for the City Council to review the recommended actions as they relate to revenues and expenditures.

General Fund Revenue Update

Revenue receipts do not follow an even schedule. Although 75% of the fiscal year has elapsed, based on historic trends revenues are estimated to be at approximately 57% of the budgeted amount. Actual revenues received are currently 65% of budget. As the FY 2018/19 revenue estimates were developed prior to the adoption of the budget on May 2, 2017, the revenue estimates may require adjustments based on the current projected actuals. Although there will be variances in some of the amounts budgeted, the total is expected to remain within 1% of the amended budget for the year. It should be noted that the lag in timing of revenue receipts helps illustrate the need for an operating cash reserve throughout the fiscal year.

General Fund Expenditure Update

Although not all expenditures follow a straight-line spending pattern, operating expenditures should track close to within 75% of budget for the year at the end of the first nine months. As of March 31, 2018, total General Fund expenditures were at 63%. This pace is within expectations for most activities in the General Fund.

FISCAL YEAR 2018/19 BUDGET ADJUSTMENTS

The FY 2018/19 General Fund revenue budget, as amended, totals approximately \$111.1 million. Based on economic activity and revenue collections through March 2019, staff is recommending Third Quarter budget increase of \$546,630 to approximately \$111.7 million. The recommended increase includes an alignment with expected revenue projections.

The FY 2018/19 General Fund expenditures budget as currently amended, including one-time expenditures from prior year surplus fund balance, totals approximately \$112.1 million. The recommended Third Quarter budget changes decrease expenditures by \$442,490 to \$111.7 million. The recommended decrease includes a lower than expected contract rate with the Riverside County Sherriff, which were partially offset by an additional \$1.5 million in street improvement appropriations. *The fund continues to be structurally balanced, without the use of fund balance for ongoing operations.* The specific budget adjustments for the General Fund are summarized in Exhibit A attached to the City Council Resolutions recommended for approval.

Fund	Type (Rev/Exp)	FY 2018/19 Amended Budget	Proposed Adjustments (\$)	Proposed Adjustments (%)	FY 2018/19 Amended Budget
General Fund	Rev	\$111,134,727	\$546,630	<1%	\$111,681,357
General Fund	Exp	\$112,096,781	(\$442,490)	<1%	\$111,654,291
Net Total		(\$962,054)	989,120		\$27,066

Summaries of Major Fund Changes for FY 2018/19

The following provides a summary of some of the proposed budget adjustments to other major funds. A complete list of all changes are identified in Exhibit A to the Resolutions.

Special Districts Administration, CFD No. 2014-01, Zone E, LMD 2014-01, Zone D, Zone M, Zone S (Funds 2006, 2050, 5013, 5014, 5111, 5112, 5114)

Increasing revenue by \$128,510 due to higher than projected reimbursements, fees and interest income and adjusting expenditure budget by \$210,740 for projected maintenance and repair, water usage and dues and subscriptions.

Electric – Restricted Assets (Fund 6011)

Increasing budget by \$104,100 for expected electric utility facility installation expenditures and \$100,000 for renewable energy based on trend.

ALTERNATIVES

1. Approve Recommended Actions as set forth in this staff report, including the approval of the budget adjustments for FY 2018/19, as presented in Exhibit A. The approval of these items will allow for ongoing activities to be carried out in the current fiscal year and the City is able to modify budgets and operations as necessary through this quarterly review, while retaining a structurally balanced General Fund budget. *Staff recommends this alternative.*
2. Do not approve proposed Recommended Actions as set forth in this staff report, including the resolutions adopting the budget adjustments to the FY 2018/19 budget, as presented in Exhibit A. *Staff does not recommend this alternative.*

FISCAL IMPACT

The City's Operating and Capital Budgets provide the funding and expenditure plan for all funds. As such, they serve as the City's financial plan for the fiscal year. The fiscal impacts for the proposed budget amendments and carryovers are identified in Exhibit A to the City Resolution.

NOTIFICATION

Publication of the agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Stephanie Cuff
Management Analyst

Concurred By:
Brian Mohan
Financial Resources Division Manager

Department Head Approval:
Marshall Eyerman
Chief Financial Officer/City Treasurer

Approved by:
Thomas M. DeSantis
City Manager

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

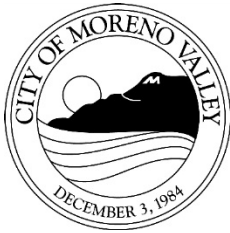
ATTACHMENTS

1. Third Quarter Financial Summary Report FY1819
2. City Resolution 2019-XX
3. CSD Resolution 2019-XX
4. Exhibit A - Proposed Amendments

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	5/24/19 7:11 AM
City Attorney Approval	<u>✓ Approved</u>	5/29/19 9:26 AM
City Manager Approval	<u>✓ Approved</u>	5/30/19 1:38 PM

RESULT:	APPROVED [UNANIMOUS]
MOVER:	David Marquez, Council Member
SECONDER:	Dr. Carla J. Thornton, Council Member
AYES:	Gutierrez, Baca, Marquez, Cabrera, Thornton



City of Moreno Valley Fiscal Year 2018/19 Third Quarter Financial Summary

TO: Mayor and City Council
FROM: Marshall Eyerman, Chief Financial Officer/City Treasurer
DATE: June 4, 2019

INTRODUCTION

On May 2, 2017, the City Council adopted the Two-Year Operating Budget for Fiscal Years (FY) 2017/18 – 2018/19. During the two-year budget period, the City Council will be kept apprised of the City's financial condition through the process of First Quarter, Mid-Year Budget and Third Quarter Reviews. This ongoing process ensures a forum to look at expenditure and revenue deviations from the estimates made in the budget document. Additionally, any significant changes in projected revenue or unanticipated expenditures that may occur will be shared with the City Council.

This report provides a review of the unaudited financial results at Third Quarter of FY 2018/19 (July 2018 – March 2019, 75% of the fiscal year).

CITYWIDE OPERATING REVENUE FY2016/17

The City ended FY 2016/17 with a budget surplus due to annual savings and reduction of expenses. The surplus reflects that the Operating Budget is being effectively managed and allows for the use of the funds for one-time expenditure. City Council appropriated the remaining \$1,100,000 surplus for street improvements in FY 2018/19.

CITYWIDE OPERATING EXPENDITURE SUMMARY

The following table contains a summary of the adopted budget, amended budget and the Third Quarter expenditures. The totals represent each major fund type and component unit of the City.

Table 1. Citywide Operating Expenditures

	FY 2018/19 Adopted Budget	FY 2018/19 Amended Budget	Actuals as of 3/31/19 (unaudited)	% of Amended Budget
Fund/Component Unit				
General Fund	\$ 104,746,641	\$ 112,096,781	\$ 70,875,736	63.2%
Community Services District (CSD)	20,009,590	21,146,121	13,102,917	62.0%
Successor Agency	4,773,517	4,286,389	2,834,553	66.1%
Housing Fund	250,000	250,000	177,667	71.1%
Special Revenue Funds	34,495,673	66,942,370	28,205,720	42.1%
Capital Projects Funds	3,316,702	19,511,416	4,680,618	24.0%
Electric Utility Funds	27,409,823	67,574,939	31,818,640	47.1%
Internal Service Funds	13,368,800	15,969,644	8,465,746	53.0%
Debt Service Funds	6,538,420	4,327,000	2,645,697	61.1%
Total	\$ 214,909,166	\$ 312,104,660	\$ 162,807,294	52.2%

Actions taken by the City Council subsequent to the May 2, 2017 adoption of the two-year budget and included in the Amended Budget are:

- Throughout the fiscal year, there are also budget amendments to reflect the acceptance of grants and adjustments to contractual services and material/supplies. The individual amendments are reviewed as part of separate City Council agenda items.
 - Remaining \$1.1M of the FY 16/17 General Fund surplus was appropriated for street improvements.
- On June 19, 2018, Council approved lease/purchase agreement and the financing associated with the streetlight purchase from Southern California Edison.

