



City of Adelanto

Interim Financial Report

Fiscal Year 2009/10

99% of the Fiscal Year Complete

Pre-audit July 1, 2009 – June 30, 2010

Prepared by

George Harris, Deputy City Manager/

Management Services



10.26.2009 10:30

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Deputy City Manager's (Finance Director) Message

The Fiscal Year is complete and I just want to provide the final update to the many goals and projects that are occurring within the Department. The following is the updated status of the projects listed in previous reports:

- Approval, Implementation and levy of the adjusted Water and Sewer Rates (Completed);
- Implement Low Income and Senior/Disabled Low Income Water and Sewer Rate program. To-date Staff has approved **452** Low Income applications and **281** Senior/Disabled Low Income applications;
- Implementation of a Central Cashiering function (Completed in FY09);
- Implementation of Online/Telephone and billing for the Utility Billing Division (Completed);
- Successful Refinance of the APUA 2007 Auction Rate Security Bonds;
- Audit Status:

City Unit	Fiscal Year 2006/07	Fiscal Year 2007/08	Fiscal Year 2008/09
City of Adelanto (CAFR)	COMPLETED	COMPLETED	PENDING
Adelanto Public Utilities Authority (APUA)	COMPLETED	COMPLETED	COMPLETED
Adelanto Redevelopment Agency (ARDA)	COMPLETED	COMPLETED	COMPLETED

- On-time completion of all Special Reports, (i.e. State Controllers' Reports) (Completed);
- Completion of the Capital Improvement Program Document

Financially, the City of Adelanto has needed to make various adjustments to survive during the difficult economic times. The Council, City Manager and former Finance Director eliminated various positions the past few years in anticipation for the downturn of the economy. That forward thinking was effective and has helped staff prepare properly for the difficult year that we are currently experiencing.

The General Fund currently has a structural deficit of \$5.4M that is supported with a Purchase Payment Transfer from the Adelanto Public Utilities Authority (APUA). This payment will reduce in Fiscal Year 2010/11 to \$2.2M, as a result of the rate adjustment needing to support bond financing payments at a higher rate, with no support from Water and Sewer connection fees. To accommodate the reduction in the APUA transfer, staff will backfill with the proceeds from the sale of the Adelanto Community Correctional Facility (ACCF) for up to 5 years until new permanent and reliable revenue sources can be put into place.

At midyear, Staff approved a revised General Fund budget that took into consideration adjusted estimates for revenues and expenditures. The adjustments were based on the trends

observed for the first half of the fiscal year and information known regarding changes that affect the remainder of the year. A summary of the changes are included in this report.

The rest of this document provides details to get an idea of how the City's revenues and expenditures are divided amongst the various departments and funds.

The Finance Department prepares quarterly reports through the end of the year that will show the stages of fiscal structure and identify revenue and expenditure trends as the fiscal year approaches the end.

George N. Harris,

Deputy City Manager/Management Services
Finance Department

Introduction

Beginning in Fiscal Year 2009/10, the City of Adelanto Finance Department will be preparing Interim Financial Reports. The goal of the Financial Reports is to increase the communication of the City's financial position throughout the year to its stakeholders. Stakeholders include but are not limited to the:

- City Council
- Appointed Commissioners
- City Manager
- Department Heads
- Staff
- General Public

The Financial Reports will be presented to the City Council via the Consent Calendar at regularly scheduled City Council Meetings. Subsequent to the City Council meeting the reports will be posted on the City of Adelanto Website located at www.ci.adelanto.ca.us.

The key objectives of the Financial Report are to:

- Provide regular Status of General Fund expenditures and revenues;
- Provide updates on major capital projects;
- Provide updates on other Finance Department activities that occur throughout the year, i.e. Audits, Budget Planning, Revenue Monitoring, etc.;
- Provide an opportunity for feedback related to Fiscal Policies, and spending appropriations.

Fund Details and Department Structure

The City of Adelanto Finance Department accounts for the financial activity for the City of Adelanto, the Adelanto Redevelopment Agency, the Adelanto Public Utilities Authority, the Adelanto Community Correctional Facility, and the City of Adelanto Non-Profit Community Benefits Corporation.

Funds – The General Ledger is comprised of various funds that are segregated for various reasons.

General Fund (Fund 100) - The central core of services provided by the City is accounted for in the City General Fund. The departments within the General Fund are:

<i>City Manager's Office</i>	<i>Code Enforcement</i>	<i>Public Works – Street Maintenance</i>	<i>Police Department (Contract)</i>
<i>City Clerk's Office</i>	<i>Engineering Department</i>	<i>Public Works – Park Maintenance</i>	<i>Fire Department (Contract)</i>
<i>Finance Department</i>	<i>Community & Economic Development Department</i>	<i>City Council</i>	<i>Building & Safety Department</i>
<i>Animal Control</i>	<i>Public Works – Facility Maintenance</i>	<i>City Attorney</i>	<i>Human Resources & Information Technology</i>

Stater Bros Stadium (Fund 211) – is used to account for the operations and maintenance of Stater Bros. Stadium. The stadium is under lease to the High Desert Mavericks through 2010.

Park Development Impact Fee (Fund 212) – is used to account for the receipt and expenditures of park impact fees charged to new development.

CDBG (Fund 213) – is used to account for revenue allocated from the Federal Housing and Urban Development Department (through the County of San Bernardino) to be spent in low/moderate income areas of the City. These areas are primarily the area of the City that is north of Air Expressway.

Gas Tax (Fund 215) – is used to account for the receipt and expenditure of State Highway Users Tax funds. The funds are to be used only for street related purposes.

Article 8 (Fund 216) – is used to account for local transportation funds received from SANBAG. Funds are spent on street related purposes.

AB2766 (Fund 221) – is used to account for allocations from the Mojave Air Quality Management District. Funds are spent on air-pollution reduction programs.

Measure I 5% (Fund 236) – is used to account for the County's ½ cent sales tax revenues. This portion of the funds must be spent on handicapped/paratransit purposes.

Measure I 30% (Fund 237) – is used to account for the County's ½ cent sales tax revenues. This portion of the funds must be spent on local road projects.

Measure I 65% (Fund 238) – is used to account for the County's ½ cent sales tax revenues. This portion of the funds must be spent on arterial road projects.

CLEEP (Fund 241) – is used to account for moneys received under the State's High-Technology Law Enforcement Grant program.

Educational Seizure (Fund 245/248) – is used to account of 15% of the released asset seizure moneys. The moneys are used for anti-drug educational programs.

PSAF (Fund 249) – is used to account for the State sales tax Public Safety Augmentation Fund moneys. The money is transferred to the general fund for increased public safety expenditures.

Sanitation (Fund 255) – is used to account for the City’s solid waste and recycling program. The employee charged to the sanitation fund is the Recycling Coordinator (VACANT).

Traffic Offender (Fund 256) – is used to account for the revenue received from vehicle release fees and is used for traffic patrol purposes.

SLEOC (Fund 257) – is used to account for the State COPS Grant Program and is used for police overtime purposes.

Drainage Development Impact Fee (Fund 260) – is used to account for the Drainage Impact Fees charged to new development. Funds are used for new drainage facilities.

CFD 2006-5 (Fund 262) – is used to account for the activity of Community Facilities District No. 2006-5.

LLMD (Fund 265) – is used to account for the activity of the Landscaping and Lighting District.

Traffic Development Impact Fee (Fund 270) – is used to account for the Traffic Impact Fees charged to new development. Funds are used for new drainage facilities.

Fire Development Impact Fee (Fund 275) – is used to account for the Fire Impact Fees charged to new development. Funds are used for new drainage facilities.

Transit (Fund 319) – is used to account for the City’s cost of paratransit services.

ACCF (Fund 322) – is used to account for the operation of the City’s correctional facility. The facility is under the staffing requirements of a contract with the State Department of Corrections.

Water (Fund 353) – is used to account for the operations and maintenance of the water division of the Adelanto Public Utility Authority.

Sewer (Fund 360) – is used to account for the sewer division of the Adelanto Public Utility Authority. The sewer plant is operated under a contract with Aquarion Operating Services.

RDA Debt Service (Funds 534 and 535) – are used to account for tax increment received for each project area and the related expenditure on debt incurred.

RDA Capital Project (Funds 550 and 555) – are used to account for project expenditures related to each project area.

RDA Housing (Fund 560) – is used to account for the 20% tax increment received for low/moderate income housing in Project Area 3. Project Area 95-1 doesn’t receive any.

VVEDA (Fund 575) – is used to account for the City of Adelanto’s share of the tax increment proceeds from the Victor Valley Economic Development Agency.

Fund Activity Summary

The following table summarizes the total Fiscal Year 2009/10 City revenue and expenditure activity by fund through June 30, 2010 pre-audited. (Note: Beginning Fund Balance is unaudited with exception of ARDA, VVEDA and APUA.)