The majority of this Third Quarter update will focus on the General Fund, as it supports all basic services provided to City residents. Highlights for other key component funds will be discussed at a summary level as well.

GENERAL FUND OPERATING

Table 2. General Fund Operations

	FY 2018/19 Adopted Budget	FY 2018/19 Amended Budget	Actuals as of 3/31/2019 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 14,422,000	\$ 14,760,000	\$ 8,567,346	58.0%
Property Tax in-lieu	19,000,000	19,920,000	9,788,818	49.1%
Utility Users Tax	16,400,000	16,000,000	11,087,279	69.3%
Sales Tax	18,746,000	19,918,810	12,720,989	63.9%
Other Taxes	12,526,500	12,339,000	7,636,696	61.9%
Licenses & Permits	2,799,824	4,402,072	3,849,812	87.5%
Intergovernmental	463,000	1,009,001	355,332	35.2%
Charges for Services	12,079,871	13,239,463	10,297,382	77.8%
Use of Money & Property	4,220,862	3,497,858	4,719,264	134.9%
Fines & Forfeitures	662,050	662,050	482,295	72.8%
Miscellaneous	69,647	69,647	146,479	210.3%
Total Revenues	\$ 101,389,754	\$ 105,817,901	\$ 69,651,692	65.8%
Expenditures:				
Personnel Services	\$ 17,623,387	\$ 21,226,497	\$ 16,507,135	77.8%
Contractual Services	73,725,763	74,536,650	44,210,978	59.3%
Material & Supplies	3,705,509	5,421,077	2,338,203	43.1%
Fixed Charges	5,739,869	5,824,611	4,269,547	73.3%
Fixed Assets	120,000	74,680	3,157	4.2%
Total Expenditures	\$ 100,914,528	\$ 107,083,515	\$ 67,329,019	62.9%
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	\$ 475,226	\$ (1,265,614)	\$ 2,322,673	
Transfers:				
Transfers In	\$ 3,426,691	\$ 5,316,826	\$ 2,815,184	52.9%
Transfers Out	3,832,113	5,013,266	3,546,717	70.7%
Net Transfers	\$ (405,422)	\$ 303,560	\$ (731,532)	
Total Revenues & Transfers In	\$ 104,816,445	\$ 111,134,727	\$ 72,466,876	65.2%
Total Expenditures & Transfers Out	104,746,641	112,096,781	70,875,736	63.2%
Net Change of Fund Balance	\$ 69,804	\$ (962,054)	\$ 1,591,141	

General Fund Operating Revenues

The General Fund is comprised of several revenue types. However, the main sources include property tax, utility users tax, and sales tax. Different economic activity cycles and pressures affect each of these.

Table 3. General Fund Operating Revenues

	FY 2018/19 Adopted Budget	FY 2018/19 Amended Budget	Actuals as of 3/31/2019 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 14,422,000	\$ 14,760,000	\$ 8,567,346	58.0%
Property Tax in-lieu	19,000,000	19,920,000	9,788,818	49.1%
Utility Users Tax	16,400,000	16,000,000	11,087,279	69.3%
Sales Tax	18,746,000	19,918,810	12,720,989	63.9%
Other Taxes	12,526,500	12,339,000	7,636,696	61.9%
Licenses & Permits	2,799,824	4,402,072	3,849,812	87.5%
Intergovernmental	463,000	1,009,001	355,332	35.2%
Charges for Services	12,079,871	13,239,463	10,297,382	77.8%
Use of Money & Property	4,220,862	3,497,858	4,719,264	134.9%
Fines & Forfeitures	662,050	662,050	482,295	72.8%
Miscellaneous	69,647	69,647	146,479	210.3%
Total Revenues	\$ 101,389,754	\$ 105,817,901	\$ 69,651,692	65.8%

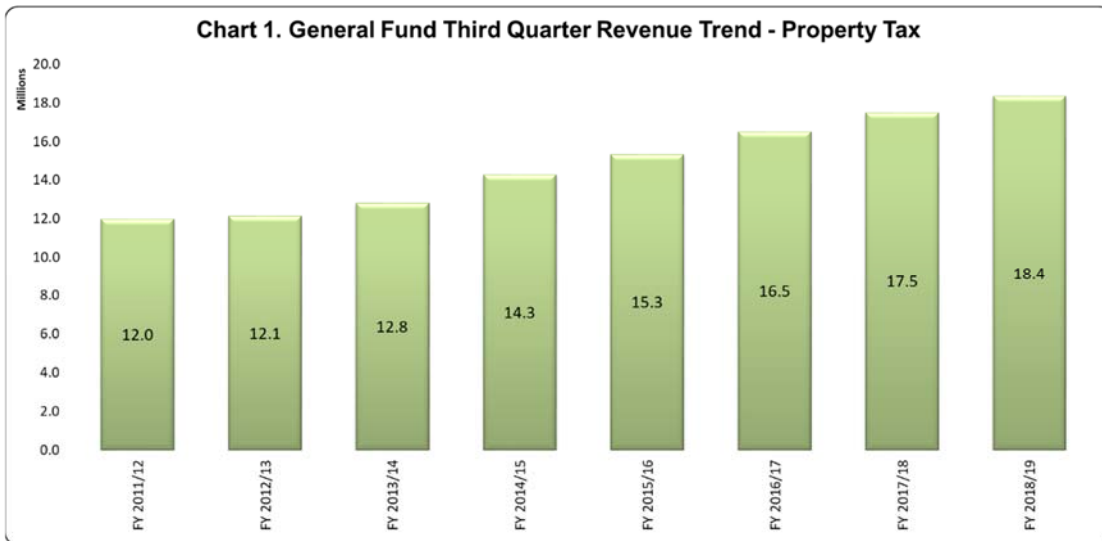
Property Taxes/Property Taxes In-Lieu

Property taxes were budgeted to increase by 4% from the FY 2017/18 Amended Budget. The annual schedule of property tax payments from the County of Riverside will provide payments to the City based on the following estimated schedule:

Secured Property Tax Payment Dates

Settlement 1	January
Settlement 2	May
Settlement 3	August
Teeter Settlement	October

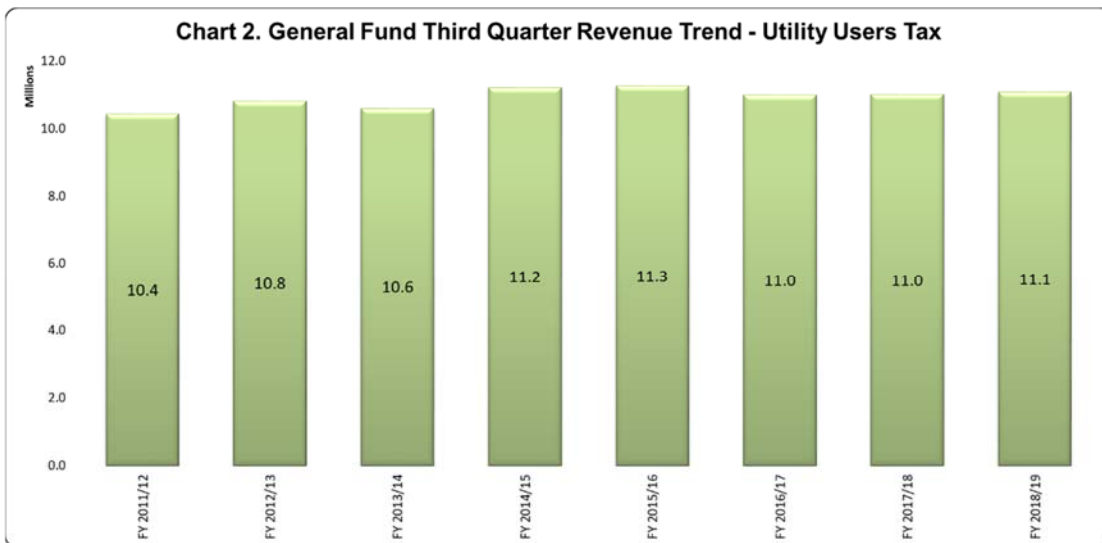
Based on historical averages of actual receipts, the City is estimated to receive 54% of the budgeted property tax revenue through Third Quarter. The City has currently received 53% through Third Quarter. Property taxes will continue to be monitored as property valuations may adjust through the year based on property sales and assessment appeals filed with the County.