Fund Number	Fund Name	Estimated Beginning Cash Balance	Revenue-to-Date	Expenditures-to-Date	Estimated Cash Balance at Mar 31, 2010
General Fund					
100	General Fund	\$ 1,436,316	\$ 13,976,110	\$ 13,672,868	1,739,558
Total General Fund		\$ 1,436,316	\$ 13,976,110	\$ 13,672,868	1,739,558
Special Revenue Funds					
211	Stater Bros. Stadium	(2,304,389)	\$90,053	\$214,394	(2,428,730)
212	Park Development Fee	2,047,172	59305	308,404	1,798,073
213	Community Development Block Grant	(40,406)	252,234	314,911	(103,083)
215	Gas Tax	833,687	676,339	460,000	1,050,026
216	Article 8	202,747	70,934	225,000	48,681
220	FEMA/OES Grant	161,244	78,910	36,258	203,896
221	AB 2766	102,078	8835	5,400	105,513
225	Proposition 1B Local Street & Road	127,830	0	43,879	83,951
236	Measure I 5%	96,693	34,908	49,250	82,351
237	Measure I 30%	227,297	236,339	96,370	367,266
238	Measure I 65%	2,910,839	431,687	30,931	3,311,595
241	CLEEP	12,148	0	9,197	2,951
245	Education Seizure	0	0	0	0
248	Educational Seizure Fund	41,848	0	9,085	32,763
249	Public Safety Augmentation Fund	19,610	96,062	115,672	0
255	Sanitation	42,002	3,143,876	3,018,756	167,122
256	Traffic Offender	59,652	31,078	30,000	60,730
257	SLEOC	109,903	100208	100,000	110,111
260	Drainage	3,569,414	63490	53,690	3,579,214
262	CFD 2006-5	48,777	48,479	1,870	95,386
265	Lighting and Landscaping District	(4,173)	147,279	109,138	33,968
270	Traffic Impact Fees	855,432	92,474	0	947,906
275	Fire Impact Fees	51,232	4861	0	56,093
319	Transit	(23,871)	39,580	40000	(24,291)
Total Special Revenue Funds		\$ 9,146,766	\$ 5,706,931	\$ 5,272,205	9,581,492
Enterprise Funds					
322	ACCF	\$ 1,579,902	\$7,141,788	\$9,253,866	(532,176)
353	Adelanto Water Authority	17,910,384	6,443,269	10,993,213	13,360,440
360	Adelanto Public Utility Authority	(2,916,560)	6,224,425	6,761,454	(3,453,589)
477	Inmate Welfare Benefits Fund	24,450	191,114	213,622	1,942
488/489	ACCF Telephone Fund	1,859,808	102,164	235,450	1,726,522
Total Enterprise Funds		\$ 18,457,984	\$ 20,102,760	\$ 27,457,605	11,103,139
Adelanto Redevelopment Agency Funds (ARDA)					
534/535	ARDA Debt Service Funds	9,627,507	\$5,915,143	\$7,162,841	8,379,809
550/555	ARDA Capital Projects Funds	7,012,166	249,606	79,752	7,182,020
560	ARDA Housing Fund	309,605	95,796	0	405,401
570/575	VVEDA	1,070,392	481,157	(123,315)	1,674,864
Total ARDA Funds		\$ 18,019,670	\$ 6,741,702	\$ 7,119,278	17,642,094
Total City (All Funds)		\$ 47,060,736	\$ 46,527,503	\$ 53,521,956	40,066,283

Fund Details**General Fund (Fund 100)****Midyear Budget Adjustment**

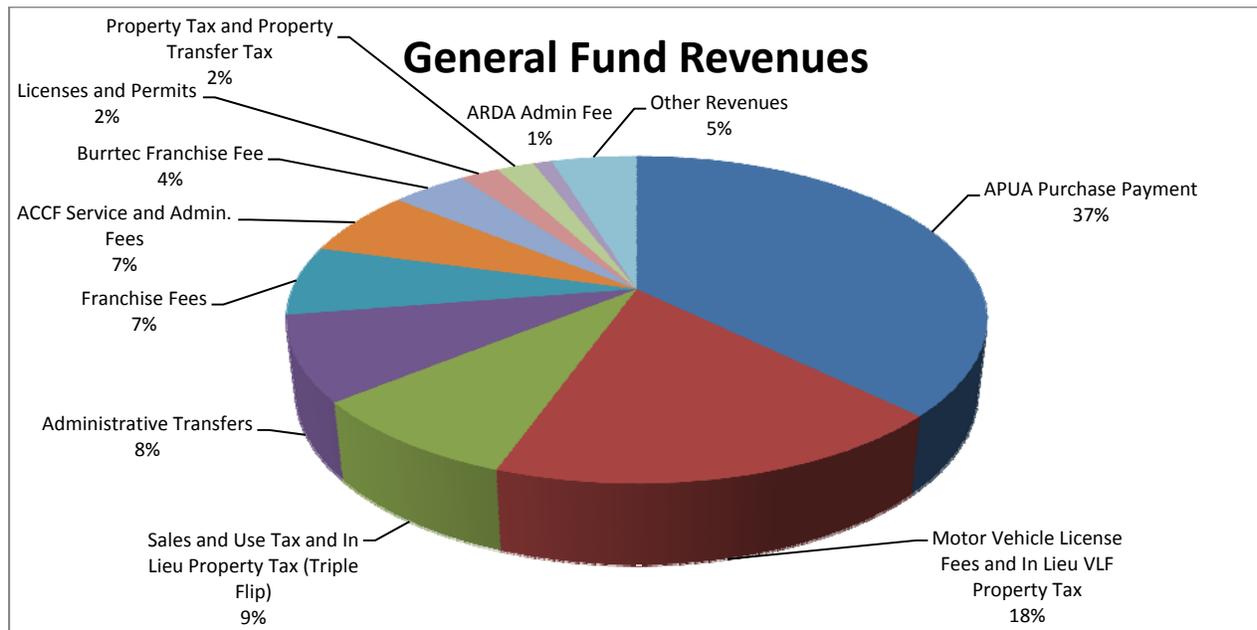
During the midyear budget review various adjustments were made to expected revenues and expenditure based on the activity observed in the first half of the Fiscal Year. The following table summarizes the General Fund Midyear Adjustments:

GENERAL FUND REVENUE AND EXPENDITURE SUMMARY
MIDYEAR ADJUSTMENT 2009-10 PROGRAM AND FINANCIAL PLAN

	Budget 6/30/2010	Midyear Review 6/30/2010	Variance
Taxes and Assessments	2,570,000	1,700,000	(870,000)
Licenses and Permits	315,200	339,500	24,300
Fines and Forfeitures	147,500	172,000	24,500
Use of Money and Property	1,234,310	1,234,310	-
Intergovernmental Revenue	3,899,000	4,131,000	232,000
Charges for Services	310,500	258,500	(52,000)
Sales and Exchange of Property	-	-	-
Transfers and Other Revenues	6,023,691	6,015,491	(8,200)
TOTAL REVENUES	14,500,201	13,850,801	(649,400)
City Council	91,690	91,690	-
City Manager	467,719	442,941	(24,778)
City Clerk	211,768	161,268	(50,500)
Finance	238,357	221,407	(16,950)
City Attorney	350,000	300,000	(50,000)
Streets	861,405	863,305	1,900
Facility Maintenance	212,736	210,436	(2,300)
Engineering	342,903	320,403	(22,500)
Police	5,051,053	4,597,632	(453,421)
Animal Control	183,388	179,088	(4,300)
Fire	3,190,486	3,187,486	(3,000)
Building and Safety	277,823	237,823	(40,000)
Code Enforcement	360,473	406,973	46,500
Human Resources/Info Technology	576,034	576,034	-
Senior Center/Comm. Centers	53,000	51,000	(2,000)
Parks and Grounds	211,656	211,656	-
Vehicle Maintenance	168,606	168,606	-
Non-departmental	1,044,806	992,806	(52,000)
Community Development/Planning	502,411	493,411	(9,000)
TOTAL EXPENDITURES	14,396,313	13,713,964	(682,349)

The General Fund has received 101% of its budgeted revenues and expended 99.7% of its budget expenditures to date. There an actual General Fund surplus of \$303,242. The largest revenue source for the General Fund is the APUA Purchase Payment.

General Fund Revenues



Top 10 General Fund Revenues – As of 6/30/2010 (99% of the Year Complete)

The Top 10 General Fund revenues make up 91% of the total General Fund revenues received. Thirty-eight percent (38%) of the General Fund revenue is the APUA Transfer, which will be reduced in Fiscal Year 2010/2011 to \$2.2 Million. Descriptions of the Top 10 General Fund revenues are below.

Description	Budget Amount	YTD Total	% of Budget	Balance
APUA Purchase Payment	\$5,400,000	\$5,400,000	100%	\$0
Motor Vehicle License Fees/In Lieu	*2,287,000	2,370,374	104%	(83,374)
Sales and Use Tax	*850,000	1,186,928	140%	(336,925)
Administrative Transfers	1,215,000	1,210,672	100%	4,328
ACCF Service and Admin. Fees	944,000	944,000	100%	0
Burrtec Franchise Fee	600,000	610,131	102%	(10,131)
Franchise Fees	390,000	336,861	86%	53,139
Licenses and Permits	*339,500	369,910	109%	(30,410)
Property Tax / Transfer Tax	*430,000	263,514	61%	166,486
ARDA Admin Fee	150,000	150,000	100%	0
Total	\$12,605,500	\$12,842,390	101%	(\$236,890)
Total General Fund Revenues	\$13,850,801	\$13,976,110	101%	(\$125,309)

*Represents a Budget Amount that was amended as part of the Midyear Adjustment.

APUA Transfer – The APUA Transfer payment is the Purchase Payment made by the Water and Sewer Enterprise to the General Fund for the purchase of the Water and Sewer operations. The total budget for FY0910 is \$5,400,000. The APUA Transfer is divided into four (4) payments and is transferred to the General Fund quarterly. Subsequent transfers are due to occur in December, March and June. This transfer represents the largest single revenue source for the General Fund. The APUA's ability to continue to make transfers to the General Fund will remain but at a reduced level in FY2010/11. This transfer will be reduced to \$2,200,000. The difference will need to be made up by budget cuts and fund balance that will exist when Adelanto Community Correctional Facility is sold. There is a need to put in place a permanent annual revenue source to make up the difference. The City Manager, City Attorney and the Finance Director are in the process of reviewing various options.

Motor Vehicle License Fees and In Lieu VLF (Property Tax) – A midyear adjustment was made to reduce the budget in this category to \$2,287,000. This is based on reduced activity in Vehicle License Fee Revenue statewide. The allocation is based on population. The majority of this revenue (\$2.0M.) is received through an In Lieu Property Tax payment that is distributed in February and June of each year.

Sales and Use Tax and In Lieu Property Tax – A midyear adjustment was made to reduce the budget in this category to \$850K. The payments are received monthly. This year the City's Sales Tax consultant discovered that the taxable sales for a company in the City were erroneously being credited to the City of Victorville. A correction was made and \$150K was sent to the City. Also, Sales tax activity increased during the last quarter which led to the total receipts exceeding expectation.

Administrative Transfers – The City General Fund receives an allocation of administrative charges levied upon some of the Special Revenue Funds for Administrative time spent by the General Fund Staff, (i.e. the City Council, City Manager, City Clerk, and Finance Department). This particular line item refers to transfers from, Fund 216 (Article 8), Fund 249 (Public Safety Augmentation Fund), Fund 256 (Traffic Offender), Fund 257 (State COPS Grant Program), Fund 265 (Lighting and Landscaping Maintenance District), and Fund 360 (Sewer Enterprise). This category also includes the transfer from CDBG (Fund 213) in the amount of \$75K to pay for one Code Enforcement Officer and the transfer from Gas Tax (Fund 215) in the amount of \$460K to pay for Street Maintenance expenditures.

Franchise Fees – The City receives Franchise fees from Southern California Edison, Southwest Gas, Charter Communications, Kinder Morgan Fuel Pipeline, and Desert Valley Towing. Franchise fees are received between February and June of each year. The majority of these revenues are received in April, May and June. The economy and foreclosures affect these numbers. The City experienced decreases in the Edison and Southwest Gas franchise payments this year.

Adelanto Community Correctional Facility (ACCF) Service and Administration Fees - The City General Fund receives an allocation of administrative charges levied upon the ACCF fund for Administrative time spent by the General Fund Staff,(i.e. the City Council, City Manager, City Clerk, and Finance Department). The City General Fund received the entire budgeted amount by year end.

Burrtec Waste Franchise Fees – The City levies a 20% Franchise Fee on all solid waste fees charged to customers. This amount is collected with the other trash fees on the monthly utility bills. The transfer is made monthly to the General Fund. It is approximately \$50K per month.

Licenses and Permits – Licenses and Permits collectively in this category include Animal Licenses, Building Permits, Building Plan Check Fees, Business Licenses, Conditional Use Permits, Electric Permits, Environmental Review Fees, Excavation and Grading Permits, Home Occupation Business Licenses, Plumbing Permits and Transportation Wide-Load Permits. These revenues are collected daily.

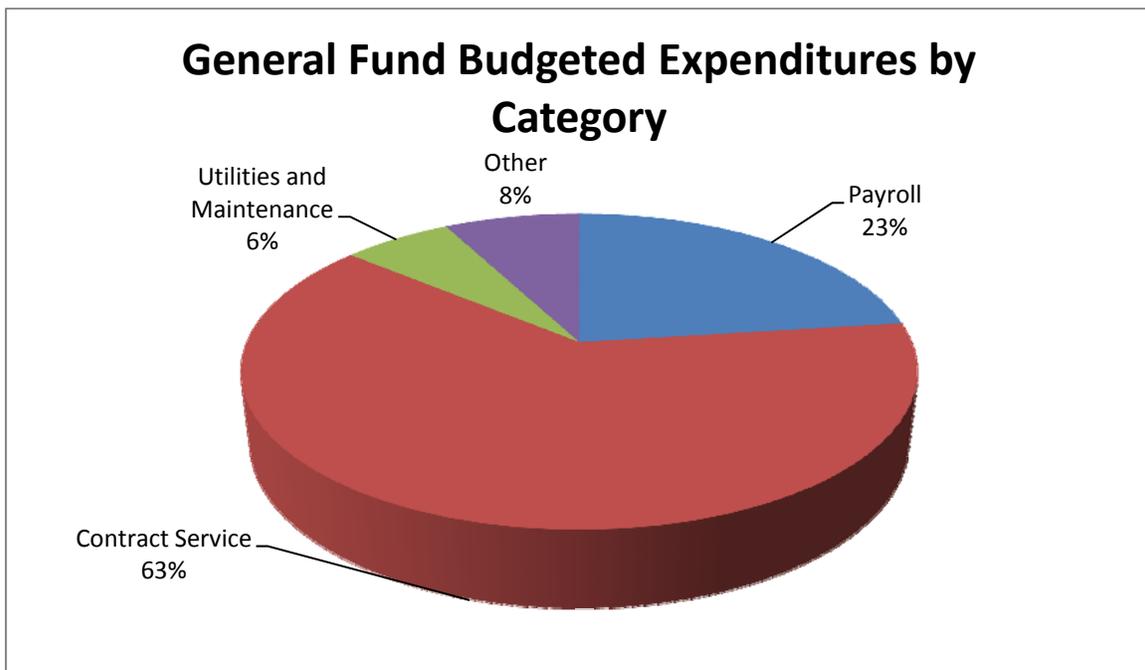
Property Tax and Property Transfer Tax - The City receives very little in Property Tax and Property Transfer Tax Revenue. However, this revenue is in the Top 10 Revenue category. Property tax revenue is received in January and May as property owners in the City pay their property taxes to the County. Property Transfer Tax is received monthly from the County as properties are being bought and sold. This revenue has seen a 20% increase over past years as foreclosed homes are being bought at deep discounted prices. The reassessment process conducted by the County greatly affected this revenue. Assessed Values are down approx. 35% Citywide.

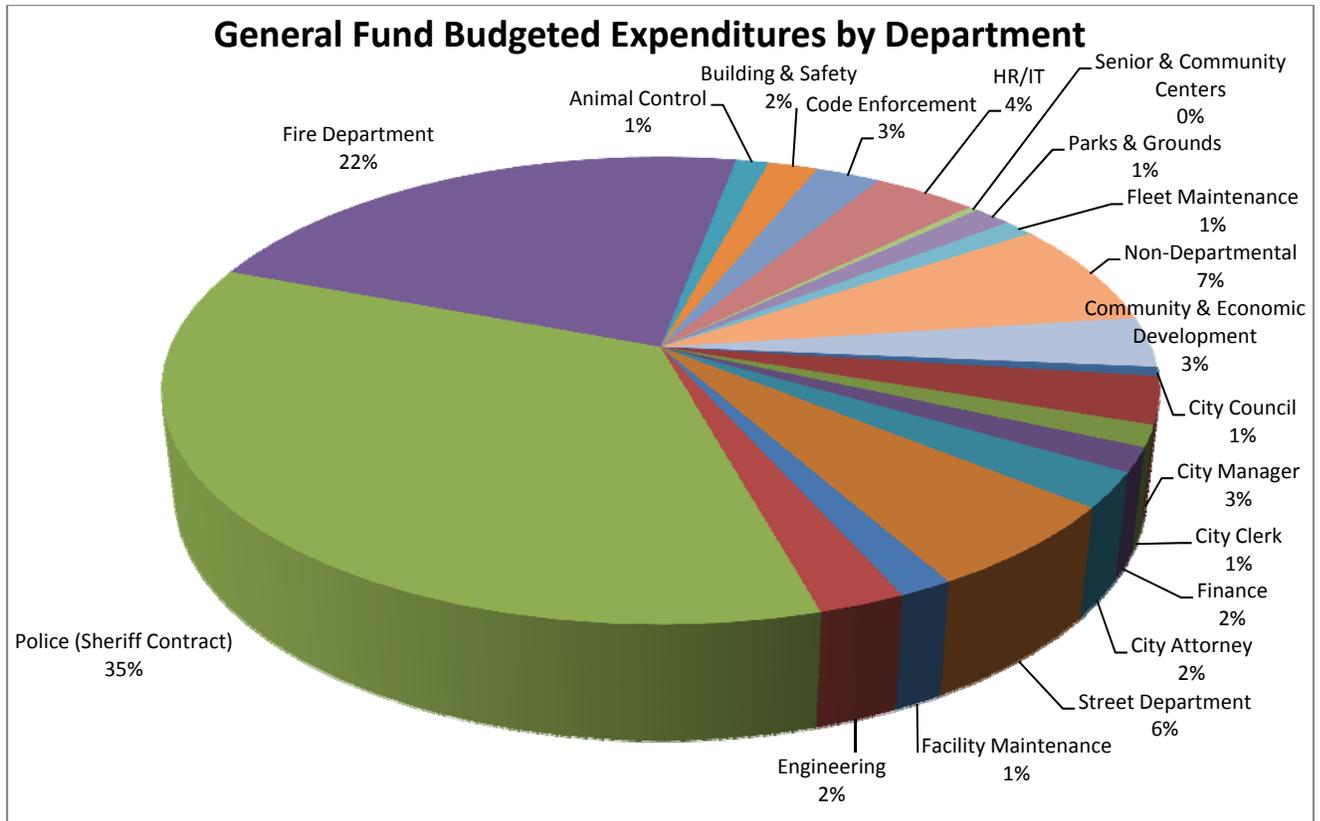
Adelanto Redevelopment Agency (ARDA) Admin Fee - The City General Fund receives an allocation of administrative charges levied upon the ARDA fund for Administrative time spent by the General Fund Staff,(i.e. the City Council, City Manager, City Clerk, and Finance Department).