Utility Users Tax

Utility Users taxes were budgeted to increase by 1% from the FY 2017/18 Amended Budget. This projection is primarily due to competitive forces within the communications markets. Both the wireless and wired markets experienced downturns year over year. Based on our discussions with utility tax experts, there are a couple of causes for this trend. First is competition and bundling practices within the market as more small players continue to join the market. Second is the migration of customers from contract plans to prepaid plans.

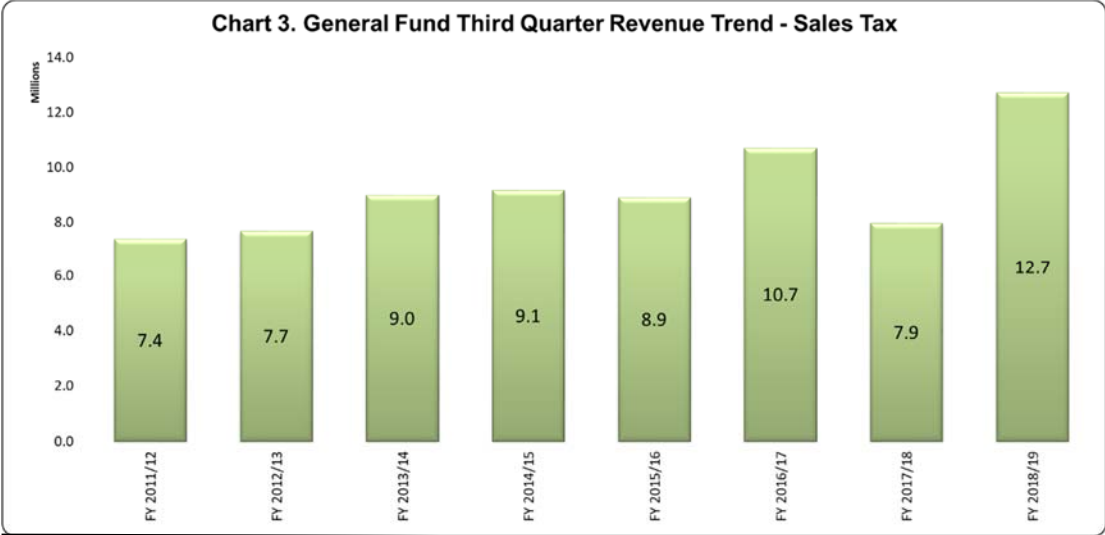
Based on historical averages of actual receipts, the City is estimated to receive 68% of the budgeted utility users tax revenue through Third Quarter. The City has currently received 69% through Third Quarter.



Sales Taxes

Sales taxes were budgeted to increase by 3% from the FY 2017/18 Amended Budget. Sales tax receipts will need to be continually monitored through the year to determine if current trends begin to plateau or begin to decrease.

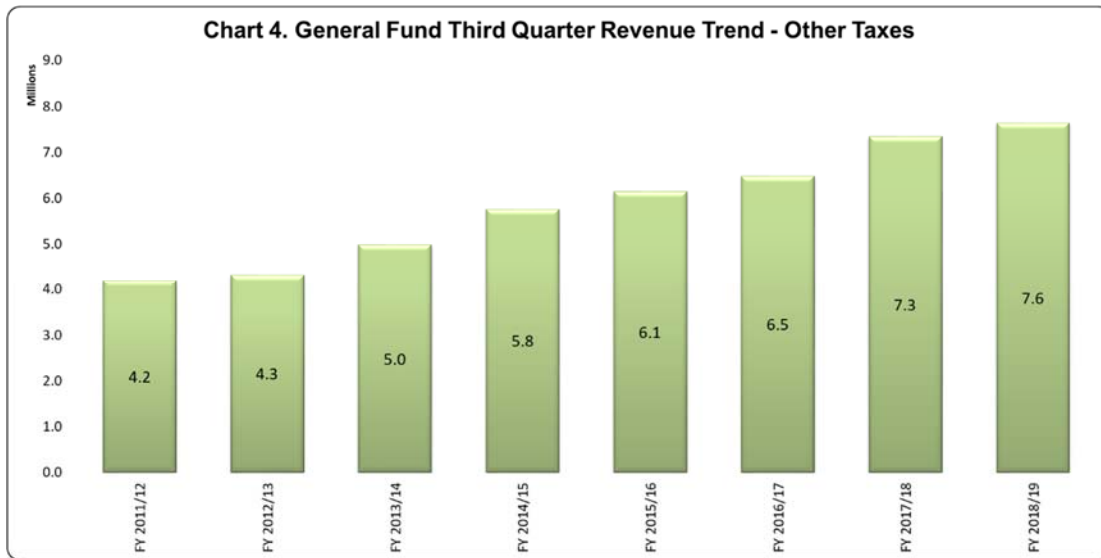
Based on historical averages of actual receipts, the City is estimated to receive 53% of the budgeted sales tax revenue through Third Quarter. The City has currently received 64% through Third Quarter.



Other Taxes

Other taxes are primarily composed of Business Gross Receipts, Documentary Transfer Tax, Transient Occupancy Tax and Franchise Fees. Collectively, other taxes were budgeted to increase 3% from the FY 2017/18 Amended Budget.

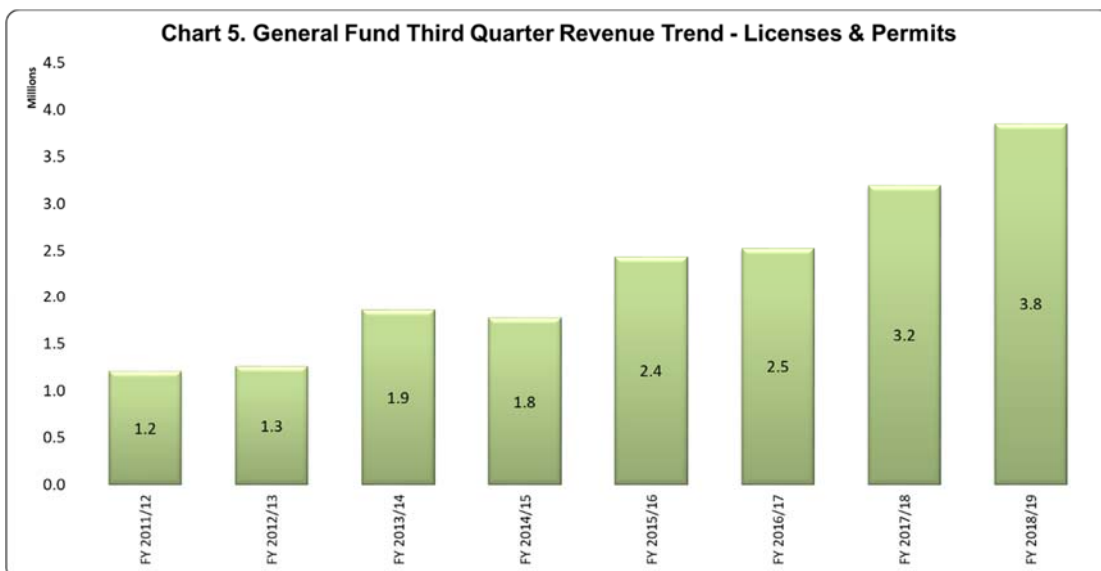
Based on historical averages of actual receipts, the City is estimated to receive 62% of the budgeted Other Taxes revenue through Third Quarter. The City has currently received 62% through Third Quarter.