General Fund Expenditures

The two largest components of the General Fund are Police and Fire which make up 35% and 22% of the total General Fund budget, respectively or a total of 57% jointly.

The total personnel budget is \$3.3M or 23% of the total budget. Contract Services for Police, Fire, City Attorney and certain individual contract employees total \$9M or 63% of the total General Fund budget. Below are two charts that display how the General Fund expenditures are divided by expense category and by department.





General Fund Expenditures Year-to-Date by Department

The General Fund Expenditures total \$13,672,868 through June 30, 2010 or 99.7% of total budget for the fiscal year.

Department	Budget	YTD EXP	% Expended	Remaining
City Council	\$91,691	\$90,386	99%	\$1,305
City Manager	442,942	479,929	108%	(36,987)
City Clerk	161,268	168,769	105%	(7,501)
Finance	221,406	220,518	100%	888
City Attorney	300,000	470,874	157%	(170,874)
Street Department	863,305	871,385	101%	(8,080)
Facility Maintenance	210,435	205,505	98%	4,930
Engineering Dept.	320,403	235,421	73%	84,982
Police (Sheriff Contract)	4,597,632	4,462,417	97%	135,215
Animal Control	179,089	208,941	117%	(29,852)
Fire (County Contract)	3,187,486	3,205,743	101%	(18,257)
Building & Safety	237,822	270,066	114%	(32,244)
Code Enforcement	406,973	391,329	96%	15,644
Human Resources/IT	576,033	506,335	87%	69,697
Senior/Community Centers	51,000	43,750	86%	7,250
Parks & Grounds	211,656	216,351	102%	(4,695)
Vehicle Maintenance	168,606	170,779	101%	(2,174)
Non-Departmental	992,805	908,708	92%	84,097
Community & Economic Dev	493,412	545,662	111%	(52,251)
Total	\$13,713,964	\$13,672,868	99.7%	\$41,093

General Fund Expenditure Highlight and Updates

At year end, the General Fund expenditures came in at budget. Savings in areas such as IT, Engineering, PD and Non-departmental covered for excess costs for legal activities and other areas that exceeded budget. Staff frequently reviewed the budget to assure that the total General Fund Budget for the year was not exceeded.

City Attorney – The City Attorney exceeded budget this year. This is due to unusual activity related to land acquisition, certain cases related to ACCF and litigation over right away access for the Bellflower Channel project and the Central Park project.

Engineering – The Engineering department came in under budget as most of the time charged by the Engineering consultant was charged directly to projects and not to general administrative duties.

Police (Sheriff Contract) – In October, the City Council accepted a proposal from the County Sheriff's department to combine the operations for the County Area servicing Sheriff operations and the City of Adelanto Police Department assigned Sheriff Staff in the City of Adelanto Police Department facility. By combining the operations in the Adelanto facility the City will benefit from various efficiencies and experience a reduction in contract costs. The net savings are expected to be approximately \$730K annually, (Approx \$453K for the remainder of FY2009/10) and will be reflected beginning in the December 2009 billing. The reduction includes the following: Reduction of cost for Captain (1), Lieutenant (.50), Sergeant (2) and one Secretary.

Non-Departmental – The City's Workers Compensation and General Liability insurance premiums make up \$341,975 of the \$1,044,805 budgeted in the Non-Departmental budget. These premiums are payable in July of every year.

The Contract Services line item includes the budget for the City's Financial Auditor. This expense will exceed the Auditor budget for prior years due to the fact that the City Auditor is performing City General Audits for Fiscal Years' 2005/06, 2006/07, 2007/08 and 2008/09 in this fiscal year. These audits are expected to be completed by June of 2010.

Animal Control – The overtime budget for Animal Control has been expended very early in the Fiscal Year. The cost for temporary storage and care of apprehended animals are expected to exceed that of prior years' due the renewed care policies of the Animal Control department. At midyear adjustments were made to increase budget to accommodate the increased activity and use of veterinarian services for captured animals. However, it was not enough. Contract Services for this department was higher than expected.

Stater Bros. Stadium (Fund 211)

The Stater Bros. Stadium annually operates with an approximately \$100K budget deficit. The General Fund has been making up the difference for a total of \$2,428,730 since inception of the Stadium. The High Desert Mavericks have extended their contract for two more seasons with the City. The City Manager and the Finance Department are evaluating various solutions to close the budget gap. Options include alternative year-round uses and leasing out the conference room to a restaurant operator.

Description				
<i>Beginning Fund Balance</i>		(\$2,304,389)		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Property Leases	\$79,235	\$79,234	100%	\$0
Rents & Concessions	21,000	10,819	52%	10,181
Total Revenue	\$100,235	\$90,053	90%	\$10,181
<i>Expenditures</i>				
Payroll	\$88,654	\$91,622	103%	(\$2,968)
Contract Services	250	17,530	0%	(17,280)
Utilities & Communications	59,000	53,872	91%	5,128
Maintenance & Supplies	45,000	46,109	102%	(1,109)
Administrative Costs	1,000	762	76%	238
Capital Expenditures	10,000	4,500	45%	5,500
Total Expenditures	\$203,904	\$214,394	105%	(\$10,490)
Rev/Exp	(\$103,669)	(\$124,341)	N/A	(\$20,671)
<i>Ending Fund Balance</i>		(\$2,428,730)		

Park Development Impact Fees (Fund 212)

The Park Development Fee Fund currently has a fund balance of \$1,798,073. There are a few project concepts that staff are considering to be proposed. One is a central city park concept that would involve purchasing land around City Hall and developing a major central park.

Description				
<i>Beginning Fund Balance</i>		\$2,047,172		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Park Dev. Fees	\$30,000	\$59,305	198%	(\$29,305)
Interest Income	10,000	0	0%	10,000
Total Revenue	\$40,000	\$59,305	0%	(\$19,305)
<i>Expenditures</i>				
Consulting & Outside Services	\$55,000	\$57,351	104%	(\$2,351)
Capital Improvements	2,000,000	251,053	13%	1,748,947
Total Expenditures	\$2,055,000	\$308,404	15%	\$1,746,596
Rev/Exp	(2,015,000)	(\$249,099)	N/A	(\$1,765,901)
<i>Ending Fund Balance</i>		\$1,798,073		

Community Development Block Grant (CDBG) (Fund 213)

The CDBG grant program is a federal grant program. The money received in this fiscal year primarily pay for two key items. The first is payroll for one code enforcement officer. A total of \$75,000 is transferred to the General Fund for the officer. The City receives \$6,250 monthly for the Code Enforcement officer and the remaining funds will be allocated once the bid is awarded for the Skateboard and BMX Park. The City is awaiting reimbursement for projects authorized by the County.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Beginning Fund Balance</i>		(\$40,406)		
<i>Revenue</i>				
CDBG	\$190,000	\$252,234	133%	(\$62,234)
Total Revenue	\$190,000	\$252,234	133%	(\$62,234)
<i>Expenditures</i>				
Transfers Out	\$75,000	\$75,000	100%	\$0
Capital Expenditures	115,000	239,911	158%	(124,911)
Total Expenditures	\$190,000	\$314,911	135%	(\$124,911)
Rev/Exp	\$0	(\$62,678)	N/A	\$62,678
<i>Ending Fund Balance</i>		(\$103,084)		

Gas Tax (Fund 215)

All Gas Tax revenue is transferred to the General Fund to pay for the City's Street Maintenance department activities. Gas Tax revenues are typically received monthly however the State of California has suspended payments from November through March 2010 until April 30, 2010.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Beginning Fund Balance</i>		\$833,687		
<i>Revenue</i>				
Gas Tax 2105	\$153,000	\$139,059	91%	\$13,966
Gas Tax 2106	102,000	90,232	88%	11,768
Gas Tax 2107	208,000	184,756	89%	23,244
Gas Tax 2107.5	6,000	6,000	100%	0
Interest Income	7,000	0	0%	7,000
Traffic Congestion Relief	70,000	256,292	366%	(186,775)
Total Revenue	\$546,000	\$676,339	124%	(\$130,339)
<i>Expenditures</i>				
Transfers Out	460,000	460,000	100%	0
Total Expenditures	\$460,000	\$460,000	100%	\$0
Rev/Exp	\$86,000	\$216,339	N/A	\$130,339
<i>Ending Fund Balance</i>		\$1,050,026		

Article 8 (Fund 216)

Article 8 revenues are transferred to the General Fund to pay for the City's Street Maintenance department activities. Transfers to the General Fund are made quarterly. This fund has a current cash balance of \$48,681.

Description				
<i>Beginning Fund Balance</i>		\$202,747		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$3,000	0	0%	\$3,000
Traffic Congestion Relief	71,000	70,934	100%	66
Total Revenue	\$74,000	\$70,934	96%	\$3,066
<i>Expenditures</i>				
Transfers Out	\$225,000	\$225,000	100%	\$0
Capital Improvement	100,000	0	0	100,000
Total Expenditures	\$325,000	\$225,000	69%	\$100,000
Rev/Exp	(\$251,000)	(\$154,066)	N/A	(\$96,934)
<i>Ending Fund Balance</i>		\$48,681		

FEMA/OES Grant (Fund 220)

This fund accounts for grants received from the Federal Government to be used for Fire and Police overtime or special projects. It also may cover any FEMA reimbursement or OES grants for emergency preparedness.

Description				
<i>Beginning Fund Balance</i>		\$161,244		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Federal Grants	\$0	78,910	0%	(\$78,910)
Total Revenue	\$0	\$78,910	0%	(\$78,910)
<i>Expenditures</i>				
Department Equipment	\$0	\$791	0%	(\$791)
Administrative Costs	0	6,567	0%	(6,567)
Bldg/Structures/Whse	0	28,900	0%	(28,900)
Total Expenditures	\$0	\$36,258	0%	(\$36,258)
Rev/Exp	\$0	\$42,652	N/A	(\$42,652)
<i>Ending Fund Balance</i>		\$203,896		

AB2766 (Fund 221)

This fund has a current cash balance of \$105,513.

Description				
<i>Beginning Fund Balance</i>		\$102,078		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	1,000	0	0%	1,000
AB 2766 Environmental Fund	18,000	8,835	49%	9,165
Total Revenue	\$19,000	\$8,835	47%	\$10,165
<i>Expenditures</i>				
Membership and Dues	4,800	5,400	113%	(600)
Transfers Out	100,000	0	0	100,000
Total Expenditures	\$104,800	\$5,400	5%	\$99,400
Rev/Exp	(\$85,800)	\$3,435	N/A	(\$89,235)
<i>Ending Fund Balance</i>		\$105,513		

Proposition 1B (Fund 225)

This fund has a current cash balance of \$83,951.

Description				
<i>Beginning Fund Balance</i>		\$127,830		
	Budget	YTD Total	% of Budget	Remaining
<i>Expenditures</i>				
Consulting and Outside Srvs	\$0	\$12,700	0%	(\$12,700)
Facility and Grounds	\$0	\$31,179	0%	(\$31,179)
Total Expenditures	\$0	\$43,879	0%	(\$43,879)
<i>Ending Fund Balance</i>		\$83,951		

Measure I 5% (Fund 236)

This fund has a current cash balance of \$82,351.

Description				
<i>Beginning Fund Balance</i>		\$96,693		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$1,000	\$504	50%	496
Measure I 5%	55,000	34,404	63%	20,596
Total Revenue	\$56,000	\$34,908	62%	\$21,092
<i>Expenditures</i>				
Streets	\$0	\$9,250	0%	(\$9,250)
Transfers Out (to FD319)	40,000	40,000	100%	0
Total Expenditures	\$40,000	\$49,250	23%	(\$9,250)
Rev/Exp	\$16,000	(\$14,342)	N/A	\$30,342
<i>Ending Fund Balance</i>		\$82,351		

Measure I 35% (Fund 237)

This fund has a current cash balance of \$367,266. Expenditures must be for local street improvements.

Description				
<i>Beginning Fund Balance</i>		\$227,297		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$5,000	\$1,735	35%	\$3,265
Measure I 35%	285,000	234,604	82%	50,396
Transfers In	100,000	0	0%	100,000
Total Revenue	\$390,000	\$236,339	61%	\$153,661
<i>Expenditures</i>				
Street Maintenance	\$145,000	\$93,905	65%	\$51,095
Permits	0	1,434	0%	(1,434)
Capital Improvements	475,000	1,031	0%	473,969
Total Expenditures	\$620,000	\$96,370	16%	\$523,630
Rev/Exp	(\$230,000)	\$139,969	N/A	(\$369,969)
<i>Ending Fund Balance</i>		\$367,266		

Measure I 60% (Fund 238)

This fund and a current cash balance of \$3,311,595. Expenditures must be for regional street improvements.

Description				
<i>Beginning Fund Balance</i>		2,910,839		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$50,000	\$12,620	25%	\$37,380
Measure I 60%	600,000	419,067	70%	180,933
Other Cost Reimbursements	250,000	0	0%	250,000
Total Revenue	\$900,000	\$431,687	48%	\$468,313
<i>Expenditures</i>				
Consulting & Outside Services	\$10,000	\$22,195	221%	(\$12,195)
Transfers Out	400,000	0	0%	400,000
Capital Improvements	3,500,000	8,736	0%	3,491,264
Total Expenditures	\$3,910,000	\$30,931	0%	\$3,879,069
Rev/Exp	(\$3,010,000)	\$400,756	N/A	(\$3,335,363)
<i>Ending Fund Balance</i>		\$3,311,595		

CLEEP (Fund 241)

The CLEEP Fund is used to account for moneys received under the State's High-Technology Law Enforcement Grant Program. There are no anticipated new revenues for this fiscal year. However, there is a \$2,951 remaining fund balance from unspent prior year grant proceeds.

Description				
<i>Beginning Fund Balance</i>		\$12,148		
	Budget	YTD Total	% of Budget	Remaining
<i>Expenditures</i>				
Department Equipment	\$0	2,797	0%	\$0
Fees	\$0	6,400	0%	\$0
Total Expenditures	\$0	\$9,197	0%	\$0
Rev/Exp	\$0	(\$9,197)	N/A	\$0
<i>Ending Fund Balance</i>		\$2,951		

Education Seizure (Fund 248)

The funds are used for anti-drug educational programs.

Description				
<i>Beginning Fund Balance</i>		\$41,848		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$200	\$0	0%	\$200
Total Revenue	\$200	\$0	0%	\$200
<i>Expenditures</i>				
Consulting & Outside Services	\$10,000	\$1,792	18%	\$8,208
Communication Services	0	7,063	0%	(7,063)
Fees	0	230	0%	(230)
Total Expenditures	\$10,000	\$9,085	90%	\$915
Rev/Exp	(\$9,800)	(\$9,085)	N/A	(\$715)
<i>Ending Fund Balance</i>		\$32,048		

PSAF (Fund 249)

The City receives monthly payments for the Public Safety Augmentation Fund. The money is received in Fund 249 and then transferred to the General Fund to support Police operation costs.

Description				
<i>Beginning Fund Balance</i>		\$19,610		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
½ Cent Sales Tax (Public Safety)	\$123,000	\$96,062	78%	\$26,938
Total Revenue	\$123,000	\$96,062	78%	\$26,938
<i>Expenditures</i>				
Transfers Out	\$120,000	\$115,672	100%	\$0
Total Expenditures	\$120,000	\$115,672	100%	\$0
Rev/Exp	\$3,000	(\$19,610)	N/A	\$26,938
<i>Ending Fund Balance</i>		\$0		

Sanitation (Fund 255)

The Sanitation fund revenues come from monthly solid waste receipts that are billed along with Water and Sewer bills. The expenses are primarily for the cost of services provided by Burrtec Waste and Sanitation, the subcontractor that handles the waste disposal services in the City.

Description				
<i>Beginning Fund Balance</i>		\$42,002		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$400	\$159	40%	\$241
Tipping/Dump Fees	700,000	832,583	119%	(132,583)
Trash Services	1,750,000	2,197,491	126%	(447,491)
Misc. Income	110,000	113,643	103%	(3,643)
Total Revenue	\$2,560,400	\$3,143,876	92%	(\$583,476)
<i>Expenditures</i>				
Payroll	\$55,610	\$9,900	18%	\$45,710
Contract Services	1,800,000	1,736,148	96%	63,852
Landfill Fees	650,000	652,426	101%	(2,426)
Maintenance & Supplies	17,000	9,060	53%	7,940
Administrative Costs	37,000	32,046	87%	4,954
Administrative Service Fees	0	579,176	0%	(579,176)
Transfers Out	30,000	0	0%	30,000
Total Expenditures	\$2,589,610	\$3,018,756	117%	(\$429,146)
Rev/Exp	(\$29,210)	\$125,120	N/A	(\$154,330)
<i>Ending Fund Balance</i>		\$167,122		

Traffic Offender (Fund 256)

Description				
<i>Beginning Fund Balance</i>		59,652		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Vehicle Release Fees	\$45,000	\$30,041	67%	\$14,959
Interest Income	500	1,037	207%	(537)
Total Revenue	\$45,500	\$31,078	68%	\$14,422
<i>Expenditures</i>				
Transfers Out	\$0	\$30,000	0%	(\$30,000)
Total Expenditures	\$0	\$30,000	0%	(\$30,000)
Rev/Exp	\$45,000	\$1,078	N/A	\$44,422
<i>Ending Fund Balance</i>		\$60,730		

SLEOC (Fund 257)

Description				
<i>Beginning Fund Balance</i>		\$109,903		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
State Grants	100,000	\$100,208	100%	(\$208)
Interest Income	1,000	0	0%	1,000
Total Revenue	\$101,000	\$100,208	99%	\$792
<i>Expenditures</i>				
Transfers Out	\$100,000	\$100,000	100%	\$0
Total Expenditures	\$100,000	\$100,000	100%	\$0
Rev/Exp	\$1,000	\$208	N/A	(\$792)
<i>Ending Fund Balance</i>		\$110,111		

Drainage Development Impact Fee (Fund 260)

The Drainage Impact Fee fund receives revenue as new building permits are pulled. There is an existing Fund Balance of \$3,579,214 from fees collected during the housing boom.

Description				
<i>Beginning Fund Balance</i>		\$3,569,414		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$10,000	\$0	0%	\$10,000
Transfers In	400,000	0	0%	400,000
Drainage Impact Fees	60,000	63,490	106%	(3,490)
Total Revenue	\$470,000	\$63,490	15%	\$406,510
<i>Expenditures</i>				
Capital Improvements	\$1,400,000	\$53,690	4%	\$1,346,310
Total Expenditures	\$1,400,000	\$53,690	4%	\$1,346,310
Rev/Exp	(\$580,000)	\$9,800	N/A	(\$939,800)
<i>Ending Fund Balance</i>		\$3,579,214		

Community Facilities District 2006-5 (Fund 262)

CFD 2006-5 (Amore & Armonia) is a special tax district formed to pay for capital improvements and police and fire services in the Amore and Armonia housing tracts. The levy is assessed on the property tax bills for the homes in the district. A portion of the levy is to pay for annual administration costs and for police and fire support. The remaining levy is held to be used to fund capital improvements within the district.