Licenses & Permits

Licenses & Permits are primarily composed of Business and Animal Licenses, along with Building, Electrical, Mechanical, Plumbing and other permits. Collectively, Licenses & Permits were budgeted to increase by 5% from the FY 2017/18 Amended Budget. This increase reflects increases due to Commercial Cannabis Business Permits. This budget will be monitored for a possible future increase.

Based on historical averages of actual receipts, the City is estimated to receive 93% of the budgeted Licenses & Permits revenue through Third Quarter. The City has currently received 87% through Third Quarter. The higher growth rate is related primarily to the recent building and business license permit activities.

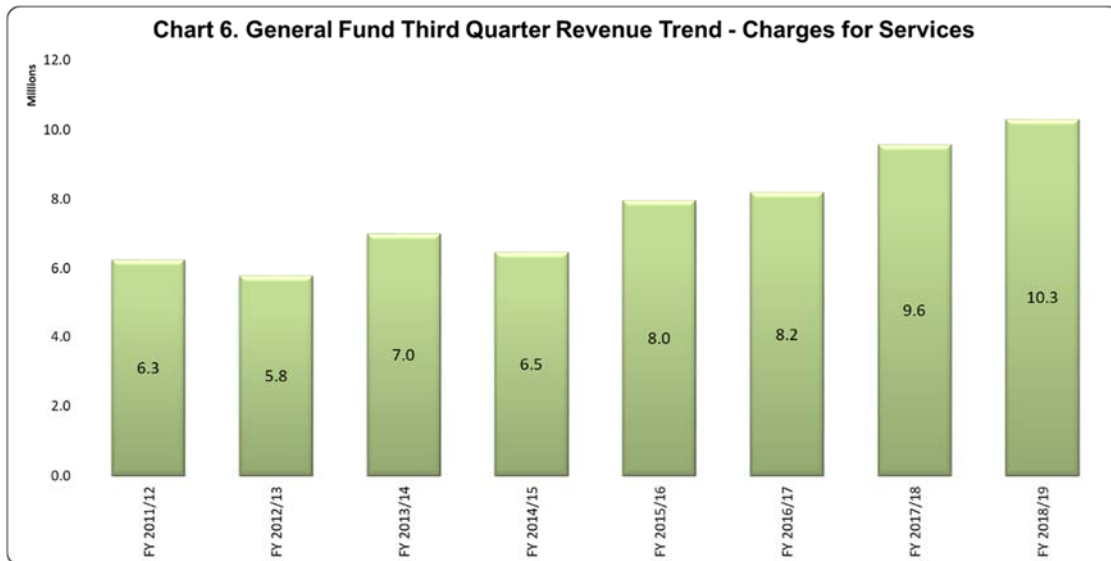


Charges for Services

Charges for Services are primarily composed of Plan Check Fees, Inspection Fees, Administrative Charges to other funds, and Parking Control Fines. Collectively, Charges for

Services were conservatively budgeted to increase by 3% from the FY 2017/18 Amended Budget. This budget will be monitored for a possible future increase.

Based on historical averages of actual receipts, the City is estimated to receive 76% of the budgeted Charges for Services revenue through Third Quarter. The City has currently received 78% through Third Quarter.



Use of Money and Property

Investment income continues to remain low due to extremely low rates of return for fixed income investments, but has increased over the last year due to actions taken by the Federal Open Market Committee. The investments managed by Chandler Asset Management achieved a Yield to Maturity (YTM) for March 2019 of 2.21%. This compares to a YTM in March 2018 of 1.82%. The investments managed by Insight Investments achieved a Yield to Maturity (YTM) for March 2019 of 2.11%. This compares to a YTM in March 2018 of 1.57%. In addition, the City maintained funds in the State Local Agency Investment Fund Pool (LAIF) with a YTM of 2.44%. This is a very low rate of return compared to historical experience, but is indicative of how investment income is performing everywhere, which is the reason the City utilizes the active management approach.

General Fund Expenditures

Expenditures are being spent in-line with prior year expenditures. Each Department's activities will be monitored throughout the year as they may be impacted by different operational activities and project timelines.

Table 4. General Fund Expenditures

	FY 2018/19 Adopted Budget	FY 2018/19 Amended Budget	Actuals as of 3/31/2019 (unaudited)	% of Amended Budget
Department				
City Council	\$ 1,019,127	\$ 1,252,156	\$ 643,832	51.4%
City Clerk	958,242	968,805	412,882	42.6%
City Manager	6,038,211	6,079,382	4,453,580	73.3%
City Attorney	899,961	893,528	587,853	65.8%
Community Development	9,170,762	10,000,029	6,592,123	65.9%
Economic Development	1,933,827	1,928,168	1,312,967	68.1%
Financial & Management Services	4,370,601	6,378,999	2,999,114	47.0%
Human Resources	1,080,522	1,211,758	940,005	77.6%
Public Works	7,293,505	9,350,294	5,941,276	63.5%
Non-Departmental	4,019,955	5,201,108	5,178,736	99.6%
Non-Public Safety Subtotal	\$ 36,784,713	\$ 43,264,227	\$ 29,062,369	67.2%
Public Safety				
Police	\$ 44,523,283	\$ 45,063,385	\$ 25,517,073	56.6%
Fire	23,438,645	23,769,169	16,296,293	68.6%
Public Safety Subtotal	\$ 67,961,928	\$ 68,832,554	\$ 41,813,367	60.7%
Total	\$ 104,746,641	\$ 112,096,781	\$ 70,875,736	

OTHER KEY FUNDS

The following summaries describe other major funds in the City.

Moreno Valley Community Services District

The Moreno Valley Community Services District (CSD) was formed by the voters in 1984 to collect fees and certain taxes to provide an array of services including parks, recreation and community services, streetlights, landscaping and ongoing maintenance. The CSD provides these services through separate “zones” that define the services that are provided.

For certain zones, the primary revenue source used to provide services to properties is parcel fees or taxes levied on properties via their annual tax bill. Proposition 218, passed by California voters in November 1996, and has posed a serious challenge to managing the future operation of the CSD zones. Prop. 218 requires any revenue increase to be addressed through a voting process by affected property owners. For a period following the initial implementation of Prop. 218, the CSD was successful in receiving approval for some new or increased revenues. There were also revenue increases due to the growth of developed parcels within the zones. However, due to cost increases that exceed any offsetting increases in the revenues over the past years,

and the recent economic downturn slowing new parcel growth, property owners have been resistant to efforts to fully fund service levels.

Table 5. CSD Operations

Community Services District

	FY 2018/19 Adopted Budget	FY 2018/19 Amended Budget	Actuals as of 3/31/2019 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 4,610,427	\$ 4,610,427	\$ 2,910,103	63.1%
Other Taxes	6,649,406	6,654,039	3,482,714	52.3%
Charges for Services	6,046,400	5,489,733	3,034,242	55.3%
Use of Money & Property	822,701	893,369	1,013,044	113.4%
Fines & Forfeitures	50,000	50,000	20,992	42.0%
Miscellaneous	13,500	32,700	48,497	148.3%
Transfers In	2,153,113	1,934,475	1,056,647	54.6%
Total Revenues	\$ 20,345,547	\$ 19,664,743	\$ 11,566,239	58.8%
Expenditures:				
Library Services Fund (5010)	\$ 2,433,229	\$ 2,494,590	\$ 1,699,674	68.1%
Zone A Parks Fund (5011)	9,563,447	9,893,481	6,563,380	66.3%
LMD 2014-01 Residential Street Lighting Fund (5012)	1,589,879	1,601,729	957,582	59.8%
Zone C Arterial Street Lighting Fund (5110)	901,354	913,854	542,524	59.4%
Zone D Standard Landscaping Fund (5111)	1,137,750	1,356,695	592,338	43.7%
Zone E Extensive Landscaping Fund (5013)	320,547	335,826	214,212	63.8%
5014 LMD 2014-02	2,389,330	2,723,254	1,480,080	54.3%
Zone M Median Fund (5112)	242,528	330,778	156,717	47.4%
CFD No. 1 (5113)	1,364,358	1,361,821	843,611	61.9%
Zone S (5114)	67,168	68,093	39,444	57.9%
5211 Zone A Parks - Restricted Assets	0	66,000	13,356	20%
Total Expenditures	\$ 20,009,590	\$ 21,146,121	\$ 13,102,917	62.0%
Net Change or Adopted Use of Fund Balance	\$ 335,957	\$ (1,481,378)	\$ (1,536,678)	

Community Services District Zone A – Parks & Community Services

The largest Zone within the CSD is Zone A. It accounts for the administration and maintenance of the Parks & Community Services facilities and programs. Funding sources for these services come from a combination of property taxes, fees for service and smaller amounts from other City funds.

Table 6. CSD Zone A Operations

	FY 2018/19 Adopted Budget	FY 2018/19 Amended Budget	Actuals as of 3/31/2019 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 2,403,800	\$ 2,403,800	\$ 1,488,815	61.9%
Other Taxes	4,930,000	4,930,000	2,621,514	53.2%
Charges for Services	1,182,900	1,215,500	777,486	64.0%
Use of Money & Property	761,601	832,269	711,398	85.5%
Miscellaneous	11,500	30,700	43,410	141.4%
Transfers In	524,084	714,222	582,165	81.5%
Total Revenues	\$ 9,813,885	\$ 10,126,491	\$ 6,224,788	61.5%
Expenditures:				
35010 Parks & Comm Svcs - Admin	\$ 472,792	\$ 472,792	\$ 359,473	76.0%
35210 Park Maintenance - General	3,500,190	3,717,353	2,373,418	63.8%
35211 Contract Park Maintenance	508,471	508,471	253,097	49.8%
35212 Park Ranger Program	375,038	375,038	252,542	67.3%
35213 Golf Course Program	389,707	389,707	273,243	70.1%
35214 Parks Projects	211,309	211,309	153,021	72.4%
35310 Senior Program	571,579	575,779	402,533	69.9%
35311 Community Services	199,496	215,957	149,313	69.1%
35312 Community Events	98,937	151,533	106,976	70.6%
35313 Conf & Rec Cntr	557,610	593,095	398,265	67.2%
35314 Conf & Rec Cntr - Banquet	361,414	365,567	257,016	70.3%
35315 Recreation Programs	1,466,791	1,419,193	945,467	66.6%
35317 July 4th Celebration	132,183	132,183	64,443	48.8%
35318 Sports Programs	645,805	693,379	484,151	69.8%
35319 Towngate Community Center	72,125	72,125	48,919	67.8%
95011 Non-Dept Zone A Parks	-	-	41,502	0.0%
Total Expenditures	\$ 9,563,447	\$ 9,893,481	\$ 6,563,380	66.3%
Net Change or Adopted Use of Fund Balance	\$ 250,438	\$ 233,010	\$ (338,592)	

Electric Utility

The Moreno Valley Utility (MVU) manages the operation, maintenance and business planning of the City's electric utility. MVU's basic purpose is to purchase and distribute electricity to customers in newly developed areas of the City. The City began serving new customers in February 2004, and now serves more than 6,674 customers. As it reaches fiscal and operational maturity, MVU will continue to be a key component of the City's economic development strategy. The City Council has established special tiered rates for electric utility customers based upon factors such as the number of jobs created.

The main revenue source for this fund is derived from charges for services. The customer base includes residential, commercial and industrial customers. The growth in customer base will continue to provide for the ability to create rate stabilization and replacement reserve funding.

Table 7. MVU Operations

	FY 2018/19 Adopted Budget	FY 2018/19 Amended Budget	Actuals as of 3/31/2019 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Charges for Services	\$ 31,641,643	\$ 31,641,643	\$ 23,397,952	73.9%
Use of Money & Property	155,500	155,500	335,798	215.9%
Miscellaneous	141,500	141,500	1,163,479	822.2%
Transfers In	-	8,030,892	8,030,892	100.0%
Total Revenues	\$ 31,938,643	\$ 39,969,535	\$ 32,928,121	82.4%
Expenditures:				
45510 Electric Utility - General	\$ 21,963,138	\$ 31,758,853	\$ 16,029,910	50.5%
45511 Public Purpose Program	2,060,185	2,060,185	847,286	41.1%
45512 SCE Served Street Lights	-	-	42,092	0.0%
80005 CIP - Electric Utility	5,000	22,605,155	5,195,924	23.0%
96010 Non-Dept Electric	-	5,354	18,334	342.4%
96030 Non-Dept 2005 Lease Revenue Bonds	1,550,000	1,550,000	478,341	30.9%
96021 Non-Dept 2016 Tax LRB of 07 Tax	867,700	867,700	435,588	50.2%
96031 Non-Dept 2013 Refunding 05 LRB	179,500	37,500	162,291	432.8%
96032 Non-Dept 2014 Refunding 2005 LRB	119,300	119,300	59,886	50.2%
96040 Non-Dept 2015 Taxable LRB	665,000	460,000	438,097	95.2%
96050 Non-Dept 2018 Streetlight Fin	-	8,110,892	8,110,892	100.0%
Total Expenditures	\$ 27,409,823	\$ 67,574,939	\$ 31,818,640	47.1%
Net Change or Adopted Use of Fund Balance	\$ 4,528,820	\$ (27,605,404)	\$ 1,109,481	

MVU's revenues and expenses will fluctuate annually based on energy demands.

- On June 19, 2018, Council approved lease/purchase agreement and the financing associated with the streetlight purchase from Southern California Edison (96050).

SUMMARY

The City of Moreno Valley is experiencing certain levels of growth and continues to maintain a structurally balanced Budget without the use of reserves.

Although the City has experienced positive results in some areas through FY 2017/18 and through the Third Quarter of FY 2018/19, the City should look toward the future with constrained optimism as we proceed through the fiscal year.

As positive fund balances begin to grow, we will bring back to the City Council for discussion options to address the other challenges and unfunded liabilities.

RESOLUTION NO. 2019-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING THE REVISED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2018/19

WHEREAS, the City Council approved the Operating and Capital Budgets for the City for Fiscal Year 2018/19, a copy of which, as may have been amended by the City Council, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the City Council approves amendments to the budgets throughout the fiscal year and such prior amendments are reflected within the current amended budget and further ratified as part of the adoption of the quarterly budget amendments; and

WHEREAS, the City Manager has heretofore submitted to the City Council proposed amendments to the Operating and Capital Budgets for the City for Fiscal Year 2018/19, a copy of which, as may have been amended by the City Council, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the said proposed amendments to the Operating and Capital Budgets contain estimates of the services, activities and projects comprising the budget, and contains expenditure requirements and the resources available to the City; and

WHEREAS, the said proposed amendments to the Operating and Capital Budgets contain the estimates of uses of fund balance as required to stabilize the delivery of City services during periods of operational deficits; and

WHEREAS, the City Council has made such revisions to the proposed amended Operating and Capital Budgets as so desired; and

WHEREAS, the amended Operating and Capital Budgets, as herein approved, will enable the City Council to make adequate financial plans and will ensure that City officers can administer their respective functions in accordance with such plans.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The proposed amendments to the Operating and Capital Budgets, as Exhibit A to this Resolution and as on file in the Office of the City Clerk, and as may have been amended by the City Council, are hereby approved and adopted as the annual Operating and Capital Budgets of the City of Moreno Valley for Fiscal Year 2018/19.