Description				
<i>Beginning Fund Balance</i>		\$48,777		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
CFD Special Tax Revenue	\$64,000	\$48,479	76%	\$15,521
Total Revenue	\$64,000	\$48,479	76%	\$15,521
<i>Expenditures</i>				
Consulting and Outside Svcs	\$0	\$1,870	0%	(\$1,870)
Total Expenditures	\$0	\$1,870	0%	(\$1,870)
Rev/Exp	\$64,000	\$46,609	N/A	\$14,741
<i>Ending Fund Balance</i>		\$95,386		

Lighting and Landscaping Maintenance District (LLMD) (Fund 265)

The Lighting and Landscaping District assesses property owners within the district for perimeter landscaping that benefit their housing tracts. The levy is assessed on the property tax bills for the homes in the district. The expenses are directly related to the cost of service for the maintenance of the district.

Description				
<i>Beginning Fund Balance</i>		(\$4,173)		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
LLMD Assessment Revenue	\$145,000	\$147,279	102%	(\$2,279)
Total Revenue	\$145,000	\$147,279	102%	(\$2,279)
<i>Expenditures</i>				
Consulting and Outside Services	\$10,000	\$2,910	29%	\$7,090
Transfers Out	80,000	80,000	100%	0
Electricity	13,500	25,051	186%	(11,551)
Water	500	0	0%	500
Communications Services	0	1,177	0%	(1,177)
Total Expenditures	\$104,000	\$109,138	105%	(\$5,138)
Rev/Exp	\$41,000	\$38,141	N/A	\$2,859
<i>Ending Fund Balance</i>		\$33,968		

Traffic Development Impact Fees (Fund 270)

The Traffic Development Impact Fee fund receives revenue as new building permits are pulled. There is an existing Fund Balance of \$947,906 from fees collected during the housing boom and through this fiscal year. Please see the AB1600 report for details.

Description				
<i>Beginning Fund Balance</i>		\$855,432		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Traffic Fees	\$0	\$92,474	0%	(\$92,474)
Total Revenue	\$0	\$92,474	0%	(\$92,474)
<i>Ending Fund Balance</i>		\$947,906		

Fire Development Impact Fees (Fund 275)

The Fire Development Impact Fee fund receives revenue as new building permits are pulled. There is an existing Fund Balance of \$56,093 from fees collected during the housing boom and through this fiscal year. Please see the AB1600 report for details.

Description				
<i>Beginning Fund Balance</i>		\$51,232		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Fire Facility Fees	\$0	\$4,861	0%	(\$4,861)
Total Revenue	\$0	\$4,861	0%	(\$4,861)
<i>Ending Fund Balance</i>		\$56,093		

Transit (Fund 319)

Description				
<i>Beginning Fund Balance</i>		(\$23,871)		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Bus Passes	\$0	(\$420)	0%	\$420
Transfers In (From FD236)	40,000	40,000	0%	0
Total Revenue	\$40,000	\$39,580	0%	\$420
<i>Expenditures</i>				
Transfers Out	\$40,000	\$40,000	0%	\$0
Total Expenditures	\$40,000	\$40,000	0%	\$0
Rev/Exp	\$0	(\$420)	N/A	\$ (420)
<i>Ending Fund Balance</i>		(\$24,291)		

Adelanto Community Correctional Facility (Fund 322)

The Adelanto Community Correctional Facility (ACCF) is a City operated level 1&2 prison funded by a State of California contract. The City sold ACCF on June 6, 2010 for \$28M to the GEO Group.

Description				
<i>Beginning Fund Balance</i>		\$1,579,902		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$22,000	\$28,484	129%	(\$6,484)
Property Leases	1,252,475	0	0%	1,252,475
Flat Rate Participation	7,903,484	6,576,918	83%	1,326,566
Participation Rate Revenue	888,000	368,711	42%	519,289
Misc. Revenue	0	167,675	0%	165,901
Transfers In	283,633	0	0%	283,633
Total Revenue	\$10,349,592	\$7,141,788	69%	\$3,207,804
<i>Expenditures</i>				
Payroll	\$6,165,300	\$5,648,765	83%	\$516,535
Contract Services	46,240	174,746	378%	(128,506)
Utilities & Communications	518,000	354,815	68%	163,185
Maintenance & Supplies	1,182,850	671,331	57%	511,519
Administrative Costs	1,013,085	979,852	97%	33,233
Capital Expenditures	105,850	4,984	5%	100,896
Parole Expense/Commendations	1,000	137,825	0%	(136,825)
Interest Expense – Bonds Pymts	1,286,267	1,281,549	100%	4,718
Total Expenditures	10,318,592	9,253,866	90%	1,064,726
Rev/Exp	\$31,000	(\$2,112,079)	N/A	\$2,143,078
<i>Ending Fund Balance</i>		(\$532,177)		

Inmate Welfare Benefits Fund (Fund 477)

Description				
<i>Beginning Fund Balance</i>		\$24,450		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$0	\$1,159	0%	(\$1,159)
Rents and Concessions	0	184,381	0%	(184,381)
Misc. Revenue	0	5,574	0%	(5,574)
Total Revenue	\$0	\$191,114	0%	(\$191,114)
<i>Expenditures</i>				
Payroll	\$0	\$75,797	0%	(\$75,797)
Maintenance & Supplies	0	2,958	0%	(2,958)
Administrative Costs	0	1,771	0%	(1,771)
Canteen Sales	0	133,096	0%	(133,096)
Total Expenditures	\$0	\$213,622	0%	(\$213,622)
Rev/Exp	\$0	(\$22,508)	N/A	\$22,508
<i>Ending Fund Balance</i>		\$1,942		

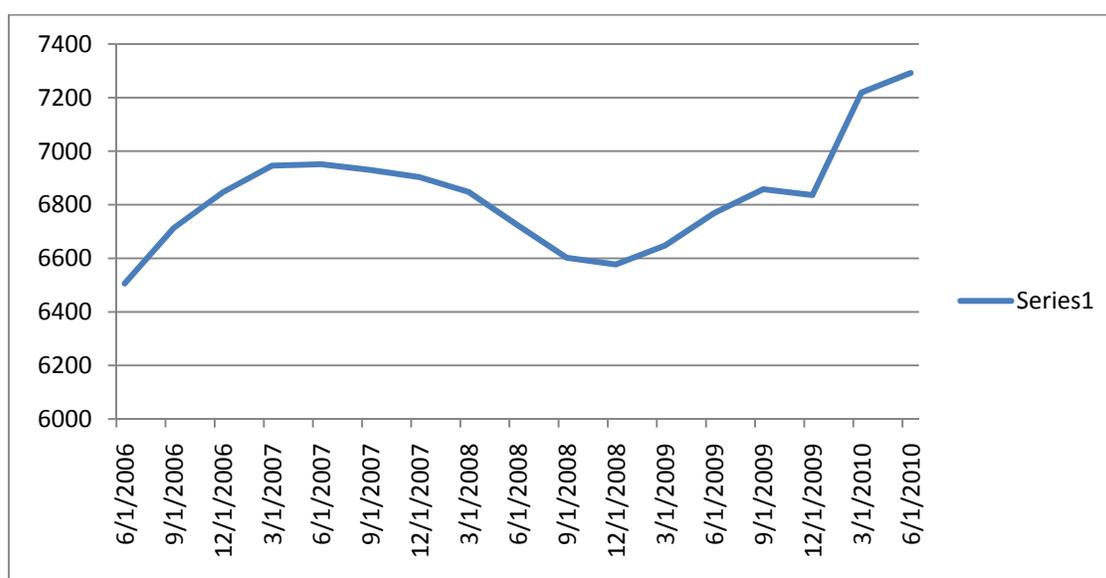
ACCF Telephone Funds (Funds 488 and 489)

Description				
<i>Beginning Fund Balance</i>		\$1,859,808		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$0	\$8,343	0%	(\$8,343)
Telephone Commission	0	127,838	0%	(122,532)
Miscellaneous Income	0	(34,017)	0%	34,017
Total Revenue	\$0	\$102,164	0%	(\$102,164)
<i>Expenditures</i>				
Payroll	\$0	\$143,914	0%	(\$143,914)
Maintenance & Supplies	0	91,536	0%	(91,536)
Total Expenditures	\$0	\$235,450	0%	(\$235,450)
Rev/Exp	\$0	(\$133,286)	N/A	\$133,286
<i>Ending Fund Balance</i>		\$1,726,522		

Adelanto Water Authority (AWA) (Fund 353)

The Adelanto Water Authority had a rate increase approve on August 12th, 2009 that was effective September 1, 2009. The revenue estimates for the water fund will greatly exceed that of prior years' as a result of the rate increase. Water Connection fees, as a result of new development, is projected to much lower than in previous years.

Foreclosures have had an impact on the Water Revenues. The chart below depicts the changes in the number of Water accounts over the past five years and how they have rebounded due the increased activity of foreclosed homes being purchased at discount prices. The third quarter of the fiscal year was very positive with an increase of approximately 400 accounts.