2. The amounts of proposed expenditures, which include the uses of fund balance specified in the approved budget, are hereby appropriated for the various budget programs and units for said fiscal year.
3. Within fifteen (15) days after the adoption of this Resolution, the City Clerk shall certify to the adoption hereof and, as so certified, cause a copy to be posted in at least three (3) public places within the City.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED this 4th day of June, 2019.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Pat Jacquez-Nares, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2019-XX was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 4th day of June, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

RESOLUTION NO. CSD 2019-XX

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING THE REVISED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2018/19

WHEREAS, the CSD Board approved the Operating and Capital Budgets for the City for Fiscal Year 2018/19, a copy of which, as may have been amended by the CSD Board, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the CSD Board approves amendments to the budgets throughout the fiscal year and such prior amendments are reflected within the current amended budget and further ratified as part of the adoption of the quarterly budget amendments; and

WHEREAS, the City Manager has heretofore submitted to the President and Board Members of the Moreno Valley Community Services District proposed amendments to the Operating and Capital Budgets for the District for Fiscal Year 2018/19, a copy of which, as may have been amended by the District's Board of Directors, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the said proposed amendments to the Operating and Capital Budgets contain estimates of the services, activities and projects comprising the budget, and contain expenditure requirements and the resources available to the Community Services District; and

WHEREAS, the said proposed amendments to the Operating and Capital Budgets contain the estimates of uses of fund balance as required to stabilize the delivery of CSD services during periods of operational deficits; and

WHEREAS, the President and Board of Directors have made such revisions to the proposed amended Operating and Capital Budgets as so desired; and

WHEREAS, the amended Operating and Capital Budgets, as herein approved, will enable the Community Services District to make adequate financial plans and will ensure that District officers can administer their respective functions in accordance with such plans.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The proposed amendments to the Operating and Capital Budgets, as Exhibit

A to this Resolution and as on file in the Office of the City Clerk, and as may have been amended by the Community Services District's Board of Directors, is hereby approved and adopted as the annual Operating and Capital Budgets of the Moreno Valley Community Services District for the Fiscal Year 2018/19.

2. The amounts of proposed expenditures, which include the uses of fund balance specified in the approved budget, are hereby appropriated for the various budget programs and units for said fiscal year.
3. Within fifteen (15) days after the adoption of this Resolution, the City Clerk shall certify to the adoption hereof and, as so certified, cause a copy to be posted in at least three (3) public places within the City.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED this 4th day of June, 2019.

Mayor of the City of Moreno Valley,
Acting in the capacity of President of the
Moreno Valley Community Services District

ATTEST:

City Clerk, acting in the capacity of
Secretary of the Moreno Valley
Community Services District

APPROVED AS TO FORM:

City Attorney, acting in the capacity
of General Counsel of the Moreno
Valley Community Services District

RESOLUTION JURAT

STATE OF CALIFORNIA)

COUNTY OF RIVERSIDE) ss.

CITY OF MORENO VALLEY)

I, Pat Jacquez-Nares, Secretary of the Moreno Valley Community Services District, Moreno Valley, California do hereby certify that Resolution No. CSD 2019-XX was duly and regularly adopted by the Board of Directors of the Moreno Valley Community Services District at a regular meeting held on the 4th day of June, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Board members, Vice-President and President)

SECRETARY

(SEAL)

**CITY OF MORENO VALLEY
GENERAL FUND
FY 2018/19 Proposed Amendments**

Department	Fund	Account Description	General Ledger Account	Project	Fiscal Year 2018/19 Amended Budget	Proposed Amendment	Revised Budget	Description - Proposed Adjustment
Community Development	1010	Abandoned Vehicle Abatement	1010-20-26-20110-480140		\$ 338,000	\$ (324,940)	\$ 13,060	Adjustment is needed for projected revenues/reimbursements.
Community Development	1010	Special Inspection Fees	1010-20-26-20110-520000		177,430	(82,430)	95,000	Adjustment is needed for projected revenues/reimbursements.
Community Development	1010	Building Permits	1010-20-28-20310-425000		1,885,000	315,000	2,200,000	Adjustment due to expected increase in Building activity.
Financial & Management Services	1010	Transfers in - from DIF - Administration	1010-99-99-91010-802914		10,000	50,000	60,000	Budgeting for expected consulting work, offset with a DIF transfer.
Financial & Management Services	1010	Property Tax - Teeter/Del Tax	1010-99-99-91010-401050		161,000	(56,000)	105,000	Aligning with revenue projections.
Financial & Management Services	1010	Property Tax in Lieu-VLF	1010-99-99-91010-401060		19,920,000	(320,000)	19,600,000	Aligning with revenue projections.
Financial & Management Services	1010	Interest Income - Investments	1010-99-99-91010-460010		2,000,000	900,000	2,900,000	Aligning with revenue projections.
Financial & Management Services	1010	Investment Gains/Losses	1010-99-99-91010-464000		200,000	(200,000)	-	Aligning with revenue projections.
Financial & Management Services	1010	Franchise In Lieu Fees	1010-99-99-91010-500020		310,000	260,000	570,000	Aligning with revenue projections.
Financial & Management Services	1010	False Alarm Fees	1010-30-37-25210-500100		70,000	(20,000)	50,000	Aligning with revenue projections.
Financial & Management Services	1010	Lease Payments - Sub-Agents	1010-99-99-91010-463070		-	25,000	25,000	City Hall parking lot solar lease.
REVENUE TOTAL					\$ 25,071,430	\$ 546,630	\$ 25,618,060	
Financial & Management Services	1010	Transfers to - GENERAL PLAN AMENDMENTS	1010-99-99-91010-902018		-	200,000	200,000	Additional General Plan funding.
Financial & Management Services	1010	Transfers to GENERAL LIABILITY INS FUND	1010-99-99-91010-907010		-	525,000	525,000	Replenishment of fund balance
Financial & Management Services	1010	Transfers to COMM DEV BLK GRANTS (CDBG)	1010-99-99-91010-902512		-	800,000	800,000	Additional street funding.
Human Resources	1010	Professional Svcs - Other	1010-18-21-18020-620299		75,977	25,000	100,977	Allocating budget for consultant services.
Police	1010	Agency Svcs - Cnty	1010-60-66-40110-620320		25,543,581	(1,606,923)	23,936,658	The Riverside County Sheriff's Contract rate came in lower than projected.
Police	1010	Agency Svcs - Cnty	1010-60-67-40210-620320		6,688,598	(395,514)	6,293,084	The Riverside County Sheriff's Contract rate came in lower than projected.
Police	1010	Agency Svcs - Cnty	1010-60-69-40410-620320		6,410,633	(498,956)	5,911,677	The Riverside County Sheriff's Contract rate came in lower than projected.
Public Works	1010	Transfers to LMD 2014-01	1010-99-99-91010-905012		\$ 500,000	\$ (151,816)	\$ 348,184	Adjusting budget to align with needed transfers.
Public Works	1010	Transfers to ZONE "C" ART LGHT FUND	1010-99-99-91010-905110		325,000	(299,150)	25,850	Adjusting budget to align with needed transfers.
Public Works	1010	Reimbursed Indirect Costs	1010-70-77-45210-680410		(85,000)	85,000	-	Aligning budget with expected reimbursements from grants or special revenues
Public Works	1010	Salaries-Reimbursable (In/Out)	1010-70-77-45210-611510		(991,014)	174,869	(816,145)	Aligning budget with expected reimbursements from grants or special revenues
Public Works	1010	Transfers to CAPITAL PROJECTS REIMBURSEM	1010-99-99-91010-903008		1,100,000	700,000	1,800,000	Additional street funding.
EXPENSES TOTAL					\$ 39,567,775	\$ (442,490)	\$ 39,125,285	

**CITY OF MORENO VALLEY
NON - GENERAL FUND
FY 2018/19 Proposed Amendments**

Department	Fund	Account Description	General Ledger Account	Project	Fiscal Year 2018/19 Amended Budget	Proposed Amendment	Revised Budget	Description - Proposed Adjustment
Financial & Management Services	2018	Transfers in - from GENERAL FUND	2018-99-99-92018-801010		-	200,000	200,000	Additional General Plan funding.
Financial & Management Services	7010	Transfers in - from GENERAL FUND	7010-99-99-97010-801010		-	525,000	525,000	Replenishment of fund balance
Financial & Management Services	2512	Transfers in - from GENERAL FUND	2512-99-99-92512-801010		-	800,000	800,000	Additional street funding.
Parks & Community Services	5011	Transfers in - from EQUIP REPLACEMENT (FURN & EQUIP)	5011-99-99-95011-807510		\$ 185,985	\$ 7,955	\$ 193,940	Replacing volleyball net system in Conference and Recreation Center.
Public Works	5014	Reimbursement Agreement	5014-70-79-25721-500600	SD LMD ZN 01-TG	2,500	1,500	4,000	Increasing budget to align with expected reimbursements.
Public Works	5014	Reimbursement Agreement	5014-70-79-25721-500600	SD LMD ZN 07-CEL	2,500	4,000	6,500	Increasing budget to align with expected reimbursements.
Public Works	2006	Other Fees	2006-70-79-25701-509000		66,900	23,100	90,000	Increasing budget to align with expected plan review fees.
Public Works	5110	Advanced Energy Fees	5110-70-79-25703-501100		10,000	(10,000)	-	Decreasing budget to align with project expenditures.
Public Works	5012	Property Tax - Secured	5012-70-79-25703-401000		80,300	27,400	107,700	Property taxes are higher than projected.
Public Works	5012	Property Tax - Unsecured	5012-70-79-25703-401010		4,100	1,660	5,760	Property taxes are higher than projected.
Public Works	5012	Property Tax - Redevelopment Redistribution	5012-70-79-25703-401065		3,100	6,700	9,800	Property taxes are higher than projected.
Public Works	5110	Property Tax - Unsecured	5110-70-79-25703-401010		5,500	1,100	6,600	Property taxes are higher than projected.
Public Works	5110	Property Tax - Redevelopment Redistribution	5110-70-79-25703-401065		30,000	50,460	80,460	Property taxes are higher than projected.
Public Works	2006	Interest Income - Investments	2006-70-79-25701-460010		6,100	19,400	25,500	Interest income is higher than projected.
Public Works	2050	Interest Income - Investments	2050-70-79-25722-460010		700	3,900	4,600	Interest income is higher than projected.
Public Works	5013	Interest Income - Investments	5013-70-79-25705-460010		25,200	18,800	44,000	Interest income is higher than projected.
Public Works	5014	Interest Income - Investments	5014-70-79-25721-460010	SD LMD ZN 01-TG	44,900	3,637	48,537	Interest income is higher than projected.
Public Works	5014	Interest Income - Investments	5014-70-79-25721-460010	SD LMD ZN 01A-RP	44,900	768	45,668	Interest income is higher than projected.
Public Works	5014	Interest Income - Investments	5014-70-79-25721-460010	SD LMD ZN 02-HS	44,900	6,895	51,795	Interest income is higher than projected.
Public Works	5014	Interest Income - Investments	5014-70-79-25721-460010	SD LMD ZN 03-MVRW	44,900	7,319	52,219	Interest income is higher than projected.
Public Works	5014	Interest Income - Investments	5014-70-79-25721-460010	SD LMD ZN 03A-LPP	44,900	574	45,474	Interest income is higher than projected.
Public Works	5014	Interest Income - Investments	5014-70-79-25721-460010	SD LMD ZN 05-SR	44,900	2,519	47,419	Interest income is higher than projected.
Public Works	5014	Interest Income - Investments	5014-70-79-25721-460010	SD LMD ZN 06-MF	44,900	2,464	47,364	Interest income is higher than projected.
Public Works	5014	Interest Income - Investments	5014-70-79-25721-460010	SD LMD ZN 07-CEL	44,900	4,542	49,442	Interest income is higher than projected.
Public Works	5014	Interest Income - Investments	5014-70-79-25721-460010	SD LMD ZN 08-SM	44,900	1,378	46,278	Interest income is higher than projected.
Public Works	5014	Interest Income - Investments	5014-70-79-25721-460010	SD LMD ZN 09-SV	44,900	624	45,524	Interest income is higher than projected.
Public Works	5111	Interest Income - Investments	5111-70-79-25704-460010		11,900	20,100	32,000	Interest income is higher than projected.
Public Works	5112	Interest Income - Investments	5112-70-79-25719-460010		4,600	6,400	11,000	Interest income is higher than projected.
Public Works	5114	Interest Income - Investments	5114-70-79-25720-460010		1,000	590	1,590	Interest income is higher than projected.
Public Works	5012	Transfers in - from GENERAL FUND	5012-99-99-95012-801010		500,000	(151,816)	348,184	Adjusting budget to align with needed transfers.
Public Works	5110	Transfers in - from GENERAL FUND	5110-99-99-95110-801010		325,000	(299,150)	25,850	Adjusting budget to align with needed transfers.
Public Works	3002	Reimbursement Agreement	3002-99-99-93002-500600	804 0007 70 77-3002-98	5,328,399	(1,081,500)	4,246,899	Updating project budget due to a delay in Riverside County Flood Control funding.
Public Works	3002	Reimbursement Agreement	3002-99-99-93002-500600	804 0015-3002-98	5,328,399	(1,568,000)	3,760,399	Updating project budget due to a delay in Riverside County Flood Control funding.
Public Works	3002	Reimbursement Agreement	3002-99-99-93002-500600	801 0011 70 77-3002-98	5,328,399	(2,203,899)	3,124,500	Updating project budget due to a delay in Riverside County Flood Control funding.
Public Works	3008	Transfers in - from GENERAL FUND	3008-99-99-93008-801010		1,100,000	700,000	1,800,000	Additional street funding.
Public Works	2000	State Gas Tax 2107	2000-99-99-92000-408000		1,526,167	(19,973)	1,506,194	Revised budgets based on projected revenue.
Public Works	2000	State Gas Tax 2106	2000-99-99-92000-408020		722,221	(5,556)	716,665	Revised budgets based on projected revenue.
Public Works	2000	State Gas Tax 2105	2000-99-99-92000-408030		1,162,033	(8,817)	1,153,216	Revised budgets based on projected revenue.
Public Works	2000	State Gas Tax 2103	2000-99-99-92000-408040		736,511	25,051	761,562	Revised budgets based on projected revenue.
Public Works	2000	State Gas Tax - RMRA	2000-99-99-92000-408060		3,292,736	(8,558)	3,284,178	Revised budgets based on projected revenue.
REVENUE TOTAL					\$ 26,239,250	\$ (2,883,433)	\$ 23,355,817	