Description	Budget	YTD Total	% of Budget	Remaining
<i>Beginning Fund Balance</i>		\$17,910,384		
<i>Revenue</i>				
Interest Income	\$150,000	\$127,818	85%	\$21,182
Water Rights Fees	12,000	0	0%	12,000
Penalties/Service Charges	200,000	262,938	131%	(62,938)
Water Availability Charges	500,000	563,498	113%	(63,498)
Meter Installations	100,000	30,084	30%	69,916
Water Sales	3,750,000	3,695,511	99%	54,489
Connection/Service Fee	140,000	159,027	114%	(19,027)
NFS Service Charge	2,000	3,360	168%	(1,360)
Purchase Security Income	1,250,000	984,633	79%	265,367
Bond Proceeds	1,650,000	0	0%	1,650,000
Water Connection Fee/DIF	0	616,400	0%	(133,400)
Total Revenue	\$7,754,000	\$6,443,269	83%	\$1,310,731

<i>Expenditures</i>				
Payroll	\$1,145,550	\$1,115,621	97%	\$29,929
Contract Services	1,005,000	428,076	43%	576,924
Utilities & Communications	1,022,000	706,203	69%	315,797
Maintenance & Supplies	1,309,500	436,194	33%	873,306
Administrative Costs	52,500	24,052	46%	28,448
Capital Expenditures	1,650,000	0	0%	1,650,000
Transfers Out	4,165,691	4,165,691	100%	0
Interest Expense – Bonds	5,103,396	3,185,176	62%	1,918,220
Principal Payment - Bonds	932,200	932,200	100%	0
Total Expenditures	\$16,385,837	\$10,993,213	67%	\$5,392,624
Rev/Exp	(\$8,631,837)	(\$4,549,944)	N/A	(\$4,081,893)
<i>Ending Fund Balance</i>		\$13,360,440		

Adelanto Public Utility Authority/Sewer Fund (Fund 360)

The Sewer rate was increased along with the Water rate increase. The base sewer rate went from \$11.43 to \$47.82. A substantial increase that is needed to replace the lack of Sewer Connection fees for new development as well as the increase in financing costs. Also, as part of the cost control strategy, staff has completed the re-financing of the outstanding APUA 2007 bonds with fixed rate 2009 bonds.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Beginning Fund Balance</i>		(\$2,916,560)		
<i>Revenue</i>				
Interest Income	\$0	81,064	0%	(\$81,064)
Sewer Hookup Fees	0	142,521	0%	(142,521)
Sewer Revenue	4,220,000	3,839,006	91%	380,994
Sewer Availability Charges	275,000	343,227	125%	(68,227)
Bond Proceeds	9,240,000	1,818,607	20%	7,421,393
Total Revenue	\$13,735,000	\$6,224,425	45%	\$7,510,575
<i>Expenditures</i>				
Contract Services	947,720	1,229,631	130%	(\$281,911)
Utilities & Communications	265,000	209,801	79%	55,199
Maintenance & Supplies	472,000	543,341	115%	(71,341)
Administrative Costs	158,000	163,128	103%	(5,128)
Capital Expenditures	9,240,000	1,818,607	20%	7,421,393
Transfers Out	125,000	125,000	100%	0
Interest Expense – Bonds	3,243,297	2,011,318	62%	1,231,979
Bond Payments	660,800	660,628	100%	0
Total Expenditures	15,111,817	\$6,761,454	45%	\$8,350,191
Rev/Exp	(\$1,376,817)	(\$537,029)	N/A	(\$839,616)
<i>Ending Fund Balance</i>		(\$3,453,589)		

Adelanto Redevelopment Agency (ARDA) Debt Service Fund (Fund 534 & 535)

Description				
<i>Beginning Fund Balance</i>		\$9,627,507		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Tax Increment	\$5,480,000	\$5,821,370	106%	(\$341,370)
Interest Revenue	\$305,000	93,773	31%	\$211,227
Total Revenue	\$5,785,000	\$5,915,143	69%	(\$130,143)
<i>Expenditures</i>				
Tax Increment Pass-Thru	\$175,000	\$479,393	274%	(\$304,393)
Bond Payments	5,300,000	3,826,191	72%	1,473,809
Transfer Out	100,000	100,000	100%	0
SERAF	0	2,757,257	0%	(2,757,257)
Total Expenditures	\$5,575,000	\$7,162,841	65%	(\$1,587,841)
Rev/Exp	\$210,000	(\$1,247,698)	N/A	(\$1,457,698)
<i>Ending Fund Balance</i>		\$8,379,809		

Adelanto Redevelopment Agency (ARDA) Capital Projects (Fund 550 & 555)

The ARDA has \$7,182,020 in cash for capital projects after making the SERAF payment to the State. Staff will develop recommendations on how to use these funds.

Description				
<i>Beginning Fund Balance</i>		\$7,012,166		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Rents and Concessions	\$0	\$38,962	0%	(\$38,962)
Interest Revenue	2,000	95,796	0%	(93,796)
Proceed on Sale of Property	300,000	119,200	0%	180,800
Transfers In	300,000	0	0%	300,000
Total Revenue	\$602,000	\$249,606	0%	\$368,042
<i>Expenditures</i>				
Consulting & Outside Services	\$102,000	\$69,980	66%	\$32,020
Utilities	60,000	5,472	9%	54,528
Administration Costs	159,350	4,300	3%	155,050
Capital Improvements	3,150,000	0	0%	3,150,000
Total Expenditures	\$3,471,350	\$79,752	0%	\$3,391,598
Rev/Exp	(\$2,869,350)	\$169,854	N/A	(\$3,023,556)
<i>Ending Fund Balance</i>		\$7,182,020		

Adelanto Redevelopment Agency Debt (ARDA) Housing Fund (Fund 560)

The ARDA has \$405,041 in cash for housing projects. Staff and the City Council will need to plan the use of these funds.

Description				
<i>Beginning Fund Balance</i>		\$309,605		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$0	\$1,726	0%	(\$1,726)
Property Tax Proceeds	120,000	94,070	78%	25,930
Total Revenue	\$120,000	\$95,796	80%	\$24,204
<i>Ending Fund Balance</i>		\$405,041		

Victor Valley Economic Development Agency (VVEDA) (Fund 570 & 575)

The VVEDA fund current has a fund balance of \$1,674,864 to be used for economic development within the City's VVEDA zone.

Description				
<i>Beginning Fund Balance</i>		\$1,070,392		
	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$0	\$23,103	0%	(\$23,103)
Property Tax Proceeds	0	458,054	0%	(\$458,054)
Total Revenue	\$0	\$481,157	0%	(\$480,302)
<i>Expenditures</i>				
Consulting Services	\$0	\$2,750	0%	(\$2,750)
Travel	0	923	0%	(\$923)
Membership & Dues	0	(\$126,988)	0	126,988
Total Expenditures	\$0	(\$123,315)	0%	\$123,315
Rev/Exp	\$0	\$604,472	N/A	(\$604,472)
<i>Ending Fund Balance</i>		\$1,674,864		

Staffing and Position Status

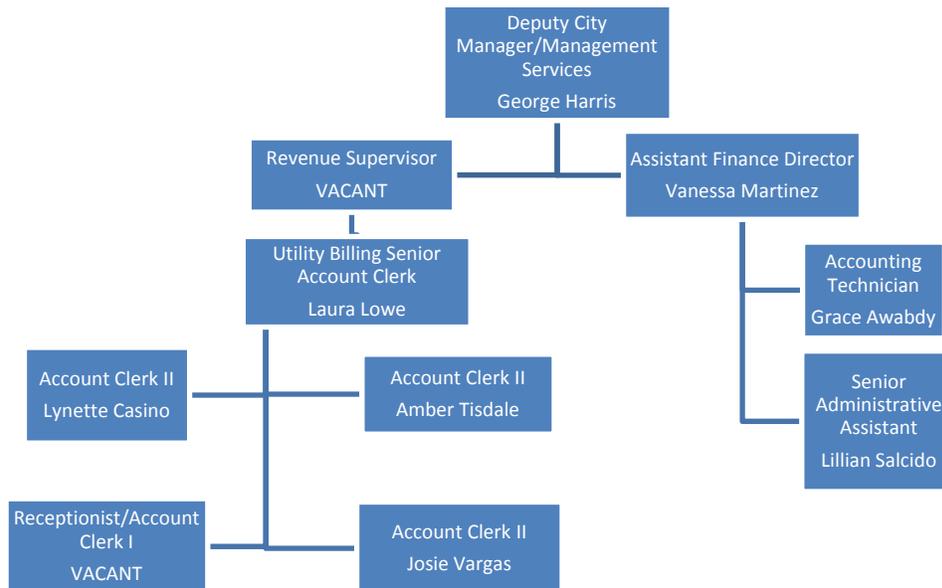
Funding Source	Position Title	Permanent	Stipend	Contract	Status
General Fund					
City Council	Mayor (Stipend)		1		Filled
	Council Members (Stipend)		4		Filled
City Manager's Office	City Manager	1			Filled
	Secretary to City Manager	1			Filled
	Management Analyst	1			Filled
	Admin Intern.	1			Vacant
City Clerk's Office	City Clerk	1			Filled
	Administrative Assistant	1			Filled
Human Resources/IT	Deputy City Manager/Support Services	1			Filled
	Admin Assistant/IT II	1			Filled
	Contract IT Tech			1	
Finance	Deputy City Manager/Management Services	.10			Filled
	Assistant Finance Director	1			Filled
	Accounting Technician	1			Filled
	Admin Assistant II	1			Filled
Animal Control	Animal Control Officer	2			Filled
	Animal Control Technician	1			Filled
Code Enforcement	Code Enforcement Officer	4			Filled
	Parking Enforcement Officer PT ⁽¹⁾	1			Filled
	Code Enforcement Technician	1			Filled
Building & Safety	Building Official (Contract PT)			.50	Filled
	Building Inspector	1			Filled
	Building Permit Coordinator	1			Vacant
	Senior Administrative Assistant	1			Filled
Engineering Department	City Engineer (Contract)			1	Filled
	Engineering Project Coordinator	1			Filled
	GIS Technician	1			Filled
Community & Economic Development Department	Community Development Director (Contract)			1	Filled
	Associate Planner	1			Filled
	Assistant Planner	1			Filled
	Senior Administrative Assistant	1			Filled
	Planning Commissioners (Stipend)		5		Filled
Street Department	Assistant Public Works Superintendant	1			Filled
	Lead Maintenance Worker	1			Filled
	Maintenance Workers	10			Filled
Park Maintenance	Lead Maintenance Worker	1			Filled