**CITY OF MORENO VALLEY
NON - GENERAL FUND
FY 2018/19 Proposed Amendments**

Department	Fund	Account Description	General Ledger Account	Project	Fiscal Year 2018/19 Amended Budget	Proposed Amendment	Revised Budget	Description - Proposed Adjustment
Financial & Management Services	7220	Depreciation	7220-99-99-97220-694110		550,000	(150,000)	400,000	Adjusting budget to align with the depreciation trend.
Financial & Management Services	2914	Transfers to GENERAL FUND	2914-99-95-92914-901010		10,000	50,000	60,000	Budgeting for expected consulting work, offset a DIF transfer.
Financial & Management Services	6011	Improvements Other than Bldg	6011-30-80-45510-660610		419,380	104,100	523,480	Allocating budget for the electric facility installation.
Financial & Management Services	6011	Depreciation	6011-99-99-96011-694110		1,550,000	225,000	1,775,000	Adjusting budget to align with the depreciation trend.
Financial & Management Services	6011	Amortization - Utility Distribution System	6011-99-99-96011-694112		0	176,872	176,872	Allocating budget for amortization payment.
Financial & Management Services	6010	Renewable Energy	6010-30-80-45510-710148		1,044,600	100,000	1,144,600	Aligning budget with expected expenditures.
Financial & Management Services	7430	Transfers to GENERAL FUND	7430-99-99-97430-901010		2,466,691	1,407,562	3,874,253	Balancing transfers in and out.
Financial & Management Services	2018	Contractual Svcs - Other	2018-99-99-92018-625099		1,750,000	200,000	1,950,000	Additional General Plan funding.
Financial & Management Services	6012	License fee	6012-30-80-45511-694020		0	25,000	25,000	City Hall parking lot solar lease.
Financial & Management Services	2902	Developer Refunds	2902-99-95-92902-680312		0	325,000	325,000	Adjusting budget to align with projected expenditures.
Parks & Community Services	7510	Transfers to ZONE "A" PARKS FUND	7510-99-97-88190-905011		185,985	7,955	193,940	Replacing volleyball net system in Conference and Recreation Center.
Parks & Community Services	5011	Mach-Equip-Repl - Furn & Equip	5011-50-58-35313-660320		26,485	7,955	34,440	Replacing volleyball net system in Conference and Recreation Center.
Parks & Community Services	5211	Mach-Equip-Repl - Furn & Equip	5211-50-57-35210-660320		33,000	(33,000)	-	Adjusting budget to align with equipment allocation.
Public Works	5013	Maint & Repair - Bldg & Ground	5013-70-79-25713-620910		74,700	3,400	78,100	Budgeting for expected expenses with tree removal.
Public Works	5013	Maint & Repair - Bldg & Ground	5013-70-79-25714-620910		97,100	14,000	111,100	Replanting of the parkway.
Public Works	5014	Maint & Repair - Bldg & Ground	5014-70-79-25721-620910	SD LMD ZN 03A-LPP	1,460,500	1,000	1,461,500	Allocating budget for replants and irrigation repairs.
Public Works	5112	Maint & Repair - Bldg & Ground	5112-70-79-25719-620910		152,800	15,000	167,800	Allocating budget for replants and irrigation repairs.
Public Works	5014	Maint & Repair - Improvements	5014-70-79-25721-620920	SD LMD ZN 02-HS	65,800	2,900	68,700	Allocating budget for median light upgrades.
Public Works	5014	Oper Mtrls - Other	5014-70-79-25721-630399	SD LMD ZN 04-MVRE	400	500	900	Purchase of recycled water signs to comply with EMWD requirements.
Public Works	5014	Oper Mtrls - Other	5014-70-79-25721-630399	SD LMD ZN 07-CEL	400	250	650	Purchase of recycled water signs to comply with EMWD requirements.
Public Works	5013	Utilities - Water	5013-70-79-25714-621030		9,100	4,200	13,300	Budgeting for expected expenditures in water usage.
Public Works	5014	Utilities - Water	5014-70-79-25721-621030	SD LMD ZN 02-HS	427,700	43,600	471,300	Budgeting for expected expenditures in water usage.
Public Works	5014	Utilities - Water	5014-70-79-25721-621030	SD LMD ZN 03-MVRW	427,700	1,400	429,100	Budgeting for expected expenditures in water usage.
Public Works	5014	Utilities - Water	5014-70-79-25721-621030	SD LMD ZN 05-SR	427,700	12,400	440,100	Budgeting for expected expenditures in water usage.
Public Works	5014	Utilities - Water	5014-70-79-25721-621030	SD LMD ZN 06-MF	427,700	3,100	430,800	Budgeting for expected expenditures in water usage.
Public Works	5014	Utilities - Water	5014-70-79-25721-621030	SD LMD ZN 08-SM	427,700	3,200	430,900	Budgeting for expected expenditures in water usage.
Public Works	5111	Utilities - Water	5111-70-79-25704-621030		237,900	78,600	316,500	Budgeting for expected expenditures in water usage.
Public Works	5112	Utilities - Water	5112-70-79-25719-621030		69,800	18,000	87,800	Budgeting for expected expenditures in water usage.
Public Works	2050	Dues & Subscriptions	2050-70-79-25722-625030		10	30	40	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5013	Dues & Subscriptions	5013-70-79-25705-625030		160	1,180	1,340	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5014	Dues & Subscriptions	5014-70-79-25721-625030	SD LMD ZN 01-TG	780	500	1,280	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5014	Dues & Subscriptions	5014-70-79-25721-625030	SD LMD ZN 01A-RP	780	150	930	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5014	Dues & Subscriptions	5014-70-79-25721-625030	SD LMD ZN 02-HS	780	1,280	2,060	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5014	Dues & Subscriptions	5014-70-79-25721-625030	SD LMD ZN 03-MVRW	780	1,540	2,320	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5014	Dues & Subscriptions	5014-70-79-25721-625030	SD LMD ZN 03A-LPP	780	120	900	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5014	Dues & Subscriptions	5014-70-79-25721-625030	SD LMD ZN 04-MVRE	780	1,280	2,060	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5014	Dues & Subscriptions	5014-70-79-25721-625030	SD LMD ZN 05-SR	780	150	930	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5014	Dues & Subscriptions	5014-70-79-25721-625030	SD LMD ZN 06-MF	780	230	1,010	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5014	Dues & Subscriptions	5014-70-79-25721-625030	SD LMD ZN 07-CEL	780	280	1,060	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5014	Dues & Subscriptions	5014-70-79-25721-625030	SD LMD ZN 08-SM	780	120	900	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5014	Dues & Subscriptions	5014-70-79-25721-625030	SD LMD ZN 09-SV	780	80	860	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5111	Dues & Subscriptions	5111-70-79-25704-625030		260	1,880	2,140	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5112	Dues & Subscriptions	5112-70-79-25719-625030		60	370	430	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5114	Dues & Subscriptions	5114-70-79-25720-625030		10	70	80	Three year subscription to Maxicom Service and expected expenditures in Dig Alert Services.
Public Works	5012	Professional Svcs - Legal Svcs	5012-70-79-25703-620230		14,350	(5,500)	8,850	Reducing budget in-line with expected expenditures.
Public Works	5012	Professional Svcs - Other	5012-70-79-25703-620299		8,400	(6,400)	2,000	Reducing budget in-line with expected expenditures.
Public Works	5012	Postage - Mail	5012-70-79-25703-630110		2,250	(2,000)	250	Reducing budget in-line with expected expenditures.
Public Works	5012	Utilities - Electricity	5012-70-79-25703-621010		1,363,450	(13,450)	1,350,000	Reducing budget in-line with expected expenditures.
Public Works	7410	Oper Mtrls - Fuel: Gasoline	7410-70-78-45370-630355		170,000	50,000	220,000	Budgeting for projected fuel usage.
Public Works	3002	CIP Other	3002-70-77-80004-720199	804 0007 70 77-3002-99	3,034,966	(1,078,110)	1,956,856	Updating project budget due to a delay in Riverside County Flood Control funding.
Public Works	3002	CIP Other	3002-70-77-80004-720199	804 0015-3002-99	3,034,966	(1,562,658)	1,472,308	Updating project budget due to a delay in Riverside County Flood Control funding.
Public Works	2000	CIP Other	2000-70-77-80001-720199	801 0081-2000A-99	4,904,199	(166,607)	4,737,592	Decreasing budget to align with expected project expenditures.
Public Works	2000	CIP Other	2000-70-77-80001-720199	801 0081-2000A-99	4,904,199	(8,558)	4,895,641	Revised budgets based on projected revenue.
Public Works	3008	CIP Other	3008-70-77-80001-720199	801 0081-3008-99	2,540,523	641,020	3,181,543	Additional street funding.
Public Works	3008	CIP Other	3008-70-77-80001-720199	801 0084-3008-99	2,540,523	58,980	2,599,503	Additional street funding.
EXPENSES TOTAL					\$ 34,870,047	\$ 563,971	\$ 35,434,018	