	Maintenance Workers	2			Filled
	Parks & Recreation Commissioners (Stipend)		5		Filled
Facility Maintenance	Public Works Superintendant	1			Filled
	Maintenance Workers	2			Filled
Fleet Maintenance	Mechanic	1			Filled
Non-departmental	Custodians	2			Filled
Police (Contract) ⁽²⁾	Police Captain			1	Filled
	Lieutenant			1	Filled
	Sergeant			5	Filled
	Corporal Detectives			2	Filled
	Officer			15	Filled
	Sheriff's Service Specialists			2	Filled
	Secretary			1	Filled
	Office Specialist			4	Filled
Fire (Contract)	Battalion Chief			1	Filled
	Captain			6	Filled
	Engineer			6	Filled
	Firefighter/Paramedic			6	Filled
	Paid Call Firefighter			1	Filled
Total Permanent/Stipend/Contract		48.60	15	54.50	138 Filled/ 2 Vacant
Total General Fund		118.10			
Sanitation					
	Recycling Coordinator	1			Vacant
Total Sanitation		1			
Adelanto Water Authority					
Operations	Director of Public Utilities	1			Filled
	Assistant Water Superintendent	1			Vacant
	Water Operator	10			Filled
	Senior Administrative Assistant	1			Filled
Water Conservation	Water Conservation Specialist	1			Filled
Utility Billing (Finance)	Deputy City Manager/Management Svcs.	1			Filled
	Senior Account Clerk	1			Filled
	Account Clerk II	3			Filled
	Account Clerk I/Receptionist	1			Filled
Total Permanent/Stipend/Contract		20			
Total Adelanto Water Authority		20			19 Filled /1 Vacant
Stater Bros. Stadium					
	Stadium Head Groundskeeper	1			Filled
Total Stater Bros. Stadium		1			

Adelanto Community Correctional Facility					
Administration:	Warden	1.00			Filled
	Deputy Warden	1.00			Filled
	Administrative Assistant	1.00			Filled
	Executive Secretary	1.00			Filled
	Business Services/Personnel	1.00			Filled
	Business Services/Procurement	1.00			Filled
	Finance Technician	1.00			Filled
	Janitorial Supervisor	1.00			Filled
Medical:	Nurse	1.63			Filled
	Office Assistant	1.00			Filled
Education:	Program Coordinator	1.00			Filled
	Office Assistant	1.00			Filled
	ESL Teacher	1.00			Filled
	Teacher - Reading/Recovery	1.00			Filled
	Relief Teacher	0.50			Filled
	Vocational Teacher	2.00			Filled
	Pre Release Teacher/ Telephone Fund	1.00			Filled
	ABE/GED Teacher/ Telephone Fund	1.00			Filled
	ABE I Teacher/ Telephone Fund	1.00			Filled
	ABE II Teacher	1.00			Filled
	ABEIII Teacher	1.00			Filled
	Chaplain/ Telephone Fund	0.30			Filled
Food Service:	Asst. Food Manager	1.00			Filled
	Supervising Cook II	1.00			Filled
	Supervising Cook I	3.26			Filled
Maintenance:	Plant Operations Manager	1.00			Filled
	Building Trade Supervisor	1.00			Filled
	Maintenance Mechanic	1.00			Filled
	Groundskeeper	1.00			Filled
Warehouse:	Warehouse Supervisor	1.00			Filled
	Warehouse Worker	1.00			Filled
Canteen:	Canteen Manager/ IWBF	1.00			Filled
Custody:	Captain	1.00			Filled
	Lieutenants	4.89			Filled
	Sergeants	9.15			Filled
	Correctional Officers	61.44			Filled
Total Permanent/Stipend/Contract		111.17			Filled
Total ACCF			111.17		
Total Permanent/Stipend/Contract					
		181.77	15	54.50	
Total All City			251.27		

(1) The Parking Enforcement Officer was added in Fiscal Year 2009/10 after the budget was approved.

APPENDIX A -The City of Adelanto Finance Department



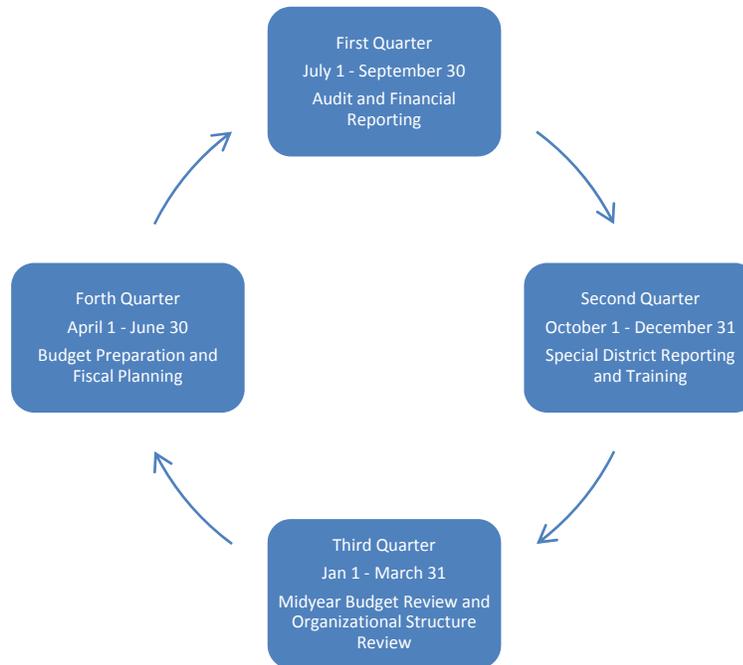
The **Finance Department** consists of two primary sub-divisions the *Utility Billing/Central Cashiering Division* and the *Accounting Division*.

The **Utility Billing/Central Cashiering Division**, headed by the Revenue Supervisor, handles all cash receipts for the entire City. The bulk of the cash receipts are utility bills that are received via three payment methods; in-person, by mail or via the internet/automated telephone system. The Utility Billing department mails and processes 7,944 bills monthly. All other City receipts are done mostly by mail or by direct deposit with a few exceptions being handled in person. The division also fields between 600 and 800 phone calls per week related to Utility services. The Utility Billing/Central Cashiering division consists of six (6) employees: One (1) Revenue Supervisor, One (1) Senior Account Clerk, three (3) Account Clerk II(s) and one (1) Receptionist/Account Clerk I.

The **Accounting Division**, headed by the Assistant Finance Director, consists of General Ledger accounting, Accounts Payable and Payroll. The Accounting Division consists of three (3) employees: One (1) Assistant Finance Director, One (1) Accounting Technician and One (1) Senior Administrative Assistant. The accounting division prepares all payments due to vendors that the City of Adelanto has business relationships with and prepares the payroll for all City Employees.

Finance Department Major Tasks

The Finance Department's major tasks are cyclical throughout the Fiscal Year and consist of the following:



First Quarter - July 1 thru September 30 – The first quarter of the Fiscal Year is primarily focused on Auditing and Fiscal Reporting. The City retains an outside auditor that audits the financial activities of the City of Adelanto, the Adelanto Redevelopment Agency and the Adelanto Public Utilities Authority. The preparation by staff begins in July with revenue accruals, year-end reconciliation adjustments and bank activity reconciliations. There are a series of reports that are prepared by staff during this time that are based on the previous fiscal year's activity. The reports that are completed include the State Controller's Report, Payroll Tax reports, and various special revenue reports, (i.e. grants, Measure I, etc.). Also, any tax roll levies are prepared and forwarded to the County during the first quarter.

Second Quarter – October 1 thru December 31 – The Second Quarter of the Year wraps up the financial reporting that is due by the end of the calendar year. This is also the more appropriate time for staff to take advantage of a lull in major task activity and plan for training. Annually new auditing requirements are established and staff is required to be trained to keep the City in compliance with all County, State and Federal guidelines.

Third Quarter – January 1 thru March 31 – The Third Quarter, or Midyear, provides staff with 6 months of Revenue, Expenditure and operational activity to enable the City Manager and Council to effectively make any necessary changes to the Budget or Organizational charts that would be effective for the remainder of the Fiscal Year. Mid-year strategic changes help to

minimize any ineffective activity and programs and provide an opportunity for proactive management.

Fourth Quarter – April 1 thru June 30 - The Fourth Quarter is primarily for budget and program preparation for the subsequent Fiscal Year. Along with the City Manager, the Finance Department meets with the entire City to discuss budget needs and staffing as it relates to preparing for the next fiscal year. Revenue projections are prepared, reserve funds are evaluated and program budgets are established. The City Council is briefed various times throughout the process with the final budget approval being presented in June of each year.

Other Finance Tasks

The following is a list of the other non-major but highly frequent activities that the Finance department is responsible for and the frequency schedule associated with them:

Activity	Frequency
Payroll	Bi-Weekly
Accounts Payable processing	Daily
Utility Billing/ Receivable processing	Daily
Payroll Taxes Processing	Quarterly
Debt Management	Bi-Annual Review
Investment Management	Reviewed Monthly
Customer Service	Daily